The last year has been a time of growth and innovation for CQI, and challenges continue in the world of coffee. The impact of coffee rust is being deeply felt throughout the Americas. And, as I write this letter, devastating frosts in Brazil have upended the entire coffee market and severely damaged the Brazilian industry. Higher prices were needed, but this turn of events makes doing business more difficult for everyone: a crucial reminder that we need to think strategically and proactively as an industry to secure the health of the coffee sector for the long term.

CQI has added key staff and new resources to expand the scope of our programs and better engage with industry players to build supply chain reliability. While we have made a lot of progress together with our many partners and program activities to improve the quality of coffee and the lives of those who produce it, we still have a long way to go. Looking ahead, to build on our success to date, we’ll count on the continued partnership of our friends and allies from around the coffee world – and new partners who share our vision and are willing to work together to achieve it.

We are pleased to share with you our 2013 Annual Report. Its successes are a reflection of the shared efforts of many, working together toward a more secure future for our industry. We’re excited also about what’s to come, and look forward to find ways to work with you to make it happen.

With appreciation ~
David Roche
MEET OUR STAFF

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Vice President of Strategic Partnerships

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Administrative Director

DAVID ROCHE
Executive Director

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KIM HIRSHBERG
Logistics Coordinator
THE Q EVOLVES: v4.0

CQI’s internationally recognized Q Program fosters a global language of coffee quality and value; it enables participants throughout the coffee value chain to distinguish Q (quality) scores and cup attributes according to global standards. The Q was launched in 2004 to train and license professional cuppers to follow SCAA’s standards for specialty coffee. There are now more than 4,000 Q Arabica Graders and nearly 200 Q Robusta Graders in 59 countries, and counting.

Q Graders use the specialized skills and protocols to facilitate contract negotiations with counterparts around the world. Independent of geographic, linguistic or cultural barriers, buyers and sellers benefit from a shared understanding of product value linked to quality, and more successful negotiations result. This remains a cornerstone of CQI’s success and enhances the collaboration with SCAA and global partners as we all continue to create a common language for coffee quality.
Early reports from instructors and students have been positive, and enrollment continues to grow. The most positive responses have been about the change to three full days of training. Students and instructors report that the learning is more comprehensive and the subject matter is better explored. The end result is a greater understanding of coffee evaluation at the cupping table.

As the demand for Q Courses and education grows, the program must evolve to maintain its relevance. As a result, two years ago, CQI began to update the training and testing required to become a Licensed Q Arabica Grader. The Q Steering Committee, a group of enthusiastic and knowledgeable instructors and volunteers, developed a plan to revise the curriculum and exams. The product of this work, the Q Grader Program Version 4.0, was successfully launched in July 2013.

Ed Canty, GMCR

CQI’s global work on coffee has had a large impact on the ability for traders and roasters, such as Green Mountain Coffee Roasters, to source coffees that meet their quality requirements. In a lot of instances, buyers can arrive at a location and find CQI trained, calibrated cuppers ready to go to work, with improved labs in place to conduct business. We feel that the entire value chain, including those closest to production, now have greater knowledge of their own product, which translates to better quality and communication with buyers.

Ed Canty, GMCR
Since its inception in 1996, CQI has been known in the coffee and development world as the technical service provider. CQI’s Technical Services Program enhances producer livelihoods and industry competitiveness by providing training and technical assistance to coffee growers, associations, and stakeholders within coffee producing countries.

These programs serve to enhance producer competitiveness and supply chain sustainability. We employ a global perspective, grounded in technical understanding, while offering practical solutions customized to local challenges. Uniquely, we operate with strong ties to the coffee trade to emphasize market access as a vital part of long-term solutions.

CQI deploys its staff, consultants, and Coffee Corps™ Volunteers, and works with key in-country partnerships to accomplish these activities and goals. Leveraging this network, coupled with a toolbox of valuable training programs and standards for industry best practices, CQI designs effective development interventions. This allows us to respond to short-term crisis situations and build long-term strategic plans to address challenges facing our industry.
The primary goal of this important work is to increase the value and volume of quality coffee production, ultimately increasing producer income and improving livelihoods – core to our organizational mission. The Coffee Corps™ Program continues to be an important part of CQI’s methodology for delivering these technical services at origin. Volunteers are experts in their field and are uniquely qualified and chosen for each particular assignment. These generous volunteers donate their time to help producers improve their coffee and their business, while at the same time are exposed to the challenges and timely issues affecting specific coffee origins.

CQI is focused on continuously improving our technical offerings and looks forward to providing concrete, long-term results to the coffee industry for many years to come.

I started as a volunteer at CQI due to my passion for coffee, as many of us do. After several assignments in Ethiopia and Uganda alongside top coffee professionals, I haven’t just learned more: the experience has changed me. Today I see quality coffee as just a consequence of human growth through skill development and responsible management of the environment. So I am not just focused on the taste of coffee anymore; I am focused on PEOPLE and how the pursuit of quality could improve their lives. This is what I work for and what we work for at CQI.

