

Impact Study:

**COOPERATIVE DE SERVICIOS MULTIPLES
SACACLI R.L. (SACACLI)**



Image: Sacacolí administrative buildings constructed in 2023

“Our aim is always to advance, slowly but surely”

Alexander Cruz, General Manager of Sacacolí

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Methodology

The research for this study involved a combination of data collection from existing documentation and interviews with employees and producers of Sacaclí. A copy of the interview questions can be found in the appendices to this report. Interviews with Emir Alexander Cruz Sáenz, Jaime Martin Gutiérrez Montenegro, Alba Luz Castro Ruiz and Jaime Antonio Dormuz Gutiérrez were conducted remotely via Teams by Harriet Urwin, and involved simultaneous interpretation with the support of an interpreter. Consent from each interviewee was obtained prior to the interviews following our ethical content gathering guidelines. Interviews were recorded, with the permission of all participants, and later transcribed to enable the extraction of the quotes used in this report.

Interview questions asked included:

1. Please tell me about yourself and your role at Sacaclí. What are some of your key responsibilities?
2. In your opinion, how has Sacaclí evolved over the past 10 years? What have been some key milestones and achievements for the organisation?
3. What have been the main challenges facing your farming business over the past 10 years? How have you adapted or recovered from these challenges?
4. How has climate change affected growth of coffee and other crops? Has Sacaclí implemented any climate resilience projects?
5. What do you hope to achieve in the next five years as General Manager of Sacaclí?

Secondary data collection was also carried out in the form of desktop research to learn more about the commodity, region and context of the co-operative. We have also reviewed all available Shared Interest documentation about Sacaclí, such as loan proposals, annual reviews, financial statements and visit reports to support the study and the development of the graphs in this report.

Why we measure impact

Shared Interest Society is an ethical investment organisation offering fair finance to producers and buyers across the globe. Shared Interest was set up in 1990 and brings together a community of over 11,740 people in the UK with a shared goal of investing in a fairer world. We work hand in hand with people in communities where income opportunities may be limited and businesses are facing increasing challenges. Last year, we made disbursements totalling £542.1m to 165 organisations in 42 countries, improving the livelihoods of 412,628 farmers and artisans in some of the world's most disadvantaged communities.

In 2004, Shared Interest Society established a subsidiary, Shared Interest Foundation. The charity delivers technical assistance, business support and climate mitigation and adaptation projects with small-scale producer organisations and community groups across Africa and Latin America.

Our mission is: 'To provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. We work collaboratively and innovatively with those who share our commitment to fair and just trade. With a community of investors and the support of our donors and volunteers, we seek to contribute to a world where justice is at the heart of trade finance.'

As an impact driven organisation we and our stakeholders strive to understand the impact our work has. This impact study forms part of our wider commitment to monitoring and evaluation. We measure impact at each stage of the investment process: initial assessment, due diligence, investment memorandum, post-investment monitoring and annual reviews with all of our customers. This is complimented by producer committees and surveys as well as these individual impact studies of selected customers and project beneficiaries.

These detailed studies evaluate whether and how these businesses support farmer and artisan livelihoods and offer a justifiable account of our contribution to this. Other resources focused on demonstrating our impact include our annual Social Accounts, quarterly publication QR and our website.

These case studies are primarily intended to demonstrate two levels of impact: that of our financial support to producer organisations, either directly or indirectly through lending to buyer organisations, and the wider impact on the livelihoods of the smallholder farmers or artisans they serve. We qualitatively describe other types of impacts on their communities, as well as on the surrounding environment.

Finally, we situate these impacts within the broader context of the country and value chain, to illustrate how these businesses, end-buyers and social lenders like Shared Interest work together to grow rural prosperity for smallholder producers and their communities.

These studies enable us to better understand both levels of impact (enterprise-level and household-level) and provide both Shared Interest and our customers with the information necessary to continuously improve our services. We are grateful to the contributors who share their stories and lived experiences, so that we can understand this impact as fully as possible.

Background – Global Coffee Production

Coffee is famously believed to have been discovered in Ethiopia by a goat herder named Kaldi in the 9th century who is said to have observed the interesting, energising effects on his goats after they consumed local ‘cherries’. Today, coffee is the most popular drink globally after water, with over 2.5 billion cups consumed each day¹.

Coffee is grown in more than 70 countries worldwide and in 2024, global coffee production experienced a 4% increase reaching 10.5 million tonnes² (USDA). However, 54% of production in 2024 was grown in just two countries: Brazil (37%) and Vietnam (17%).

Despite its popularity, the global coffee sector is facing challenges that threaten its sustainability.

73% of the global coffee market is supplied by smallholders³ who depend on a single crop for their livelihood, making them especially vulnerable to price volatility and environmental changes.

As the demand for coffee continues to rise, particularly in traditionally tea-drinking countries like India and China, concerns about its environmental impact are growing. According to the World Wide Fund for Nature report 2021⁴ coffee production is the sixth leading cause of global deforestation.

Coffee is one of the commodities covered by the European Union Deforestation Regulation (EUDR) because of its strong connection to deforestation, in particular embodied deforestation. Embodied deforestation refers to the deforestation that occurs far from the point of consumption, as a result of the production and trade of agricultural products like coffee, cocoa, palm oil and soy.

Between 2015 and 2022, the European Union imported an annual average of 41% of global net imports of coffee⁵ (Bruegel 2024), accounting for 30–40% of coffee related embodied deforestation (Meridia 2025).

Efforts to address these issues include certification schemes, the implementation of the EUDR, and a growing emphasis from buyers on sourcing coffee produced using regenerative agricultural methods - all of which have contributed to a reduction in deforestation rates. Regenerative agriculture is explored further on page 11.

