

# RESTORING COFFEE FARM PRODUCTIVITY IN THE FACE OF CLIMATE CHANGE

April 24th, 2019



SUSTAINABLE  
**COFFEE**  
CHALLENGE

CONSERVATION  
INTERNATIONAL



# AGENDA

- Introduction
- Why R&R?
- Sustainable Coffee Challenge  
R&R Network
- Key Learnings
- Voices from the Private Sector:  
ECOM, Nestle & Starbucks
- Q&A

# CHALLENGES IN COFFEE...



WIRES  
**Colombia coffee growers seek government aid as prices languish**  
PUBLISHED WED, FEB 20 2019 · 2:58 PM EST



The New York Times

**More Migrants Are Crossing the Border This Year. What's Changed?**

In the past, undocumented immigrants were mostly single men from Mexico, but that's no longer the case. A look at who is coming and what is driving them.

- Market volatility and it's impact on farmers & workers
- Climate change and the concerns for supply, quality, and sourcing diversification

**HOW DO WE ADDRESS  
THREATS TO FARMER  
PROSPERITY + NATURE...**



**...WHILE ENSURING  
FUTURE SUPPLY OF COFFEE**

# RENOVATION + REHABILITATION

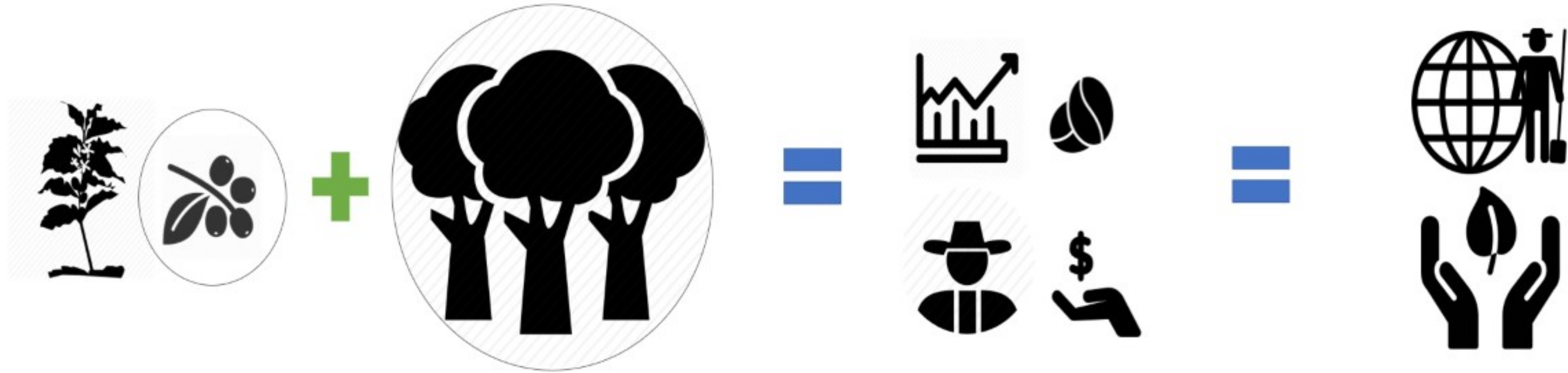


Renovation



Rehabilitation

# WHY CROP RENOVATION?



Renovation with new varieties using an agroforestry approach

- Increased yield
- Increased income from coffee and other shade byproducts

- Farmer resilience
- Avoid the expansion of coffee's spatial footprint
- Contribution to global restoration targets
- Supply meets demand

A man with a mustache, wearing a light-colored cowboy hat and a pink and white striped t-shirt, stands in the foreground. He is positioned in front of a red wooden fence. Behind the fence, several cows are visible, some standing and some lying down. The background shows a rural farm setting with a yellow wall on the left, a corrugated metal roof, and trees under a blue sky with white clouds. A green string is strung across the scene.

**WHY INVEST NOW?**

# 50%

>50% of the 7 million hectares of global smallholder coffee land could benefit from R&R

# 5-20%

Global production could increase between 5-20% if R&R is applied to all land in need

# \$1-3B

Farmers could accrue between USD ~1-3 billion at farmgate prices through increased coffee sales per year

# 1-3M

Without R&R, a similar increase in yields and value would require an expansion of coffee land onto ~1-3 million hectares of new land under current yields



# \$1.2b

Has been invested  
to-date in 40  
programs  
conducted in the  
last 25 years

# 80%

of the programs  
have targeted  
Arabica

# 600k

Despite the \$1.2b in  
investments,  
programs have  
reached only 5% of  
farmers in need



# COFFEE FARM RENOVATION & REHABILITATION

Accelerating the responsible renovation and rehabilitation of coffee farms and making it possible for every coffee farmer to undertake efforts as a regular part of doing business by sharing experiences, incorporating best practices and coordinating efforts + resources.

# Joint commitment to 1 billion trees by 2025



Sustainably renovate & rehabilitate coffee farms by applying techniques such as replanting, stumping, and rejuvenation pruning.



# REACHING THE TARGET

Providing support to stimulate investments by...

**DISTRIBUTING  
KNOWLEDGE**

+

**CREATING  
INCENTIVES**

Sharing knowledge on renovation and rehabilitation to improve farmer yields and meet future demand for coffee.

Research to identify sources of funding for partners and collective fundraising to secure match funding for investments.



