

DEEPENING IMPACT



Case study: Brewing benefits with coffee farmers in Ethiopia

The companies

Founded in 1864, Matthew Algie is an independent coffee roaster supplying the out of home market. Quality and responsible sourcing are at its heart and more than 90 percent of the company's coffee is Fairtrade.

International retailer Marks & Spencer launched Plan A, its ethical and environmental programme, in 2007 and focuses on sourcing responsibly, reducing waste and helping communities.

Matthew Algie and M&S have worked together for decades and, in 2004, they converted all of the coffee served in M&S' cafes to Fairtrade and organic. This included beans grown by farmers at the Fairtrade certified Oromia Coffee Farmers Cooperative Union (OCFCU) in Ethiopia.

The challenge

The benefits of Matthew Algie and M&S' partnership in Ethiopia have been ongoing – the Fairtrade Premium they have paid has contributed to the investment OCFCU farmers have made in a medical centre, schools and university bursaries. But the farmers are facing the effects of climate change, which is impacting on the water supply – crucial to how the farmers process their coffee. This challenge, coupled with a drive to build a more secure supply chain, led Matthew Algie, M&S and Fairtrade to develop a targeted project with OCFCU farmers.

The project

To develop OCFU farmers' natural processing capabilities

Co-operative members typically only used wet processing for their coffee, where the cherry pulp is removed before processing and the beans are then washed. The amount that could be processed was limited by the community's facilities and so 'natural' processing – where the entire coffee cherry is dried by sunlight on elevated beds – was proposed as a way to increase their production.

There were three parts to the project:

- The construction of 115 coffee drying beds around the community.
- Training in high quality natural processing – initially for 62 contact farmers and four development agents. Each contact farmer then trained 25 other farmers.
- Innovation in coffee blends – the naturally processed beans have a different taste profile, which meant a new blend could be created.



Drying platforms under construction

Matthew Algie and M&S' top tips:

Start from how you can add value for everyone involved, from the farmer to the consumer. For example, the consumer proposition in this project was to produce a better cup of coffee – this aligned with Matthew Algie and M&S' goals, and with the farmers, who can earn more money from high quality coffee.

Work collaboratively. Planning projects carefully and being realistic about their feasibility will ensure the best return on investment for everyone.

Make sure that expectations are clear and realistic, particularly around reporting and communicating. Clear communication is vital, along with monitoring and evaluation of the project. However, ensuring that a balance is struck and that all reporting structures are realistic and appropriate to the investment made is an important factor in maintaining relationships.

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The benefits and outcomes

The project resulted in positive outcomes for all concerned, in part due to the long-term relationships that had been built up.

The farmers have increased the productivity of their farms through the training made available to them, which has now reached 1,550 farmers. They have also increased their income by exporting higher quality and naturally processed green bean coffee. They are now able to diversify their income by offering buyers a different taste profile, and the new processing has meant that the farmers are less dependent on the water supply. The project's collaborative nature meant that the farmers have built up a greater sense of security in regards to their relationship with their buyers.

Matthew Algie benefited from being able to continue building up its committed and long-term relationships through its supply chain and the opportunity to source more high quality beans for its customers.

For M&S, the project has enabled a deeper relationship with the Ethiopian farmers in its supply chain. The increased quality of the beans meant that the technical and commercial teams at M&S were also engaged and could see, at first-hand, the business benefit of acting responsibly. The project also helps M&S to meet the objectives of the Global Communities Programme strand of Plan A, which includes a focus on livelihoods and the environment.



The finished OCFUCU drying platforms

Matthew Algie and M&S' top tips:

Ensure the long-term sustainability at a local level. If the farmers are involved and feel that it meets the needs of their communities, they will feel empowered to carry the project forward.

Make sure that the project covers as holistic a view of sustainability as possible. For example, this project was designed and then refined to meet all three pillars of sustainability.

- **Economic:** Diversifying farmers' income
- **Social:** Ensuring women farmers benefited through the project was an explicit part of the planning
- **Environmental:** The reduced water consumption which resulted was an important outcome