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## COFFEE ALLIANCE FOR EXCELLENCE

The Coffee Alliance for Excellence (CAFE) is a public-private partnership that seeks to increase the incomes of smallholder coffee farmers so that they need not resort to drug cultivation for economic survival. CAFE will achieve this objective by helping farmers to improve productivity and break into the supply chain for specialty coffee, which pays a premium for high quality beans.

Being the second largest cocaine producing country in the world, the Government of Peru has successfully adopted a counter-narcotics strategy focused on eradication, interdiction, and alternative development with U.S. Government's support. Coffee is the second most widely used crop substitute for coca. Through the Alliance, USAID and the private sector help lift thousands of rural families out of poverty and integrate them into the licit economy. CAFE identifies shared objectives among stakeholders, from end consumers to financial and government institutions to facilitate relationships.

## HOW DOES CAFE WORK?

- Increase coffee farmers' productivity (yields) and improve the quality of their beans through training and access to essential inputs.
- Teach coffee farmers about sustainable production practices, which will make their farms more resilient and productive.
- Connect coffee farmers to markets, so they can access inputs and sell their product at a fair price.
- Improve coffee farmers' access to formal financial services, including credit.

## RESULTS ACHIEVED

- A 145% Increase in household income of more than 8,200 families in the Amazon
- Yield increase of 66% (from 664 kg/ha to 1,107 kg/ha)
- Approximately 5,900 rural families accessing \$24.5 million in loans to invest in their coffee farms
- Brokered the sale of 36,600 metric tons of coffee, at a value of \$76.4 million from producer organizations to major coffee buyer PERHUSA.
- About 117 producer business groups identified and selected to be strengthened and trained on organizational development.

## PROJECT INFORMATION

**IMPLEMENTER:** TechnoServe, Inc.

**PARTNERS:** Jacob Douwe Egberts (JDE), Perales Huancaruna S.A.C (Perhusa), Olam, World Coffee Research (WCR), International Potato Center (CIP)

**PROGRAM DURATION:** November 2, 2017 - November 2, 2022

**USAID FUNDING:** \$11,225,896

**CONTRIBUTIONS FROM OTHER PARTNERS (LEVERAGE):** \$1,700, 000

**LOCATION:** Huanuco, San Martin, and Ucayali regions

**COORDINATOR'S NAME:** Mónica Tuesta

**TELEPHONE:** (51-1)618-1326

**EMAIL:** [mtuesta@usaid.gov](mailto:mtuesta@usaid.gov)