¹ <https://www.rgare.com/knowledge-center/article/coffee-consumption-how-much-is-too-much-and-how-little-is-not-enough>

² U.S Department of Agriculture (USDA), 2024, https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Coffee%20Annual_Ma_nagua_Nicaragua_NU2024-0005.pdf

³ <https://hivos.org/assets/2021/01/Coffee-Barometer-2020.pdf>

⁴

https://wwfeu.awsassets.panda.org/downloads/stepping_up___the_continuing_impact_of_eu_consumption_on_nature_worldwide_fullreport_low_res.pdf

⁵ <https://www.bruegel.org/policy-brief/extra-time-deforestation-lessons-future-eu-environmental-legislation>

Coffee production in Nicaragua: A story of growth

First introduced into Nicaragua in the mid-1800s by European immigrants, coffee has become a crop of significant social and economic importance. The sector contributes over 20% of country's agricultural GDP (World Coffee Research, 2021) and is the main source of income for 40,000 farming households. It employs more than 330,000 people along the value chain and is one of the most important economic activities in Nicaragua, accounting for half of all agricultural jobs and driving rural development⁶ (USDA, 2025).

In 2023, the United States was the largest market for Nicaraguan coffee, accounting for approximately 50% of all coffee exports. The European Union is the second largest market, accounting for approximately 30% of all Nicaraguan coffee exports. (USDA, 2025)

Nicaragua is recognised for its production of speciality coffee, the highest grade coffee which scores 80 points or above on the 100-point coffee cupping scale.

The specialist coffee industry has had to overcome a decade of political instability, natural disasters and civil war. In 1979, civil war destroyed the countryside and 15% of coffee estates were seized by the new state in power who established ENCAFE (Nicaraguan Coffee Company) as the sole buyer and seller of coffee. A lack of knowledge about the coffee sector by ENCAFE, led to widespread mismanagement and resulted in the abandonment of many coffee farms throughout the 1980s and 1990s. An embargo by the United States on Nicaraguan imports in 1985 further hampered the industry.

In addition to political instability, environmental disasters have also threatened the sector. In 1998, Hurricane Mitch tore through Central America destroying infrastructure, displacing thousands of coffee farmers and workers and destroying between 20 and 30% of coffee production.

Over time, the sector recovered and today Nicaragua ranks 12th in the world for coffee exports representing 1.3% of the global market.⁷

To support the growth of its speciality coffee sector, the Asociación de Cafés Especiales de Nicaragua - Nicaraguan Speciality Coffees association (ACEN) – was established in 1995. Its mission is to promote global recognition of Nicaraguan speciality coffee and facilitate direct trade between buyers and producers in order to secure better prices.

Nicaraguan coffee is primarily grown at high altitudes between 1,100 and 1,600 metres above sea level, in three key regions located in the northwest of the country; Jinotega, Matagalpa and Segovia.



Image

Map of Nicaragua highlighting the three coffee growing regions; Jinotega, Matagalpa, Segovia

⁶

https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Coffee%20Annual_Managua_Nicaragua_NU2025-0004.pdf

⁷ <https://elevencoffees.com/top-coffee-producing-countries/>

Outbound migration is one of the biggest current challenges facing the coffee sector in Nicaragua as ongoing socio-economic instability has led many young people to seek employment opportunities in surrounding countries or in the United States. Since 2018, it is estimated that over 600,000 people (10% of the population) have emigrated, severely reducing the labour available for coffee harvesting (USDA, 2024). This issue is explored further through the experiences of coffee farmers Alba and Jaime, featured on pages 20 and 22 of this study.

Traditionally, farmers grow 'shade-grown' Arabica coffee which grows slower allowing for more distinct flavours. Coffee estates are locally known as 'fincas'. In 2016, the country legalised the production of Robusta coffee for farms at lower altitude.

The flavour of Nicaraguan coffee is characterised by fruity and citrus notes accompanied by caramel, chocolate and nutty tones.

The country also provides the ideal environment for the unique elephant bean, the largest coffee bean in the world.



Image

Elephant coffee bean alongside a traditional coffee bean

Sacaclí: Empowering farmers through community and coffee

Founded in 1994 by 31 individual producers, Sacaclí was established as a multi-purpose co-operative aimed at improving the living and working conditions of farmers in their community. At the time, members had limited access to agricultural inputs, consumer goods, and financial services. One of the organisation's primary goals was to secure financing for staple crops such as beans and corn.

Located in Jinotega, in northern Nicaragua, Sacaclí has since grown to almost 500 members, who now produce coffee, bananas and vegetables alongside beans and corn.

Early challenges and growth

Alexander Cruz, who has been the General Manager of Sacaclí since 2009, recalls the difficulties Sacaclí faced during its initial years of operation;

"It was difficult at first because the community where the co-operative is based didn't have access to communication services. There was no electrical supply. Roads were in very poor condition. So, projects that were proposed at the time were not seen as viable and projects that were proposed were refused because of those practical circumstances".

"When the co-op was founded, we had no equipment whatsoever, we had no computers, no motorbikes and we hired to start a two metre by two metre space, a little room."

With the support of external funding organisations, including the European Union, Sacaclí expanded its operations and developed a variety of business divisions to better support its members and constructed its main headquarters in 1998.

Entry into coffee production

In 2008, Sacaclí diversified from grains and vegetable into coffee with the support of 22 members in the municipality of Pantasma. The early years of coffee production proved difficult as the co-operative adjusted to the new crop:

“From 2008 to 2015 was a difficult time. We were learning. We were getting new members and we averaged four to eight containers per year harvested for export. From 2015 to now, the harvest and export has gone up, so that last year we had 27 containers and this year, 37 containers exported to the US and Europe.” (Alexander Cruz, General Manager of Sacaclí)

Coffee prices are set on the New York Stock exchange and are influenced by global supply and demand dynamics. Alexander Cruz explains:

“If there is a drought in Brazil, Brazil being the biggest world producer, the price in New York goes up. If there's overproduction in Brazil, then the price goes down on the Stock Exchange and therefore around the world.”

