



# HARVEST REPORT HONDURAS 2021



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# Summoning la garra catracha

After the storm comes a calm, so the proverb goes. Well, Honduras was hit by two back-to-back storms in 2020 and calm is yet nowhere to be seen but rather a huge national effort to rebuild the country. Category 4 hurricane Eta struck Honduras on November 3rd, quickly followed by Iota on November 17th. The country was already struggling with the consequences of COVID-19 restrictions, which led to soaring unemployment rates and pushed people to join migratory caravans in search of the American dream under Joe Biden.

It's not all doom and gloom though. After speaking to the cooperatives who are part of our community, we were impressed by Hondurans' cheerful dispositions and how quickly they adapted to the situation. Not all that was damaged in the country can be easily reversed but what we can see is a big movement of producers working together to find common solutions. "Together, we can keep going, growing, and glowing," says Sebastian Wiersma of Cafesmo (Cafés Especiales Mercedes Ocotepeque) in the Copán growing region.



# Harvest overview: what you need to know



**Small growth in volumes:** Despite COVID-19 and the hurricanes, the harvest is forecasted to grow slightly in Honduras this year. Though some producers report losses above 15% on their crops, IHCAFE is keeping the initial production forecasts around 6.1 million bags.



**No expected delays:** The situation at the ports is stable and no major delays are to be expected in exporting. Roads and bridges that have been affected by the hurricanes are currently being repaired by the government to make transportation smooth during the exporting period, from January to June.



**Higher yields:** Producers are reporting higher yields per hectare and lower ratios of cherry to exportable green. This is due to largely favourable weather conditions throughout the year.



**Good quality:** The hurricanes led to an increase in levels of diseases like leaf rust and ojo de gallo, but the overall quality of Honduran coffee this season is good. In general, producers report fewer defects and better scores.

## COVID-19

- When the pandemic hit last March, 90% of the harvest had already been picked and most coffees had been contracted. Travel restrictions and the need for constant testing are, however, leading to labour shortages this season.
- COVID had a big impact on exports, which remain slower than usual. The country exported 47,1% less in October–December 2020 than in the first 3 months of the year.
- Exports of specialty coffee and micro-lots were forecasted to grow in 2020. However, the segment was one of the most affected and producers report not being able to sell their coffees and having to blend them with commercials.
- Internal prices in Honduras have been high in late 2020 and producers are optimistic. Exporters, however, are still concerned about contracts that are coming in slowly and are being squeezed for lower prices.



# Eta & Iota: why it could have been worse

Honduras had a rocky start to the season with the two hurricanes. However, producers have been generally positive about the current weather conditions. They reported good flowerings in 2020 and the rainy season, between May and October, has favoured the cherry development. January and February have been dry months, creating perfect conditions for sun drying naturals and honeys.

The hurricanes did cause a lot of destruction, but the damage was felt mainly in cities – like San Pedro Sula which was largely underwater – and in infrastructure, with roads blocked by landslides and bridges collapsed. **The Fondo Cafetero Nacional** is releasing monthly emergency bulletins showing the evolution of repair works. These are largely focused on the main coffee producing departments: Comayagua, Santa Barbara, Copán and Lempira.

Less dramatic, the constant rain seen by farmers at the end of 2019 had far worse effects on the coffee itself. The cold and rainy conditions then made it hard for workers to endure long picking days, cherries fell onto the floor or cracked open, leading to defects. For this reason, the 2019–2020 harvest is being referred to locally as the “phenol crop”. This year, however, yields are higher, screen sizes more consistent and defect count is much lower.







## Making the best with what you've got

Though the impact of the hurricanes might be dismissed by some producers, Sebastian explains that the impact was indirect, yet grave. “In Cafesmo, 18% of our access roads have either been destroyed or damaged, which has the following consequences: we had to spend time to repair the roads right when we should actually be harvesting coffee, we have to use the money for road repairs exactly when we have no money left from the previous harvest and yet no income from the current one, and we are obliged to carry our coffee on our backs or use our scarce resources to rent mules,” says Sebastian.

