

# **TRAINING REPORT**

**NAME OF THE TRAINING:**

**YOUTH TRAINING IN COFFEE QUALITY AND BUSINESS  
MANAGEMENT**

**HOST:**

**KIBINGE COFFEE FARMERS' CO-OPERATIVE SOCIETY LTD**

**participants of the training: 25**

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## **1. Introduction and Background**

This training is designed to equip young farmers and coffee traders with basic coffee trading techniques

It also provides detailed Quality Management procedures as well as Records management

The youth are to form a network from the different areas in Kibinge region with KCFCS Ltd as the collecting center

The network is aimed at ensuring proper pre and post harvesting methods, stable pricing and share of knowledge and skills.

## **2. Expectations from the Training**

1. Trading knowledge
2. Quality management systems
3. financial assistance from Kibinge
4. Maximizing profits for Kibinge
5. Network location
6. Proper sun drying methods
7. Coffee farm management systems
8. Harvesting coffee
9. Post-harvest handling
10. Coffee Hulling

### **3. QUALITY MANAGEMENT**

#### ***3.1. PROCUREMENT DEPARTMENT***

Procurement is the process of acquiring goods and services in any possible way.

#### **Purchasing**

##### **Definition**

This is the process of buying goods and services in the right quantity, at the right

Price, in the right quality, from the right suppliers at the right time

These days purchasing is seen more as a profit center, because every cent that is saved in purchasing is a direct profit for a company; furthermore, purchasing is perceived as a value adding function

##### **Advantages**

1. Creating more value to the end customers Companies

2. Using Strategic purchasing can achieve greater responsiveness to the supplier needs and Maintain cooperative relationships and communication.
3. Having close collaboration with suppliers, companies can gain cost savings and increase revenue.
4. Keeping close relationship with suppliers,
5. Having open communication between supply-chain partners

### **3.2. Cost-risk-value balancing**

#### **Cost**

Companies need to make sure that the goods and services are delivered at the best value or lowest total cost of ownership Best value is affiliated with the best possible value a company can get for their money, but the goods and services also need to be bought at a fair price

## **Value**

A company that concentrates on improving the value operates on the fact that the most important thing for success is to produce value to the end customers. The goal is to create the most effective and efficient value chain for serving the end user.

## **Risk Management**

All operations in companies contain risks. Risk management is a good way for minimizing, monitoring and controlling the probability.

Common or frequent coffee risks include

1. Weight risks- Use a well calibrated weighing scale
2. Moisture content – Use a well calibrated moisture analyzer.
3. Transport risk

### **3.3. Processing**

#### **Harvesting**

1. Do not strip all cherries off the branch.

2. Harvest only fully ripe (brick red) cherries because green/unripe cherries will form black beans. Overripe cherries give defects such as discolored coffee beans, fermented and off flavors to the coffee cup. Ripe cherries give better quality coffee and therefore more money.
3. Keep harvested coffee cherries in containers such as baskets.
4. Do not dry the coffee on bare earth as this results in earthy smells and soil microbial contamination.
5. Sort out immature, diseased, pest infested, overripe cherries and process them separately.
6. Remove all extraneous materials such as twigs, leaves, stems and stones.

### **Wet Processing**

1. Put freshly harvested cherries into sufficient water to float unfilled fruits and extraneous materials.
2. Remove the floats and pulp the clean cherries.

3. Pulp cherries within 12 hours after harvesting using pulpers, to separate pulp from parchment.
4. Keep freshly pulped coffee beans in container for 12-24 hours to allow fermentation.
5. Wash the fermented coffee thoroughly to remove mucilage from the parchment.
6. Dry washed parchment on wire trays or tarpaulin.

### **Drying Processing**

1. This involves drying cherries without removing the pulp.
2. Dry the cherries immediately after harvesting.
3. Dry cherries on a tarpaulin or concrete floor but not on bare ground
4. At night, stack trays in a store or house. Do not leave wet coffee heaped or it will develop mold.
5. Dry coffee to 11-13% moisture content.



## **Storage**

1. Store only dry coffee in bags.
2. Place the coffee bags on pallets raised to at least 15cm wetting by ground moisture.
3. Keep stacked bags at least 30cm away from the walls and ceiling.
4. Preferably do not store coffees in the same store with other farm produce.
5. Do not store coffee in the same store with agro-chemicals and oil products. Do not use fertilizer or fish bags for storage.
6. Storage rooms should be well ventilated and leak proof.

## **Hulling.**

Avoid hulling wet coffee to prevent coffee musty

## **FAQ to green Export coffee:**

Over 95 % of the total annual coffee production is exported as green beans. Secondary processing also known as export grading transforms the clean coffee (FAQ) into the various coffee grades that meet the international standards. The process involves cleaning the FAQ, drying the coffee if wet (M.C over 13 %) followed by size grading using

perforated screens of the desired size.