To help protect its members from volatile market prices, Sacaclí offers opportunities for producers to earn additional income through premium payments linked to various certification schemes. These certifications are explored in more detail below.

To process their coffee, Sacaclí members use a combination of concrete patios and plastic tarpaulins for drying, which ensures consistent results and protects the beans from external elements. The drying process typically lasts between six and seven days, during which the beans are regularly turned to promote even drying. Unlike many other co-operatives, Sacaclí does not operate centralised washing stations. Instead, each farmer washes their coffee on-site at their own farm before delivering it to the co-operative for sorting and packaging.

Today, Sacaclí has 87 coffee producers and is recognised for producing high-quality coffee and agricultural products, whilst prioritising environmental protection, soil health and community well-being. In addition to agricultural support, the co-operative supports producers with services including savings, credit, training, marketing assistance and technical support.

Certifications

In 2014 Sacaclí obtained Organic certification, followed by Fairtrade certification in 2017. This enabled their members to earn a premium for their crop, increasing their financial return, and giving access to more specialist coffee markets.

“This diversification of certifications has allowed us to obtain more and better international clients, therefore generating higher economic income for the organisation and producer families. It also allows us market stability as an organisation.” (Alex Cruz, Sacaclí General Manager).

In response to the increasing effects of climate change, Sacaclí felt it was a critical time to explore further ways to protect its members' future and that of the planet. In 2021, it became Regenerative Organic Certified (ROC).

The same year, Sacaclí became the first coffee producer in the world to harvest ROC-certified crop, commercially sold by Equator Coffees (one of four coffee roasters in California

using the ROC license). During an interview with Equator Coffees⁸, Sacaclí Coffee Technical Advisor, Wilbert Cordoba highlighted the importance of ROC:

“It has three fundamental pillars. First soil health. The second fundamental pillar is animal care. And the third is the health and well-being of the workers. We are on a planet where we have to regenerate the ecosystem. We have to replenish our soils, change this approach of producing with environmental technologies, even in horticulture and produce coffee in an ecological way.”

Reflecting on Sacaclí’s achievement General Manager, Alex Cruz commented:

“At Sacaclí, we are very happy and satisfied with this difficult achievement. It reflects a different way of working. It positions us as an organisation that offers an environmentally friendly, high-quality product.”

In 2024, Sacaclí gained their fourth certification; Con Manos de Mujer (English translation: ‘With the Hands of Women’). This label promotes gender equity and recognises the valuable work of women throughout the supply chain.

Currently, 15 women at Sacaclí produce under this certification.

“Many of them are widows or single mothers who’ve overcome difficulty or who continue to overcome difficulties and work very hard. Women have to be at the front-line of production in charge of farming, planting, harvesting. We’ve given them special training. And they are audited by the entity that grants that certification, which is called Maya Cert.” (Alexander Cruz, General Manager)



Image

Certification logos Organic, Fairtrade, Regenerative Organic Certification (ROC) and Con Manos de Mujer

Shared Interest support and financial partnership

Shared Interest’s support has specifically focused on Sacaclí’s coffee production; therefore the business section of this report will concentrate on the co-operative’s coffee operations.

Sacaclí became a customer of Shared Interest in 2018 when they received a Commercial Export Credit (COEC) facility of USD 500k to pre-finance coffee contracts. In 2021 this facility was reduced to USD 400k in line with their business needs.

⁸ <https://www.equatorcoffees.com/blogs/journal/equator-coffees-announces-first-regenerative-organic-certified-coffee#:~:text=In%20spring%202022%2C%20Cooperativa%20Sacacl%C3%AD,and%20equitable%20coffee%20value%20chain.>

Shared Interest is one of three organisations providing finance to Sacaclí. Reflecting on the vital role of such relationships Alexander commented:

“Without a doubt, without investment alliances, we couldn't grow. In order to grow and to have grown then these alliances are strategic”.

On the specific relationship with Shared Interest, Alexander added;

“The relationship between Co-operative Sacaclí and Shared Interest has been fundamental for the development of our organisation. The line of credit we have with [Shared Interest] has contributed to improving our liquidity to face the coffee commercialisation process and energise this business centre of the co-operative. We feel very happy with this relationship with Shared Interest”.



