

Profile COOMPROCOM

Cooperativa Multisectorial Productores de Café Orgánico de Matagalpa (COOMPROCOM) is a first level Nicaraguan coffee cooperative that was formed in 2002. It obtains coffee from its 251 members (43 women and 208 men) throughout Nicaragua's northern department of Matagalpa and exports the majority (90%) to the niche market of Fairtrade and Organic certified coffee to buyers in the United States and Europe.

Nicaragua is the second poorest country in the Western Hemisphere after Haiti. Coffee is Nicaragua's most important cash crop accounting for approximately 14% of all export revenue. Coffee is grown primarily in the Northern part of Nicaragua's Central Highlands, including the regions of Matagalpa, Nueva Segovia and Jinotega where the altitude, volcanic soil and tropical climate are ideal for coffee production. Nicaragua is the thirteenth largest Arabic coffee producer in the world with an average production of approximately 2,000,000 bags or 138000 Metric Tons of which 85% is exported.

COOMPROCOM started off in 1997 when a small group of approximately 30 producers decided to come together with a view to producing organic coffee. This was at a time when world coffee prices were collapsing and the farmers realised they would have to do something different, of potentially greater added value, in order to be able to maintain their farms. They were also motivated by a conviction that organic cultivation would be a healthier option for them as farmers, for their families, for consumers and for the environment in general.

The cooperative obtained Fairtrade certification in 2004. From harvest 2009-2010 to harvest 2011-2012, membership of COOMPROCOM increased. Sales grew by around 130% and the volume of coffee exported increased by around 75%. The total amount of money paid by the cooperative to its members in that time increased by almost 200%. These high increases, particularly in the amount of money paid to producers, are due to several factors not least the record-high international coffee prices registered in harvest 2011-2012.

A case study carried out in 2013 by the US lending agency Root Capital (one of the institutions that lend trade finance to COOMPROCOM) showed the following principal findings:

On average, COOMPROCOM's members earned between \$4,080 and \$4,280 from their coffee sales to the cooperative in the 2011–2012 season.

Selling to COOMPROCOM allowed members to earn 5 to 10 percent more annual income (\$200 to \$400) than they would have if they sold the same volume of coffee on the local market.

*Farmers report that they use the additional \$200 to \$400 of annual income to pay for a variety of basic expenses, including:*⁵

- *•Education expenses: Sending one child to primary school for one year costs approximately \$55 to cover school fees, uniforms, books and other school supplies.*
- *•Health care for children: Vaccinations for one child cost approximately \$9 year,*

and common expenses such as flu and parasite treatments cost \$22 per child.

- *•Health care for women: Women pay \$75 for transportation, food costs and hospitalization costs needed during childbirth.*
- *•Food for the household: In rural areas of Nicaragua, the basic food basket is estimated to be \$185 per month for a family of six, which is the average household size of COOMPROCOM's members.*

COOMPROCOM offers microloans to help farmers smooth their otherwise lumpy, or uneven, annual income and invest in their farms before the harvest begins. Microloans are especially important for COOMPROCOM's most economically vulnerable members, who experience food insecurity and other economic challenges during the meses flacos, or lean months, when they earn no income but must still pay their daily expenses.

Since its inception, COOMPROCOM has had a specific focus on ensuring participation of women in all its operations. In a recent study (November 2014) carried out by Fairtrade International in Central America with support from Hivos. The study showed that in very practical terms the cooperative, with a focused use of the income from Fairtrade premium, is pursuing and implementing equality of opportunity policies and practices, which benefit women. This is evident particularly in regard to equal access to credit finance. As a result of implementing its gender policy in a focused way, the cooperative has also opened up opportunities for the self and collective development of the young people of its rural communities. Some of the training and development programmes implemented with and for young men and women include: Quality Control, Barismo, Roasting Skills, Farm Management, Nursery Management, Certification, Health and Safety, Administrative Accounting, Group Leadership.

This has all facilitated a greater participation of young people in the cooperative. Young people, sons and daughters of farmer members, have taken up new roles in the organization, as producer members themselves or as field support officers.

An example of that, is Luisa Amanda Vallecillo, the daughter of a cooperative member. She started off in the cooperative as a participant in meetings and training programmes. She now is a trainer of young people who work as support to farmers in areas of good agricultural practices.

"I give training to members and young people in areas such as cooperativism, Fairtrade, Gender Equality. The cooperative has provided me with the skills and the means to be able to carry out such programmes. I have facilitated approximately 8-10 programmes to members, sons and daughters of members and women who are not members but also are part of the community. This has helped me as a person and I am also helping my community. The young people feel motivated. I used to accompany my father to the meetings called by the cooperative and I got to like the environment. My father feels that there are good benefits from being a member. I have brothers and sisters and they also participate



in the meetings with my father as the family works together on developing the farm. “

All members of the cooperative and their young sons and daughters express their desire to keep working on behalf of the organization, to continue the social and economic development path embarked on by COOMPROCOM. They consider this will enable them to improve their income, participate in decision-making and develop new alternatives for the continued well-being of their communities.

Basic Data

Founded (as a cooperative): 2002

Geographic location: COOMPROCOM is present in 17 communities, principally in the department of Matagalpa in the north of Nicaragua.

Members: 251 43 (women) and 208 (men).

Volume Capacity: 230 Metric Tons of Green Coffee

Fairtrade Certification: 2004

FLO ID: 2680

Altitude: The farmer members of the cooperative have landholdings from 900 to 1400 metres above sea level.

Varieties of coffee: Katurra, katuai, bourbon

Mission : Promote the socio-economic development of the members, their families and the community, offering productive services, mainly in ecological activities that create value and competitiveness, all within the framework of ethical operations. ico

Vision: COOMPROCOM R.L. has a portfolio of products of high quality and provides services, that contribute to the self-sufficiency of the organization.

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