The sorted beans are then gravimetrically sorted to have uniform specific density before bagging off and loaded into containers for transportation to the ports.

#### 1. Pre-cleaning and de-stoning:

The FAQ coffee collected from the various suppliers is of mixed quality depending on the individual suppliers' storage and handling techniques. The coffee is often wet (M.C > 14 %) and includes extraneous matter e.g. stones, chaff etc. The FAQ passes to the pre-cleaner where the undesirable impurities that are often lighter than the good beans are removed. The wet FAQ passes to a drier. Dry coffee then continues to a de-stoner where the denser stones are eliminated.

#### 2. Size grading:

The cleaned coffee then passes to a grader, which often consists of a box fitted with screens of various sizes in descending order. The larger beans are retained on the required screen and pass to a lateral exit.

#### 3. Gravimetric sorting:

Although the sorted beans are now of the same size, they may vary in weight mainly due to poor agronomic practices especially the harvesting of immature cherries. The coffee passes over a gravity table where separation occurs at various points on the fluidized bed.

#### 4. Bag-off:

The coffee is then bagged in jute bags of 60 Kg which are then loaded into a container for transportation to the port.

The following are the Ugandan export grades:

## **4. TRADING**

### **Price determinants**

A full quality analysis on the 100% sample acquired is done by the quality team and a report on the results is generated. The analysis is based on aspects mentioned below.

#### **1. Moisture content (MC)**

The required moisture content for export coffee is 13.0% max for Robusta and 12.5% for Arabica

Importance of low MC

1. Prevent the coffee from molding.
2. Avoid weight losses during the shipment period.
3. Easy and even coffee roast.

Moisture Cutting Formula

{MC (Delivered Coffee) – Base MC}\*1.5

#### **2. Screen distribution.**

Evaluation of coffee as per the bean size. Three standard grades.

1. Screen 1800 (bigger beans)
2. Screen 1500 (medium beans)
3. Screen 1200 (smaller beans)

Bean size depend on the type of coffee. Arabica has bigger screen size compared to Robusta

Coffee with bigger screen sizes fetches more money.

Proper harvesting practices improve

#### **4. Defect levels**

Evaluation of coffee by the defects levels.

Types of defects

1. Black beans
2. Discolored beans
3. Floaters
4. Pods (50% cutting)
5. Foreign matter (full cutting)

#### **5. Color and Odor**

Each sample must be evaluated for color. Blue-Green, Bluish-Green and Green are the acceptable colors. A Greenish or inferior sample would not qualify.

Each sample must also be evaluated for foreign odors. Traders need to stick their nose into the sample and inhale strongly to detect any foreign odor. Only samples that is completely free of foreign odors.

#### **6. Coffee Net outturn.**

This is the actual percentage of exportable coffee.

$NT\ OT = (100 - TOTAL\ DEFECTS) \%$

## **5.RECORD KEEPING**

This is the process of recording transactions and events in an accounting system. Since the principles of accounting rely on accurate and thorough records, record keeping is the foundation accounting.

Accounting records. Accounting records document your business's transactions.

Bank statements. Bank statements are records of all your accounts with the bank.

Legal documents.

Permits and Licenses.

Insurance documents.

Advantages of keeping good records

1. Helps to maximize all the expenses you claim and reduce your tax obligations
2. Will help out, should you be investigated by URA
3. Makes it quicker to prepare your accounts at year-end
4. Gives you the information you need to run your business and help it grow
5. Helps you plan for tax payments
6. Helps identify the strengths and weaknesses in your business

7. Helps manage changes and improvements in your business
8. Will help you plan to meet financial commitments such as paying creditors or employees
9. Makes it easier to get a loan or sell your business
10. Avoids over/under tax payments
11. Helps identify if your business is liable for paying VAT to HMRC
12. Makes it easier to distribute profits to shareholders as dividends or for partnerships where both profits and losses have to be shared.

### **Expectations from Kibinge**

1. Better coffee prices
2. Price communications
3. Feedback from clients
4. More farmer trainings
5. Transport
6. Follow up meetings to share experience
7. Farm level assistance
8. Help for organic farmers in KCFC

### **Objectives of the Network**

1. Increase coffee volumes

Target is 26000 KGS of Dry Un hulled coffee

Time frame: Dec 2018 Feb 2019

### **Evaluation of the Network**

- a. More new farmers to KCFC

The Network is tasked with recruitment of new farmers joining KIBINGE COFFEE FARMERS COOPERATIVE SOCIETY LTD.

b. Archiving the Network Target

The network will be evaluated by the percentage of the set target achieved.

After a period of three months Dec 2018 to Feb 2019 the evaluation will take place

**Materials Distributed**

At the end of the training each member in attendances was given a brand new tarpaulin to help with sun drying.

**Conclusion**

The managing director KCFCS LTD closed off the training.

He called upon the members of the network to work hand in hand for the success of the network.

He pledged full support from KCFCS to the network.