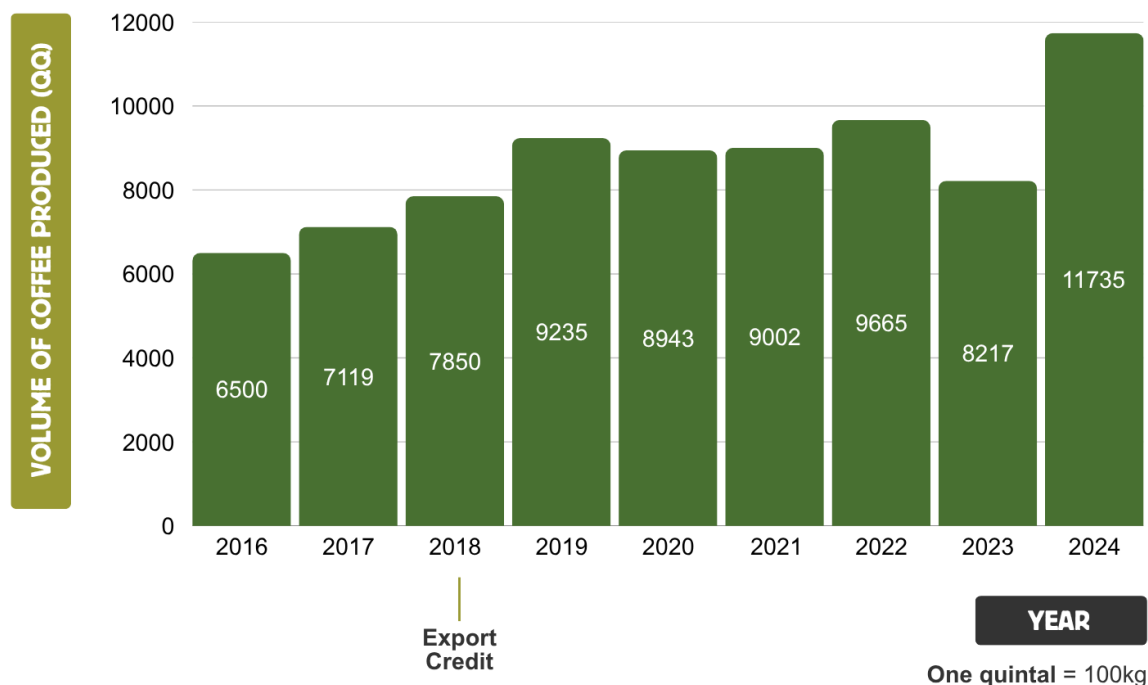
Image

Shared Interest colleagues Karolina Jimenez (centre) Lending Manager Central & North America and Jason Murillo Customer Representative Central & North America (right) standing with the Sacaclí team outside of their main office

Business Growth and Sustainability

Coffee Production

Graph 1: Coffee production in quintals (qq) from 2016 to 2024



Over the past nine years, Sacaclí has increased its coffee production by 81%, a reflection of their improved capacity, membership growth and sustainable approach to agricultural production.

Between 2018 and 2019, coffee production increased by 18% as Sacaclí was able to secure larger contracts with buyers, enabling the co-operative to increase the volume of coffee they purchased from their members. The Export Credit facility provided by Shared Interest helped facilitate this growth.

“When the producer brings in the harvest they need money, and so with that financing we are able to pay the farmers immediately. Obviously if we didn't have that, we couldn't do so and we wouldn't be able to get membership.” (Alexander Cruz, General Manager of Sacaclí).

Between 2019 and 2020 coffee production decreased slightly by 3% due to the coffee biennial effect, a phenomenon where coffee plants naturally produce higher yields one year and lower yields the next as part of a physiological recovery cycle. (Daily Coffee News, 2019)

Production increased again during the 2021 and 2022 season following favourable weather conditions and an increase in membership from 68 to 93 coffee producers, which further contributed towards this growth.

During the 2023 season, coffee production declined from 9,665 qq to 8,217 qq, largely due to dry conditions caused by the El Niño weather system, which led to reduced yields and delayed harvests (USDA 2024).

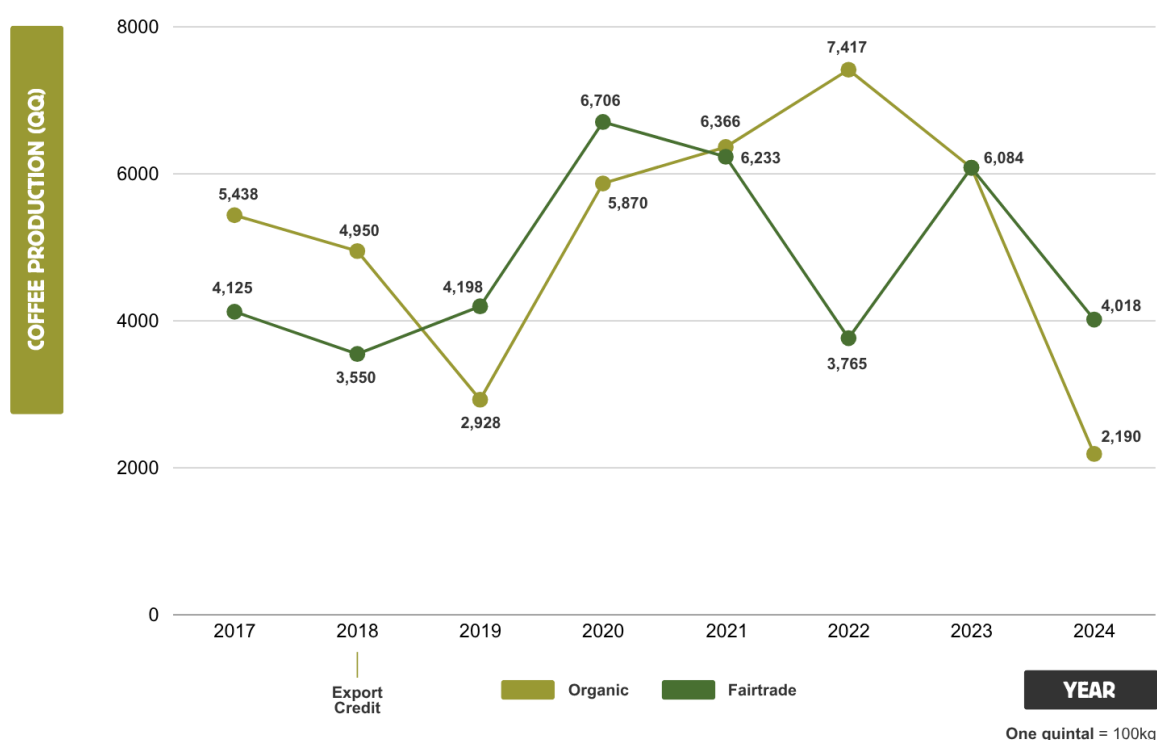
The crop recovered during the following 2024/2025 season with production increasing by 43%, giving Sacaclí a record year of production.

