NAMA – Coffee of Costa Rica

NAMA Facility side-event
Cop 19
November 15th 2013
Warsaw, Poland
Nationally appropriate mitigation actions in the Costa Rican coffee sector

Pathway towards a low-carbon coffee sector

Keeping coffee growers and farming families in business through increasing eco-competitiveness of national coffee producers
Our coffee sector is fertile ground for developing a new approaches to a green economy: easily rolling out NAMA management models and scaling up
Coffee Sector Structure

NAMA affects 50,000 farming families and involves an area of approximately 93,000 hectares.

<table>
<thead>
<tr>
<th>Coffee Sector</th>
<th>2002</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Farmers</td>
<td>70,143</td>
<td>52,787</td>
</tr>
<tr>
<td>Number of Mills</td>
<td>93</td>
<td>184</td>
</tr>
<tr>
<td>Number of Exporters</td>
<td>56</td>
<td>93</td>
</tr>
<tr>
<td>Number of Roasters</td>
<td>34</td>
<td>57</td>
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Source: ICAFE.
Payments for environmental services for agroforestry systems in the coffee sector

**NAMA Highlights**

First NAMA in coffee sector and one of the few NAMA’s in Agriculture

Increased adoption of mitigation and adaptation measures along the supply and value chain

Donor support may target: institution building, capacity building, evidence building, knowledge sharing and capital investments.

Coffee sector serving as a “NAMA laboratory” for other sectors and other Latin American coffee-growing countries
Key NAMA Elements

Smart combination of public and market incentives aimed at: increasing carbon sinks, reducing emissions of nitrous oxide and methane, combined with climate adaptation practices.

At the farm level:

*Improving adoption rates of innovative mitigation practices which reduce N2O emissions. and proven adaptation techniques.

At coffee mill:

*Introducing equipment and techniques that reduces methane emissions in wastewater and pulp treatment.
Costa Rica’s agricultural sector represents 37% of country’s emissions.
Expected outcomes

Co-benefits:

* Eco-competitiveness coffee growing (cost savings, diversification, keep market access and environmental impact reduced)

* Resilience of 50,000 farming families.

- Reduction potential: approx. 30,000 Ton of CO$_2$/year.
- Carbon sink potential: approx. 90,000 Ton of CO$_2$/year.
- 120,000 Ton CO$_2$e/year until 2024 at full implementation.
- The expected reductions over 20 years will be 1,850,000 Ton CO$_2$e
We envision the NAMA as a business model not only for the coffee sector, but for the agricultural sector as a whole.
Payments for environmental services for agroforestry systems in the coffee sector

How we will do that?

- Financial Mechanism

**Fuente:** GIZ, B. Krause (2013)
Support Requested

International funding

20.000.000 USD (equivalent to 40 USD/family/year) from 2014 to 2023.

- **Institution building**: establishing a smart MRV-system;
- **Capital building**: investments in (NAMA-type technologies);
- **Evidence building**: establishing a smart MRV-system;
- **Capacity building**

National funding

11.500.000 USD (equivalent to 23 USD/family/year) from 2014 to 2023.

- **Coffee growers and mills (risk)**
- **Public extension system & Agriculture and Livestock Ministry awards**
- **National Development Banking System**
- **Coffee-shading and reforestation and PES-qualifying**
The project will support the NAMA development through pilot projects.

<table>
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<tr>
<th>MIF (technical cooperation)</th>
<th>Local counterpart</th>
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<td>US$1,364,388</td>
<td>US$ 965,650</td>
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</table>
NAMA-FACILITY

**Expected Results:**

- Investments in GHG-efficient technologies
- Support the dissemination of new practices,
- Monitoring of NAMA activities (MRV).

**Total Project amount:**

€8M + counterparts

**Timeframe:** 2014-2018

The project will improve the capacities to design, finance, implement and monitor NAMAs (in the coffee sector in specific and in general)

The project will build on FOMIN/IDB activities and develop them further to a greater scale up support project in the future.
Contact Information.

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With the support of:
Thank you