



## NOTE FROM THE FIELD

# Reaping Benefits of Creative Partnership

**With USAID support, Conservation International and Starbucks are helping to conserve the environment in Chiapas while linking its coffee producers to a wider market**



*Roberto Hernández and other board members of Comon Yaj Nop Tic plan their production during the General Assembly.*

*"I've been a coffee producer for 46 years," says Hernández, "and it's only since I joined the Conservation Coffee™ program that I have gotten access to an international market for my product."*

Ask Roberto Silvino Hernández what he thinks about conserving the natural environment and he'll speak from his recent experience. As a coffee farmer in Chiapas, in southeastern Mexico, he saw many of his fellow farmers suffer terrible damage to their crops as a result of Hurricane Stan, which hit the area in September 2005, shortly before the harvest was to start. Many of the farmers lost not only the season's crop but also their land and hence their livelihood for several years to come. Partially thanks to his participation in a Conservation International (CI) program supported by USAID and Starbucks, however, Hernández's crops suffered only minor losses.

Since 2000, Hernández and other members of the Comon Yaj Nop Tic cooperative, of which he is president, have been conserving their local environment under CI's Conservation Coffee™ program. This innovative approach to conservation encourages protection of the environment while boosting farmers' incomes. Trees that Hernández and his cooperative colleagues preserved under the program guidelines protected their fields from much of the damage caused by Hurricane Stan and the resulting floods.

Based on a concept developed by CI, Rainforest Alliance, and the Smithsonian Migratory Bird Center, CI established its first Conservation Coffee™ project in Chiapas in 1998. The organization called on local groups, including the cooperatives and the Commission for National Protected Areas, to help define and implement best farming practices that would conserve the local environment and the important biodiversity it contains. A major challenge CI faced was the long-standing farming practice of cutting down trees to increase the sunlight crops receive and boost productivity. While beneficial for farmers in the short term, deforestation has substantial environmental consequences that can leave fields dry and barren over time.

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To create an incentive for farmers to grow their coffee in the shade, CI teamed up in 2000 with Starbucks, who offered participating farmers a price premium for shade-grown coffee. Starbucks then created the brand Shade Grown Mexico™ for the coffee it buys from these farmers. Some 7.37 million pounds of green coffee has been sold under the Conservation Coffee™ program so far; 90 percent of this has been bought by Starbucks. The conservation farming practices led to a product that could compete in a global market—a market that farmers in Chiapas had not been able to access before.

Hernández is clear on the value of implementing the best practices: “We have learned how to conserve our environment, so that our children will also be able to farm the land. Keeping the trees on our farms helped protect us in the recent flood.”

The collaboration between Conservation International and Starbucks has sparked more than just a new brand of coffee. The two partners developed a system by which Starbucks could reward producers and processors that met certain social and environmental benchmarks. Originally launched by Starbucks in 2001 as the Preferred Supplier Program, and refined in 2004 to become Coffee and Farmer Equity (C.A.F.E.) Practices, this new program has had a far-reaching impact. Comon Yaj Nop Tic now sells to a Mexican processing and trading company that follows the C.A.F.E. Practices, and that trading company sells to Starbucks, all at known prices stated in the

contract. This enhanced transparency ensures that farmers continue to be paid a fair price for their product.

“I’ve been a coffee producer for 46 years,” says Hernández, “and it’s only since I joined the Conservation Coffee™ program that I have gotten access to an international market for my product. We have seen a great improvement in our situation. Our commercial relationships are transparent now; before we didn’t know what price our coffee was being sold for.” Hernández also visited Starbucks in Seattle as part of a program to help producers understand the company.

In addition to buying the Shade Grown Mexico™ coffee at premium prices and introducing a reward system for social and environmental responsibility throughout its supply chain, Starbucks has invested in Verde Ventures, a fund that lends to businesses operating in areas of biodiversity importance at affordable rates of interest. Knowing the market and gaining access to financial and technical services enables Hernández to improve the quality of his coffee and to help the other cooperative members to meet the international market standard. This effort in turn helps Starbucks to maintain the quality of its brand.

The lessons that Hernández has learned have spread beyond this

particular project. Coffee farmers working in other parts of Chiapas are increasingly applying environmental management principles to maintain the natural resources that represent their main asset base. For their part, Conservation International and Starbucks are applying the lessons to other coffee growing regions where biodiversity is also important, in Latin America and Asia.

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