Sacaclí General Manager, Alex Cruz, attributes part of this resilience and growth to Sacaclí's conversion to Regenerative Organic Certification (ROC) and other certifications. These initiatives support farmers to implement regenerative practices that help prevent soil erosion and degradation and deforestation, strengthening their environmental and economic resilience:

"It is important because it is the future of agriculture, which seeks to promote and encourage sustainable production. The main challenge is to change the mindset from a traditional culture that is destructive to the soil to one that is organic and sustainable. If the soil is destroyed, every producer will be affected in the future, as will their descendants. It impacts coffee production because it becomes necessary for economic and environmental sustainability."

Fairtrade and Organic Export

Graph 2: A comparison between exported Organic and Fairtrade coffee production from 2017 to 2024



Since first securing Organic certification in 2014, Sacaclí has expanded its commitment to sustainable and ethical production through additional certifications: Fairtrade (2017), Regenerative Organic Certified (ROC) in 2021 and Con Manos de Mujer (With the Hands of Women) in 2024.

Graph two details volume of Organic and Fairtrade (FT) coffee exported since 2017.

A reduction in Fairtrade coffee sales in 2024 was a consequence of the change in Fairtrade Minimum Price for coffee in August 2023 when the new price for washed Arabica beans increased by 29% from USD 1.40 to USD 1.80 per pound, leading some buyers to delay signing contracts (Fairtrade International, 2023).

Alex Cruz explained that the demand for Fairtrade and Organic varies each year depending on the interests of the buyers, which also impacts the premiums received;

“During the 23/24 season, income from the Fairtrade Premium was USD 48k and from Organic Premium was USD 98k. In comparison, this year Fairtrade Premium is USD 160k and Organic Premium is USD 200k. It’s actually our best year ever.”

To mitigate the impact on producers, Sacaclí encourages members to produce under both Fairtrade and Organic to ensure they will always receive a premium on their crop.

Premium distributions

Alex Cruz outlined how premiums are distributed at Sacaclí:

Sacaclí receives USD 20 per qq of Fairtrade coffee sold. While Fairtrade standards require that a minimum of 25% of the Fairtrade Premium be paid directly to the farmers, Sacaclí chooses to pay between 50% and 60% to the producer (of a USD 20 premium this equates to between USD 10–12 per qq).

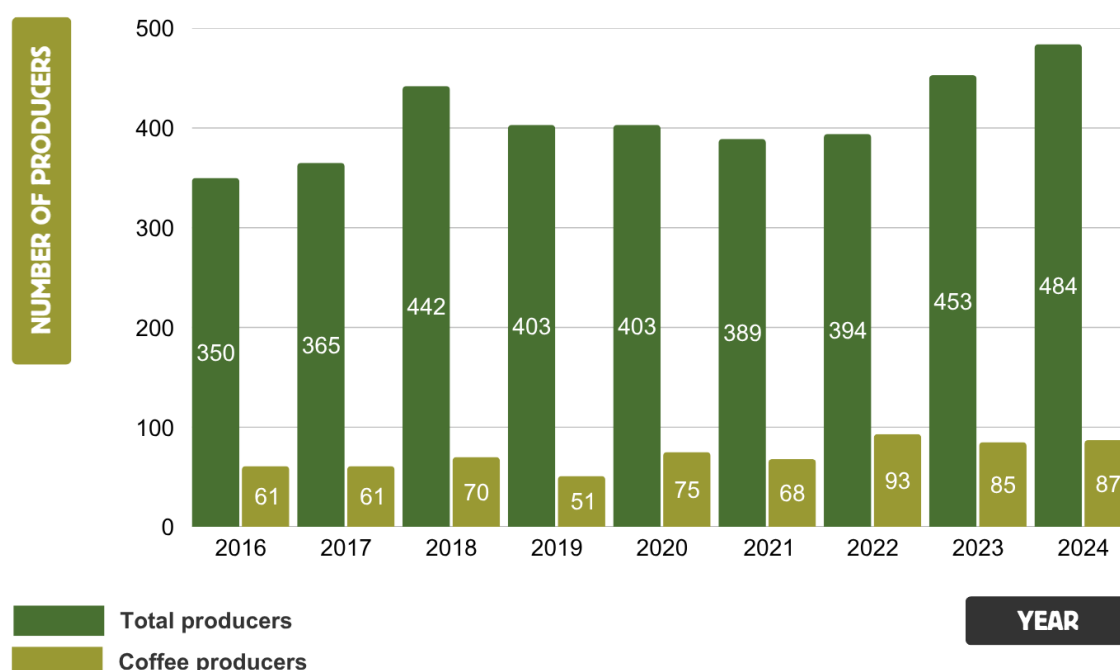
The remaining USD 8–10 per qq is retained by Sacaclí to fund organisational development, such as the construction of their main offices in 2023.

For Organic certified coffee, they receive USD 30 per qq sold. This premium is split equally between Sacaclí and the producers to incentivise continued organic production as it is more labour intensive. Producers certified under ROC receive 100% of the premium, reflecting the high labour demands and exceptional quality of ROC coffee.

Premiums are distributed to members at the end of the financial year during a General Assembly where producers are informed of the financial position of the business; *“that’s what makes us different and the producers of course look forward to that moment greatly”* (Alexander Cruz, General Manager).

Membership

Graph 3: Sacaclí membership: total producers vs coffee producers



Since 2015, 20% of Sacaclí's members have been coffee producers on average. The remaining members grow grains, vegetables and bananas for sale predominantly on the domestic market or within the Central American region.

Coffee is cultivated at Sacaclí under strict environmental conditions to ensure quality and environmental protection. The co-operative is intentional in selecting members who are aligned with its environmental mission.

Alexander Cruz commented that *"we're very careful to take on people with the best intentions because our aim is always to advance slowly but surely. We are satisfied with the current number of members. However, it is always good to grow. We want this number of members to be conservative so that we can admit producers who are environmentally conscious in the management of their crops."*

Sacaclí places a strong emphasis on member engagement and satisfaction to build member motivation and loyalty recognising this is key to member retention. This is particularly important to ensure the co-operative continues to realise the value of its investment in members' training and technical assistance.