USAID Bureau for Food Security

# Renovation & Rehabilitation for Resilient Coffee Farms: A Guidebook for Roasters, Traders and Supply Chain Partners

November 2017



USAID Bureau for Food Security

# Renovation & Rehabilitation for Resilient Coffee Farms: A Guidebook for Roasters, Traders and Supply Chain Partners

**Executive Summary**

November 2017



# R&R GUIDEBOOK

Renovation & Rehabilitation for Resilient Coffee Farms: *A Guidebook for Roasters, Traders and Supply Chain Partners*

## Case study 2: Long-term loans for renovation are provided by a blended finance facility to farmer organizations in Latin America (1/2)

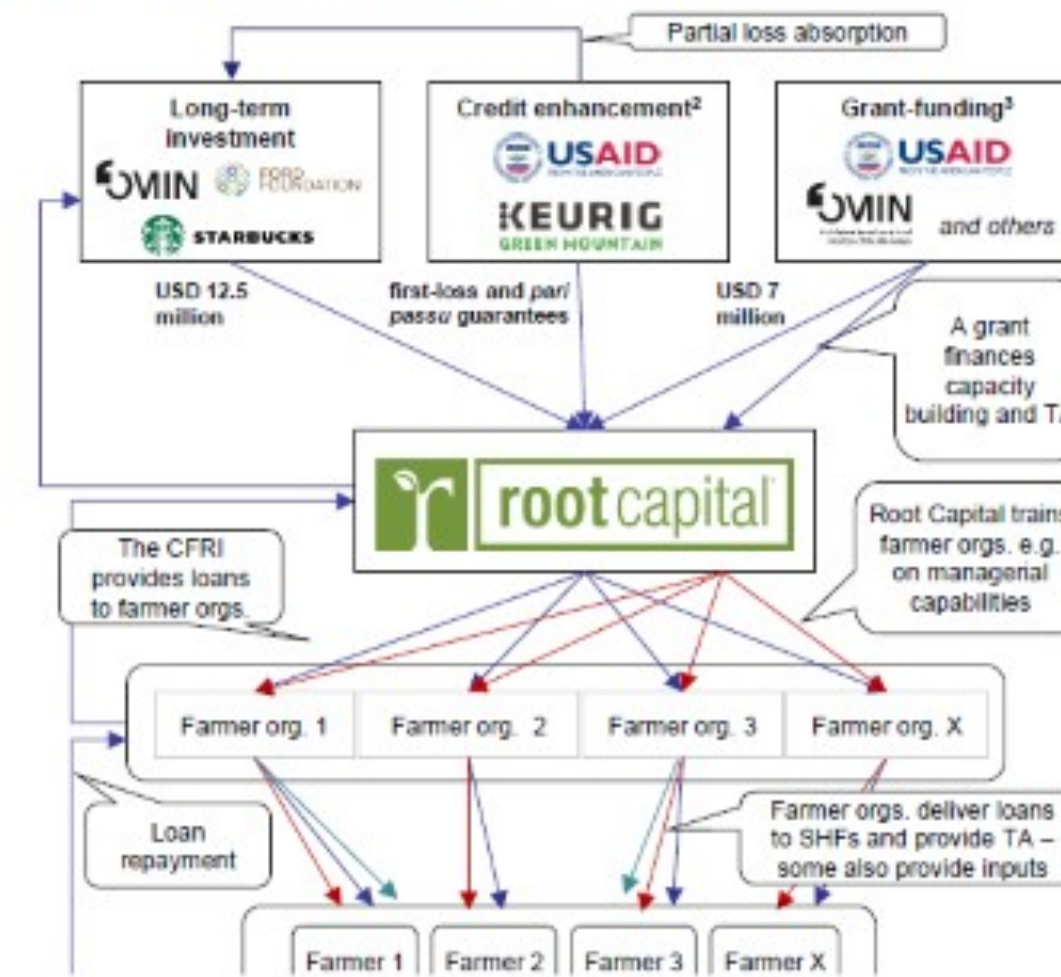
# CASE STUDIES

### Coffee Farmer Resilience Initiative – Root Capital

R&R type	Loan-based renovation	
Countries	Honduras, Nicaragua, Peru	
Cost	USD 7.7 million in loans approved	
Dates	2014 - 2016	
Project context	<ul style="list-style-type: none"> <li>In 2011/12, La Roya affected almost 50% of the total coffee growing areas in Latin America, significantly reducing the SHF production.</li> <li>La Roya outbreak revealed decades of underinvestment in the coffee sector. Over 60% of trees in the region had passed the productivity peak and were more exposed to the disease.</li> </ul>	
Objectives, activities, and results	<ul style="list-style-type: none"> <li>Root Capital provided loans to SHF orgs who then distribute to SHFs to support the upfront cost of R&amp;R. Root Capital also provided technical assistance (free to SHF orgs.) and challenge grants (with cost-share from orgs) to build org. capacity to implement R&amp;R programs.</li> <li>USD 7.7M in loans were approved to 8 orgs. in Honduras, Nicaragua, and Peru.<sup>1</sup></li> <li>Value creation: increased yields and strengthened SHF capacity</li> <li>Value capture: farmer groups selling higher volumes of coffee</li> </ul>	
Loan details	Borrowers	Farmer aggregations (e.g. coops)
	Currency	USD
	Tenor	3-7 years
	Grace period	1-3 years
	Interest rate	7-10.5 APR

Notes: (1) TA and challenge grants were extended to an additional 25+ orgs in El Salvador, Guatemala (target credit disbursements). USAID provided a 50% pari passu guarantee of up to USD 15 million coverage has been used). (3) Specialty coffee roasters Cooperative Coffees, Equal Exchange, and Alliance, the Multilateral Investment Fund of the IDB Group (FOMIN), the Skoll Foundation, and the assistance, etc. Source: Root Capital, Learning Report: The Coffee Farmer Resilience Initiative, 2016.

