



SUCCESS STORY

New mill reduces costs, increases profits for coffee farmers



Photos by Fintrac Inc.

ATAISI Coffee Cooperative members display the coffee beans as they come out of the new mill.



After being separated from the pulp, coffee beans are dried on open patios before packaging.

Challenge

Ever since the crash in coffee prices in 2001, the 350-member ATAISI Coffee Cooperative in Sonsonate, El Salvador, found it hard to make a profit. They wanted to increase the quality of their processed coffee and minimize production costs but their hands were tied because they could not afford to replace their 55-year old coffee mill, which used water and power inefficiently and could no longer process coffee beans to their standards.

Initiative

USAID's Agricultural Diversification Program (ADP) identified and helped the cooperative purchase a wet coffee mill with the capacity of processing more than 11,000 pounds of high quality green coffee beans per hour. The machine is designed to significantly reduce water dependence in the de-pulping process and use less energy to remove the mucilage crust. Repair and maintenance costs are also less and the mill's processing output is much higher.

Results

With the new coffee mill, the cooperative significantly increased profits and minimized environmental impact. Water used during milling dropped from 87 gallons to 25 gallons per quintal (100 pounds) of coffee, a 71 percent reduction. The cooperative is also saving on electricity costs because the mill uses less power to pump water into the processing system. And, because the mill cleans coffee beans more efficiently, the drying stage is faster. Because of these improvements, processing costs have dropped \$11.32 per quintal, saving the cooperative \$120,954 per harvest season. Each of the 350 cooperative members is now receiving an additional \$345 per harvest season because of the increased efficiency of the new mill.

The cooperative is now producing high quality coffee with its new mill. During a cupping session led by members of the Salvadoran Coffee Council, certain ATAISI Cooperative coffee lots, previously good enough only for commercial grade standards, are now being graded as specialty coffee. Some of the highest-ranking lots have been flagged as potential contenders for the Cup of Excellence in April and have attracted numerous specialty coffee buyers.

USAID-ADP and the cooperative members invested \$56,500 in the new coffee mill. The program is also working with two other cooperatives that have purchased and installed similar coffee milling machinery.

USAID-ADP, which started in June 2006, is a three-year project that increases sales and rural incomes, generates employment, improves farming and food safety practices and boosts Salvadoran exports. The program also links farmers to processors, supermarket chains, importers, and other marketing agents, strengthening the commercial sustainability of El Salvador's agribusiness value-chain.