

# ACCELERATING INVESTMENTS IN COFFEE R&R

**8<sup>th</sup> Consultative Forum on Coffee Sector Finance**

September 18, 2018



**SUSTAINABLE  
COFFEE  
CHALLENGE**

**CONSERVATION  
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**SUSTAINABLE  
COFFEE  
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# THE CHALLENGE

The Sustainable Coffee Challenge is a dynamic and diverse coalition sets out to create a common language, increase transparency, and drive collective action.

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# COLLECTIVE ACTION NETWORK COFFEE FARM R&R

Accelerate the responsible investments and in renovation & rehabilitation (R&R) across the industry, by sharing experiences, incorporating best practices and coordinating efforts and resources.

# SMALLHOLDER COFFEE R&R NEED

50%

>50% of the 7 million hectares of global smallholder coffee land could benefit from R&R

\$1-3B

Farmers could accrue between USD ~1-3 billion at farmgate prices through increased coffee sales per year

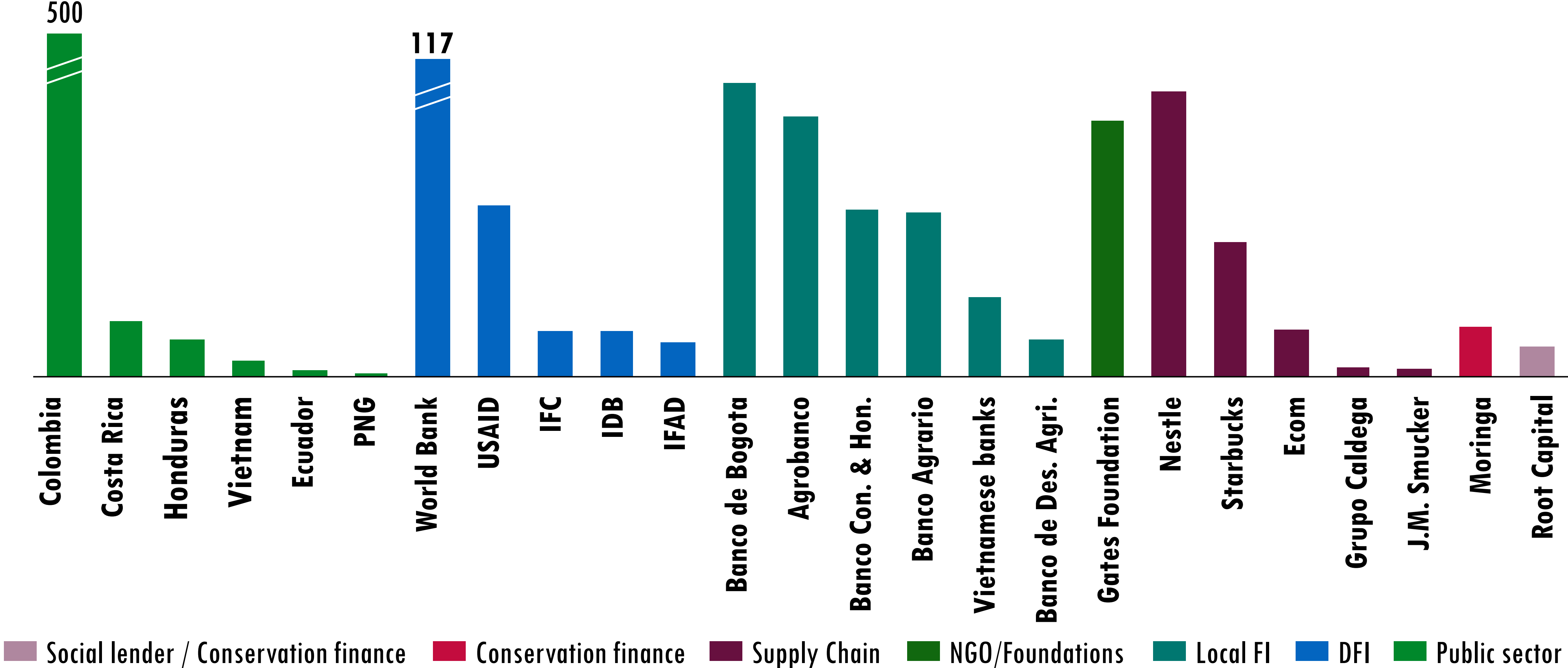
1-3M

Without R&R, a similar increase in yields and value would require an expansion of coffee land onto ~1-3 million hectares of new land under current yields