Marcelo Pereira
2013 marked the second full year working in Ethiopia in partnership with USAID on a five-year long project, Agricultural Growth Program – Agribusiness and Marketing Development (AGP- AMDe). The project’s overall goal: a 50% increase in coffee exports that receive value added premiums of over 200% by 2020. Specifically, the program is working to increase the value of commercial coffee while promoting specialty coffees, introduce traceability for mainstream Ethiopian coffees, increase the efficiency of the ECX platform, and promote new developments in coffee export markets.

Throughout 2013, CQI worked with a diverse array of strategic local and international partners to continue to strengthen the foundation for quality coffee and to capture added value for the product. Efforts included:

- Training at the farm and mill levels to improve processing for natural and semi-washed coffees.
- Q Grader training and cupper calibration to continue to build a common language of coffee quality across Ethiopia that is understood by the global market.
- Continuing development of an efficient coffee grading system through protocol improvements and standards for washed and natural process coffees.
- Elevating profile of Ethiopian coffee in international markets.

As always, CQI looks forward to continued momentum in the country and will provide status updates along the way.
Since 2003, CQI has worked in Uganda to provide technical assistance and training programs to improve the quality and value of both arabica and robusta coffees. In consultation with industry stakeholders, CQI is focused on a strategic plan to increase Ugandan coffee producers’ trade capacity and competitiveness.

To this end, in 2013 CQI trained Ugandan coffee farmers and mill/factory managers in value-chain cupping and production and processing improvement. Value-chain cupping provides an education in the basic principles of coffee cupping and quality assessment, including demonstrations on coffee grades and defects and cupping protocols. Production and processing quality improvement provides practical training to improve the quality of the coffee crop to meet the standards of the specialty coffee industry. This type of intervention enables coffee growers to implement methods to improve coffee cultivation, and improve harvest, post-harvest and processing practices.

Fine robusta quality improvement and education continues via Q Robusta Grader training, a train-the-trainer initiative, UCDA’s fine robusta standards, cupper calibration, and the ground-breaking work on the Uganda Robusta Center for Excellence. Cup profiling work, in conjunction with UCDA and IITA, continues as well, and 2014 will see significant developments in the field. CQI is working directly with exporters to utilize the Q Coffee System to link green arabica and robusta coffee buyers. In the near future, Uganda’s quality improvement initiatives will incorporate coffee traders into the equation.
**HIGHLIGHTS FROM THE YEAR**

**global**
- New v4.0 of Q Grader Program released

**ecuador**
- First In-Country Partner signed with Asociación de Cafés Especiales de Ecuador

**colombia**
- CQI works with Department of Antioquia on cup profiling program
- Q Grader education and calibration
- Encuentro Q at ExpoEspeciales

**peru**
- Production, processing, and post harvest training
- Roaster industry training

New Q Certification Marks Released to Licensing Partners
Germany
First ever Q Licensing Agreement with a European company

Yemen
First year of working in Yemen, a new country for specialty coffee

Indonesia
• Q Grader training
• Value-chain cupping

Uganda
• Henry Ngabirano receives CQI’s Leadership Medal of Merit
• Value-chain cupping training for arabica and robusta
• Processing and production training

Ethiopia
• Two laboratories become SCAA Certified
• 2nd Annual Conference of the Ethiopian Coffee Exporters Association (ECEA) with support from CQI

Kenya
Mbula Musau becomes first African Q Instructor to teach internationally

64 Trainings Around the World
36 Coffee Corps Volunteers
10 Coffee Producing Countries
157 Q Courses Around the World
In 2013, CQI completed a comprehensive value chain analysis and provided recommendations for the Yemeni coffee industry that will help guide its sector as they implement an array of training programs. This work laid the foundation for the creation of a permanent infrastructure in the Yemeni coffee sector from farm-gate to export that identifies, separates, and markets a consistent supply of high quality coffee. Ultimately creating greater income and value for the producers, this model has been successfully implemented by CQI in many other producing countries since 2003.

CQI is excited to be working in Yemen, a new player in the specialty coffee industry. Our newest agreement in the country, with the Community Livelihood Project (CLP), in partnership with Creative International, Inc., began in early 2013 and is part of a multi-year agreement. The primary objective of the CLP program is to target local causes of instability: engage communities to address their needs, build capacity, increase employment opportunities, and empower local governance as they strive for sustainable development. The agreement with CLP offers new opportunities for the organization and for the specialty coffee industry as a whole.
There is an increasing interest in the U.S. industry for consistent, high quality coffee from Yemen; however, Yemeni coffee producers are unaware of the many facets of specialty coffee but are certainly eager to learn more. We are excited to harness this energy and engage the Yemeni coffee industry to ensure access to high quality coffee from this new region.