According to Ronald Alvarado from Beneficio Santa Rosa, an exporting company who provides logistics services to cooperatives and clusters of farmers in the country, “The information that came from the Instituto Hondureño del Café (Ihcafe) that only 1.2% of producers on higher altitudes were badly affected doesn't express the real dimension of the storms. Some farms are only accessible through dirt roads and to get to them was like trying to move through quicksand. Many producers couldn't pass their coffee to where cooperatives are.”



Ronald confirms that the cup quality hasn't been affected because "the hurricanes hit during the first pass of farms located in lower altitudes. Each lasted 2 or 3 days and before we saw rains lasting the entire month and really damaging the coffee". Currently, he is concerned about the mood of the market. **Exports dipped 47,1% between October and December 2020** when compared to the first three months of the year and reports showed January has followed a similar trend.

"At COMSA, the issue was the excessive moisture on the soil, leading to landslides. We are more tolerant when receiving dry parchment and keeping high standards for cherry, always promoting the harvest at the optimum point of ripeness. As we have less control over producer's wet mills, we do it at the cupping lab. We're not finding quakers or many issues with the quality. We are expecting, however, a reduction of 10% to 15% of our crop," explains Rodolfo Peñalba from COMSA (Café Orgánico Marcala), in the La Paz department of Copán growing region.





# COVID: a blessing in disguise?

The Honduran coffee sector has also been suffering from labour shortages due to travel restrictions imposed due to COVID-19. The country had already sold 90% of their coffee by the time the pandemic hit in March 2020, but there have been contract cancellations and uncertainty. The effects of the pandemic are mixed: “Thankfully, we had sold the bulk of our coffees for a fair price before the pandemic hit. But we were on the brink of selling two containers of specialty coffee when COVID spread its tentacles around the globe, and all orders were cancelled. After two weeks of resignation, we decided to start seeking new buyers. With hindsight, we can say that in an awkward way COVID has been a blessing for us. We now have established connections with buyers in countries like Chile, China, Australia, and Japan, markets where we were previously not present”, reflects Sebastian of Cafesmo.

Labour shortages and hurricanes combined delayed the beginning of the picking season in 15 days to a month and meant this crop will get to patios slower. “A producer that needs 30 pickers will secure 10 or 15 now because of the pandemic,” says Ronald, referring to the fact workers from Guatemala or Nicaragua are not travelling to Honduras for the season even though the government has lifted the travel ban. Border agents are requiring negative tests for people to cross and each test costs more than US\$ 20, more than pickers can afford. Locals from other regions also haven’t been travelling for fear of the virus.



Internal prices are high and keeping producers optimistic. Exporters and cooperatives who face the international market are wary of managing buyers who leverage COVID to lower offer prices. “Prices were skyrocketing last year and stayed high. Producers don’t want to lower their prices because with fewer pickers around they have to work harder. At the same time, buyers are demanding a reduction in prices because their demand is not normalized,” states Ronald, distressed. He informs that the premium segment was the one hit hardest, with little trading of lots above 85 points. Beneficio Santa Rosa has increased its traceability and transparency efforts to partner with more growers and hopes to grow the premium segment again this year to bring added value. “Word of mouth about our transparency is helping us grow, which is a very positive aspect of this period.”





