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EL SALVADOR

SUCCESS STORY

Better Coffee Yields Social Gains

Cooperative invests coffee revenue back into community



Members of the Ciudad Barrios Coffee Cooperative inspect coffee sacks in Cacahuatique, El Salvador.

The cooperative received Rainforest Alliance certification, which recognizes its commitment to environmentally sound growing and responsible management practices. It is the largest Salvadoran exporter of Alliance-certified coffee.

Telling Our Story
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The Ciudad Barrios Cooperative, in the Cacahuatique mountains of eastern El Salvador, was founded in the late 1970's and boasts more than 1000 participating members. The cooperative produces approximately 8.5 million pounds of coffee annually. Until 2003, all their coffee was sold as low-priced, generic coffee.

In 2003, the cooperative joined a regional USAID program that helps small and medium-sized coffee producers get their foot in the door of international high-grade coffee markets. Ciudad Barrios' goal was to increase the cooperative's business acumen and to learn how to select, grade, and process quality coffee in order to ensure higher prices for its members.

As a result, the cooperative gained the attention of international buyers. It was recognized for its environmentally friendly practices and good workplace and social standards and was awarded Rainforest Alliance certification, making it the largest

Salvadoran exporter of Rainforest Alliance-certified coffee. Through sales of certified coffee, primarily to a KRAFT Foods subsidiary, the cooperative has earned an average of fifteen cents per pound above the market price for coffee.

The cooperative used its profits to invest in its community. They built and inaugurated a school for 125 students, most of whom are children of cooperative members and employees. They are also building a recreation center that will be open to all Ciudad Barrios residents.

Since the co-op recognizes that small coffee farmers are vulnerable to coffee price fluctuations, it is also investing in demonstration plots of papaya, citrus, and vegetables to encourage agricultural diversification. It is considering investing in a health clinic and an ecotourism venture. Their goal is to create an environment where farmers will no longer be dependent solely on coffee for income. By reaching out to more profitable markets and using profits to reinvest in their community, the Ciudad Barrios Coffee Cooperative is setting an example for themselves, their children, and coffee growers throughout the country.

Photo: Sistemas Empresariales de Mesoamérica