Figure 1: Financial structure of the project and finance delivery to SHFs



## Case study 2: Long-term loans for renovation are provided by a blended finance facility to farmer organizations in Latin America (2/2)

Project context		Management of the three R&R components	
<b>Coffee viability</b>	<ul style="list-style-type: none"> <li><b>Relevance:</b> SHFs in Latin America have potential for yield uplift by applying GAP and R&amp;R (e.g. potential of 31% net income increase from yield improvements in Honduras, 64% in Nicaragua, and possible double of yields in Peru<sup>1</sup>).</li> <li><b>Willingness:</b> Farmer public sector (or other farmer organizations) have an intimate understanding of the needs and production capacity of their members and can evaluate their willingness and credit worthiness.</li> </ul>	<b>Inputs</b>	<ul style="list-style-type: none"> <li><b>Providers:</b> Third parties</li> <li><b>Challenges faced:</b> SHFs must have access to upfront and ongoing inputs. SHF orgs. must have the capacity to source and deliver appropriate inputs.</li> <li><b>Solution:</b> Root Capital only selects SHF orgs. that are able to manage selection and application of adequate farm input. A Root Capital approved agronomist assists SHF orgs. with preparing their input delivery plan for SHFs.</li> </ul>
<b>Farmer segmentation</b>	<ul style="list-style-type: none"> <li><b>Country situation:</b> In the three countries, coffee producers are SHFs. Their degree of integration within value chains vary by country.</li> <li><b>Program segmentation:</b> The program targets SHFs in tight value chains, mostly members of farmer orgs. such as coops or private coffee mills. Some farmers in loose value chains were also targeted via through savings and loan cooperatives where the coops were less strong.</li> </ul>	<b>Finance</b>	<ul style="list-style-type: none"> <li><b>Providers:</b> Various (cf. previous slide)</li> <li><b>Challenges faced:</b> Understanding risk and bringing together funders with aligned risk appetites; protecting investors</li> <li><b>Solution:</b> <ul style="list-style-type: none"> <li>Root Capital conducted intensive due diligence. Selected SHF orgs. must have adequate sources of internal financing to cover at least 20% of the R&amp;R investment. Root Capital also assessed credit risk using in-house tools developed over 15+ years<sup>2</sup>.</li> <li>Using a blended finance structure to partially de-risk the investment<sup>3</sup>.</li> </ul> </li> </ul>
<b>R&amp;R need</b>	<ul style="list-style-type: none"> <li><b>Country need:</b> Almost 900,000 ha would benefit from R&amp;R in Nicaragua, Peru, Mexico and Honduras.</li> <li><b>Program objectives:</b> Building the capacity of SHF orgs. and farmers to recover from the La Roya outbreak and build resilience for the future through R&amp;R</li> </ul>	<b>Knowledge</b>	<ul style="list-style-type: none"> <li><b>Providers:</b> Root Capital</li> <li><b>Challenges faced:</b> Most of the farmer groups lack the ability to manage R&amp;R loans for SHFs.</li> <li><b>Solution:</b> 35 trainers delivered financial advisory services to managers and accounting staff of Root Capital's potential or existing clients. Training focuses on managerial, organizational, technical capacities, with a focus on orgs' internal credit and technical assistance services</li> </ul>

### Lessons learned

- Leveraging blended finance structures enables lenders to partially de-risk R&R investments:** Root Capital used a blended finance structure to align the incentives and risk appetites of the different funders. Mechanisms of partial loan guarantees, risk-sharing, reserves for first-loss capital, and technical assistance funds helped to mitigate risks. These types of blended finance structures should be reproduced to scale R&R financing.
- Invest in capacity building for aggregation points:** Root Capital relies on farmer organizations to deliver and manage loans to SHFs. Many SHF orgs., however, currently lack the capacity to manage large R&R interventions. Strengthening SHF orgs. or other farmer aggregation points, like local microfinance institutions, is needed to scale R&R.

For more information, please contact: Elizabeth Teague (Root Capital), [eteague@rootcapital.org](mailto:eteague@rootcapital.org)

Notes: (1) Source: GCP and TechnoServe, Economic Viability of Coffee Farming, 2017. (2) Root Capital assesses the credit risk of borrowers using an internal rating system that weighs various risk categories, including scale and buyer diversification, enterprise strength and growth potential, financial flexibility, and financial strategy. This data is combined with the experience and judgment of loan officers to inform a full assessment of credit risk. (3) The funding comes from public and private financiers with different return expectations. Credit enhancements reduce the investment risk, and grant funding dedicated to capacity building reduces the client risk, ultimately reducing the investment risk. Source: Root Capital, Learning Report: The Coffee Farmer Resilience Initiative, 2016; Dalberg interviews.

