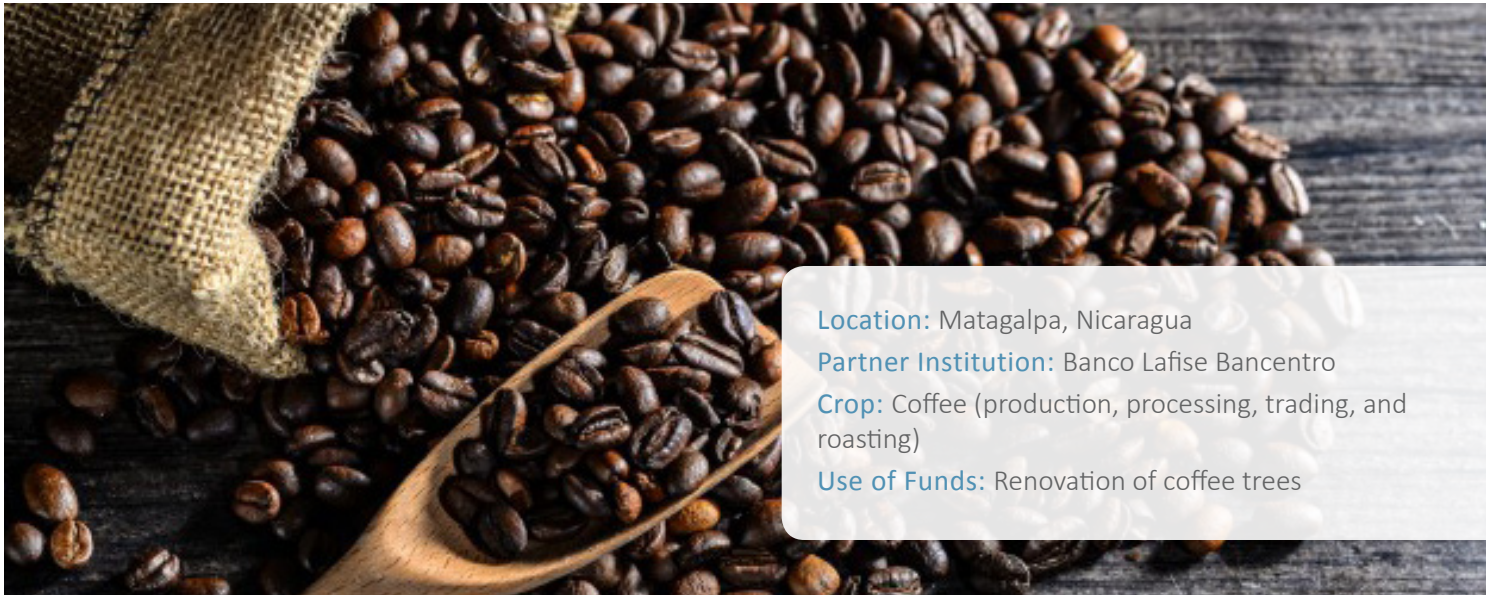


# Finca La Luz

## CLIMATE FRIENDLY COFFEE

eco.business Fund Success Stories



**Location:** Matagalpa, Nicaragua

**Partner Institution:** Banco Lafise Bancentro

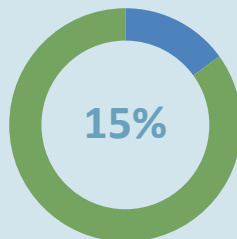
**Crop:** Coffee (production, processing, trading, and roasting)

**Use of Funds:** Renovation of coffee trees

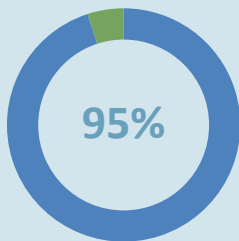
### Nicaragua's Coffee at a Glance



**2.3 million** 60 kg bags were produced in 2016/2017 crop season.



Of Nicaragua's total labor force is **employed** directly and indirectly **by the coffee sector**.



Of coffee farmers in Nicaragua are **small holders**.



By 2050 Nicaragua **will lose** the majority of its **coffee zones** due to climate change.

