

# COFFEE INNOVATION

## Origin-Centered Coffee Traceability

Increased Transparency Supports High-Value Specialty Coffee Supply

# OVERVIEW: GOODEL ORIGIN-CENTERED TRACEABILITY



## CHALLENGE

Sustainability is not possible without traceability. Many in the Indonesian coffee sector prefer to keep supply chains opaque to improve their financial flexibility and profitability at the expense of farmer incomes and visibility. Farmers lack access and resources to preserve their coffee's quality and find high value buyers.

## INNOVATION

### TRANSPARENT AND INCLUSIVE BUSINESS MODELS / ACCESS TO MARKETS

Digital traceability improves transparency by making information readily available to actors along the supply chain. Demonstrating that traceability is possible in a decentralized smallholder production system will provide pressure on opaque actors to start operating more transparently, improving visibility for farmers.



## COMPANY DESCRIPTION

Goodel is a private coffee exporter established in 2016, working with high quality coffees from producers all over Indonesia.

### NUMBER OF STAFF

4 EMPLOYEES



## COST-BENEFIT ANALYSIS

### COSTS

. COFFEETRACE PLATFORM: \$1200/COUNTRY/YR  
FARMXENSION/FARMGATE/FARMRETAIL: \$120/USER/YR EACH  
FARMCLOUD (FARMER ACCESS TO DATA/NOTIFICATIONS): \$1/USER/YR  
ONE TIME FEE FOR REGISTRATION AND TAILORING TO USER  
REQUIREMENTS, TRAINING: BASED ON REQUIREMENTS

### EFFECTS ON REVENUE

TBD

### EFFECTS ON YIELD

NONE EXPECTED



## PREPARATION

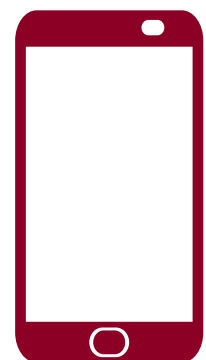
### TIMELINE

ONE MONTH FOR UP TO 1000.

### MATERIALS & EQUIPMENT

- SMART PHONES
- EXISTING SUPPLY  
CHAIN RELATIONSHIPS

STAFFING REQUIREMENTS  
PROVIDED BY KOLTIVA



## LESSONS LEARNED

### CHALLENGES

Disruption of the CoffeeTrace development process by COVID19. Travel restrictions/caution slowed registration of farmers. Traceability's market value is unproven, so we do not know what effect this will have on demand and pricing until end consumers insist on traceable coffee.

### TAKEAWAYS

Strong buy-in from supply chain partners and addressing their concerns early in the process ensured that the product was developed with producer needs in mind, protects their data and privacy, and is adopted successfully.

## RESULTS

As a result of Goodel's trial with Koltiva,



 **508**  
FARMERS REGISTERED

 **143.5**  
HECTARES OF LAND SURVEYED  
AND ENTERED INTO THE  
KOLTIVA SYSTEM

 **402**  
FARMS REGISTERED

 **63**  
COLLECTORS AND  
PROCESSORS REGISTERED



# IMPLEMENTATION

1

## IDENTIFY SUPPLIER

Identify third-party supplier of digital traceability software – in this case Koltiva, but there are other options



2

## MEET STAKEHOLDERS

Meet with all stakeholders to discuss the system, address any concerns, and detail each stakeholder's supply chain



3

## REGISTER FARMERS

Register farmers into the traceability system



4

## TRAIN HOW-TO USE SOFTWARE

Train supply chain actors (collectors, processors, etc.) to use software



## PHOTO CREDITS

1. Photo by Jen Green from Goodel / Koltiva socialization meeting in Gayo, Feb 2020
2. Photo by Jen Green. Mirza showing how to register farmers into the CoffeeTrace system during farm visit. Feb 2020
3. Photo by Jen Green. Coffee processors and traders at Koltiva training in Takengon, Aceh. Feb 2020
4. Photo provided by Goodel / Koltiva. Mirza showing how to enter transactions to collectors and processors.



# IMPLEMENTATION

5

## PREPARE FOR EXPORT

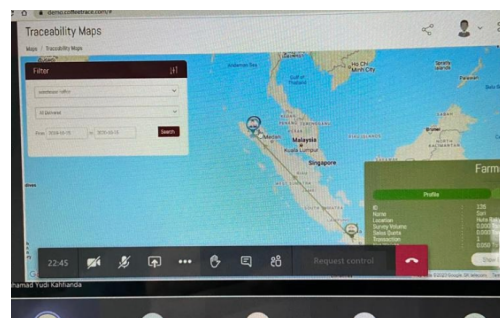
Contract and prepare coffee for export, entering each transaction into the app



6

## MONITOR PROGRESS

Monitor purchases and processing of coffee and its progression along the supply chain



## PHOTO CREDITS

5. Photo provided by Goodel / Koltiva. Green coffee ready for export packed in plastic lined jute bags and labeled.

6. Screenshot of Koltiva traceability functionality featuring Goodel's supply chain.

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**MISSION**

The Fund's objective is to increase profitability of small-holder coffee farmers, and foster greater, more equitable value distribution in the supply chain through promoting innovative farming systems, transparent and inclusive business models, and access to new markets.

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