

FEDECOCAGUA, R.L.

Funding the coffee harvest in Guatemala





FEDECOCAGUA, R.L.

- Federation of Agricultural Cooperatives of Coffee Producers of Guatemala
- Founded in 1969
- Started with 19 cooperatives who wanted to export the coffee without intermediaries.
- At that time, the business of coffee trade was held by intermediaries.





FEDECOCAGUA, R.L.

Today:

- More than 120 organizations between associations and cooperatives in Guatemala.
- Represents more than 23,000 small coffee producers.
- Second coffee exporter in Guatemala, before multinationals.





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Today:

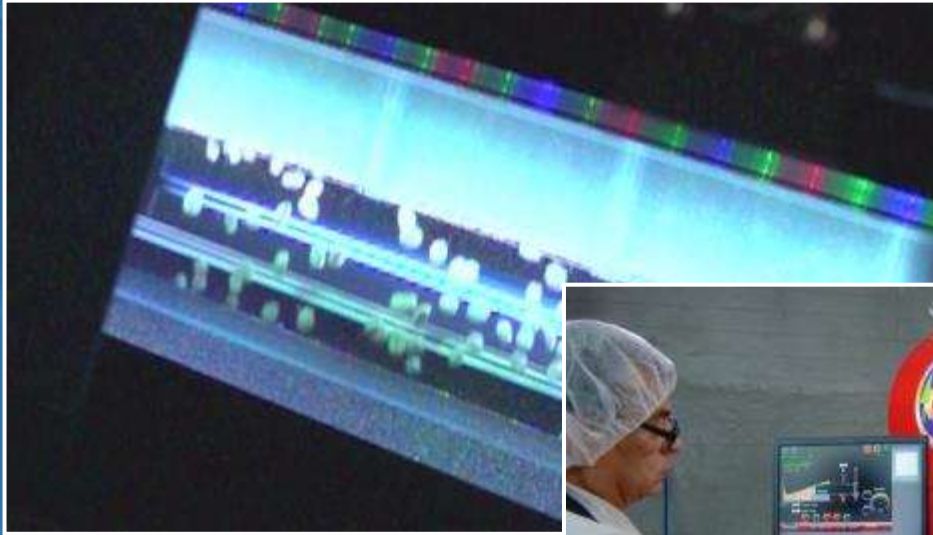
- Exports 400,000 bags of 69Kg to 20 countries, including USA, Europe and Japan.
- Certified by Fairtrade (FLO Cert), Utz Certified, Rainforest Alliance, Organic (Europe, US and Japan), Starbucks CAFÉ Practices and Nespresso AAA.
- Has its own Social Responsibility branch called Foundation UGK, giving visibility to the social projects that have been carried out since the beginning.



WAREHOUSES OF FEDECO CAGUA, R.L.