Sources: USDA Foreign Agricultural Service, 2017 and A Brewing Storm: The climate change risks to coffee, The Climate Institute, 2016

### Finca La Luz: Part of The Rianza Coffee Group

Located just 15km from the city of Matagalpa, Nicaragua's fourth largest city, the Finca La Luz is a family business dating to 1930. Matagalpa is bordered by the Bosawas Natural Reserve, the largest land preservation initiative in Central America.

The farm extends over 138 hectares and specializes in catimor, catuai and caturra varieties of coffee. Finca La Luz produces an average of 3,400 bags of 60 kg annually and has been certified by the Rainforest Alliance for the fourth consecutive year and is part of Starbucks's C.A.F.E. Practices and Nespresso's AAA Program. The farm is part of the Rianza Coffee Group, a vertically integrated group that has a trading company, CafeCentro, and a dry coffee mill, Beneficio Huriva, which overall exports 45,000 bags of green coffee annually.

Finca La Luz, in addition to the recognition and certification provided by the Rainforest Alliance, plays an important role in the immediate community by employing more than 100 people all year round and 600 temporary employees during crop season.

The farm's influence and impact on the community does not end here as they have reserved around 18% of their land for native forests.

In addition, Finca La Luz follows the traditional Central American agroforestry system using native tree species to provide shade for the coffee.

## Banco Lafise Bancentro

Founded in Nicaragua in December 1991, Banco Lafise Bancentro is a pioneering banking institution which aims to provide trustworthy, safe, convenient and flexible financial solutions to their clients. Banco Lafise Bancentro has an estimated 15,000 clients and among these is Finca La Luz which has been a customer since 2001.

Finca La Luz has received a USD 1 million loan from the bank with funding from the eco.business Fund to renovate plantations.



Coffee Roasting

## The Future is Bright






Finca La Luz continues to work towards producing a more durable yet sustainable crop. By renewing their plantations with new coffee leaf rust resistant varieties the farm increases productivity while mitigating the effects of climate change.

The farm has adopted climate smart technologies including water saving coffee pulpers, which reduce water use in pulping and fermentation by 40% to 60% when compared to traditional methods. All water used in the process is treated before disposing to avoid contamination and the coffee pulp is composted and recycled back into the crop as an organic fertilizer.

Finca La Luz also has a pest management program to limit the use of agro-chemicals as the last option in pest control, giving priority to the crop's genetic resistance, plant nutrition and crop management including shade control. All processes and applications are properly registered and documented. There is 100% traceability for each plot of the farm.

There are seventeen families permanently living on Finca La Luz and their houses have all the basic services and facilities such as drinking water, toilets, drainage, trash collection and septic tanks. Workers also receive a food subsidy all year round from the farm.

## In Brief: Rianza's Sustainable Practices

| Sustainable Practices  | Benefits  |
|--|---|
|  <b>Shade-grown coffee system</b>  | Serves as a carbon sink<br>Reduces use of chemical fertilizers<br>Prevents soil erosion                     |
|  <b>Coffee plant renovation</b>    | More resistant to pests<br>Greater productivity   |
|  <b>Ecological coffee pulpers</b>  | Efficient use of water<br>Reduces water loss  |
|  <b>Integrated pest management</b> | Reduced pesticide use   |
|  <b>Water treatment tanks</b>      | Efficient use of water<br>Reduces use of chemical fertilizers<br>Reduces water loss<br>Reduces water runoff |

In addition, the Rianza Coffee Group is committed to helping the communities where they work. The group provides access to roads and sponsors medical brigades for local communities. The Group has also funded a nursery and a primary school where 22 children study on a full-time basis by covering all of the expenses of the students' educational materials and by paying the cost of hiring a teacher.

**About us** - The eco.business Fund is spearheading the promotion of business practices that contribute to the preservation of biodiversity, the sustainable use of natural resources, and climate change mitigation and adaptation through private enterprises. By providing financing for business practices that conserve nature and foster biodiversity, the fund seeks investments with both financial and environmental returns. The fund mainly provides loans to qualified local financial institutions that lend the money to eligible borrowers, which include holders of recognized certifications or those making improvements in line with conservation and biodiversity goals. The fund supports sustainable operations in the sectors of agriculture, fishery, forestry and eco-tourism. For additional information please visit [www.ecobusiness.fund](http://www.ecobusiness.fund) or email us at: [info@ecobusiness.fund](mailto:info@ecobusiness.fund).

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