

Sustainability and Value Added in Agricultural Supply Chains in Ethiopia (SUVASE)

In the birthplace of coffee arabica in Western Ethiopia, SUVASE aims to improve the income of smallholder farmers and preserve the unique biodiversity.

Project name	Sustainability and Value Added in Agricultural Supply Chains in Ethiopia (SUVASE)
Commissioned by	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ)
Project region	Nono Sale, Didu, Alle and Becho districts in the Illubabor zone and Mana district in Jimma zone, Oromia region
Lead executing agency	Ethiopian Coffee and Tea Authority (ECTA)
Duration	08/2020 - 03/2025
Financial volume	4,900,000 EUR

The Global Programme “Sustainability and Value Added in Agricultural Supply Chains”

The global programme promotes sustainability in agricultural supply chains. It aims to make these fair, sustainable and free of deforestation. For this sake, the programme cooperates with market drivers in banana, cocoa, coffee, cotton, natural rubber, palm oil, soy, spices and tea supply chains. Together with global companies, international standards organisations, and national partners, it implements project activities in eleven partner countries (Burkina Faso, Brazil, Cameroon, Colombia, Côte d’Ivoire, Ecuador, Ethiopia, Ghana, India, Indonesia, and Uzbekistan).



The challenge

Coffee is Ethiopia’s most important export commodity, accounting for about 25% of export revenues and approximately 4.7 million smallholders depend on coffee production. However, yields are lower than in other coffee growing countries and many coffee farmers do not earn enough to sustain a decent standard of living. Even though women contribute a substantial share of the labour within the coffee value chain, they are not equally integrated in

decision-making processes and are not sufficiently supported by existing structures.

Between 2001 and 2015 alone, globally 1.9 million hectares were deforested to make way to produce coffee. This makes coffee one of the major drivers for tropical deforestation and contributes to climate change. Many consumers are increasingly concerned about the social and ecological impact of their consumption and accordingly, the demand for sustainably sourced coffee is increasing. Ethiopia has a great potential to supply sustainable coffee. Most of the coffee is produced on small scale farms in forest, semi-forest or garden production systems, with no or very limited chemical inputs like fertilisers. Especially the forest production system, where coffee is collected from natural rainforests, has a high ecological value. To financially reward farmers for their sustainable production, the access to international markets must be improved. Only if they earn a Living Income from coffee, the vulnerable ecosystems can be protected from agricultural extension.

Our approach

The “Sustainability and Value Added in Agricultural Supply Chains in Ethiopia (SUVASE)” project aims to improve the sustainability in the Ethiopian coffee value chain. Our activities target 38 coffee cooperatives with more than 8,000 members in the Illubabor zone as well as 2,000 coffee outgrowers in the Jimma zone in the Oromia region of Ethiopia.

SUVASE builds the bridge from the **shelf to the field** and links global demand for sustainable coffee with producers in Ethiopia. To improve market access, we support the producer organisations to obtain internationally recognized **certifications**, establish a **traceability system** and strengthen the organisations’ **marketing capacities**. To put sustainability in the centre of the entire value chain and to ensure long-term impact beyond the project timeframe, SUVASE cooperates with **international lead firms** in the coffee sector.



Photo left: Farmer preparing the coffee for drying
Photo right: Fresh coffee cherries



Photo left: Coffee drying beds at a cooperative

Photo right: Coffee forest where wild coffee is harvested

At the production level we work with farmers, producer organisations and coffee processors to improve yields and quality through climate-sensitive Good Agricultural Practices (GAP) and improved post-harvest management. We strengthen **agricultural extension** services and promote producer organisations' professionalization. To overcome the gender gap in coffee production we promote **gender inclusiveness** and collaborate with local and international NGOs as well as with public authorities.

To protect the remaining coffee forests and safeguard **environmentally friendly coffee production**, we support Participatory Forest Management (PFM) groups, establish a **forest monitoring system**, and **monitor the greenhouse gas emissions**. Through **certification and direct export**, farmers achieve higher income and deforestation can be reduced.



Intervention areas of GIZ SUVASE. This cartographic representation does not implicate a statement on the legal status of sovereign territories or boundaries.

Cooperation with the private sector

To link sustainable production with international markets, GIZ SUVASE has started two integrated development partnerships (iDPP) with private sector actors.

- A first iDPP was launched in March 2022 with Original Food, a specialized trader for the forest coffee niche market. The cooperation aims to increase the income of **forest coffee producers** through the export of sustainable, traceable, and **certified wild forest coffee**.

- In September 2022, a second iDPP with ECOM, one of the world's leading coffee merchants, was started. We jointly work with actors along the value chain to increase farm yields, to improve coffee quality and to **reduce greenhouse gas emissions**. Additionally, we develop strategies to **prevent child labour** and improve **gender equality** in the sector. The inclusion of coffee cooperatives into ECOM's supply chain will also boost the export from the intervention area.

Results

At production level:

- More than 1,200 farmers extended their knowledge on topics like GAP, quality, and sustainability through training.
- More than 1,200 farmers have access to improved drying beds and 12 cooperatives have constructed modern warehouses.
- During a summer course at Dilla University, 38 governmental extension service providers acquired in-depth skills in coffee production.
- 10 cooperatives were certified according to the EU organic standard. Rainforest Alliance certification for 11 cooperatives is ongoing.

Sustainable coffee supply chain:

- The first three containers of coffee from the supported cooperatives were directly exported. The prices for certified coffee were 35-50% higher than on the local market.
- 11 cooperatives and more than 1,750 farmers and their coffee deliveries were registered in a traceability system.
- In a Training of Trainers approach, more than 70 PFM members have been trained on forest management.
- A digital learning platform for coffee supply chain actors was developed and three mixed-learning piloting courses are available online.

Published by

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices Bonn and Eschborn, Germany

GIZ SUVASE
Hisham Building, 3rd floor, Kazanchis
Addis Ababa
Ethiopia

As at

December 2022

Photo credits

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GIZ is responsible for the content of this publication.

On behalf of

Federal Ministry for Economic
Cooperation and Development (BMZ)

In cooperation with

Ethiopian Coffee and Tea Authority (ECTA)

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