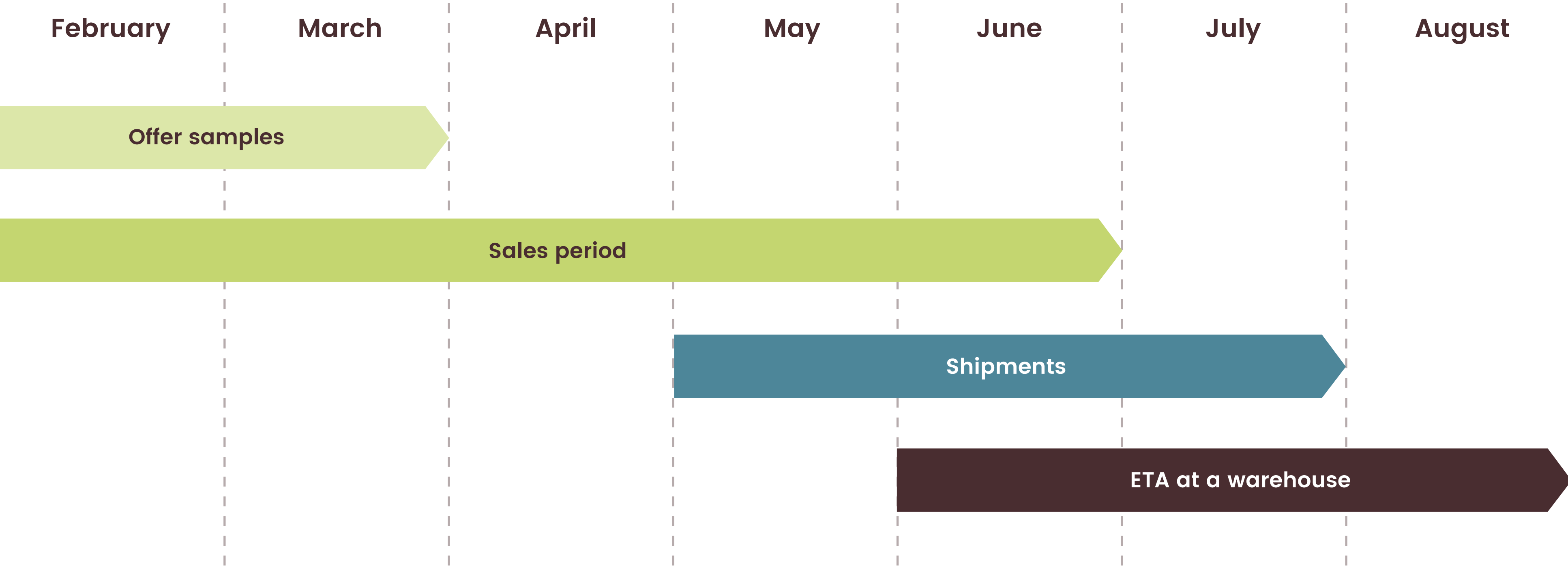
## A big catracha family

All producers we spoke to have used this turbulent time to grow in different ways, showing every hard situation has a silver lining. Beneficio is improving the quality of their services, Cafesmo is diversifying their client base to become more sustainable in the long-term and COMSA is dedicating efforts to research on their coffees longevity and into reforestation, **supporting the planting of new trees** to avoid landslides like the ones seen in November.

With so much need for aid, Fairtrade premiums have also been largely used to support farmers and their families. Sebastian of Cafesmo tells us that, when COVID hit, FT premiums were used to help distribute food to families which had income reductions. To face Eta and Iota, Cafesmo started a fundraiser with friends and partners and raised US\$ 3.000 to repair roads. No advances could be made without Hondurans drive and determination, which they call “garra catracha”. “We all teamed up and helped out one another with mules, friendly hands, sharing cars, and so on because in a way we are one big family.”



# Important dates for shared shipments\*



\* All shared shipments are currently routed to Vollers warehouse in Bremen. Contact your sales manager if you have dedicated shipment requests and need your coffee to be sent to a different location.

For a more detailed view check [algrano.com/sourcingplanner](https://algrano.com/sourcingplanner)



# Partners at origin

Algrano has been working with Honduran cooperatives since 2017, when we first facilitated a purchase from COMSA (Café Orgánico Marcala) to a roaster in Europe. Since then, new cooperatives and exporters, acting here as service providers such as Beneficio Santa Rosa, have been onboarded to the platform.

The cooperatives offering on the platform are from the Western part of the country and spread around 4 departments: La Paz, Ocotepeque, Lempira and Copán. Beneficio Santa Rosa has also facilitated the offering from cooperatives in other parts of the country, such as the Francisco Morazán department in Central Honduras.

The departments above encompass four different coffee growing regions: Copán, Opalaca, Montecillos and Comayagua. Copán and Comayagua are the largest producers in the country and all these regions are close to Puerto Cortés, where the coffees are shipped. Together, these cooperatives offer a good selection of certified blends, specialty coffees and single-farm lots.