## Indonesia represents around 20% of the global need for R&R alone, given its significant size and large SHF base

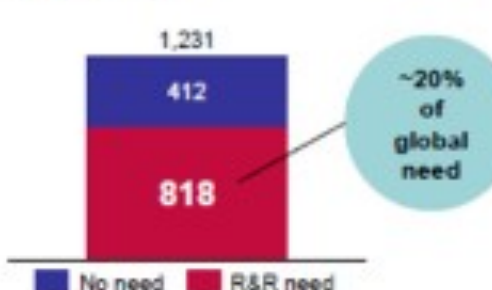


### Quick facts: Indonesia is the world's second biggest Robusta producer

Production '000 tons	Production share Global & region	Coffee land '000 hectares	Varieties Arabica-Robusta
644	4 <sup>th</sup> in world 2 <sup>nd</sup> in Asia	1,231	20% A 80% R

R&R need: ~70% of total land is in need of R&R

SHF land in R&R need out of all land '000 hectares



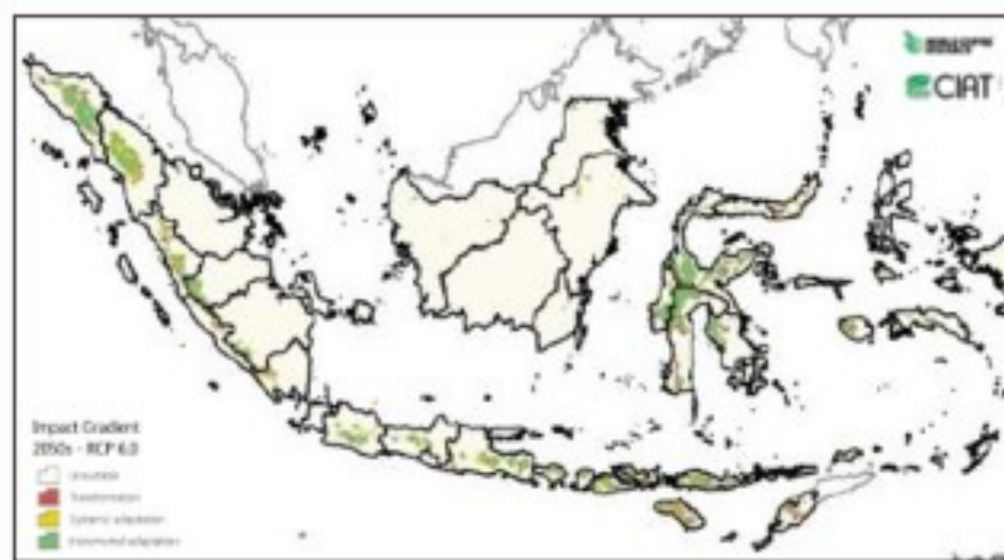
Drivers of R&R need:



R&R need is driven by high age of trees planted in dense areas, and low adoption of good agricultural practices. Most regions in Indonesia are projected to remain suitable for coffee growing in light of climate change

### Viability: Long-term viability overall looks favorable

#### Suitability map



- Most regions in Indonesia are likely to remain suitable for coffee growing in the future, though some regions will need to think of systemic adaptation – especially the main coffee growing region, Sumatra

#### Other viability considerations

- The yield uplift potential is higher for Robusta producers in Sumatra than for other SHFs
- Coffee plantations are heavily exposed to dry weather throughout Southern Sulawesi, Java and Eastern Indonesia

### Uplift potential: Significant potential to increase yield and national supply

Current SHF yield & potential uplift<sup>1</sup> Tons per hectare



Potential increase in supply

~10-50%

Total national supply could increase ~10-50% if R&R and GAP is implemented on all SHF land in need of R&R<sup>2</sup>

Notes: (1) Average yield is calculated as the total SHF production divided by the total SHF land. The potential yield improvement is estimated by GCP and Technoserve, *Economic Viability of Coffee Farming*, 2017; (2) Assuming an 88% yield uplift from R&R and a 25-100% success rate of R&R programs. Source: FAO Statistics database; ICO statistics; GCP and Technoserve, *Economic Viability of Coffee Farming*, 2017; Sustainable Coffee Program, *Indonesia: a business case for the production of sustainable coffee*, 2014; USDA, *Annual Coffee Report*, 2017; Dalberg interview

15

## Indonesia is characterized by 1.5 million unorganized SHFs and a liberal and unorganized enabling environment



### Farmer segmentation: Most SHFs are at the bottom of the pyramid



National production is dominated by SHFs

The majority of SHFs are either in loose value chains or weakly connected value chains, with unstable links to market. SHF organizations are generally mismanaged and lack capacity

# SHFs '000	1,500-2,000 (~7.5-10% of global SHFs <sup>1</sup> )
SHF land '000 hectares	1169 (~95% of national land) – average farm size is ~1-1.5 hectares
SHF production '000 tons	515 (~80% of national production)
Assessment of SHF orgs.	Most farmers are unorganized and coops have little capacity to manage loans and provide technical assistance (TA)
Links to market	Farmers sell their unprocessed coffee to aggregators

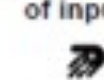
### Enabling environment for R&R: Liberal and unorganized coffee sector

Political environment



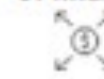
- Coffee share of GDP: N/A [Coffee share of exports: 0.82% (2015)]
- Indonesia has a liberal coffee sector. It is not a strategic priority for the Indonesian government<sup>2</sup>, which mostly supports the sector as part of its commodity export strategy
- SHFs receive some support from the government (e.g. tax exemption on fertilizers)