High-Tech, efficiency & productivity



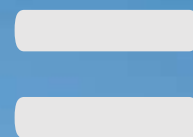
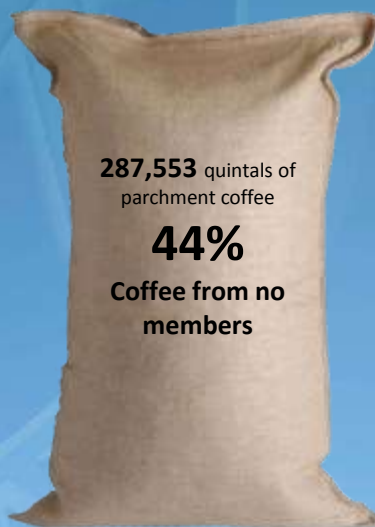
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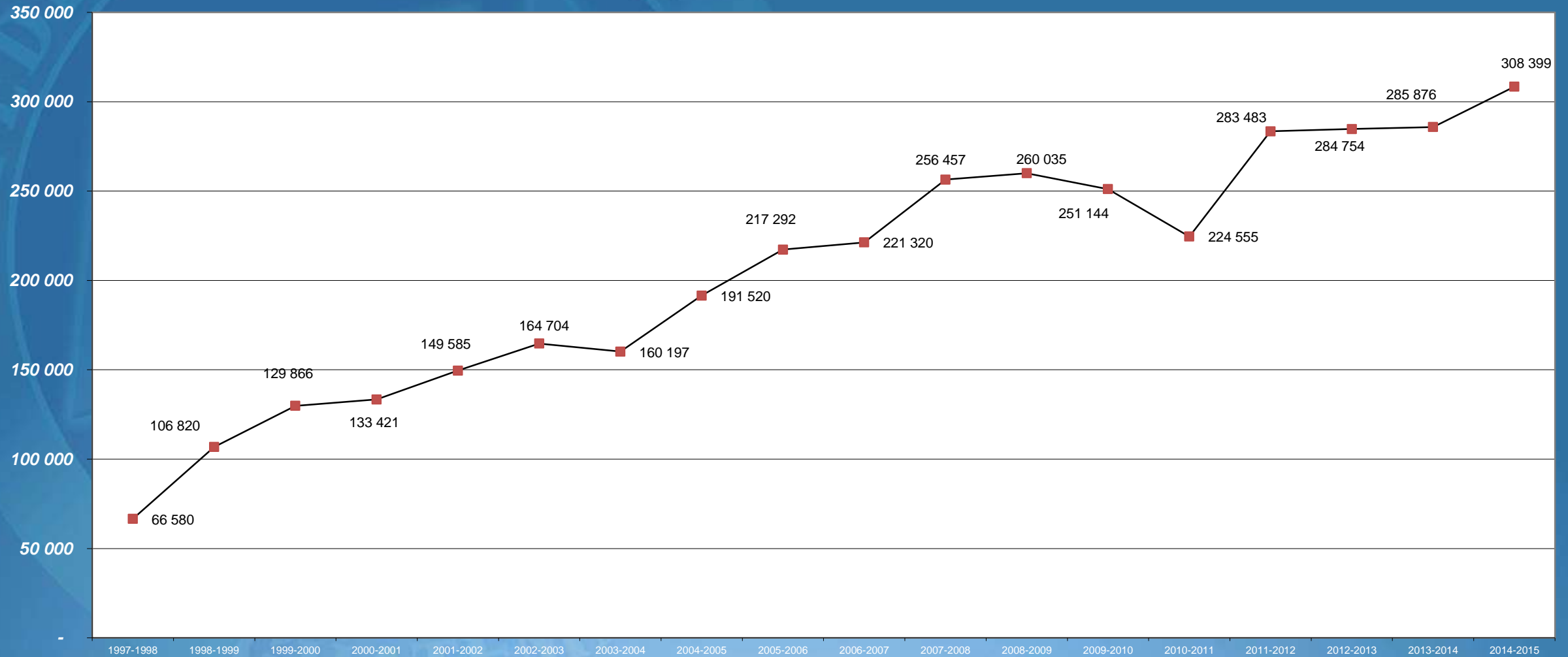


FEDECOCAGUA, R.L.

HARVEST 2015-2016



EXPORTED BAGS PER HARVEST IN THE LAST 18 YEARS



Regional Facilities



- Central Coffee Facilities
- Santa Cruz Barillas
- La Democracia
- San Antonio Suchitepequez
- Esquipulas
- Barberena
- Palin
- Coban



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At the beginning, funding came from:

- Local banks
- International cooperation such as Misereor (Germany), Action 365 (Germany), Inter-American Foundation (USA)





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In 1997, a public Guatemalan bank called BANDESA got privatized and transformed into BANRURAL.

FEDECOCAGUA took the opportunity and invested on it, becoming a shareholder of the private bank: BANRURAL.





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FEDECOCAGUA owns 11% of BANRURAL's shares, is part of the Board and negotiates competitive interest rates for short-term loans for the coffee harvest, every year.

FEDECOCAGUA gives pre-financing to its cooperatives as security interest over the coffee harvest.





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Other sources of funding over the years:

Inter-American Development Bank (BID) gave a loan of \$500'000 in 1998 for the transformation and expansion of processing capacity. These funds helped Fedecocagua to improve the dry mill in Palin, Escuintla. The objective was to meet international standards for processing the product, from parchment to green coffee. It was an adjustment to the requirements of the international market.



FEDECOCAGUA, R.L.

Alliances

- Alliances with related institutions
- New projects, different initiatives
- Using the creativity
- Using the resources in a way that your allied should see an advantage to do something with you.

Example - Alliances



STARBUCKS®

ONE TREE
FOR EVERY BAG



FEDECOCAGUA, R.L.

- In 2016: 100,000 plants
 - Social media campaign
 - Clear advantages for your allied
 - Social approval



• **Phase 2017: 1,700,000 plants**

• **Phase 2018: 2,500,000 plants**





THANK YOU FOR YOUR ATTENTION

Masters Of Our Own Destiny