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A MESSAGE FROM THE COFFEE NETWORK

It is with great pleasure that I present to you CLAC’s Coffee Newsletter, which aims to connect the main actors in coffee production, small producers, to traders and responsible consumers. We have worked for nearly 20 years to expand the Fairtrade coffee market with the objective of supporting small producer organizations (SPOs) and their members to achieve greater social and environmental development. The Premium generated promotes actions in areas such as: education, health, social and organizational development, technical support in production, youth inclusion, gender equality and natural resource management, among others.

We are already more than 840,000 small coffee producers in Latin America, Africa and Asia that have opted for this path, to achieve a more dignified life for our families and communities, looking for a fairer world.

Also, we must recognize that these achievements would not be a reality without strong allies in the Fairtrade system, such as our clients, consumers, supporting NGOs and youth networks, all seeking a better world. This is where the commercial and daily activities of one take human beings into account as the center of development.

On our side, as the Coffee Network within CLAC, we have many challenges and setbacks, such as expanding existing markets for small producer organizations that have not yet had the opportunity to participate. As well as strengthening the capacity of existing organizations so that they can be more competitive every day and continue to deliver high quality products and services.

The present newsletter will serve as recognition to the daily efforts of thousands of small producers and allies in the coffee supply chain. May we face the challenges of today and tomorrow in common effort and always look for the development of our organizations, communities and producers.

Enjoy reading,
INTERNATIONAL EXPOS

International coffee fairs and expos are an excellent opportunity to start new business, maintain clients, strengthen relationships and update market knowledge. It is not necessarily a space to buy or sell coffee, but a good place to establish contacts and broaden the horizons of the market.

For the further development of CLAC’s participation in global coffee expos, we have obtained a great amount of support from the CLAC Coffee Network, specifically for supporting attending producer organizations. At SCAA (now known as the Global Specialty Coffee Expo, USA), attendance grew by 53% in 2016, compared to 2015. In 2017, we presented a “Market Update” with the support of the National Fairtrade Organizations (NFOs), for the second time, sharing market dynamics from various NFO countries for attending producer organizations. We also expanded our participation in coffee cuppings. We hosted the global coffee cupping, with origins from Latin America, Africa and Asia, and nine other cuppings with our partners in Brazil, Costa Rica, El Salvador and Peru. These nine cuppings were organized with the institutions that support the development of specialty coffees in each country.

On the other hand, at SCAE (now known as World of Coffee, the Specialty Coffee Association’s European event), which was held in Dublin, Ireland in 2016, participation by producer organizations grew by 187%.

In 2017, the event took place in Budapest, Hungary. With the growing presence of small producer organizations, the Producer Networks CLAC, Fairtrade Africa and NAPP (Asia and the Pacific) were able to achieve a new type of global cupping, with support from Fairtrade International; each country presented a unique and high quality coffee sample. It was also possible to host the first Fairtrade Robusta cupping, something that can be repeated in future events.

As a form of exploration, in 2016, for the first time, we participated in SCAJ, the Specialty Coffee Expo in Japan; in addition to CLAC, the Fair Trade National Platforms from Brazil, Honduras and Nicaragua also participated, along with two other small producer organizations. With the support of Fairtrade Japan, the schedule was full with Fairtrade coffee cuppings every day, presentations to traders, and meetings with roasters and importers. The expo proved to have great business potential for the organizations that produce high quality coffees and are looking for a market that pays prices per cup. Our 2017 participation is effectively planned with various cuppings and visits to roasters and traders.
In previous years, the CLAC Coffee Network has also participated in SINTERCAFE, the Specialty Coffee Expo in Costa Rica. It is a very interesting space to learn about market trends, with high participation from traders and optimal presentations. Even though there is a small producer presence, it is an event that provides the opportunity to chat more quietly with buyers in an informal setting.
FCC is an established organization that works on programs and services for the benefit of its producer members. It is made up of 745 small producer families, of which 233 are women. For this reason, they have developed several programs and projects, in which Fairtrade has contributed by means of the social Premium. For example, the organization implemented a coffee collection program, as well as the commercialization and marketing of coffee and other products from certified farms. In addition, an onsite technical assistance program was developed, along with a coffee quality control laboratory and cupping school for members; the organization is also selling roasted and ground coffee locally. Another notable project is the incorporation of an integral farm that contains organic products (such as vegetables), cattle, an ecological stove burner and rainwater harvesting.

