









Virunga Coffee Company DR Congo



VIRUNGA COFFEE COMPANY

Virunga Coffee Company was established in 2011 by Schluter SA (now Olam Specialty Coffee Europe) with the vision to: "Change lives in DRC through commerce in a mutually profitable way by being a major coffee actor in Kivu."

Virunga Coffee aims to achieve this vision by improving the quality and yields for farmers in North and South Kivu, primarily through:

- Developing and implementing field-based support activities
- Introducing Good Agricultural Practices (GAP)
- Investing in processing infrastructure
- Organising assured organic production in close collaboration with over 2,300 farmers (with a further 1,500 by June 2020)
- Bringing an innovative spirit to the development of new products

Our Mission is:

- To increase overall coffee production through the training of smallholder farmers and provision of thousands of coffee plantlets
- Improve quality and farmer incomes through farmer training on all aspects from tree to green bean
- Assure that the highest standards of traceability and ecology are reached through large scale organic certification

THE HISTORY OF COFFEE IN DR CONGO

Coffee - of both the arabica and robusta species - is a traditional export crop for the Democratic Republic of Congo (DRC).

However, production throughout the latter 20th century and early 21st century faced a significant and steady decline because of decades of civil war affecting both processing and export infrastructure, as well as presenting challenging security issues for all sectors of the supply chain due to the increasing presence of militias in the region.

The Kivu Provinces, located in the far east of the country, are situated near the equator and the highlands of the volcanic Rwenzori mountain range, part of the Albertine rift, Africa's largest tectonic fault line. The terroir provides an ideal environment for specialty arabica cultivation, with plentiful sunshine and rainfall; high elevations; and rich, fertile volcanic soils. The 2 provinces are positioned north and south of Lake Kivu, one of Africa's Great Lakes. Kivu drains into the Congo river and in turn, feeds the Congo basin: the second largest rainforest in the world, a key carbon sink and one of the richest sources of biodiversity on earth.

While the country and region still face challenges, specialty coffee production is bringing new investment, interest and hope to the Kivu region. From the construction and rehabilitation of washing stations to farmer training, and the development of nurseries, farmers are being provided with the tools they need to improve both yields and quality.



SUSTAINABILITY & CERTIFICATION

Virunga Coffee has achieved international standards of organic certification and now leads an organic partnership with over 2.300 smallholder coffee farmers.

This has led to increased value for farmers, as well as ensuring that consistently high quality is achieved whilst respecting the environment through strict ecological practices.

In line with Olam International sustainability practices, since 2014 Virunga Coffee has also:

- Established large scale UTZ certification
- Employed over 19 field agronomists who have trained over 5,500 farmers
- Produced over one million coffee saplings and over 80,000 other shade trees to revitalize the coffee industry and bring back a wellneeded source of income for Congolese farmers in North and South Kivu
- Subsidised the provision of tools for women farmers and integrated more women into the supply chain
- Improved working conditions, providing free lunches for hand pickers, access to ample natural light and ergonomically designed stools for coffee sorting tables
- Digitally mapped and followed the impact of our actions with more than 5,000 farmers

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PROCESSES Since 2012, Virunga Coffee has established 7 coffee washing stations in North and South Kivu. As well as producing high quality fully washed coffee with raised bed drying, we have diversified into speciality natural and honey processing, as well as organic cascara* production * Cascara availability and pricing available on request.



FULLY WASHED

Body

Acidity



| SCA Score



Flavour: Citrus, caramel, black tea and forest fruits. Sweet and juicy.



HONEY

Body



Acidity



SCA Score



Flavour: Very sweet and balanced with notes of milk chocolate, orange and red grape.



NATURAL

Body



Acidity



SCA Score



Flavour: Nectarine, strawberry, chocolate. Jammy and sweet with a creamy body.

SUSTAINABILITY PROGRAMMES



TREE PLANTING

In 2018 five new nurseries were set up in various harvesting areas (Kaniyhunga - Kirindera - Kisunga and Kahondo) in the region around Butembo.

The purpose of nursery breeding is to offer healthy seedlings to all planters who want to regenerate or expand their fields. The variety of Bourbon has been selected carefully by the agronomists in order to obtain better yields and quality in their crop. To date Virunga has planted 1.2 million coffee trees and 80,000 timber trees.

