



# Dutch Good Growth Fund

## Part of DGGF

Investing Dutch Entrepreneurs executed by Invest International Public Programmes B.V.

## Title

Peru – Coffee Import / DGGFST2204

## Company

Cultivar Coffees B.V.

## Country

Peru

## Sector

Food Crop production (31161)

## Amount of the investment

EUR 240,000

## Period

09 August 2022 – 31 December 2026

## Involved parties

<https://www.cultivarcoffees.com>

## Short description

With a DGGF Start-up loan Cultivar Coffees B.V. (Cultivar) will be able to purchase high-quality coffee from small producers in Peru through its local subsidiary. Cultivar sells it to roasters in the Netherlands and elsewhere in the world. The company strives to improve coffee quality together with farmers and other chain partners, in order to create value for farmers and to gain access to alternative markets where better (and more stable) prices are paid for the coffee beans to farmers. The financing mainly concerns working capital for the purchase of the coffee beans.

The expected impact is local employment of approximately 22 FTEs at the local subsidiary. In addition, more than 300 indirect jobs at the coffee farms and an increased income for the farmers.



project will contribute to the Sustainable Development Goals (SDG's): 1 (No poverty) – 5 (Gender equality) - 8 (Decent Work & Economic growth) – 12 (Responsible Consumption & Production) – 13 (Climate action)



### **Development impact and Economic impact**

#### **Employment**

SDG8 - Decent work and Economic growth: The number of direct jobs will increase from less than 7FTE now to 13 at the end of the project and from 150 to 380 indirect jobs at the coffee farms. The labor and employment conditions at Cultivar Coffees are acceptable and in line with our criteria. Cultivar Coffees provides living wages to all its employees and will continue to do so.

SDG5 - Gender equality: Cultivar has specific attention for gender inequality and GBV. Currently 5 out of 7 employees are women, including management. Cultivar coffees also works with women farmers. Currently 5% of the farmers trained are women, Cultivar Coffees wants to increase the number of trained female farmers.

SDG1 - No poverty: coffee farmers receiving fair prices for their coffee and being trained to improve quality and production. Cultivar Coffees pays nearly double as compared to the fair-trade price farmers receive for their coffee and it will work towards living income for the farmers. This is part of the Futureproof Coffee Collective. Number of farmers will increase from 140 to 374. Care is being taken the daily laborers of these farmers also receive a good income.

SDG12 - Responsible Consumption & Production: coffee farmer cooperatives organic, fair trade or UTZ certified. Company assists them in making their farming system more sustainable.

SDG13 - Climate action: will determine and address their carbon footprint in the coming years by applying the True Price/MVO Nederland tool MVO Futureproof Coffee Collective.

Expected impact on Dutch economy: It is not expected the loan will generate much additional employment in the Netherlands. The sales to Cultivar Coffees BV in The Netherlands however will increase substantially through this project, bringing as well additional work in Rotterdam harbour, the transport and storage sector.

#### **ICSR**

The investment is scaled in category **B** in terms of CSR-risk. An Environmental and Social Action Plan (ESAP) will be drafted, which is based upon the OECD and IFC performance standards, which aims to reduce the risk of non-compliance with these standards.