



INTERNATIONAL COFFEE ORGANIZATION
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
ORGANISATION INTERNATIONALE DU CAFÉ

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Executive Board/
International Coffee Council
17 – 20 March 2009
London, England

**Report of the
Virtual Screening Committee (VSC)**

Background

1. This report contains an assessment by the Virtual Screening Committee (VSC) on the revised project proposal 'Qualitative and quantitative rehabilitation of coffee with the aims of improving living conditions of coffee farmers afflicted and displaced by war and their restoration to their areas of origin as well as the protection of their biophysical environment in the Democratic Republic of Congo' which will be considered by the Executive Board and Council in March 2009.
2. The Board considered this proposal at its meeting in September 2008, and decided that it should be revised taking into account the comments of the VSC contained in document EB-3951/08. A revised proposal was submitted for consideration by the VSC in January 2009.
3. The VSC is currently composed of Brazil, Côte d'Ivoire, Guatemala and Indonesia (exporting Members) and Germany, Italy, Spain and the USA (importing Members).

Action

The Executive Board is requested to consider the report of the VSC and to submit a recommendation on the revised proposal to the Council.

REPORT OF THE VIRTUAL SCREENING COMMITTEE (VSC)

Qualitative and quantitative rehabilitation of coffee with the aims of improving living conditions of coffee farmers afflicted and displaced by war and their restoration to their areas of origin as well as the protection of their biophysical environment in the Democratic Republic of Congo, submitted by the *Office National du Café* of the Democratic Republic of Congo – Project outline document WP-Board 1055/08.

Screening by technical area	Scoring:
Coffee sector priorities	2008: Adequate 2009: Adequate
Project planning	2008: Insufficient information 2009: Adequate
Operational capacity of PEA	2008: Insufficient information 2009: Adequate
Sustainability	2008: Poor 2009: Adequate
Budget/cost-effectiveness	2008: Poor 2009: Adequate
VSC recommendation:	<i>The Committee was split on whether to recommend the proposal for approval (four Members) or revision (two Members)</i>

General comments:

- (a) The project proposal is designed to rehabilitate the coffee sector through the creation of centres for the propagation and distribution of coffee plants, the establishment of training and support services and making available to farmers high performance cuttings, essential inputs and appropriate guidance.
- (b) This is the second time the VSC has considered this proposal. The current procedures for reviewing projects suggest that proposals may be considered up to three times by the VSC.
- (c) The proposed Project Executing Agency (PEA) is the *Office National du Café* (ONC).

VSC comments:

- One Member noted that a lot of additional work had been done on the revised proposal. This was also highlighted by another Member who considered that the revisions strengthened the document and recommended its approval.
- Another Member commented that the revised proposal indicates that the implementation, monitoring and evaluation will be undertaken by a single governmental institution, the ONC. There is no explicit involvement of the private sector, particularly as far as coffee sales are concerned. Everything has to be driven by a clear and defined focus on coffee sales, identifying the target buyer, adequately defining marketing strategies and quality parameters of the coffee produced; otherwise there will be no economic sustainability of the project. Furthermore, the

issue of permanent social instability, especially in the Kiwu region, is well known and it seems unlikely that such a project would be effective in contributing to the resettlement of the people of that area or a conducive business environment.

The revised proposal responds to comments made by the VSC in September 2008 as follows:

- It includes a plan of action, and defines indicators for the outcomes, in response to comments that these elements were missing from the proposal.
- In response to the comment about the need to introduce elements of self-sustainability into project activities and, where feasible, to adopt coffee quality-improvement practices, the revised proposal explicitly includes activities to establish installations for pulping and removal of mucilage and parchment in coffee processing centres. This will enable farmers to process their coffee cherries using wet preparation systems, with improved new technology that has the advantage of being ecological, requiring less water, being less polluting, requiring less labour (reduction in preliminary soaking time), improving the processing of coffee cherries, helping in the fight against the practice of grinding dried coffee berries, reducing the cost of processed coffee by making parchment coffee available to farmers, ensuring good quality and higher added value for the product.
- In response to comments about the need for detailed information on the costs of establishing coffee nurseries and establishing co-financing for this section, the revised proposal includes information about costs and the PEA has committed US\$506,128.7 for co-financing.
- Regarding concerns that constraints related to coffee marketing had not been addressed, the project now includes specific actions at the marketing level, including organisation of markets in project areas and encouraging buyer interest in purchasing coffee produced in project areas.
- Concerning the need to address gender aspects, this is part of actions at the social level, which involves the participation of the ONC in the process of resettling coffee farmers displaced by war in their areas of origin. The contribution of the ONC is to convey, through broadcasting, the MONUC (United Nations Mission to the Democratic Republic of Congo), CONADER (Coordination programme for the repatriation and settlement of displaced persons), non-governmental organizations, or through intermediate territorial authorities, the message relating to the involvement of the ONC in the process of supporting afflicted coffee farmers who have returned to their home areas.