

## **A Strategic Alliance for the Value Chain “Sustainable Coffee Production and Marketing in Buffer Zones of Protected Areas in the West of Honduras”**



Six areas of natural protection are located in the departments Ocotepeque, Copan and Lempira, in the West of Honduras. One of these, National Park Celaque, a cloud forest area with an enormous capacity for water storing and thus a very high and steady water flow, is of international importance since the rivers Ulua and Lempa Stara start here, and drain to the Caribbean coast of Honduras and the Pacific coast of El Salvador respectively.

The National Park Celaque covers an area of 26393 ha and supplies water to approximately 150,000 people in the West of Honduras. 11 communities, sharing the area of the National Park, founded the community association MAPANCE with the objective to protect the natural resources of the National Park and to foster environmentally sustainable economic activities (coffee production, eco-tourism) in the buffer zones, together with the local population.

Other economic activities, however, present a permanent threat to the natural resources. Especially water quality and -quantity from the protected areas is affected by conventional coffee production and other agricultural activities. Protection, conservation and sustainable land use can only be secured by a direct involvement of the local population in the management of the protected areas.



Since coffee production is the most important economic activity in the buffer zones of the protected areas, the GTZ-project PRORENA-Occidente, together with counterpart institutions and international partners started a local project on Support of Production and Marketing of Certified Coffee as an Alliance between Public and Private Sector, which combines the economic activity of coffee production, processing, and marketing, with natural resources protective measures.

In the year 2002 the project started its first phase supporting 150 small farmers in the community San Juan to improve production technology within the process of certification. Besides, farmer groups were advised on organizational processes towards the establishment of formal enterprises. In the second phase, these enterprises organized themselves under the roof of a foundation for the development of sustainable coffee-production and marketing (FUNDECASSA). With this organizational scheme farmers benefit from economies of scale through input purchase, credit supply, but most of all in the marketing of larger quantities of coffee.

FUNDECASSA has commercial relations with the most important coffee exporters in Honduras and with international coffee processing enterprises like Tschibo. This allows selling between 750 and 1000 MT of high quality coffee annually to Europe. The Certification according to the Rainforest Alliance (RA) provides an additional payment of 70 to 150 Euro per MT to the farmers.

Since 2005 support activities in San Juan have been reduced because it became clear, that the small farmers together with their organizations could manage production and marketing on their own.

At that time, the Strategic Alliance, based on the success story in San Juan, began to promote sustainable coffee production and marketing to other farmer groups in the buffer zones of the Nature Park Celaque and other protected areas.

At present the project supports a total of 29 Organisations with more than 700 small farmers, many of them of indigenous origin. On almost 2000 ha, these farmers produce 3000 MT of coffee, of which 75 % is Rainforest Alliance certified Coffee.