# Cafesmo (Cafés Especiales Mercedes Ocotepeque)

**General manager:** Hidardo Hernandez

**Location:** Mercedez, Ocotepeque department, Copán region

**Members:** Over 250 farmers

**Altitude range:** from 950 m to 1.950m

**Average farm size:** 2 to 12 hectares

**Varieties:** Caturra, Red Bourbon, Red Catuai, Icatu, Pacas, Obata, Lempira, Pacamara, Parainema, IH-Café-90, Catimore and Colombia

**Certifications:** Fairtrade, Organic, Rainforest Alliance

**Harvest:** October to March

**Shipping with Algrano:** May and July

## What makes Cafesmo unique?

Super proactive, great communication, young and innovative, focused on quality with a penchant for experimentation. Open to roasters ideas and projects.

[Browse coffees](#)







Cafesmo is a specialty focused cooperative founded in 2016 to support farmers based around the hills of Mercedes in the very south of Honduras, in close proximity to Cerro el Pital and the natural reserve of the Volcan Pacavita. All farms are FTO and grow coffee under the shade of native trees, which provide protection and nutrition for the soil. The mountainous topography and the elevation of the farms, mainly between 1.200 m and 1.600 m, create ideal conditions for coffee cultivation. Cafesmo has a wet and dry mill and can process coffee in a wide range of methods.

Recently, they have been successful with anaerobic fermentation lots and decided to give more focus to this preparation as a way of generating interest in their work. The cooperative has the support Sebastian Wiersma, who has been living between Honduras and the Netherlands for nearly 20 years and now supports Cafesmo's members in marketing and selling their coffee in Europe. Cafesmo started working with Algrano in 2020 and has been prized by roasters focused on quality and traceability.



# COMSA (Café Orgánico Marcala)

**General manager:** Rodolfo Peñalba

**Location:** Marcala, La Paz department, Montecillos region

**Members:** Over 1500 farmers

**Altitude range:** from 1.300 m m to 2.000 m

**Average farm size:** 3.8 hectares

**Varieties:** Caturra, Red Bourbon, Red and Yellow Catuai, Icatu, Pache, Lempira, Pacamara, Parainema and IH-Café-90

**Certifications:** Fairtrade, Organic, Bird Friendly

**Harvest:** October to April

**Shipping with Algrano:** May and June

## What makes COMSA unique?

Leading cooperative with history and experience, innovative approach to organic farming, intensive farmer training and education towards social development. Your go-to coop for great & consistent blends.

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COMSA is a big name in Honduras and well-known to roasters. The cooperative was established in 2001 with a starting capital of US\$ 365 and 65 community-minded farmers. Today, COMSA is one of the biggest exporters in the country with a solid reputation for quality and professionalism. The cooperative was created to fight rock bottom prices during the global coffee crisis of the early 2000s and to prevent growers from abandoning their farms to migrate to the US. COMSA became Fairtrade certified in 2005 and has since invested premiums to develop a cupping lab, a biodynamic farm and nursery in the El Pastal community, an international school with a coffee shop, sports facilities, a music room and even a yoga room.

Their school adopts the method of the American physiotherapist Glenn Doman, known worldwide for his work in child development. COMSA's blends are highly popular with roasters for both espresso and filter due to their consistent quality. The coop is currently running a study to determine the longevity of their coffees. Suita Diaz, currently based in the US, is the main contact for the cooperative on the platform.



# Cosagual (Cooperativa de Servicios Agropecuarios Gualcinse Limitada)

**General manager:** Erlinda Martinez

**Location:** Gualcinse, Lempira department, Copán/Opalaca regions

**Members:** Over 130 farmers

**Altitude range:** from 850 m to 1.800 m

**Average farm size:** 3 hectares

**Varieties:** Red and Yellow Catuai, Lempira, Parainema, Typica and IH-Café-90

**Certifications:** Fairtrade, Organic

**Harvest:** November to March

**Shipping with Algrano:** June and July

## What makes Cosagual unique?

Driven by a sense of community and social responsibility, creating job opportunities in this remote area and supporting growers development through quality and crop diversification programs. Environmentally conscious and equipped with an ecological wet mill.