One of the most representative projects implemented at FCC is the Organic Production Plant, or bio-factory, where they produce organic materials. This project began in 2013 in response to presented inconveniences, such as the high cost of agrochemicals, the mutation of pests and diseases (that are increasingly more resistant to conventional controls), soil deterioration and the consequences of climate change. It became necessary to offer producers technical knowledge on organic agriculture.
I, Marciel Vivas, am the daughter of a producer and part of the third generation that has been working in the field, specifically in the production of coffee and other products, as members of the Federación Campesina del Cauca (FCC). We have benefitted from several of the organization’s executed programs, such as the commercialization of our coffee under the principles of Fairtrade; this is perhaps one of the most important programs the organization has carried out, since after the sale(s) we are given important and unique economic recognition [Fairtrade Premium], not provided by any other program. This helps us improve conditions related to production and organizational infrastructure (beneficio, fertilization system), among other individual and collective investments. It has also given us the possibility to work, while including ourselves in the process and understanding the system that we make up, dignifying our participation in the field. Together, with my sister and my parents, the program has always offered us better living conditions, the opportunity to study and to be able to be happy with what we do...

The project accounted for the investment and adaptation of the physical plant, the research process and the transfer of knowledge to FCC producers through theoretical and practical workshops. This project was achieved with contributions from the Green Mountain Foundation. Today, nearly 60% of FCC producers have implemented the knowledge from the bio-factory on their farms, improving productivity by 55%. And for producers that are unable to produce their own organic matter, they have the availability of the plant.

The organization has taken very important steps in search of development for its members, such as mentioned by Arlen Segura, Coordinator of the Organic Production Plant at FCC, “a large part of the advances and achievements are thanks to being a part of Fairtrade; because although we have the knowledge and some experience, it has been Fairtrade that has made our dream of a bio-factory become reality, like the one we have now in the southern region. It has been an advantage that has allowed us to develop relationships with clients that have supported us with more than the Premium, such as the Green Mountain Foundation.
PROJECT EXPERIENCE: “PROMOTION OF HIGH QUALITY FAIRTRADE COFFEE IN INTERNATIONAL MARKETS”

By Edwin Vargas
Strengthening and Development Manager - Costa Rica and Panama, CLAC

Thanks to the strengthening and development of CLAC, in 2016, a project was developed: the Promotion of High Quality Fairtrade Coffees from Costa Rica in International Markets. The project is in partnership with the Asociación de Cafés Finos de Costa Rica (Fine Coffee Association of Costa Rica, SCACR) the National Fair Trade Platform in Costa Rica and Panama (CNCJCR-P) and Fairtrade International.

The main objective of the project is to “position Fairtrade certified coffees in the high quality, or specialty coffee sector.”

The project promotes the management of an unprecedented strategy in the Fairtrade system, which consists of presenting a selection of the best Fairtrade coffees in Costa Rica at the most important coffee expos in the world.

The development of the project is carried out with the following activities: first, the certified organizations send four 1 kilogram samples each for selection by SCACR; in total, 36 coffee samples are received by all participating producer organizations. These samples are then cupped under SCAA protocol, and the two best coffees from each organization are sent to cuppings and/or tastings at the international expos SCAA and SCAE. At each expo, two samples are displayed from each organization, making 18 samples in total.
In the same sense, with the objective of promoting the organizations in the international market, the CNCJCR-P develops promotional material with information on the coffees and organizations, including producer profiles and invitations.

Since the implementation of this project, it has not only been possible to promote Fairtrade coffee, but also to train participating organizations on topics such as coffee collection, roasting and cupping, and direct marketing with potential buyers. This year, the second edition of the project is underway to incorporate more organizations and continue to showcase high quality Fairtrade coffees from Costa Rica.