# Governments and actors in coffee value chains have invested **\$1.2 billion**

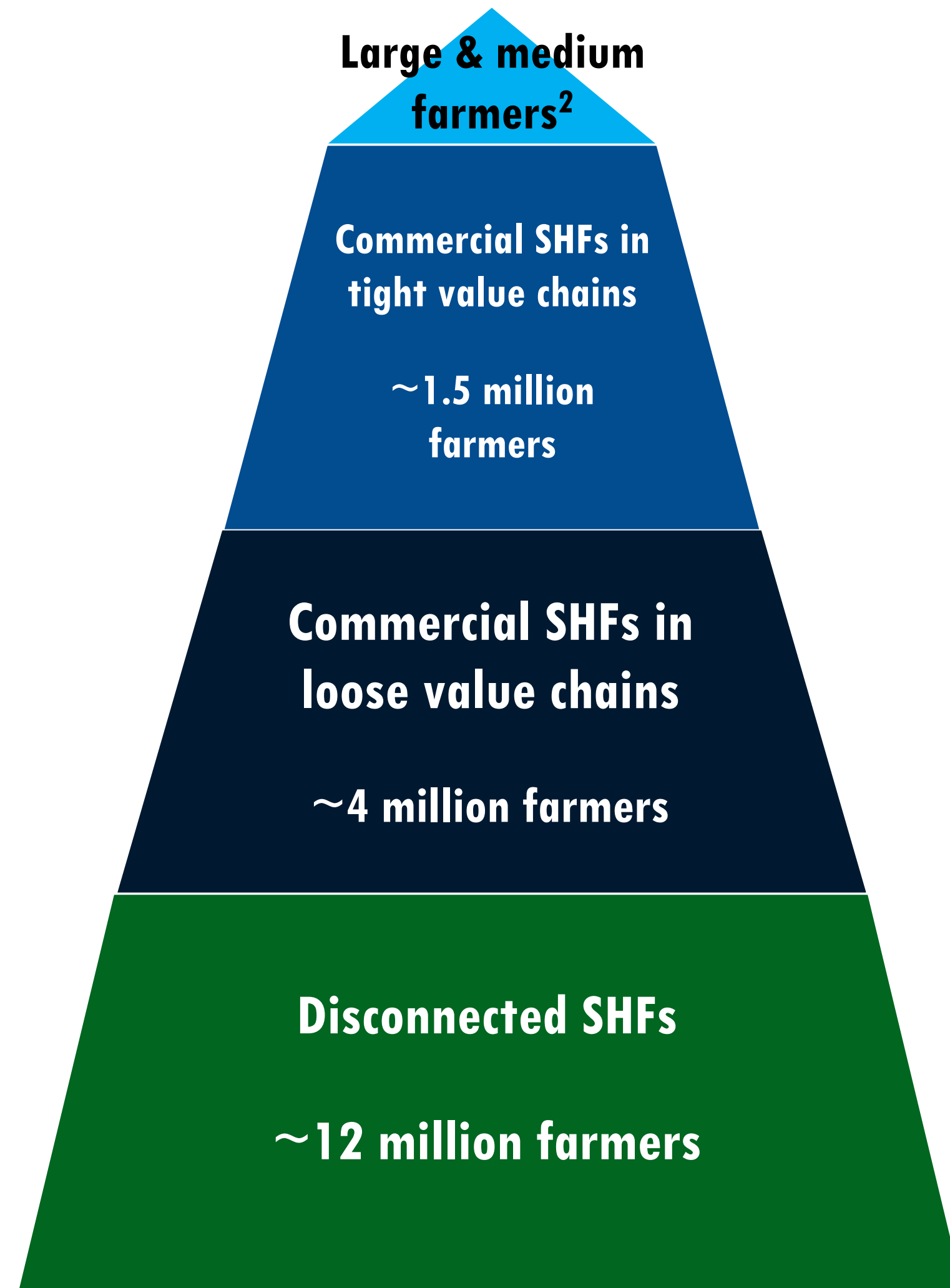
## Investments channeled by finance providers

*USD millions*



# FINANCING R&R ACROSS FARMER SEGMENTS

Coffee farmer pyramid<sup>1</sup>



**Credit risk**

**Transaction costs**

**Capacity to take on R&R**



**R&R Need**

Notes: (1) Estimates of number of SHFs in each segment comes from Hans R. Neumann Stiftung, *Structure of the coffee sector and implications for R&R*, 2017, methodology from: Dalberg, *Inflection point: Unlocking growth in the era of farmer finance*, 2016; (2) These farms are generally not considered for this Guidebook as they are, at least partly, able to self-finance R&R. Source: Dalberg analysis and Dalberg interviews

for more information visit

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