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## Sustainable Coffee Economy

### Brazilian initiatives and experience

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## Seeking a Balance



## Strategies for Consolidation of Economic Sustainability

### Increased competitiveness in international markets

- ✓ Improving coordination within the production chain;
- ✓ Reducing costs and stabilizing income;
- ✓ Minimization of conflicts and rational use of scarce resources;
- ✓ Differentiated coffees with higher added value;
- ✓ Incorporation of new technologies to increase efficiency;
- ✓ Incentives to improve the image of Brazilian coffee;
- ✓ Quality improvement.

## ...Which Quality???

Quality of life  
of producers



Product  
quality

Quality of the  
production  
process

Social and  
environmental  
quality

## **Challenge**

***How to Develop the  
Coffee Sector  
in a Sustainable Way?***

## **Strategic Planning for the Development of the Coffee Sector**

- ✓ Prospective scenarios
- ✓ Reduction of disparities in productivity levels
- ✓ Investment in R&D and transfer of technology
- ✓ Training of coffee farmers and technicians
- ✓ Trade and marketing
- ✓ Certification

## Structural changes in the form of coffee production

Certification should be seen not as an end but as a means...

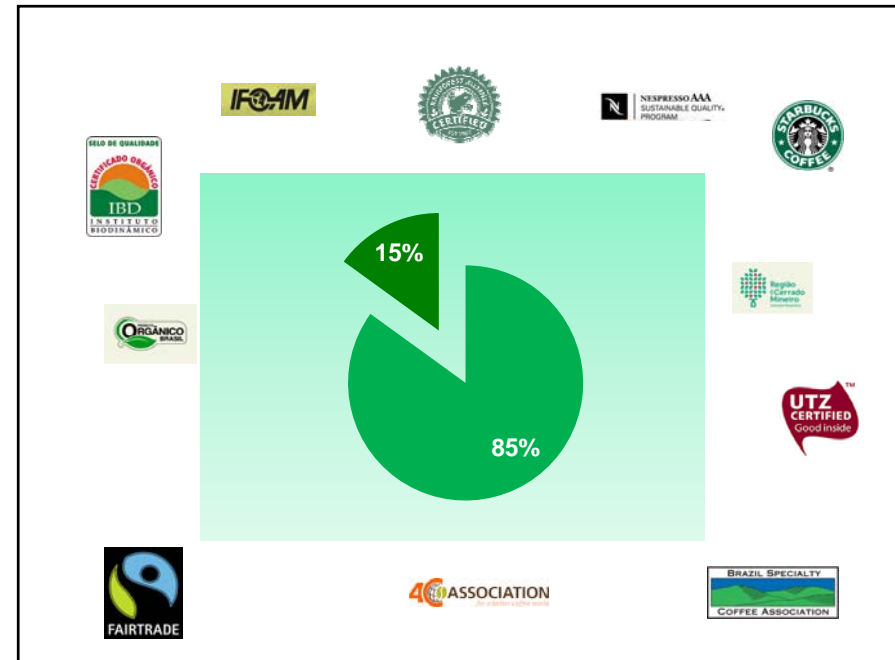
- ✓ Changes in cultivation
- ✓ Changes in processing
- ✓ Changes in commercial practices



New sustainable techniques must be developed and incorporated into the production system to achieve greater competitiveness.



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## Expectations of Producers

- ✓ Initiate process to achieve greater sustainability with basic criteria
- ✓ Improve agricultural and management practices (improved quality, efficiency and yield = better business)
- ✓ Gain greater access to markets, information and support services
- ✓ Strengthen organizational structure
- ✓ Increase transfer of value in the coffee chain

The introduction of management technologies and systems requires intensive technical assistance and training, particularly in the conversion/adaptation process

## Trade and Industry Expectations

- ✓ Meet expectations of consumers concerned about sustainability
- ✓ Ensure supply of coffee with the qualities and quantities required by the market
- ✓ Create new business opportunities through diversification
- ✓ Show alignment with the concepts of social and environmental responsibility in producing countries



## Integrated Production

Production system based on sustainability, application of natural resources and regulation of mechanisms to substitute polluting inputs, using appropriate instruments for monitoring procedures and ensuring traceability of the entire process, making it economically viable, environmentally correct and socially just.



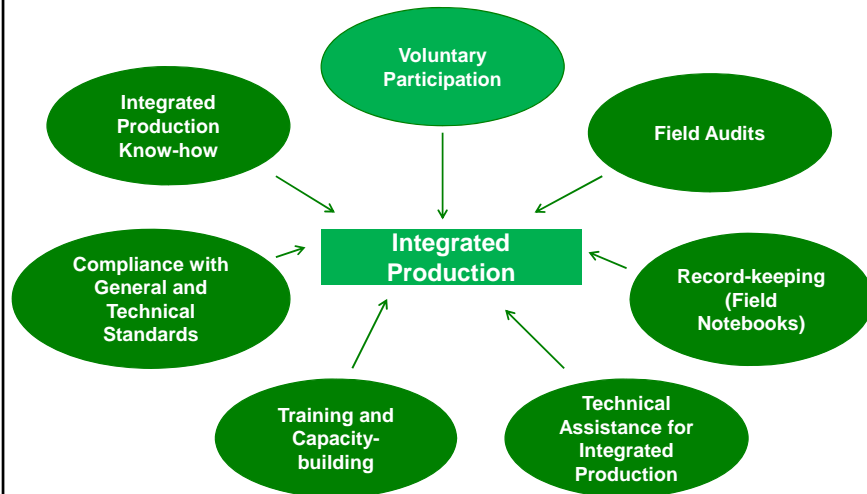
### INTEGRATED FRUIT PRODUCTION



Official guarantee of food security and traceability



## Operational Components



## Integrated Coffee Production- ICP

- ✓ Initiative of the Brazilian Coffee Research and Development Consortium
  - Solid scientific-technical basis in production and processing technology
- ✓ Hierarchical structure of principles, criteria and indicators designed to enable the monitoring and evaluation of the status or evolution of a coffee agro-ecosystem and its associated social system (field notebooks, list of allowed agrochemical products, compliance checklist)
- ✓ Flexibility to direct regional interests to the most critical aspects from the sustainability viewpoint





## “Certifica Minas Café” Programme

- ✓ Programme created in 2007 by the Government of Minas Gerais (50% of Brazilian coffee production)
- ✓ Carried out by state extension and supervisory agencies (Emater and IMA)
- ✓ Extension workers provide guidance on adoption of good practices and supervisors carry out preliminary audits before certification bodies carry out final audit
- ✓ Functions in around 215 municipalities (25% of the State and main producing areas)
- ✓ Inclusion of smallholdings (90% of family-owned coffee farms)
- ✓ 95 items established, of which 34 related to environmental preservation and 23 specifically concerned with conservation of water resources
- ✓ Technical cooperation with UTZ Certified



## “Certifica Minas Café” Programme

### Main achievements

- ✓ Around 1,800 farms certified in 2012
- ✓ Improved technical efficiency
- ✓ Increased productivity, particularly in farms that were initially less efficient
- ✓ Higher investments in inputs
- ✓ Positive results in production of better quality coffee
- ✓ Improvements in profitability of coffee farming
- ✓ Differentiated from other programmes in terms of accessible cost (BRL 70.00 for small farms up to a maximum of BRL 700.00)
- ✓ Technical Cooperation Agreement with ABIC (2009) establishes an additional payment above market the price (10% to 25%) on the basis of coffee quality