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AT A GLANCE

- In 2010, Nespresso co-funded a new community coffee processing centre in Jardín, Colombia.
- The mill will enable coffee farmers to double the volume of AAA standard coffee, secure a higher premium and with time, seek to increase progressively their net income by 30 %.
- More water efficient facilities and waste management systems at the mill are helping to protect the local ecosystems.
- The mill currently benefits 110 farmers in Jardín and will be extended to benefit up to 800 farmers.

ACTIONS & RESULTS

BUILDING A COMMUNITY COFFEE PROCESSING CENTRE

The mill, built by Nespresso and partners including Expocafé and USAID, creates a centralized and more efficient milling process. This will enable coffee farmers to double their volume of Nespresso AAA Sustainable Quality $^{\text{TM}}$ standard coffee and secure a higher price premium and so seek to increase their net income by at least 30 %.

The milling and drying process transforms the coffee cherries into coffee beans, ready to be exported for roasting. Better milling techniques at the central mill result in a higher yield of AAA standard coffee, because cherries are less likely to be damaged during the milling process. And the 3,000 metre square solar drying capacity helps to maintain the highest quality because sun drying the cherries is the best way to create the taste and aroma profile required for our Grand Cru. As a result, the quality rejection rate of the coffee beans has fallen from nearly 50 % to less than 3 %. Producing higher quality coffee means that coffee farmers can earn a premium and so increase their income

Employees at the central mill now do the milling and drying of the coffee beans. This provides cash flow benefits for farmers because they are paid when they take their coffee to the mill, rather than after it has been processed, which could be up to eight days later. And it also means they can spend more time on farm management or with their families.

The project brings environmental benefits too. The average smallholder on the AAA program in Colombia will use around 25 litres of water to process one kilogram of coffee. However at the central mill, only 10 litres of water are required to produce the same volume of coffee. Additionally, wastewater will be treated and the leftover pulp from the milling process will be used as compost. All these developments help to ensure that smallholder farmers in Jardín are producing the highest quality coffee, more sustainably.

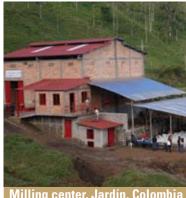
WHY WE INVESTED IN THE CENTRAL MILL

The average size of a coffee farm in Jardín is just 2.5 hectares. Yet despite the relatively small size of the farms, individual farmers have traditionally completed their own milling and drying. However, processing coffee on the farm is not only labour intensive, but nor is it the best way to guarantee the highest quality coffee beans. Milling and drying coffee beans on the farm can have a negative impact on the farmers' income, because if the quality of the beans is poor, they will not be able to secure a price premium.



Colombia

benefits 110 farmers belongand will be extended to benefit over 800 farmers in the



Milling center, Jardín, Colombia

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OUR APPROACH

WORKING TOGETHER TO CREATE BENEFITS FOR ALL

A partnership that included *Nespresso*, regional and national farming associations, NGOs, international development organisations, our coffee supplier Expocafé and the local community, was launched to work together to build a central mill for farmers in Jardín.

The foundation stone was laid in July 2010, the first phase of construction completed on 8 December 2010 and the central mill was operational two days later. The site includes a quality testing laboratory, a wet mill, where the natural fermentation and washing process takes place and 3,000 square metres of solar drying capacity, where the cherries are sun dried before being hulled, sorted and graded. There is also a waste management system at the mill to prevent pollution of the natural environment and help protect local ecosystems. Wastewater will be treated in the water treatment system and the leftover pulp from the milling process will be used as compost.

The central mill is run as a cooperative. Farmers bring their coffee cherries to the mill and are paid a premium based on the expected volume of high quality AAA standard coffee at the end of the milling and drying process. Any profits created by the central mill are shared among the farmers in the cooperative at the end of the season.

OUR PLANS FOR THE FUTURE

There are plans to extend the central mill. These developments will benefit over 800 farmers belonging to the AAA community in the Antioquia region and will increase the volume of coffee that can be processed at the centre to over 350 tonnes each year. And *Nespresso* is already seeking to replicate the concept of community coffee processing in other regions of Colombia.



A lower coffee rejection rate due to quality improvement

WHAT THE EXPERTS SAY

"I have been with Nespresso since the beginning. My daughter is studying to become a nurse and the three others are still at school. I no longer have any children working on the farm. I get up every day at five o'clock in the morning, milk the cows and take breakfast to my workers. Before, I used to have to work the full day up to five o'clock in the evening, but now I no longer process my own coffee cherries. They are delivered straight to the co-operative the day they are harvested and I have free time to grow my own vegetables and bananas.

When I was still processing my own coffee, I had to depulp it immediately after harvesting and ferment it to get rid of its mucilage, like you blanch a tomato before removing its skin. I then had to wash it within twelve hours (or it started to rot) and run it through a water-based sorting system to separate out the good beans — the over-ripe coffee floats and takes a different path to the rest. Next came the drying stage, in a clean area. At this point in the process, the coffee is always like a sponge and absorbs everything around it. If, for example, you dry it with your washing under a glass canopy, it will take on the flavour of washing powder."

Luis Alfonso, Coffee Farmer, Jardín



Effective water management



Solar drying capacity under construction



Classification and depulping module

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