"We have very good communications between all of the producers, myself and the admin committee. I know 100% of the farms myself and the communication is very fluid between us and that produces trust. Because the producer needs trust and needs our humility, honesty and trust. So good communication and transparency is very important." (Alexander Cruz, General Manager)

Sacaclí's growth and diversification

Since its inception, Sacaclí has experienced steady and significant growth, and Alexander credits their diversification as central to their success:

"There's no doubt over the last 10 years that it's been the biggest growth period for the co-operative and success has been without a doubt in the diversification of services that we've got. We've got several business centres, we have a Department of Finance for coffee, basic grains and vegetables, we provide farming supplies. We've got a credit department which finances in cash all of the producers. We've got a plant nursery which produces half a million plants or vegetables. We've got technical assistance for vegetables and for coffee."

This strategic diversification has enabled them to invest in critical infrastructure to support their sustainable expansion and growth.

"There's been success in building projects. We've built four greenhouses for the nursery for vegetable plants. We've dug an artesian well for watering those plants. We've built a processing plant for basic grains with the proper machinery to process it for sale to Walmart and to other countries in Central America."



Image

Coffee bean
processing plant
and warehouse

In 2023 this growth peaked when they were able to construct their own administrative buildings to provide them with space to deliver all their member services:

“And our lifelong project, the realisation of our dreams, has been that we've been able to build offices” Alexander Cruz



Image

Sacaclí administrative buildings. Construction started in 2023 and was financed internally by Sacaclí through profit generation and use of Fairtrade Premium.

Social Impact

Sacaclí focuses on sustainable development, the continuous improvement of members' quality of life, and gender equity. Member well-being is central to Sacaclí's business model and has played a fundamental role in their sustainable growth.

“The co-operative is well known all around the region because its members are in a privileged position. It's the only organisation regionally that gives the services that these members have in credit. They have a shop they can buy farm equipment, they get technical assistance. And then socially the co-op supports schools, churches, sports teams.” (Jaime Martín Gutiérrez Montenegro, Horticultural Technical Advisor at Sacaclí)

Since their formation, they have launched several social projects and initiatives to enhance producer well-being, increase environmental resilience and promote gender equity, supporting their members and wider communities.

General goods store

In 2003 Sacaclí opened their first general goods store to improve members' access to high-quality inputs and to generate additional income for the co-operative. A second store was opened in 2009. Products sold include vegetables, grains and bananas produced by their members, and agricultural supplies such as organic fertilisers.



Image

Products including organic agricultural supplies in the general good stores

Women's empowerment

Since 2020, Sacaclí has actively promoted women's empowerment through the development of targeted projects aimed at supporting income diversification, financial independence and leadership skills among women producers. Over the past four years, they have delivered two projects, a yoghurt production enterprise, delivered with funding from the World Food Programme (WFP) and supporting 12 women, and a poultry farm for commercial egg production supporting 15 women. Both projects provided participants with comprehensive training and essential materials, enabling them to launch and manage their own small businesses. Both groups remain active and continue to sell their products in the local market, with income shared equally among all group members.



Image

Shared Interest colleagues Karolina Jimenez (left) Lending Manager Central & North America and Jason Murillo Customer Representative Central & North America (right) with participants of the yoghurt production enterprise

Support from Shared Interest Foundation (SIF)

In April 2025 Shared Interest Foundation launched a project with Sacaclí to further support with women's empowerment efforts. The initiative supports 40 women producers to grow cherry tomatoes and chilli peppers for additional income. This project was designed by Sacaclí's Technical Assistance Department, following an assessment of market demand and value, ensuring its commercial viability.

Vegetables are being grown using semi-hydroponic methods. This method is not dependent on rainfall or fertile land, provides greater resistance to pests and disease, and allows for year-round production. Two greenhouses have been constructed and fitted with growing beds filled with an organic substrate which is longer lasting than regular soil and fitted with drip irrigation systems.

In July, 354 cherry tomato seedlings and 630 chilli pepper seedlings were planted in the greenhouse. The harvest is expected in October 2025, providing a new sustainable income stream for 40 women. To enable the women to manage these new farms, they received practical training in semi-hydroponic farming methods. An additional 20 women involved in Sacaclí's existing women's empowerment projects will join the 40 women participating in the semi-hydroponic farming initiative to receive financial literacy training, strengthening their capacity to manage and sustain their enterprises.



Image

Project participants attaching trellis to support the growth of cherry tomato plants inside the greenhouse

This is the second project that Sacaclí has participated in with Shared Interest Foundation. In 2024, Sacaclí participated in a 12-month Technical Assistance training programme designed to build capacity in key business areas including governance, strategic planning and price risk management. Through this programme, Sacaclí made improvements in policies and procedures including their strategic plan and financial management plan.

My Story: Jaime Martin Gutiérrez Montenegro - Horticultural Technical Advisor

Jaime is a Horticultural Technical Advisor, supporting the production of vegetables including nursery plants as well as horticultural innovation. In addition to his technical role, he also supports the credit payments process and is the coordinator of Shared Interest Foundation's current women's empowerment project.

Jaime joined Sacaclí in 2013 as part of a rural management project supported by USAID and Catholic Relief Service (CRS).

Reflecting on his early years with the co-operative, he shared:

"The co-operative at that time was just in development. There was very little production of tomatoes and chillies because of pests. And there were a lot of inactive members or members who were inactive because they didn't have access to technology. And that was the start of my involvement with vegetables because that's when we started to promote protected cultivation."

