



# IMPROVING SUSTAINABILITY AND TRACEABILITY WITHIN THE COFFEE VALUE CHAIN IN NICARAGUA







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Financial services delivery

Capacity building for end beneficiaries

Market access and product development

Management systems improvement

#### CONTEXT

Nicaragua is the largest country in Central America, covering 130,000 square kilometres, and counting almost 7 million people. Its economy relies on producing light manufacturing, services, and agriculture. While it has great potential for development, it remains one of the region's poorest countries. The agricultural sector in Nicaragua is a key element of the national economy and is strongly dependent on coffee, cotton, banana and sugar cane. Over the last year, the sector has faced major challenges, especially decreasing yields due to the unfavourable climatic conditions and reduced rainfall. Coffee production in Nicaragua has been an important part of its history and economy. Large-scale growing began in Nicaragua in the 1850s and soon became one of the main export crops.

#### **CURRENT STATUS OF THE BENEFICIARY ORGANISATION**

Cooperativa Multifuncional de Productores y Exportadores de Café de San Juan de Río Coco (PROCAFE) is a cooperative-based organisation founded in 2011 by small producers specialising in differentiated coffees. Located in the department of Madriz, it currently has 172 active members (31% women) and works with 75 additional producers under traceability schemes. 100% of its production is destined for international markets, with annual sales exceeding EUR 13.8 million over the period 2021-2024.

## **OBJECTIVE OF THE PROJECT**

The objective of the project is to consolidate the sustainability of the cooperative by strengthening its accounting, operational and environmental capacities, leading to improved resilience of smallholder farmers.

The expected results of the project are:

- Train at least 140 producers (including at least 30% women) on sustainable agroenvironmental practices and Regulation on Deforestation-free Products (EUDR) compliance.
- Develop and implement a digital collection module to improve traceability.
- Migrate the accounting system of the cooperative to International Financial Reporting Standards (IFRS).

### **IMPACT INVESTOR**



#### **BENEFICIARY ORGANISATION**

PROCAFE (cooperative) - Nicaragua

#### **TARGET**

172 smallholder farmers

AGRICULTURAL VALUE CHAIN
Coffee

#### **STARTING DATE**

August 2025

#### **DURATION**

4 months

#### **TOTAL TA BUDGET**

€ 27,105 Including € 21,684 (80%) contribution from SSNUP