EXPERIENCE FROM THE FIELD: COFFEE PROJECT

In my four years of experience as the head of International Operations at CoopeAgri R.L., managing the global commercialization of coffee and sugar, I have found Fairtrade to be a marketing tool for our products at differentiated prices. Its importance is evident in the face of price volatility, because it allows us (in every business deal) to be sure that the Minimum Price is secure and that the money from the Fairtrade Premium will reach the producers, as well as production processes, maintaining the sustainability of the operation.

However, the challenges that we face at each harvest are becoming greater and we have become aware that sales volumes are decreasing. The large roasters control the global market, making the competition and permanence of our clients very difficult. Costa Rica and the cooperative system, from the beginning, are rooted in the Fairtrade principles. And thanks to the project that promoted our coffees in some of the most important expos worldwide, we continue striving to fulfill our goal: that our clients and consumers are increasingly aware of the Fairtrade values, and to be able to create an internal market that could give us a new impetus in this difficult task of offering products at better prices, and seeking a better quality of life for all producers.

This project has been the way in which small producers are able to contact potential new buyers, and to make our coffees known, achieving mutual benefits in the commercial exchange.

With the coffee project, we are trying to reach buyers who are willing to pay a fair price for high quality coffee, and this value is received by the producer, avoiding the chain of intermediaries. Both our producers and buyers are aware of the important role they play in terms of social and environmental responsibility, and product quality. In this relationship, sustainability, along with human and family growth are fundamental parts of this differentiated movement that is fair trade.
CLAC, in support of alternative solutions to improve the organic coffee production system, has implemented the project “Support to Coffee Growers in El Salvador in the Fight against Coffee Rust.” This project is directly benefitting the families that are part of the Asociación Cooperativa de la Reforma Agraria El Jabalí de R.L. in El Salvador.

This project has consisted in the renovation of 8.4 hectares of coffee plants: 4 hectares of the variety Catisic (resistant to leaf rust) and 4.4 hectares of the variety Bourbon. The project seeks to maintain the quality of Salvadoran coffee while taking advantage of the high altitude; the coffee trees were seeded at 1,300 meters above sea level.

The technical assistance program was developed under the Field School Methodology (ECA), which consists of a curriculum of topics related to organic agriculture. As part of this process, direct training was provided to 12 agricultural promoters, who then could transfer their knowledge to all members of the cooperative. It is also important to note that of this group, 40% were women.

The curriculum of topics was based on the methodological agricultural practice of “learning while doing,” with a 100% organic approach; this way, they covered areas such as coffee nutrition, integrated pest and disease management, and rust resistant plant varieties.
It should be noted that the members of El Jabalí Cooperative were trained to ensure the implementation of an established technical model of organic farm management. As an example of this, 13 training sessions were held in the field in one year’s time span, complying with the phonological cycle of the crops. Throughout this process, 24 producers were also trained on how to produce organic materials (fertilizers).

The project demonstrates that organic coffee production requires integrative management, including innovative elements and necessary production technology to achieve an economically profitable and disease free farm model that are able to withstand the impacts of climate change.

Additionally, during the implementation period (12 months), 80 men and women joined the project, benefitting all participating members and their families, nearly 480 individuals.

The implementing model allows the organization to position itself as a reference, to replicate the project in the ongoing development of organic coffee production. The same model is already being applied to renovate an additional 301 hectares over a five year period.

In year two of the project, the organization calculated a production of nine quintals per hectare, with the cupping quality of a Bourbon variety, assuring a high scoring coffee that will predictably reach an average of 35 quintals per hectare.

This project seeks to position the coffee from El Jabalí Cooperative, as a differentiated variety with its climatic conditions, organic production and high quality; a coffee with assured markets nationally and internationally.
Coffee Network - CLAC
The organizations of small fair trade coffee producers of the continent make up a Coffee Network, one of the product networks of the CLAC - Latin American and Caribbean Network of Fair Trade Small Producers and Workers.

- 230,132 small producers
- 49,264 (21%) are women
- 83% of Fairtrade coffee worldwide comes from Latin America and the Caribbean
- 92% of premium used for producer services and investments in producer organizations
- 322 organizations in 13 countries

Fairtrade Premium 2015
- €42 million

Production Volumes
- 467,000 metric tons
- 21% organic

Sales Revenue (€)
- €898,000,000
- 44% Fairtrade

707,000 hectares of production
- 24% organic