



**CECOCAFEN - Association of Northern
Coffee Cooperatives**

The Association of Northern Cooperatives (CECOCAFEN), an association of coffee cooperatives representing more than 2,553 farmers, became a Coffee Kids partner in 1998. It has two successful projects modeled on other projects run by Coffee Kids partners in Mexico and Costa Rica. The Groups of Women Saving in Solidarity Project (GMAS) promotes savings accounts and allows participants to obtain low-interest loans for small businesses to diversify and strengthen the local economy. The Rural Education Project provides scholarships to high school, vocational and university students.

Life in Nicaragua

Nicaragua has few employment opportunities and emigration is a fact of life for many. Women often function as heads of household as their husbands and sons leave home in search of work. Also, one of the most damaging effects of poverty is the lack of educational opportunities. In 2000, a study conducted by CECOCAFEN found that only 60% of their members were literate and 80% of them were classified as very poor readers.

Given the meager income of coffee-farming families, many families are caught in a cycle in which their children have few choices other than working as coffee harvesters or abandoning their community altogether to find work.

Coffee Kids and CECOCAFEN

The microcredit and savings project alleviates poverty by providing small loans to participants that boost entrepreneurial involvement and create economic diversity. The project provides consistent follow-up, training and opportunities for participants to share their experiences and learn from one another.

The education project provides scholarships to students at the high school, university, and technical school levels. The project also provides scholarship recipients with work-study opportunities in cooperatives. Students receive valuable work experience and their chances for employment increase once they finish their studies.



Members in a CECOCAFEN 's savings groups meet once a week to make deposits and discuss social issues and personal finance.

2008 Results

- The GMAS project grew to 28 groups with 735 men and women involved.
- The microcredit and savings groups now have a combined savings of \$67,000 USD.
- Low-interest loans were provided for 430 participants to invest in small business activities, including grocery stores, tortilla shops, clothing stores and handicrafts. Others have begun working in medicinal herbs, honey production, and cattle and chicken-raising.
- CECOCAFEN lent \$185,000 USD to participants in the microcredit and savings program.
- A regional exchange was held for 80 female microcredit participants from CECOCAFEN.
- A total of 485 scholarships were awarded at the high school, university, and technical school levels.
- All of the scholarship recipients stayed in school and each student completed 100 hours of community service work, a requirement of the scholarship program.