

What's new about Kenco Sustainable Development?

In Kraft's Sustainable Development, Kraft certifies coffee as being grown under sustainable conditions by the Rainforest Alliance, an independent, not-for-profit organisation with experience in sustainable agriculture.

To meet the certification standards, coffee farmers must improve their farm management practices, adopt effective measures to protect the environment and the community and ensure farm workers are treated with respect. In return, coffees certified as sustainable command a higher price in the market and farmers lower their costs by improving the way they farm, allowing them a better standard of living.

Kraft helps in the process by partnering with the Rainforest Alliance to train and assist coffee farmers to reach certification standards and by buying increasing quantities of certified sustainable coffee.



What does sustainable development mean?

Growing coffee sustainably means farmers can earn a decent standard of living today and will have an improved farm to pass on to their children in the future.

By meeting standards of sustainability set by the Rainforest Alliance and monitored by local not-for-profit organisations, farmers can command a higher price for their coffee. Kraft pays a premium based on the market price for Rainforest Alliance certified coffee based on availability, quality and an appreciation of the beneficial way the coffee is grown. Currently the premium Kraft pay is in the region of 8-12 cents per pound.

But the management practices farmers need to adopt to obtain certification also mean there are lasting benefits for the protection of soil, water and wildlife as well as the health of people who work on the farm and the education of their children.

What is the Rainforest Alliance?

The Rainforest Alliance is an independent, not-for-profit organisation with 15 years, experience in sustainable agriculture. They work extensively in Latin America, where most of the world's coffee is grown.

By following the Rainforest Alliance guidelines, producers can improve worker conditions, provide training, reduce waste, implement better farm planning and monitoring, and recruit nature as an ally on the farm. These things make a farm more stable, generally more prosperous and more sustainable. In most cases, improving farm management also improves the quality of the coffee. Better quality and the certification seal of approval help farmers become more profitable.

In the first year of Kraft's partnership with them, coffee that Kraft purchased helped to support around 50,000 people in Central and South America. It also ensured that 28,500 acres of rainforest were preserved.

Why have Kraft partnered with them?

The Rainforest Alliance has a long and successful track record in supporting sustainable agriculture and forestry. They have the local on the ground expertise to help producers improve their farm management and gain lasting benefits for their families, workers, communities and even wildlife.

Rainforest Alliance also works with the Sustainable Agricultural Network, a coalition of leading NGOs working in the field throughout Latin America, the world's leading coffee producing region. The NGO members understand the local culture, farming practices, politics and culture; they can best support and guide the farmers in a permanent programme of improvement.

Isn't this Sustainable Development product already available?

In the UK 100% RA-certified coffee is available in the away from home markets (eg restaurants, hotels and workplaces.)

Certified sustainable coffee is now blended in very small amounts into their flagship brands of Kenco, Maxwell House, Jacobs, Gevalia, Jacques Vabre and is available in Canada and the US as All-Life coffee.

The Rainforest Alliance

What is the thinking behind this latest step?

Kraft believe they can best support the coffee growing communities by supporting sustainable coffee.

They have been working in various parts of the world to promote sustainability for over ten years. They have made a commitment to purchase substantial and increasing volumes of sustainable coffee for blending into their brands since 2003. They have supported industry efforts to work with civil society and governments to bring sustainability to the mainstream and they continue there efforts to stimulate demand for good coffee and promote the importance of sustainability.

Will Kraft's actions make a difference to farmers and their families?

This initiative is the latest step in Kraft's long-term commitment to support coffee growing communities. For many years they have provided support to farmers to improve quality and environmental practices in a way that also allows them to get a better price for their coffee. They also support social programs for instance to provide educational improvements for children in coffee growing communities.

There initial commitment was to buy 2400 tonnes of Rainforest Alliance certified coffee in 2004. Most of this was blended directly into our coffee brands such as Maxwell House, Kenco, Carte Noire, Jacobs, Jacques Vabre and Gevalia. The purchase of this coffee directly benefited 50,000 people and preserved 28,500 acres of rainforest in Central and South America.

They have committed to buy 6400 tonnes in 2005 which they expect will double the number of families and land that will benefit. These certified coffees will continue to be blended into their brands in modest levels and also will be used for special 100% sustainable brands that will bear the Rainforest Alliance guarantee.

This represents about 920 million cups of soluble coffee or 582 million cups made from roast and ground coffee.

