



COUNTRY FACTSHEET

Peru Coffee

SUSTAINABLE CHANGE IS BREWING ACROSS THE COFFEE SECTOR

Exported to more than 50 countries, Peruvian coffee is famous for its high quality. But, despite its global popularity, this vital national industry faces many challenges.

Poverty is widespread among farming families, while the industry's competitive growth is lagging. Production is also increasingly driving deforestation across the globally significant Amazon basin.

A key challenge faced by the sector has been the lack of a national agenda to guide it towards sustainable coffee production. Managed sustainably, the coffee sector could be a powerful engine for human development in Peru, helping the country to reach its Sustainable Development Goals

"... because of coffee's importance for the country, we are developing a National Action Plan, to improve production, diversification of production and sustainability."

- Jose Hernandez, Former Minister of Agriculture and Irrigation



FAST FACTS

Coffee production in Peru

- Coffee is Peru's main agriculture export product, contributing an estimated US\$ 750 million in export revenue annually.
- It provides a livelihood to 220,000 farming families, and is cultivated in 15 regions of the country.

"The Plan is a remarkable initiative and a good starting point to unlock the problems of the industry."

- Jose Ibarrola, Manager ECOM Peru

ABOUT THE UNDP GREEN COMMODITIES PROGRAMME

We work in 11 countries to address sustainability issues, including deforestation, across seven highly-traded agricultural and marine commodities. We do this by supporting governments to lead multi-stakeholder dialogues, devise national action plans and leverage resources to address

the structural barriers to sustainable commodities. We also act as a bridge for collaboration between the public and private sectors, civil society and donors. Through these partnerships, innovative solutions can be identified, piloted and implemented on a scale that makes a difference.

 www.greencommodities.org

 aleksandra.atallah@undp.org

 [UNDPcommodities](https://twitter.com/UNDPcommodities)



Green
Commodities
Programme

Our Partners

Government: Ministry of Agriculture and Irrigation, Ministry of the Environment, Ministry of Production, Ministry of Economy and Finance, Ministry of Development and Social Inclusion, Ministry of Foreign Trade and Tourism, Exporting Andes and Jungle, National Service of Agrarian Health, National Institute of Quality, Commission for Promotion of Export and Tourism –PromPeru Inter – American Institute for Cooperation on Agriculture (IICA), National Institute for Agrarian, Innovation (INIA), Exporters Association –ADEX, Competitiveness Compensation Programs (Agroideas), Peru’s State-run agricultural bank –AGROBANCO, Presidency of the Council of Ministers, Secretary of Decentralization, National Coffee Board, Peruvian Chamber of Coffee and Cocoa, Corporación Financiera de Desarrollo –COFIDE, National Agricultural University of the jungle, National Agrarian University - La Molina

Non-government and civil society: CBI –Centre for the Promotion of Imports from developing countries, TECHNOSERVE, CCCP, VECO ANDINO, SOLIDARIDAD, Coffee Growers Federation, Sandia Valley Cooperatives Central – CECOVASA, Central Coffee and Cocoa Association of Coffee Growing Municipalities

Private Sector: RABOBANK, COFFEE EXPORTER –PERHUSA, HVC Exports, ITP-DEDFO, OIKOCREDIT, Shared Interest, MDA

Donors: Swiss State Secretariat for Economic Affairs (SECO), NAP-USAID

International partners: Italian Trade Agency, Swiss Import Promotion Programme (SIPPO)



The UNDP Green Commodities Approach

Since 2017, the UNDP’s Green Commodities Programme has been supporting the Ministry of Agriculture and Irrigation (MINAGRI) and the National Coffee Council to lead a multi-stakeholder dialogue and devise a National Action Plan to address the structural barriers to sustainable coffee production. In a very complex sector, this process has enabled detailed analysis and widespread discussion on the key issues facing the sector, such as: production and sustainable quality, control of plant diseases and pests, as well as financial services. This process has created greater trust and understanding between stakeholders and, for the first time, the sector now has an agenda built through the active participation of key stakeholders. The key activities now include:

- **Implementing the new National Action Plan** - UNDP is supporting the government to write the new Plan into law through a ministerial Resolution by MINAGRI. This will compel all stakeholders to do their part to implement it. So that activities can get started quickly, UNDP is also supporting the government to develop a financing strategy that connects needed investments with identified potential sources of funding. Work has also begun on building a robust monitoring and evaluation system to track progress towards stakeholders’ commitments.
- **Sector governance** - The process to develop the Plan created consensus on the need to build a new coffee governance model in Peru. One that is capable of leading change, with differentiated and clear roles for each institution. UNDP is supporting the development of such a model, which will bring together different sectors and actors to jointly oversee the sustainable growth of the coffee sector.
- **Support to farmers** - UNDP is also supporting MINAGRI to develop a wide-reaching national technical assistance program to help more than 222,000 families learn sustainable agricultural practices, increasing their yields and livelihoods. This will be accompanied by the design and set-up of a farmer finance system.
- **Marketing on the home front** - Currently Peru’s coffee consumption remains low. UNDP is supporting the government and stakeholders to outline a marketing strategy to promote consumption of Peruvian coffee at home.