

Circular coffee: creating value across the supply chain

 $\hbox{`Circular coffee' is a public private partnership between the Netherlands Enterprise Agency}$ (RVO), Jacobs Douwe Egberts (JDE), Olam Food Ingredients (OFI), Cuencas del Huallaga, Ministry of Agriculture's Wildlife and Forestry service division (SERFOR) and Solidaridad that aims to promote circularity across the coffee value chain. It will pursue this by piloting circular agriculture methods and exploring innovative coffee waste business opportunities in order to benefit both farmers and the environment. The partnership also promotes gender inclusivity and formalization of farmland.

Context

Under pressure from a growing population, linear systems of production based on a take-make-dispose approach are no longer viable across many value chains. This is also the case for conventional coffee production which is characterized by continuous degradation of nature and depletion of nutrients.

To prevent the exhaustion of the earth and its resources we need to produce and consume coffee more sustainably. A circular approach makes it possible to produce sufficient coffee within the limits of the planet. Resources are used efficiently, waste streams are optimally re-used and recycled and nature is regenerated. This creates positive impacts on the environment and farmers benefit from high long-term yields and increase resilience.

Producing coffee for the growing world population can be much more efficient: produce more, with less. In production this means, for example, that the need for inputs like water and fertilizer is minimized and nutrient cycles are closed, waste and losses are mitigated; and those that remain (like coffee pulp and wastewaters) are re-used and/or re-cycled into useful items such as compost and biofertilizer. In other parts of the supply chain, coffee waste can also be circulated as raw materials for products with a higher economic value, such as soaps and construction materials.

PROJECT DETAILS





1,600 farmers employing circular practices in



10% increased income and 20% productivity boos due to circular agricultural practices.



7,136 hectares of farmland (3552 ha is farmland for coffee) used in a more eco-friendly fashion.

11,596 hectares of farmland that agro-ecologically became more resilient to possible stresses and/or shocks.



2,166 metric tonnes coffee ground waste upcycled into high value, low-cost products in the Netherlands.







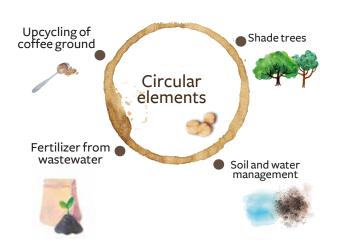








CIRCULAR COFFEE BY NATURE





"Without the use of circular practices in waste management, the water used in coffee process gets acidic and is harmful for animals, insects and the soil."

Walter Medina, Smallholder for OFI

"An empowered woman can improve many aspects of her children's lives. For that reason, the technical assistance with a gender perspective is important to overcome poverty"

Jessica Hildebrandt,



Technical Extensionist for Coffee Producers Association Cuencas del Huallaga

What are the goals of the partnership?

• Increased adoption of circular agriculture

The partnership will provide technical assistance and training so that farmers gain the skills, knowledge and tools required for the uptake of the circular agriculture model, which is adapted to the individual conditions of the farm and farmer.

• Increased gender inclusivity

Using the Gender Action Learning System (GALS), the partnership aims to engage coffee families to influence gender (and youth) behaviour change to improve family members ability to act and address power dynamics in decision making.

Access to formal land-use permits

The partnership will implement CUSAF (Concession for Use in Agroforestry Systems in Spanish) that will give coffee producers formal conditions that can help facilitate improved access to credit conditions.

• Access to finance and incentives for circular agriculture

The partnership aims to create an economically viable business opportunity from coffee husk waste and create a farmer's fund from the earnings to incentivise the adoption of circular agriculture to benefit the farmers, their communities and the environment.

• Upcycling Spent Coffee Grounds

Spent coffee ground waste is generated once coffee has been consumed. In the Netherlands, the aim is for this waste to be collected and sold to create sustainable and value-added products such as construction materials, soaps and others.

IMPACTS

- A higher volume of coffee with differential offering in international markets, based on a circular economy and prosperity for farmers.
- Higher quality coffee to sell to consumers.
- Reduced footprint for the supply chain of companies.

What is the role of each partner?

Jacobs Douwe Egberts B.V. (JDE): Is the main buyer and trading partner in Europe and is responsible for providing sustainable sourcing conditions for farmers that are linked to circular agriculture. They will also demonstrate circular innovations based on upcycling of spent coffee grounds in the Netherlands as part of a corporate commitment to achieve circularity by 2025.

Olam Food Ingredients (OFI): Is the anchor company in Peru. It leads technical assistance to producers, it supports data collection, training and value chain logistics for coffee to allow for export. OFI works with Solidaridad to identify viable revenue opportunities from coffee husks.

Cuencas del Huallaga: Is a smallholder farmer association. It supports their coffee farmer members with technical assistance and training based on the principles of circularity, gender inclusivity and land formality.

Ministry of Agriculture's Wildlife and Forestry Service division (SERFOR): As the National Forestry authority it supports the adoption of land use permits to farmers based on the condition of implementation of agroforestry systems on coffee farms.

The Netherlands Enterprise Agency (RVO): On behalf of the Dutch Ministry of Foreign Affairs the Netherlands Enterprise Agency funds this project to contribute to achieving food security and private sector development. This project is funded under the Sustainable Development Goals Partnership (SDGP) programme.

Solidaridad: As programme lead manages the overall partnership, development and training, while managing the project's administration, and reporting. Solidaridad also leads the development of circular business opportunities in order to foster the creation of a farmer's fund to incentivise circular agriculture with farmers.

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