A Pre-Q training took place in May 2013 with 20 students in the country’s capital, Sana’a. The demand for these trainings has been significant and indicates the great interest of the industry to align with international standards and learn more about high quality production. Training Q Graders in the near future means Licensed Q Graders in Yemen will be able to separate and identify quality lots and even start to certify them. This would offer the world an opportunity to discover and explore specialty coffee from the country and could spur new market connections, increased production, and improved livelihoods in this richly historic country in the midst of a tumultuous period.

In 2014, CQI will be providing barista and roaster training, working to establish a Yemeni coffee development agency, providing processing and production training, and organizing a coffee caravan. If you are interested in finding out more about any of these events or connecting with the Yemeni coffee sector, please contact us at info@coffeeinstitute.org.
Peru recently held its third barista championship. Peru’s participation in the barista competition arena was started under CQI’s guidance, along with the efforts of Café Peru.

All three national champions, Karen Pisconte, Roberto Caldas, and Harrysson Neira are baristas who received their very first training with CQI and have continued to find success in the coffee industry. Harryson is extremely ambitious and is now pursuing projects of his own.

“It has been great working with CQI as a Coffee Corps volunteer. It was an excellent way to develop my palate and improve my organization in quality control. And it set the foundation for me as a barista training for competition: using cupping exercises to control the quality of my drinks, roast batches, etc… Currently, I roast coffee for restaurants and cafes in Lima, and I lead trainings for baristas.

In many ways, my time with CQI was fundamental; I was able to find more effective ways to share and transmit information about coffee and the respect it deserves. Plus, it has opened a door to research and exploration, since coffee has an infinite learning curve.” 

Harrysson Neira
Godfrey Batte, a barista from Uganda, received his initial training by CQI in 2010 and competed in February 2014 at the African Barista Competition in Bujumbura, Burundi. Godfrey is “paying it forward” through CQI’s Coffee Corps Program and is now training new baristas and encouraging origin countries to compete on this national stage.
WHAT’S AHEAD: A LOOK AT COLOMBIA

CQI is working with the Government of Antioquia (GoA) in a partnership that places emphasis on developing the specialty coffee industry in Antioquia under the Program “Antioquia: Origen de Cafés Especiales”. Cooperatively, CQI and GoA are promoting the growth of projects related to coffee quality and training in this department. In 2013, CQI worked with GoA on Pre-Q and Q Grader trainings, the design and launch of the Antioquia cup profiling program, and GAP processing training.

CQI’s long-term strategy in Colombia includes strengthening quality initiatives, promoting certifications as a quality management tool, and increasing Q Technical Services as a quality differentiating and marketing tool. CQI has staff representation in Colombia and works closely with public and private Colombian coffee institutions, such as the Federacion Nacional de Cafeteros de Colombia (FNC), to achieve sector goals.

CQI began training cuppers and instructors in Colombia in 2007. To date there are 70 calibrated Q Arabica Graders in Colombia, and Q Grader calibrations continue at a healthy pace. Further, we continue to work with our In-Country Partner, FNC/CafeCert, to grade and market Q Coffees.

In 2014, CQI will continue to calibrate and engage Q Graders in their day-to-day work, develop instructors, expand the use of the Q Coffee System, and return to ExpoEspeciales for an industry ‘Encuetro Q’. On tap in Antioquia are Pre Q and Q Courses and (in partnership with SCAA) SCAA Roaster Level I and 2 to advance the educational milestones of “Antioquia: Origen de Cafés Especiales”.
WITH HEARTFELT APPRECIATION
Without you, our work would not be possible.

coffee corps volunteers

| Ana Alicia Salazar Davila                      | Joaquim Rogerio Jorge Brando                  |
| Andrew Hetzel                                   | Juliet Han                                    |
| Bruno Souza                                     | Luz Stella Artajo Medina                      |
| Carl Ulrick                                     | Kelly McVicker                                 |
| Cecilia Kathurima                                | Kees Kraakman                                  |
| Chris Davidson                                  | Laura Holcomb                                  |
| Clair Rwakatogoro                               | Mane Alves                                    |
| Colleen Anunu                                    | Marcelo Pereira Magnere                        |
| Dora P. Jaramillo                               | Mario Salas Badilla                            |
| Emma Bladyka                                    | Marty Curtis                                   |
| Emmanuel Tumweslgye                             | Mbula Musau                                    |
| Ephrem Sebatigita                               | Miran Oh                                      |
| Faith Asaji                                     | Paul Kil Jin Kim                               |
| Gracia Ampuero                                  | Rafael Sanchez Hernandez                       |
| James Kosalos                                   | Skip Finley                                    |
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| Jeremie Ndayishimiye                            | Tessie Palacios                                |
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| Chemonics Int’l – East Africa                  | Chemonics Int’l – East Africa                  |
| AMECAFE – Mexico                               | AMECAFE – Mexico                               |
| ACDI/VOCA – Peru                                | ACDI/VOCA – Peru                                |
| aBi Trust – Uganda                             | aBi Trust – Uganda                             |
| Creative Int’l – Yemen                         | Creative Int’l – Yemen                         |</p>
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