FAIR PRICE FOR COFFEE GROWERS

How can international companies act to better the social implications of coffee growing?

2.5 BILLION CUPS

People drink more than 2.5 billion cups of coffee each day, making coffee the second most traded product after oil. Brazil represents the world leader in production and USA the largest consumer.

90% OF THE WORLD PRODUCTION OCCURS IN DEVELOPING COUNTRIES

Historical instability in the price of coffee (1969–2020)

What would a fair price mean?

- Price stability
- Increased self-invvestment opportunities for farmers ensuring an improvement in quality and higher yields
- Guaranteed supply longevity
- Poverty alleviation for farmers and their families

COMPANIES:

Illy - Italian
Main sources of coffee: South America, Africa and Central America
Social Initiatives: direct contact with producer, no intermediaries
Certification: 1st company to be certified for its responsible supply chain

Nestlé - Swiss
Main sources of coffee: Latin America, Africa, Asia, Oceania
Social Initiatives: AAA Sustainable Quality Program, Nescafé Plan
Certification: Nespresso, owned by Nestlé is more than 56% Fair Trade Certified or

Starbucks - USA
Main sources of coffee: Asia-Pacific, Latin America, Africa
Social Initiatives: Starbucks Foundation Origins Grants, Global Farmer Fund, Foodshare Program, Community Service, Certification:

Folgers - USA
Main sources of coffee: Nicaragua
Social Initiatives: The Better Coffee Harvest Project
Certification: None

Maxwell House - USA
Main sources of coffee: Unknown
Social Initiatives: None
Certification: None
N.B.: Maxwell House is owned by Kraft Heinz, who is looking to sell their coffee operations to eliminate debt. Prior to this point, Kraft did not report any sustainability initiatives specific to Maxwell House.

OUR SOLUTIONS:

EDUCATION OF FARMERS

Educate farmers and their families about sustainable farming practices would increase their yields and diversify their incomes, which would result in increasing them.

PROMOTION OF PARTNERSHIP WITH CERTIFIED FARMS

Companies should work with sustainable farmers so all suppliers recognize their livelihood coincides with sustainable practices.

INCREASE THE PRICE OF COFFEE

Increasing the price of coffee results in higher incomes for farmers, simultaneously reducing poverty in developing countries.

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