We are also in the process of lauching a new project to produce 1 million coffee trees, and 200,000 shade trees. We are planning to set up pruning teams which we hope will prune 360,000 trees.

Over a 5 year period, this project will have a significant impact and should lead to the production of over 3000mt of green coffee, with an estimated \$5 million additional revenue to smallholder farmers.



DISEASE PREVENTION

Workers and communities are annually invited to health events targeting critical diseases like Ebola and HIV.

Thousands of participants are educated and benefit from improved awareness. Workers and families are constantly engaged in sensitization campaigns targeting critical disease.



EQUIPMENT

Virunga has bought pruning equipment (handsaws, pruning shears) which are sold at half price to the planters or given out in some cases.

The resale of this equipment at a subsidized price helps planters to maintain their fields and thus facilitates the maintenance of GAP. Local hand pulpers were purchased by Virunga Coffee for resale at half price during the harvest season. Farmers are provided with tools for pruning (saws, knives) and for drying their cherries. Additional support is offered with fertilizers and seedlings.



We are looking to expand our program and collaborate with customers to:

- Encourage soil protection measures
- Distribute mosquito nets in schools
- Stimulate child awareness of good nutrition and a balanced diet
- Facilitate intercropping for better revenue and food
- Provide local crop and nutrition training for households
- Provide school notebooks featuring educational content designed to teach on a wide range of topics from improved nutrition and hygiene to valorising the roles of women, neighbours and family members
- Assist in the construction of classrooms and teacher housing
- Provide IT laboratories and training to help teach rural children basic IT skills
- Establish school gardens and create interest for farming amongst the next generation
- Provide seedbags and instructions to create experience, fun and additional income in farming
- Improve financial inclusion and empower women groups by providing training on the establishment of VSLAs (Village Savings and Loans groups)
- Offer daycare facilities and professional supervision for toddlers whose mothers come to handpick coffee
- Restore buffer zones and river banks



FARMER PREMIUMS

An example of premium farmer pricing in the region of Isale (North Kivu)

In order to counteract the sudden drop of the NYC coffee market, Virunga Coffee granted producers in the Isale region, Butembo area, a bonus of 100 Congolese francs / kg of red cherry, which represents a price increase of 16.6% over the local market price.

In all, 156'403 kg of cherry could be bought with this premium. Farmers benefited from better prices for their coffee between April and June 2018.

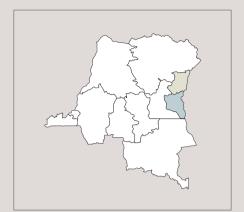
Buying Sector	Number of Kg Red Cherry	Green Bean Equivelant (kg)
Mutendero	3,512	540
Mutendero	1,553	239
Mutendero	4,360	671
Kahondo	4,969	764
Kahondo	2,565	395
Katanda	56,307	8,663
Katanda	73,289	11,275
Kahondo	9,848	1,515
TOTAL	156,403	24,062

DISTINCTIONS & AWARDS

- 2013 4th best African coffee at the international AFCA coffee competition
- 2014 1st prize for the best DRC Coffee at the international AFCA coffee competition
- 2015 2nd prize in the 'Les Saveurs du Kivu' cupping competition (88.08 SCA)
- 2016 3rd prize for best DRC coffee at the international AFCA coffee competition
- 2017 2nd prize for best DRC coffee at the international AFCA coffee competition
- 2018 4th prize for best DRC coffee at the international AFCA coffee competition
- 2019 1st prize for best DRC Natural coffee at the international AFCA coffee competition
- 2019 5th prize in the 'Les Saveurs du Kivu' cupping competition (89.1 SCA)







Virunga Coffee Company is committed to investing in the DRC coffee industry and its farmers.

Since 2012, Virunga Coffee has established 7 coffee washing stations in North and South Kivu. This has allowed improvements in quality and in turn, higher premiums to be paid to farmers.

Through the introduction of our AtSource program, Olam is committed to investing in the DRC coffee industry to achieve a long-term net positive impact with a focus on:

- Ensuring the prosperity of farmers
- Nurturing thriving coffee-growing communities
- Regenerating and protecting the living world

NORTH KIVU



SOUTH KIVU





KAHONDO - NORTH KIVU

VARIETY: Bourbon

GROWING ALTITUDE: 1,500-1,800 masl

PROCESS: Fully Washed, Natural and Honey

HARVEST: September - November (main crop)

CERTIFICATION: Organic

Situated at 1742 masl, Kahondo washing station takes its name from the village in which it is situated. It produces fully washed and honey processed Kivu 3 and is organic certified.