Jaime explained some of the challenges producers faced when he first joined the organisation; *"Farmers grew their crops in open fields, or they used the most basic protection called micro tunnels, 80 centimetres tall, that covered one row of plants. So, we started replacing those micro tunnels with macro tunnels, which cover three to six lines of plants at a time, so they protect the crop. And they also keep out pests, which means you're using less pesticide. And production went up 100% for chillies and tomatoes. For onions, we started drip irrigation rather than relying on rainfall."*

He also highlighted the increasing impact of climate change on traditional farming practices:

"Before, when the producers used to grow their crops in open fields, that worked very well. But nowadays the changes in temperature and in rainfall mean that that doesn't work well and that there are more pests. There are more pests, and there are new pests that we didn't have before. So, one of the challenges was to change to a viable new intelligent way of cropping which we did in 2013."

In response to these challenges, Sacaclí established large greenhouses up to a hectare in size and 3.5 metres high. *"This used to be a dream, but now we've got them and we're also able to grow crops in water with nutrients rather than in soil as well."*



Image

Vegetables growing in raised beds inside the greenhouse

Over the next five years, Jaime has two ambitions for the organisation;

“In technical terms, to widen our use of protected products, the greenhouses, because they allow us also to produce year-round better quality products. And then in terms of organisation it would be the promotion of getting younger members into the co-operative, replacing the generational turnover of members.”

Reflecting on the co-operative's progress over his 12 years with Sacaclí, Jaime said:

“Things have gone from 100 to 1000 because of good administration, dedicated staff support and involving members in the co-operative. We have things we didn't have in 2013. We've got 110 hectares of protected production, we've got drip irrigation, we've got covered nurseries, we've got offices now we've got a dry processing plant for beans. Harvest and collection is exponentially better. We've gone from 4 to 30 plus containers a year. And that's because of good organisation and help from NGOs nationally and internationally”.

Looking ahead, Jaime's vision includes further development and greater inclusion:

“My vision is having the dry processing plant for coffee built which will take things to another level. And to promote the incorporation of women into the co-operative. There's already been a growth in membership of women and also the women occupying roles within the administration of the co-op. They hear about Sacaclí and about the opportunities that it offers, and they come to Sacaclí themselves”.

My Story: Alba Luz Castro Ruiz, Coffee Producer

Alba is a coffee producer living in the community of Los Cocos, Community el Venado. She has produced coffee since 2005 alongside her husband and her son. She has been a member of Sacaclí since 2019.

Following the death of her father, Alba used her inheritance to purchase land to start her coffee production. Together with her husband, they expanded their farm and while Alba personally manages three manzanas (2.1 hectares), collectively they oversee 25 manzanas (17.5 hectares).

Despite the increase in land, her production has remained stable. Alba explains;

“Production hasn't increased much because my production is organic and there's always a lower volume of production if you're working organic, partly because it's more work. We're only allowed to use machetes. We're not allowed to spray herbicides on anything, and it's in quite dense areas where there's a lot of weeds. When it's raining, the weeds come back in no time, so there's a lot of a lot of work involved in organic.”

In recognition of this extra work, Alba and her husband receive an Organic Premium. Last year they chose to reinvest this premium to enhance their coffee operations:

“We've been spending the money this last year on the wet process of coffee production which is the de-pulping, washing and fermentation procedure. We've renewed and improved all of the equipment for doing that. The washers and the washing machine and the fermentation equipment, which was made out of cement, but now it's all ceramic. That's what we've invested in.”

Alba joined Sacaclí in 2019 motivated by the opportunity to access better processes and to grow certified coffee. Alba shared:

“The motivation was to be able to get a better price through Sacaclí for the coffee, and to be able to grow organic coffee. And the new certification of Con Manos de Mujer (With the Hands of Women) which is about to come into operation. The impact on women, it's to

achieve more and learn more. This year I've had a really good crop and I've been able to sell my coffee in the special category."

Alba also commented on the benefits of Sacaclí's efficient payment process:

"Beforehand we were selling to the local market. And the price isn't so much different, but what we've gained is security, because at that time there was no security on whether you'd get paid, when you'd get paid, people would say, yeah, I'll come on such and such a day and they might or they might not. And you might never get paid, in fact."

She has also benefited from Sacaclí's credit and technical assistance programmes:

"Through the technical assistance I've learned a lot about coffee production, how to farm coffee. And the second big thing again is the credit. We've now got savings, which is something we're never able to have before, and we've now got security."

Despite having a positive year, Alba has faced ongoing challenges affecting her production, particularly labour shortages:

"The biggest challenge continues to be labour. Because there's a lot of migration away from the area. There are three of us in my case, with my husband and my son, which is good. But between us, we've got 25 manzanas, and we've got six labourers, one permanent. But it's a challenge keeping them and finding them because around here, where we are in the immediate vicinity, there are no workers to be had."

This lack of labour has severe consequences on Alba's coffee business, especially during harvest season:

"It just goes slower because you can't do it all yourself and with a few people. So, the impact of not having labour is that they work slower. And so that often means lost production because the coffee as it ripens starts to fall off and goes on to the floor and once that happens, it's lost. It starts to ferment on the ground so that we have to write that off and that was about 5% last year."

Changing and unpredictable weather further complicates the harvesting process:

"The weather last year was unusual. It took ages for the coffee plants to flower. Then suddenly it rained for a whole month and then it all flowered at the same time. So, it was very odd and we just had to run and do what we could"

Alba is one of only 16 female coffee producers at Sacaclí and described some of the specific challenges faced by women:

"The challenge is that not all women can go out to work because they have responsibility at home. And the other challenge is that the women don't have the same capacity as the men. If you're working all day with a machete, cutting weeds, the man can keep doing that for longer than the women can. That's a rule. I'm lucky because I've got the support. I work hand in hand with my son and with my husband. So I'm lucky in that respect"

Looking ahead, Alba remains committed to her coffee farm:

"My ambition is to carry on and to get better and to grow. I could possibly think about getting another piece of land further away, but that's tricky. I'd sooner stick with what I've got. It might be small, but to concentrate on improving what I've got."

