

# NAMA SUPPORT PROJECT BRIEF

## Low-Carbon Coffee NAMA in Costa Rica

### Country/Region

## Costa Rica

### NAMA Support Organisation

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

### Implementing Partners



Ministry of Environment and Energy (MINA), Ministry of Agriculture and Livestock (MAG), Central American Bank for Economic Integration (BCIE), Coffee Institute of Costa Rica (ICAFE)

### Project Snapshot

*The NSP aims for a climate-friendly transformation of the entire value chain of one of the most important economic sectors in the country through the development of the world's first NAMA in the agricultural sector.*

In Costa Rica, coffee production plays a key role in the economy while also accounting for nine percent of greenhouse (GHG) emissions. Its coffee plantations cover more than 90,000 hectares situated between 600 and 1,600 metres above sea level. Moreover, the sector comprises 45,000 producers, 239 mills, 72 exporters and 89 roasters, representing eight percent of the Costa Rican workforce.

In an effort to reach the country's goal of carbon neutrality in 2021 and to contribute to international climate protection efforts, the NSP aims to reduce GHG emissions and improve the efficient use of resources at both coffee plantations and in coffee mills in order to create the first low-emission coffee worldwide.

Coffee production has historically been closely linked to Costa Rica's national identity and economic development. However, the sector is facing multiple challenges: fluctuating world coffee prices, a recent resurgence of a fungal disease affecting more than 60% of the Costa Rican coffee growing area and relatively high production costs, as coffee farms rely on manual labour. Additional pressures include high levels of soil acidity and the impact of climatic changes. In this context, the NSP seeks to induce sector-wide transformational change aimed at the reduction of GHG emissions whilst simultaneously guaranteeing the production and processing of high-quality coffee in an environmentally and socially sustainable manner.

To achieve this, the NSP targets technical and financial considerations and will focus on:

1. Strengthening the technical and institutional capacities at national level in order to facilitate the inclusion of and coordination with the private sector.
2. The main actors along the coffee production value chain who can contribute greatly to emission reductions in the sector.
3. Creating essential framework conditions that enable sustainable transformational change in the coffee sector.
4. Establishing an MRV system at the farm, mill and national level.

The financial component will support a fast-track procedure of investment subsidies for low-emission technologies and the establishment of a 'NAMA fund' at BCIE as a credit fund and a guarantee facility for commercial banks financing low-emission investments in the coffee sector.



**Sector**  
Agriculture



**Beneficiaries**  
6,000



**NAMA Facility Funding**  
EUR 7 million  
(FC: 2.7M - TC: 4.3M)



**Duration**  
2015 - 2022



**Status**  
Implementation

### Expected Outcomes

- Empowerment of farmers and millers in a sector which provides up to 150,000 jobs during the harvest period
- The aggregate emission reduction potential is 1.92 MtCO<sub>2</sub>e over 20 years, with direct emission reductions of 720000 tons CO<sub>2</sub>e
- Increased economic sustainability by facilitating access to differentiated markets