Fully washed coffee is fermented for 18-24 hours before washing and then dried under shade on raised African beds. A rigorous selection process happens at every stage of production to ensure the highest quality coffee. Main crop from September through November with fly crop in March.







MUTENDERO - NORTH KIVU

VARIETY: Bourbon

GROWING ALTITUDE: 1,500-1,800 masl **PROCESS**: Fully Washed and Natural

HARVEST: September - November (main crop)

CERTIFICATION: Organic

At 1,820 masl, Mutendero coffee washing station sits at the highest altitude of all Virunga Washing Stations.

Established in 2012, it is located in the Isale Region of North Kivu, right on the edge of Virunga National Park, close to the Uganda border. Main crop from September through November with fly crop in March.



KAVISA - NORTH KIVU

VARIETY: Bourbon

GROWING ALTITUDE: 1,500-1,800 masl PROCESS: Fully Washed and Natural

HARVEST: September - November (main crop)

CERTIFICATION: Organic

The station is located at 1,632 masl in Kirumba zone, neighbouring Hutwe washing station. The station processes fully washed and natural coffee from local smallholders typically producing on less than an acre of land.

Harvested cherries are delivered to Kavisa washing station where state-of-the-art processing equipment is utilized to depulp, ferment, wash and dry the coffee before export. As well as providing the infrastructure to process speciality coffee, Virunga also provides logistical support to farmers who need to transport their cherries to the washing station.







KATANDA - NORTH KIVU

VARIETY: Bourbon

GROWING ALTITUDE: 1,500 - 1,800 masl

PROCESS: Fully Washed, Honey and Natural HARVEST: September - November (main crop)

CERTIFICATION: Organic

For coffee communities such as Katanda, the economic situation has improved with value chain actors operating in the area to enable farmers to gain enhanced economic stability.

Sitting at 1,610masl, the washing station supports local farmers with training and seedlings to encourage coffee growing. The fully washed coffee is dried on raised african beds with a cup characterised by fruity, sweet notes and a rounded body. Main crop from September through November with fly crop in March.



HUTWE - NORTH KIVU

VARIETY: Bourbon, Rumangabo GROWING ALTITUDE: 1,500-1,800 masl

PROCESS: Fully Washed, Honey and Natural HARVEST: September - November (main crop)

CERTIFICATION: Organic

Hutwe station is located at 1,790 masl in Kirumba zone, a very challenging region plagued with rebel groups. Like Virunga's other washing stations, Hutwe operates a Penagos eco-pulper.

Fully washed coffee is traditionally fermented before drying on raised African beds. Besides the cultivated heirloom bourbon, smallholder farmers also cultivate a local variety known as Rumangabo.







LUGENDO - SOUTH KIVU

VARIETY: Blue Mountain

GROWING ALTITUDE: 1,460-1,750 masl

PROCESS: Natural

HARVEST: March - June CERTIFICATION: Organic

Established in 2018, Lugendo coffee washing station is one of the most recent facilites built by Virunga coffee.

Located in the Kabare region, the washing station sits at an altitude of 1,473 masl. After careful selection, ripe cherries are dried naturally under shaded raised beds. The crop in the South Kivu region where Lugendo is located is characterized by 2 rainy seasons with the main flowering occurring December through January – in contrast to the North Kivu region.



KATANA - SOUTH KIVU

VARIETY: Blue Mountain

GROWING ALTITUDE: 1,460 - 1,750 masl

PROCESS: Natural and Honey

HARVEST: March - June CERTIFICATION: Organic

Not to be confused with our Katanda wet mill in North Kivu, Katana is located in the Katana village of Kabare Region.

The area is blessed with abundant rainfall, and the excess water supply ensures ample irrigation for small-holder farmers. Situated at an altitude of 1,693 masl, the coffee in this region benefits from altitude, volcanic soils and proximity to the equator, all contributing factors in its excellent quality. The station processes natural and honey coffee on shaded, raised beds.





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