Availability of inputs



- Only one research institute in Indonesia provides seedlings, but not at commercial volumes
- Some private nurseries provide seedlings, but there is no control over quality
- Low access to nutrition and other inputs

Availability of finance



- SHFs have very limited access to credit from local banks
- Foreign investors experience currency exchange risk when they make loans in local currency

Knowledge availability



- The government does not provide extension services to SHFs
- Some coops provide TA to SHFs, but overall there is limited presence and capacity from coops to provide TA

### Examples of R&R programs: Indonesia has been underserved by existing programs to date, and there is need for more engagement

- FAO and the Coffee and Cocoa Research Institute – Nursery Program (2016-2030): The program encourages Javanese and Balinese female farmers to manage seed nurseries
- Kepahiang government - Peremajan Kopi<sup>3</sup> (since 2017): The objective of the program is to renovate 4-5 million trees in the Kepahiang region (Sumatra)

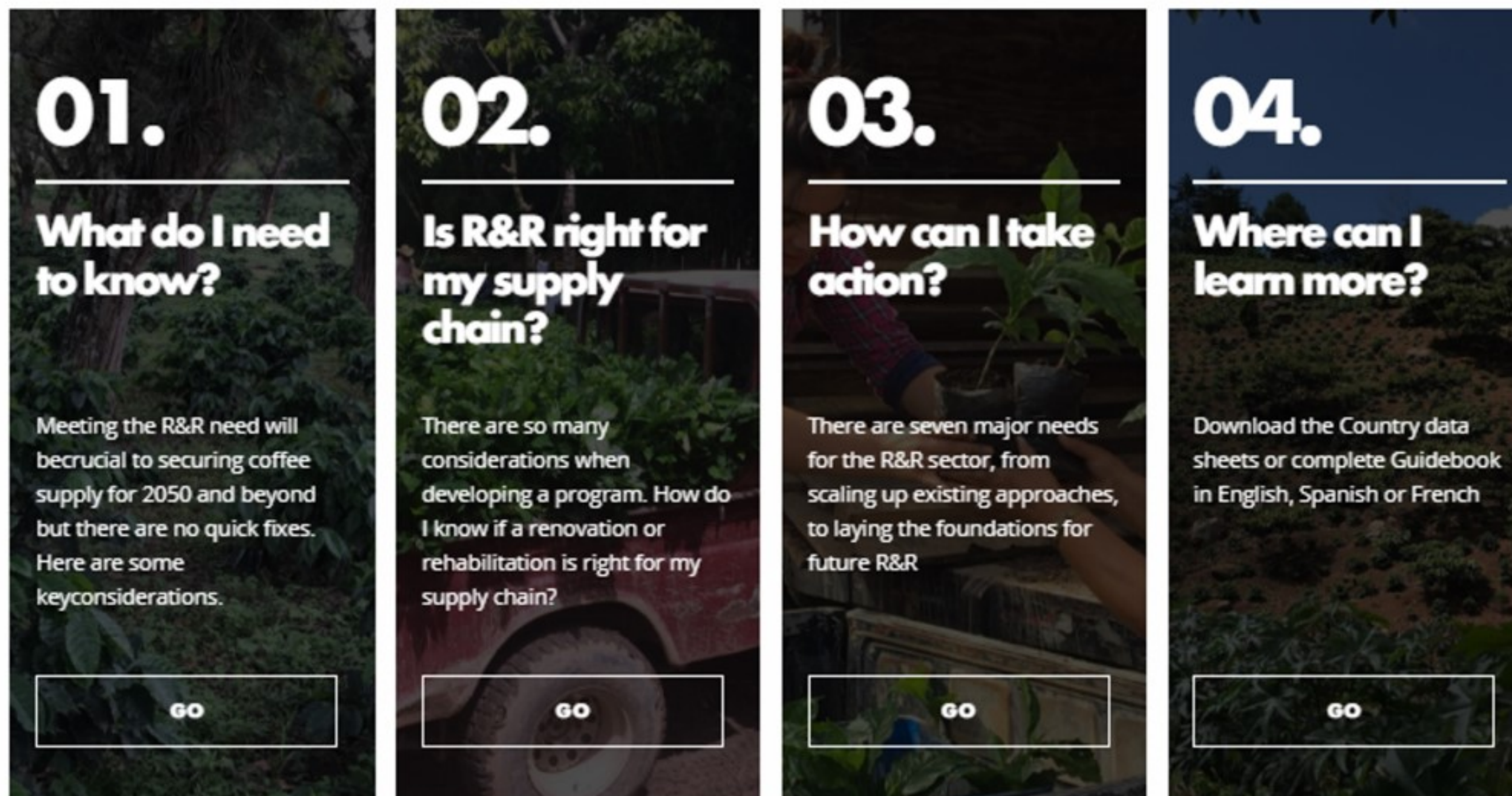
Notes: (1) Assuming a global SHF population of 20 million – estimate on number of farmers is high-level only as numbers vary significantly. (2) The Indonesian government mostly provides support to staple crop sectors, and in particular palm oil. (3) Information on the Peremajan Program is only available in Bahasa and might be incomplete. Source: FAO Statistics database; ICO statistics; GCP and Technoserve, *Economic Viability of Coffee Farming*, 2017; Sustainable Coffee Program, *Indonesia: a business case for the production of sustainable coffee*, 2014; USDA, *Annual Coffee Report*, 2017; Dalberg interview

16

# COUNTRY DATA SHEETS

# INTERACTIVE GUIDEBOOK

The interactive Guidebook is housed at [www.sustaincoffee.org](http://www.sustaincoffee.org), accessible via the R&R Collective Action Network page.



