Introduction
The Highland Organic Agriculture Cooperative (HOAC) is located in the remote Okapa region of the Eastern Highlands Province of Papua New Guinea. The organization was formed by smallholder farmers in partnership with coffee exporter Coffee Connection Ltd. The strong leadership from founding members on the Board has developed trust and long-term relationships with traders in the Fairtrade system.

People struggle to maintain the increasing cost of living in the isolated Okapa region. Around 70% of the population depends on subsistence farming. Like most of the highland areas of Papua New Guinea, there is poor infrastructure. There is a real need to develop roads, health centres and schools; official literacy rates are at 44%. Almost all of the population of Okapa relies on income from agriculture, and there are no other major industries in the area so unemployment is very high. Farming and trading cash crops is a challenge; farmers contend with a rugged mountain terrain and a 5-10 hours trip to the nearest market town, Goroka.

Coffee is a key cash crop and provides the majority of income for rural families in Okapa. The region hosts ideal conditions for high quality coffee, and the best coffee in Papua New Guinea is grown here. It is estimated that more than 80% of the country’s coffee comes from this region.

Coffee growing, processing and export
Most of the small producers will pulp and wash their coffee locally. Often, farmers will sell their parchment to village traders due to the difficult road access to the nearest town. It is transported to the dry mill where hulling, cleaning, grading, and packing happens. The exporter is responsible for transportation to Goroka port.

COFFEE PROFILE
Elevation 1,300 – 1,750m
Smallholders 0.7 hectares per farmer on average
Total area of production 1,435 ha
Growing practices 100% organic
Coffee variety Arabica: Bourbon, Arusha, Typica
Coffee quality Wet processed, fully washed, sun-dried. Grades AA, A, X and Y. Medium body, flavours of dark chocolate and nutty, smooth finish
Harvest May – October
Export & shipping May – December
Other certifications NASAA (organic)
Fairtrade

Being part of the Fairtrade system is improving the administrative and democratic processes at the cooperative. General Assemblies are held to make decisions about how to use the Fairtrade Premium. It has been used in various projects which are supporting socio-economic development in the area, and improving the quality of HOAC’s coffee.

Education

The cooperative have invested in a rural school which needed more space to welcome all the children in the area. The Fairtrade Premium funded the building materials to build more classrooms and desks. They have also paid for text books.

Social

HOAC recognises that causal workers play an important part in getting their coffee onto the international market. They use the Fairtrade Premium to guarantee wages for casual workers.

Infrastructure

HOAC has worked closely with the local government to invest in road improvements in region.

Quality and productivity

HOAC have invested the Premium in machinery for coffee pulping so that farmers can process their coffee efficiently. This reduces spoilage and waste, and improves quality. This means farmers can sell more of their coffee at higher prices.

The cooperative uses the Fairtrade Premium to hire and maintain vehicles and machinery to ensure that coffee reaches international market in the most efficient way possible.

HOAC have invested in video cameras, computers and office equipment. This allows the cooperative to record information on production, sales and finance more effectively.

Water

The Fairtrade Premium has funded a project to build clean running water infrastructure in the rural communities where HOAC farmers live. This has the potential to impact families across the Okapa region.

Health

HOAC invested the Fairtrade Premium funds into local health centres. They funded new mattresses for hospital beds.

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'Fairtrade allows us to see that through our own efforts development can come to our area. Fairtrade shows us that we can invest something back into our community to help our own people where it is needed.'

Eno Nosare
HOAC member