My Story: Jaime Antonio Dormuz Gutiérrez (Coffee Farmer)

Jaime has been a member of Sacaclí since 2017. Together with his wife he owns a 9-hectare coffee farm in Santa Maria, 50km away from Sacaclí's main headquarters.

Jaime began farming in 2003, initially with half a manzana (0.35 hectares).

"At the beginning I wasn't a member [of Sacaclí] and I just used to sell to the informal market locally. It was a challenge because the price was unstable and once you'd sold it into the market, that was the end of it. There was no further support, no services, nothing".

He first became aware of Sacaclí through word of mouth: *"What motivated me to join Sacaclí was a conversation with a member who was talking to me about the kind of support and services that Sacaclí provided and that's what motivated me".*

Since joining, Jaime has accessed various forms of support through Sacaclí: *"Personally, I've used a long-term finance and also a one-year finance for coffee production and also for building and maintaining processing infrastructure. And the farming supplies shop".*

These supports have led to noticeable improvements on his farm:

"The impact on me has been higher productivity and better quality of coffee that we hand over to the co-operative. Before joining Sacaclí I used to harvest 50 quintals per manzana. Now I harvest 60 to 70 quintals per manzana."

Jaime grows his coffee under three certifications: ROC, Organic and Fairtrade and reinvests the Premium he earns: *"part of what we get goes to improve productivity, particularly in equipment for processing to improve quality and another part goes into the household where it is a big help".*

Despite an increase in yield and additional income through certification, Jaime has also experienced challenges relating to climate, labour and price instability:

"The climate is just irregular. Sometimes we are waiting and waiting for rain. And sometimes it rains at the wrong time. You don't know whether it's going to be summer or winter. And then with the labour there's a great shortage. Nicaragua has unfortunately suffered mass emigration towards Costa Rica, Spain and the USA. And in terms of unstable prices, a few years ago it was 140–150 USD per quintal, and then that went down while cost of production went up. Last year it came back a bit and was over USD 200 per quintal of unroasted coffee".

The certifications offered by Sacaclí have enabled Jaime to maintain some financial security:

"If you're selling through Sacaclí you've got the benefits of the premiums which compensate for any instability".

Over the next five years, Jaime has many goals:

"One is to grow. And the other is to perhaps be able to find new varieties of coffee that are adapted to the climate. We've got Caturra, Catuai and Parainema at the moment, but we need to think about different varieties".

Looking Ahead

Sacaclí is committed to ongoing growth, learning and innovation to ensure it continues providing top-quality support to its members. Their focus remains on producing high-quality coffee and other products while prioritising environmental protection and responsibility.

General Manager Alexander Cruz shared his current vision:

“My dream at the moment is to establish a dry processing plant for drying, selection, storage, and packing for export so that we can carry out this processing in-house. This will give us better oversight and improved quality control.”

The co-operative also aims to attract more women and young people to join, supporting sustainable growth and strengthening the organisation’s future. Within the next 12 months, Sacaclí hopes to sell its first coffee certified under the Con Manos de Mujer label, recognising the invaluable contributions of their female producers.

Recognising the impacts of changing climate patterns on agriculture, Sacaclí will continue to support producers in practising regenerative agriculture to secure the future of coffee growing in the region and leave a lasting legacy for generations to come.

Conclusion

The information provided in this report demonstrates that Sacaclí is a co-operative with a nationally recognised reputation for strong membership, high-quality products and an unwavering commitment to environmental protection.

By carefully selecting members and emphasising quality production alongside producer well-being, Sacaclí has built a small but loyal membership base. Their success is highlighted by offering four different certifications and being the world’s first coffee producer to harvest ROC-certified coffee crop.

Nevertheless, challenges such as emigration and changing weather patterns pose risks to this success. It is therefore crucial for Sacaclí to continue innovating and adapting to incentivise young people to remain in the industry.

Through diversification into multiple income-generating activities and strategic reinvestment in agricultural infrastructure, Sacaclí has established itself as a resilient, forward-thinking co-operative, continuing to serve its members while promoting sustainable rural development.

Glossary

Artesian well: A well that does not require a pump to bring water to the surface. This occurs when there is sufficient pressure in the aquifer.

Con Manos de Mujer: A certification managed by Mayacert which promotes gender equality and helps highlight the valuable work of women throughout the supply chain.

El Niño: a warming of the ocean surface, or above-average sea surface temperatures, in the central and eastern tropical Pacific Ocean.

Embodied deforestation: The deforestation that occurs far from the point of consumption, as a result of the production and trade of agricultural products like coffee, palm oil and soy.

Export Credit: Financial product designed for producer organisations to provide them with sufficient working capital or harvest finance to complete and deliver new orders or contracts.

Fairtrade: Fairtrade is used to denote the product certification system operated by Fairtrade International. When a product carries the Fairtrade Mark it means the producers and traders have met Fairtrade Standards.

Fairtrade Premium: An extra sum of money paid on top of the selling price that farmers or workers invest in projects of their choice.

Manzana: A unit of land in Central America that equates to 0.7 hectares.

Quintal (qq): A unit of mass used in Central America (1 qq = 100 kg).

Regenerative Agriculture: A holistic farming approach focused on restoring and enhancing natural ecosystems while producing food and other agricultural products.

Regenerative Organic Certified (ROC): A farm-level certification that builds upon the principles of organic farming by adding rigorous requirements for soil health, animal welfare, and farmer fairness.

Semi-hydroponic agriculture: A method of growing plants without soil

Speciality coffee: A coffee or coffee experience that is recognised for its distinctive attributes, resulting in a higher value within the marketplace.

Technical Assistance: The process of providing targeted support to an organisation with a development need or problem, which is typically delivered over an extended period.