**01.**  
**What do I need to know?**  
Meeting the R&R need will be crucial to securing coffee supply for 2050 and beyond but there are no quick fixes. Here are some key considerations.

**02.**  
**Is R&R right for my supply chain?**  
There are so many considerations when developing a program. How do I know if a renovation or rehabilitation is right for my supply chain?

**03.**  
**How can I take action?**  
There are seven major needs for the R&R sector, from scaling up existing approaches, to laying the foundations for future R&R

**04.**  
**Where can I learn more?**  
Download the Country data sheets or complete Guidebook in English, Spanish or French

<https://www.sustaincoffee.org/farm-renovation-rehabilitation/>



# PROJECT ONE PAGERS

## Global Coffee Monitoring Program



### OVERVIEW

A network of hundreds of on-farm research plots in farmer fields, established in partnership with coffee companies, NGOs, and other institutions. Partners and WCR collect data on the performance of improved varieties and agronomic treatments across diverse farm types and regions globally, providing hard data for farmers and other supply chain actors about which treatments lead to increases in productivity and/or profitability for the farmer.

Each farm trial site uses the farmer's current varieties and practices as controls for comparison. The primary hypothesis is that this trial—one of the largest coordinated global trials on coffee crop performance ever conducted—will increase demand for improved varieties and expand knowledge of best agronomic practices according to different farm types, which can be applied for widespread farm renovation and rehabilitation programs.

### GEOGRAPHIC FOCUS

WCR operates in 27 countries, including PROMECAFE countries (Central America, Peru, Jamaica), Mexico, Rwanda, Burundi, Zambia

### KEY ACTIVITIES

Research, Data collection / monitoring, Development / distribution of educational materials

### TIMELINE

2016 - 2025

COFFEE FARM RENOVATION & REHABILITATION

### TARGET

## Seeds Program

### OVERVIEW

The Seeds program gives small grants to producers and producer organizations in the Counter Culture supply chain to implement social and environmental sustainability projects they identify. Counter Culture funds many diverse projects, believing strongly that their producer partners know what's most needed in their communities. Seeds applicants occasionally apply for renovation projects, which are planned and implemented on a co-op level. One project at La Voz in Guatemala involves growing 30,000 seedlings to be planted on the farms of 100 producers.

### GEOGRAPHIC FOCUS

Guatemala, Nicaragua, El Salvador, Honduras, Colombia, Bolivia, Peru, Rwanda, Burundi, Uganda, Kenya, Ethiopia, Papua New Guinea, Timor Leste.

### KEY ACTIVITIES

Provide funds for co-op-level renovation projects, data collection / monitoring, and research.

### TIMELINE

On-going. Most recent renovation project through Seeds program happening at La Voz June 2017 – June 2018.

### TARGET

At least \$40,000 in 2017 Seeds grants. Counter Culture is also engaging with suppliers to identify feasible climate change adaptation strategies – renovation being one – and plan to repeat this process with all of their producer partners.

COFFEE FARM RENOVATION & REHABILITATION

## COUNTER CULTURE COFFEE

### IMPACTS TO DATE

Strategies that were formerly researched are in the process of being implemented at certain co-ops.

## Agroforestry and Reforestation Insetting Projects



### OVERVIEW

Agroforestry consists of regenerating and preserving agricultural and forestry ecosystems by planting trees around and inside coffee plantations. PUR Project has implemented agroforestry among coffee tree plantations in rural farming communities threatened by poor coffee yields, degraded ecosystems and climate change extreme events affecting crops. Trees are planted by farmers to provide food, fuel, and environmental benefits, while increasing coffee yields and quality.

Trees within coffee plots allow regeneration and soil fixation, preservation of biodiversity, improved productivity and quality of coffee, and an additional source of income for local communities. These trees also allow farmers to diversify their crops, thus increasing climate resilience and reducing the risk of shifting to monocrop culture. The projects are funded by coffee companies willing to inset (offset internally), their carbon and water footprint as well as generate multiple positive impacts for People and the Planet.

### GEOGRAPHIC FOCUS

Ethiopia, Tanzania, Colombia, Guatemala, Peru, Indonesia, Thailand.

### KEY ACTIVITIES

Developing insetting agroforestry projects at the landscape level, from project design, nursery, plantations, certifications (VCS, Gold Standard) and project monitoring over 40 years to regenerate coffee farms.

### TIMELINE

Projects are usually run on a 40-year period.

COFFEE FARM RENOVATION & REHABILITATION

### TARGET

To strategically integrate trees (agroforestry) into current coffee farming systems in an effort to preserve productive ecosystems, increase coffee crop yields and farmers' incomes, and adapt to climate change. The trees provide multiple services that ensure improved quality and long-term sustainability of production.

### IMPACTS TO DATE

- 3 million trees planted in Oro Verde & Acopagro cooperatives, San Martin region, Peru.
- 300,000 trees planted in Ethiopia.
- 700,000 trees planted in Cauca and Nariño regions of Colombia.
- 500,000 trees planted in Guatemala.
- 300,000 trees planted in Kopi Lestari, Indonesia.