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Cosagual represents farmers around the town of Gualcinse, in the South of the Lempira department, in the border with El Salvador. The farms are located in the National Park Congolón, near the Piedra Parada and Coyocuten peaks. Cosagual has a wet mill where cherry is brought to for processing. The cooperative also buys parchment from farmers, but by working with cherry they can better control quality standards to produce coffees with consistency. Cosagual has a number of social and environmental projects to promote sustainability and improve the life of the community. They produce and distribute organic fertilizers, provide technical assistance on farm management and disposal of residues and promote ecotourism in the region.

Home to the ethnic groups Nahuatl and Lenca, Gualcinse is known for the indigenous resistance against the Spanish colonialists under the leadership of chief Lempira, a national hero. In the Nahuatl's native language, Gualcinse means "Land where the goldfinch sings" and is covered by protected landscapes, archeological sites and has a rich flora and fauna. Initially focused on Strictly High Grown (SHG) and High Grown (HG) blends, Cosagual has been starting to invest in the specialty segment in the last few years, producing high quality micro-lots.



# Cocafcal (Cooperativa Cafetalera Capucas Ltda)

**General manager:** Omar Rodriguez

**Location:** Las Capucas village, San Pedro de Copán town, Copán department and region

**Members:** Over 900 farmers

**Altitude range:** from 1.200 m to 1.700 m

**Average farm size:** 3 hectares

**Varieties:** Caturra, Red Catuai, Lempira, Parainema, Obatã and IH-Café-90

**Certifications:** Fairtrade, Organic and Rainforest Alliance

**Harvest:** October to April

**Shipping with Algrano:** May and July

## What makes Capucas unique?

Beautiful mountainous location with cooler than average climate leading to tasty coffees. A large group, Capucas combines quality and volume, producing consistent blends for both the traditional and the adventurous coffee drinker.

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Cocafcal, also known simply as Capucas, is a big cooperative with rich history and founded in 1999 by farmers with deep roots in the cooperative movement in Honduras.

The farms are based on the slopes of the Celaque mountains where the biodiversity, extensive tree canopies and cool climate create ideal conditions for coffee growing. Capucas buys both parchment and cherries from coffee growers and encourages farmers to produce single-farm lots. At the cooperative's processing centre they can finish drying parchment and process larger blends following careful protocols and generating incredible results. They have a big output of naturals, honey and anaerobics which make their offering diverse. The volumes moved by Capucas mean the coop has a sizable sum of Fairtrade premiums to invest back in the community.

They have partnered with the National Autonomous University of Honduras (UNAH) to establish an online university for young students of disadvantaged backgrounds and also have medical facilities for locals, a football field and school (and a coop's team) and a beekeeping centre. Capucas also supports a group of female producers who sell roasted coffee in the internal market and promote sensory training. Their cupping lab is open to growers and quality assessments are shared transparently.



# Benefício Santa Rosa

**International sales:** Ronald Alvarado

**Location:** Santa Rosa de Copán, Copán department and region

**Partners:** 27 cooperatives

**Certifications:** Fairtrade, Organic, Rainforest Alliance, UTZ, Cafe Practices

**Shipping with Algrano:** June and July

## What makes Benefício Santa Rosa unique?

Transparency, focus on services to farmers with agronomist support and technical assistance and a wide country reach, partnering with growers from all parts of Honduras.

[Browse coffees](#)







This is a less usual addition to our list because Benefício Santa Rosa is not a grower or cooperative, rather an exporter. They work with some of the cooperatives listed previously, like Cosagual and Capucas, and others. In 2014, the mill changed its focus from just buying and selling coffee to providing services to cooperatives and clusters of producers.

They have a technical team who visits farms to assess the quality of the coffees, which can be pre-contracted there and then. They buy mainly cherry and also parchment and are increasingly concerned about traceability and transparency, making sure each cooperative knows the proposed deals, determines prices and is informed of all the details paid by buyers through the mill. Their collaboration with Algrano follows this line, keeping cooperatives involved in the process.



# Discover the coffees from Honduras

*Browse through the lots on offer and get your samples*

Go to platform

