

# Philippines' Coffee



## Harmonizing stakeholder initiatives in support of Philippine smallholder coffee farmers

Public and private sector partners are working together to implement the Philippine Coffee Industry Roadmap, which envisions a national coffee industry that is cost-competitive, aligned with global quality standards, environment-friendly, and provides sustainable benefits to farmers, processors, traders and exporters.

The Philippine Coffee Industry Roadmap is the detailed plan to guide key players and government agencies in the progress of coffee industry towards their goal. It is crafted based on the coffee industry stakeholders' pursuit of inclusive growth models through value chain approach and to sustain increases in yields, incomes, improved farm productivity and to enhance farmers' technical capability and skills, and also to create avenues for food security and poverty alleviation.\*

\*Extracted from the Philippine Coffee Industry Roadmap 2017-2022



### Multi-stakeholder partnership platform

*With the leadership of the Department of Agriculture - Office of High Value Crops and Rural Credit and the Department of Trade and Industry's National Priority Industry Cluster for Coffee, Grow Asia supported the Working Group in driving the Roadmap forward*

- Encouraged the Working Group to adopt the Roadmap as a sector transformation strategy under Nestlé Philippines leadership as the Coffee Working Group Lead
- Committed Secretariat support to organizing activities, documenting initiatives, and providing administrative, logistics, and communications support in collaboration with the Department of Trade and Industry - National Priority Industry Cluster for Coffee
- Brought in a consultant to help design the logical framework and a 4-year work and financial plan for its key priority interventions (2017-2022)
- Shared knowledge and best practices from regional partners, highlighting Vietnam's experience with the Vietnam Coffee Coordinating Board during the 2018 Philippine Coffee Congress



### The Philippines Partnership for Sustainable Agriculture (PPSA)

*Serving as a coordinating body for the Working Group's action programs under the Roadmap*

- Convene Executive Committee meetings, Working Group Meetings and ad hoc consultation meetings as required
- Communications, outreach and engagement with the coffee industry and its stakeholders



### National tri-sector behavior and collaboration

*Supporting Working Groups in contributing to the country's goal of attaining food security and alleviating poverty*

- Interdepartmental coordination spearheaded by the Department of Agriculture, Department of Trade & Industry, and Department of Science & Technology
- Localization at the regional and sub-regional level with respect to activities per strategic objective, targets of regions per roadmap indicator, and financial requirement and sourcing
- Implementation of various interventions, including improved quality and availability of planting materials, enhanced farm efficiency and investments, competitive market pricing, and setting coffee standards
- Uplift national coffee production, from farming to manufacturing, to observe the best and most sustainable practices that conform to food safety, quality control and environmental requirements



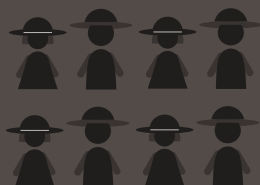
## Smallholder Impact

The Roadmap aims to achieve the following over the next 5 years:

Increase the average yield of green coffee beans from 0.3 MT/ha to **1 metric ton/hectare** by 2022



Improve farmers' standard of living from poverty level of **15% per annum** through diversified sustainable agribusiness farming systems



Increase total planting area from 140,522 ha to **213,788 hectare** by 2022



**Lessen** dependence on the **importation** of coffee beans and coffee products



Increase employment in the coffee industry by **3%** by 2022



## About Philippines' Coffee Industry

The Philippines lies within the so-called "bean belt" in the equatorial zone, where most coffee is grown. Due to this advantageous location and favorable tropical climate, the country produces four varieties of coffee: Robusta, Arabica, Excelsa and Liberica.

Despite a steady increase in the number of coffee consumers, production has been declining. In 2017, the Philippines produced 28.5 million kg of coffee. However, the output represented just 6.8% of the 417 million kg of coffee consumed in the same year.

In fact, Filipinos are the fifth highest consumers of coffee globally behind EU, US, Brazil, and Japan. This thirst for coffee has made the country the world's top importer of soluble or instant coffee (360 million kg), and the fourth biggest coffee importer (soluble and green coffee beans). The Philippines imports mainly from Vietnam and Indonesia.

“ The partnership of the private sector and the government is more evident now because of the birth of the first-ever Philippine Coffee Roadmap. The Roadmap will chart the progress of the coffee industry over the next five years. The benefits to the farmer in having this coffee venture is prime in all our considerations. The more we are able to work together – the private sector and the government – the better for the industry.

**Ruth Novales**  
Vice President and Corporate Affairs Executive, Nestlé Philippines

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Farmer cooperatives will benefit under the guidelines as improved planting materials, farming techniques, equipment and financial support enhances the production of quality coffee beans. Organizing and capacitating small farmer organizations like cooperatives is important in facilitating the provision of technology transfer, establishment of service facilities and linkage of farmers with consolidators, processors and other interventions.

**Gina Mangalindan**  
Talaorani Multipurpose Cooperative

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“ The Philippine Coffee Roadmap was crafted through a long process involving multi-stakeholders, with the end-view of making coffee farming profitable for small farmers, Philippine coffee globally competitive, and productivity improved to acceptable levels, with a menu of calculated interventions.

**Evelyn Laviña**  
Undersecretary for High Value Crops and Rural Credit, Department of Agriculture

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DTI provides shared services such as pulpers, hullers, roasters and grinders to improve the quality of processed beans. We want the farmers to share in the value-adding, resulting in bigger incomes for our farmers and encouraging more people to engage in the coffee business and employ more Filipinos.

**Myrna Pablo**  
National Industry Cluster Coordinator for Coffee & Regional Director-CAR, Department of Trade & Industry

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