### PARTNERS

Nestlé Nespresso, Nescafé, Unilever, Ecom, Louis Dreyfus Company & Foundation, Federación Nacional de Cafeteros (FNC), Sidamo Union, ADESC, UPC, Oro Verde, IDH.

### KEY LESSONS

- Trees are among the best investment to regenerate ecosystems with multiple positive impacts on soil, water, biodiversity, carbon, social & economic.
- Agroforestry is a must to make coffee sustainable and resilient to climate change events as well as regenerate coffee ecosystems and reduce the impact of diseases like coffee rust.

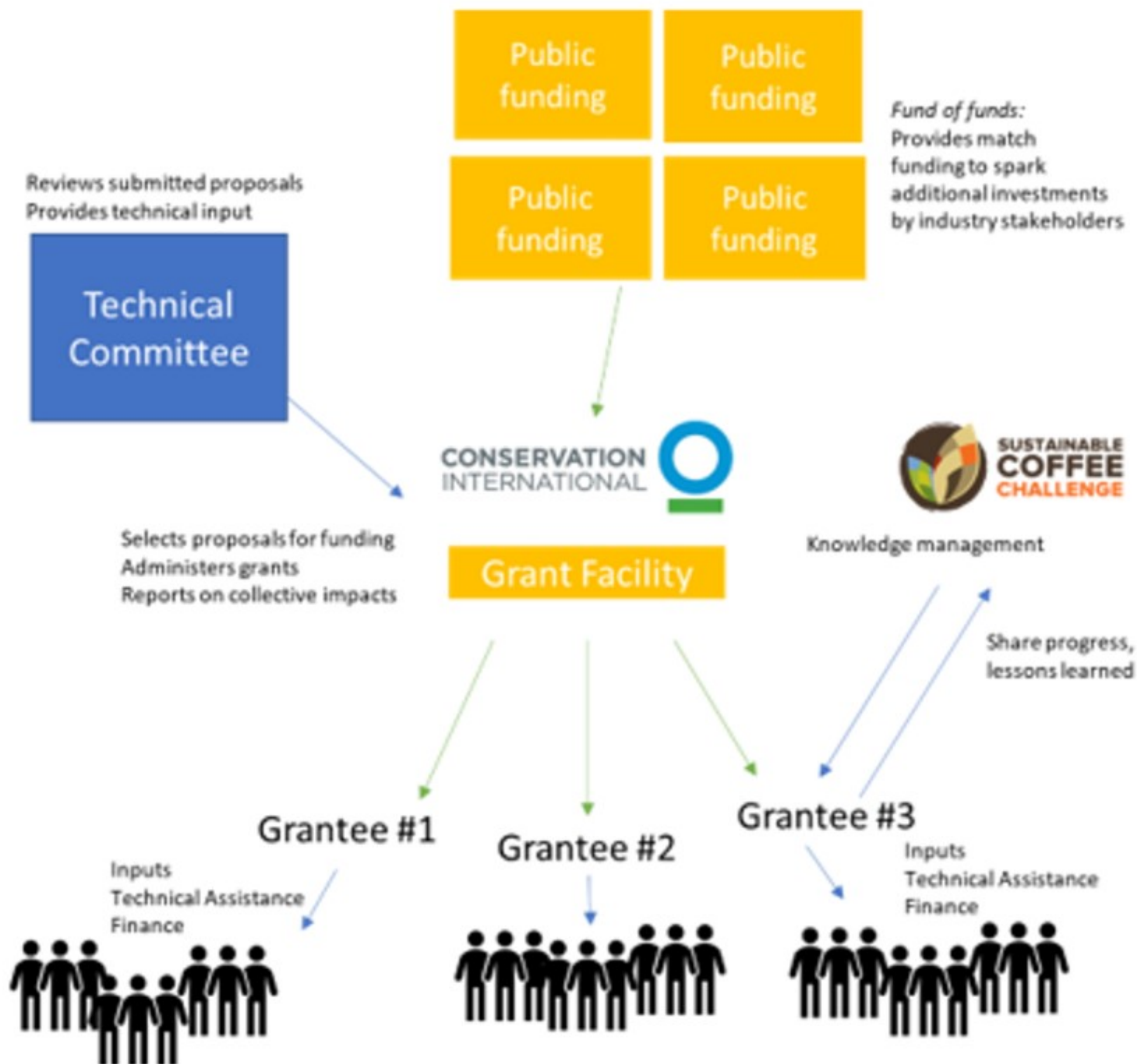
### FIND OUT MORE

<http://www.purproject.com/agroforestry-and-reforestation/>



# NEXT STEPS

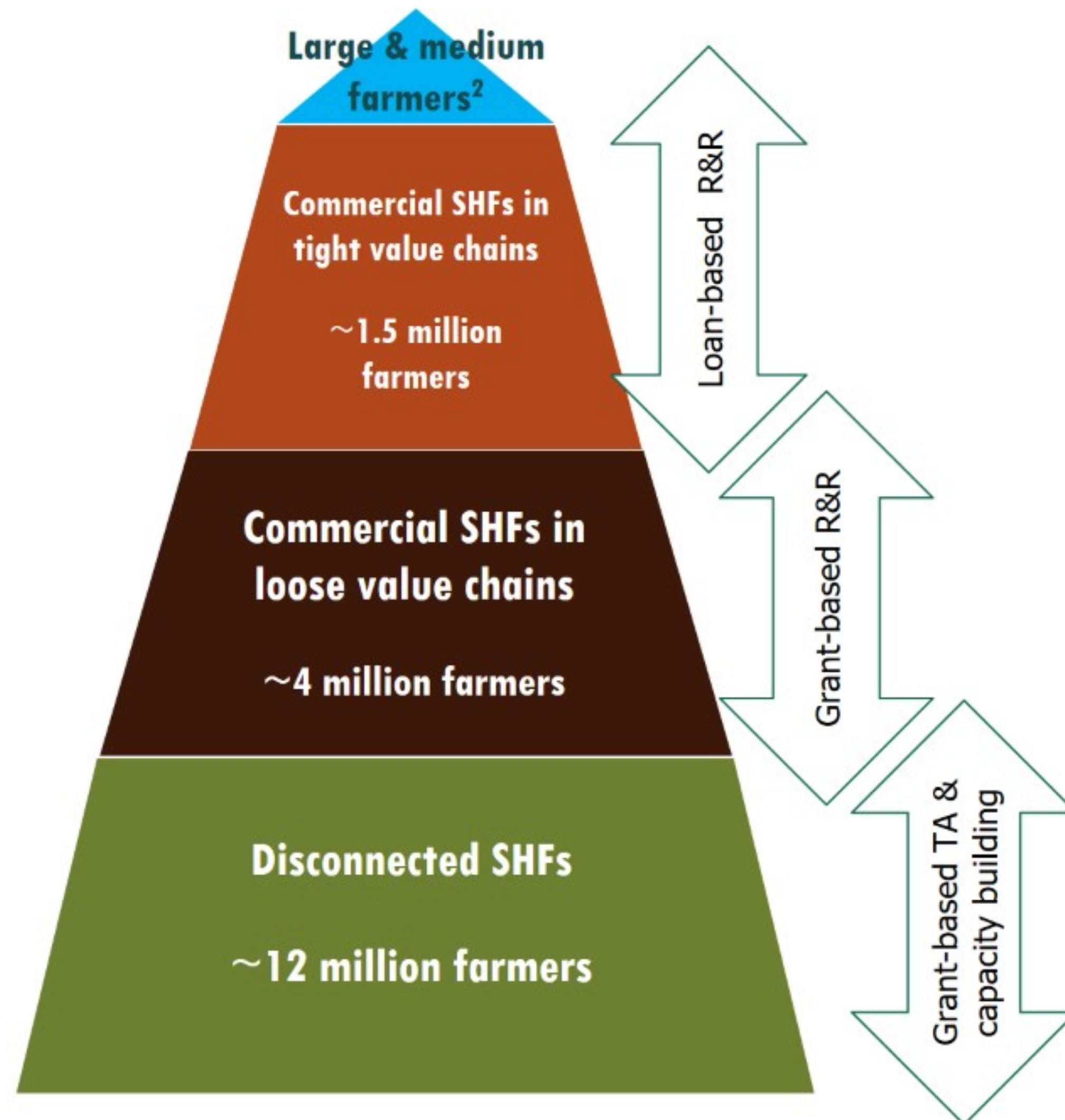
- Resilience incentive fund that incorporates R&R investments
- Shade Catalog in partnership with World Coffee Research & the Smithsonian Institute's Migratory Bird Center





