

CLIMATE CHANGE

FAIRTRADE COFFEE



HOW IS CLIMATE CHANGE AFFECTING COFFEE FARMERS?

There are 25 million farmers and workers in the world whose livelihoods depend on coffee production. Farmers have generations of knowledge making them adaptable and resilient to the uncertainties of agriculture. However, the impact of climate change is intensifying at a rate never seen before by farming communities. This is putting the livelihood, food security and wellbeing of farming families at risk.

There are many reasons why Fairtrade needs to support farmers to take action. For example, a regional study by [CIAT in 2015](#) warns that temperature increases of 2 to 3 degrees will push Arabica coffee production higher into the mountains and forested reserves. The expansion of coffee production will displace indigenous communities and the biodiverse wildlife living at these altitudes.

As well as supporting and advocating for farmers who are facing the social, environmental and economic implications, Fairtrade can trace the impact of climate change throughout the coffee supply chain. The report by [Coffee Barometer in 2014](#) predicts that the areas suitable for coffee production will decrease substantially by 2020 in important coffee-producing countries as diverse as Brazil, Honduras, Uganda and Vietnam, whilst global demand for coffee will continue to rise. Without changes to coffee varieties and farming practices, we can expect more vulnerability to pests and disease, unpredictable yields and higher coffee prices.

WHAT IS THE FAIRTRADE APPROACH?

Fairtrade gives farmers a variety of channels and platforms to tackle climate change which help to shape sustainable supply chains.

FAIRTRADE STANDARDS With prevention and mitigation strategies at the heart of Fairtrade environmental standards, farmers are already increasing resilience to climate change. Farmers must make sustainable agriculture and climate adaptation part of their farm management, tackling issues such as water scarcity and soil erosion. Looking to the future, farmers are introducing renewable energy to mitigate carbon emissions from the production process.

FAIRTRADE MINIMUM PRICE AND PREMIUM The increased revenue from receiving a minimum price acts as a safety net and the premium gives farmers a much-needed cash injection to respond to climate emergencies like harvest failure. This allows farmers to diversify production and develop long-term plans to strengthen their businesses and communities.

CONNECTING NETWORKS AND KNOWLEDGE The Fairtrade network operates across Latin America, Asia and Africa and creates a nimble interlinked system. Fairtrade can react quickly to climate-related disasters and enact broader change by sharing knowledge and resources. Fairtrade can also provide access to funding for wide-scale development programmes.

GLOBAL GOVERNANCE Fairtrade is a vehicle for change that brings the voice of farmers and workers to the table at climate change negotiations. For example, the Fairtrade Producer Network for Latin America and the Caribbean (CLAC) contributed to the Lima Call for Climate Action in 2014. The CLAC advocated on behalf of the vulnerable and marginalized farming communities in their network.

STRATEGIC PARTNERSHIPS Fairtrade alone cannot tackle the challenges presented by volatile prices and weather. Creating strong, adaptable and resilient coffee communities brings benefits throughout the supply chain. Fairtrade continues to seek collaboration with commercial partners, the wider coffee industry, NGOs and governments to address the impact of climate change on coffee farmers.



The effects of leaf rust at Sonomoro Cooperative, Peru

CASE STUDY: Leaf rust in Central America

In 2012 – 2014, coffee farmers in Latin America experienced the worst outbreak of *la roya* or leaf rust disease since the 70s, resulting in major losses. Leaf rust is a fungus that causes the leaves of a coffee tree to drop. This means the coffee fruit doesn't mature so the coffee harvest is lost and the tree eventually dies. Leaf rust is affecting over 50% of the coffee growing area in Central America.

In El Salvador, leaf rust devastated 70% of the coffee harvest in 2014 Controlling pests and diseases is costly and complicated. In El Salvador, farmers were underprepared and applied the preventative treatments too late. The impact of leaf rust combined with a high reliance of coffee production and low coffee prices has threatened the food security of thousands of families. In addition, the outbreak only amplifies climate change – thousands of tonnes of carbon captured in the coffee canopy has been lost because farmers had to uproot their diseased trees.

Supporting Fairtrade farmers Fairtrade and CLAC, the Fairtrade Producer Network for Latin America and the Caribbean, have launched a project running from 2014 – 2017 to combat leaf rust in El Salvador. It links El Salvador's producer organizations with organizations from neighbouring Honduras so successful practices to control the disease can be shared. It is a 'training the trainers' practical approach: field schools are being set up to show farmers how to renovate their farms and grow more resilient coffee plants. Regular visits by technicians supports farmers to implement sustainable techniques and increase the quality and productivity of their coffee. Learnings and information will be shared throughout the coffee networks.

STATISTICS

65% of global market share produced by Brazil, Vietnam, Indonesia and Colombia
Arabica production to move 300 – 500m higher above sea level to avoid losses by 2050
25% losses in Brazil can be expected if adaptation strategies are not adopted
37% of Arabica-producing land in Indonesia expected to disappear

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HOW IS THE FAIRTRADE PREMIUM ALREADY BEING INVESTED TO TACKLE CLIMATE CHANGE?