By bringing sustainable coffee to our well-known brands in this way they can help to grow overall demand and expand the global market for sustainable coffee benefiting more farming communities.

What is the difference between Rainforest Alliance certification, Fair Trade and organic coffee?

They are all different types of certification.

Organic coffee needs to meet standards of environmental protection and management and be certified by recognized third party organizations, generally commanding a premium price. These premiums are not set and are subject to market conditions.

Fair Trade presents an alternative to the normal commodity trading system by establishing a fixed minimum price for coffee that meets certain social and environmental standards. Fair Trade only applies to smallholder coffee farms organized into cooperatives.

Coffee certified as sustainable is grown in conditions that put equal emphasis on economic, social and environmental issues. The Rainforest Alliance sustainable farm-management guidelines helps farmers reduce costs, gain efficiencies, improve quality and become more self-sufficient and competitive. The program also benefits workers on large farms (including seasonal workers) by requiring them to be paid decent wages that at least meet the standards required by local legislation, and to be provided with dignified housing, access to medical care and education, and a clean, safe working environment. Farmers with the Rainforest Alliance seal of approval generally earn better prices but they are not fixed in advance.

The 3 programs have slightly different missions but they are all members of the International Social and Environmental Accreditation and Labelling Alliance (ISEAL), they often work together and they are all recognized as legitimate alternatives.

Why doesn't Kraft buy FairTrade?

The standards for coffees to be certified sustainable by Rainforest Alliance or obtain the Fair Trade, mark are similar. However Fair Trade, provides a fixed minimum price for farmers, and as such, operates outside the normal trading system. By supporting Rainforest Alliance certified sustainable coffees, they help farmers reduce costs, gain efficiencies, improve quality and become more independent, self-sufficient and competitive within the existing market system as well as having access to a premium market.

Cooperative Las Lajas, El Salvador

This cooperative is a famous example of how communities once torn by civil war can come together around coffee farming. More than 2,000 people tend the coffee bushes. The Coop supports schools, health clinics, a credit union and its own coffee mill. Salvadoran farms in the certification program are guided and inspected by SalvaNATURA, the republic's leading conservation organization. SalvaNATURA biologists have found 129 tree species on the coop, and the forested coffee protects the watershed that supplies drinking water for neighboring communities.

Cooperative La Majada, El Salvador

In the Apaneca mountains in western El Salvador, 574 families are making the changes necessary to earn Rainforest Alliance certification. Some of their small farms are already certified, serving as models to the others, and advancing such techniques as using the pulp from coffee mills as fertilizers and planting diverse native tree species that provide wildlife habitat as well as firewood natural medicines.

Fundecasa, Honduras

This association of 176 farmers in the San Juan, Intibuca, region of Honduras has been working for three years to improve farm management, quality control and organization. The farms in the certification program can be recognized by the new latrines, the traps hanging in the coffee bushes to catch insect pests (a labor-intensive alternative to pesticides) and the "No Hunting" signs.

Finca Santa Isabel, Guatemala

Minas Gerais, Brazil -- In addition to 3,337 hectares in coffee, this sprawling estate has an equal area in conservation, protecting a piece of the endangered ecosystem in central Brazil known as the cerrado. Unlike the Amazon rainforest, the cerrado is a mix of shrubs, savanna and scattered trees. Like the Amazon, the cerrado is a "biodiversity hotspot" with an astonishing variety of species, many found nowhere else. In addition to its conservation programs, Daterra provides outstanding services to those who cultivate and harvest the coffee.

Daterra Atividades Rurais

Minas Gerais, Brazil -- In addition to 3,337 hectares in coffee, this sprawling estate has an equal area in conservation, protecting a piece of the endangered ecosystem in central Brazil known as the cerrado. Unlike the Amazon rainforest, the cerrado is a mix of shrubs, savanna and scattered trees. Like the Amazon, the cerrado is a "biodiversity hotspot" with an astonishing variety of species, many found nowhere else. In addition to its conservation programs, Daterra provides outstanding services to those who cultivate and harvest the coffee.

Cocla and Pronatur, Peru

Some 800 farm families belong to these two large cooperatives, located east of the ancient Incan city of Machu Picchu, and are involved in the Rainforest Alliance certification program. The small and remote farms on steep Andean slopes produce excellent coffee. Most of the farms are a mixture of a small plot of coffee amid vegetables, livestock and staples for the family kitchen.