In 2013, €44 million in Fairtrade premium was received by coffee producer organisations to invest in strengthening businesses, communities and farming. The premium was invested in a variety of ways to tackle the negative effects of climate change.

ECOLOGICAL WATER MANAGEMENT At COOMPROCOM in Nicaragua, the premium was invested in water tanks and wells to combat severe water shortages due to climate change. This is supplying drinking water and irrigation systems to farms and communities across the Matagalpa region.

CONTROLLING PESTS AND DISEASES Latin American coffee farmers are not the only ones who are feeling the effects of increased pests and diseases due to climate change (see Case Study). In Vietnam, Eakiet Cooperative has used the premium to train farmers on pest management without using pesticides and herbicides so that soils remain healthy. At KDCU in northwest Tanzania, changing climates are affecting the moisture in the soil and spreading coffee wilt disease. Farmers are using organic mulches to adapt to new temperatures. Producer groups from the Ankole cooperative in Uganda are investing the premium in growing resistant seedlings and distributing them to members so they can replace diseased trees.

PREVENTING SOIL EROSION In Indonesia, the cooperative Permata Gayo is using the premium to invest in environmental education and training on local climate change issues. The area's volcanic soil can be very productive but over-farming, pollution from chemicals and erratic weather is causing erosion.

REFORESTATION AND DIVERSIFICATION At COOCAFE in Costa Rica, the premium has been invested in a reforestation program. So far, 5,000 hectares have been reforested and farmers are planting shade trees on their coffee farms. Shade trees not only help to capture carbon but also increase the quality of their coffee. To strengthen farming families, the cooperative train farmers to diversify their farms with other cash and food crops so they are not reliant on coffee income.

HOW CAN BUSINESSES GET INVOLVED?

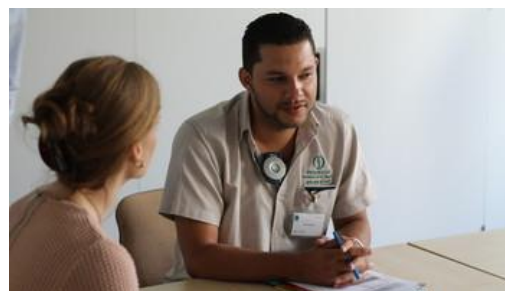
Fairtrade is forming partnerships with businesses to support coffee farmers to adapt to climate change and shape healthy supply chains for years to come. For example, Fairtrade has partnered with Twin (UK NGO) and Lidl (European supermarket) to build climate resilience in Peru. In the pilot project with Sonomoro Cooperative (see top photo right), 100 members were trained on climate change 'Risk and Opportunities Assessments'. The participatory approach ensures that adaptation meets the needs of the farming community and continues evolving. Learnings and knowledge from this pilot are being shared throughout the network so that we can continue to tackle climate change together.

FOR MORE INFORMATION

- 'Climate change adaptation in coffee production' Coffee & Climate (2015) [\[link\]](#)
- 'Climate change risks and supply chain responsibility: How should companies respond when extreme weather affects small-scale producers in their supply chain?' Oxfam discussion paper, Thorpe & Fennel (2012) [\[link\]](#)
- 'Coffee Barometer' Panhuysen & Joost (2014) [\[link\]](#)
- 'Climate change' Fairtrade International (2011) [\[link\]](#)
- 'Projected Shifts in Coffea arabica Suitability among Major Global Producing Regions Due to Climate Change' Ovalle-Rivera, Läderach, Bunn, Obersteiner & Schroth (2015) [\[link\]](#)



Lucio Ordóñez Sullca (pictured above) is at one of Sonomoro's training and best practice farms in Peru



FAIRTRADE CARBON CREDIT PROJECT

Fairtrade is developing a FairCarbonCredits standard in partnership with the [Gold Standard Foundation](#) to ensure credits are fairly traded and returning benefits to farmers and their communities. The standard was drafted in consultation with carbon experts, NGOs and farmer representatives.

'There is a chain on Earth that starts at the bottom where the producers are. They are the ones who suffer the consequences of climate change, the ones who get the least help and carry all of the burden. It's not fair.' Bayardo Betanco (pictured above), member of PRODECOOP in Nicaragua, at the Fairtrade Carbon Credit workshop at Fairtrade International.

CLIMATE NEUTRAL COFFEE

The first Climate Neutral Fairtrade coffee has been launched by the Max Havelaar Foundation Netherlands and ICCO FairClimateFund. The Dutch supermarket Jumbo partnered with Oromia Coffee Farmers Cooperative Union in Ethiopia, purchasing fairly traded carbon credits from the cooperative to offset carbon emissions in their supply chain. The extra income will be invested in improving production and funding community projects.

FINLAND'S PARTNERSHIP SCHEME

Fairtrade secured US\$2.5 million funding from the government of Finland to support capacity building of coffee farmers in Nicaragua, Honduras and Guatemala from 2014 – 17.