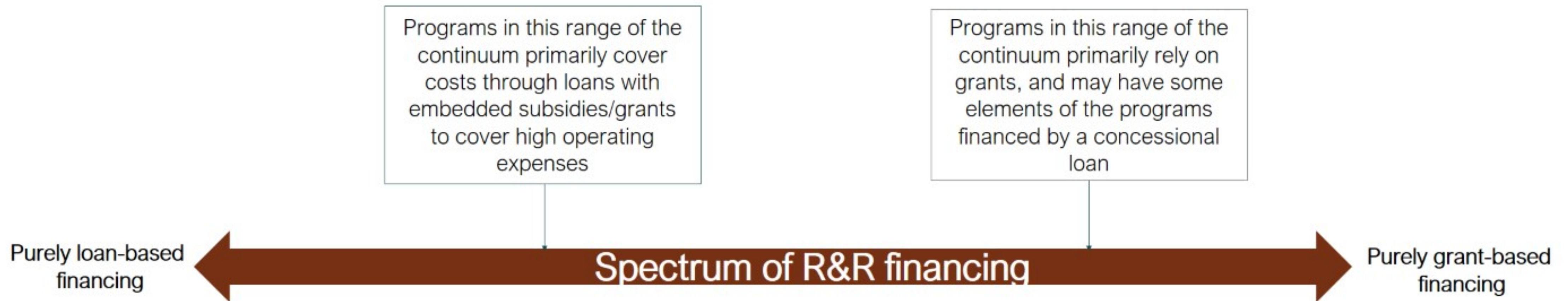
# KEY TAKEAWAYS

## Coffee farmer pyramid



1. Understanding farmer characteristics is important to help determine the most likely financing instrument and capacity to undertake R&R at the farmer level.

2. Farmers, particularly smallholders, will likely continue to need concessional finance / grants for the near future.



**Past R&R programs have either been financed by grants alone or by concessional loans supported by grants or subsidies to cover high operating expenses**

## Farm level investment decisions are highly complex and personal given farmers needs and preferences



"Should I risk the increased cost and risk of R&R for potential additional benefits, or simply avoid the risk and rely on my current yields?"



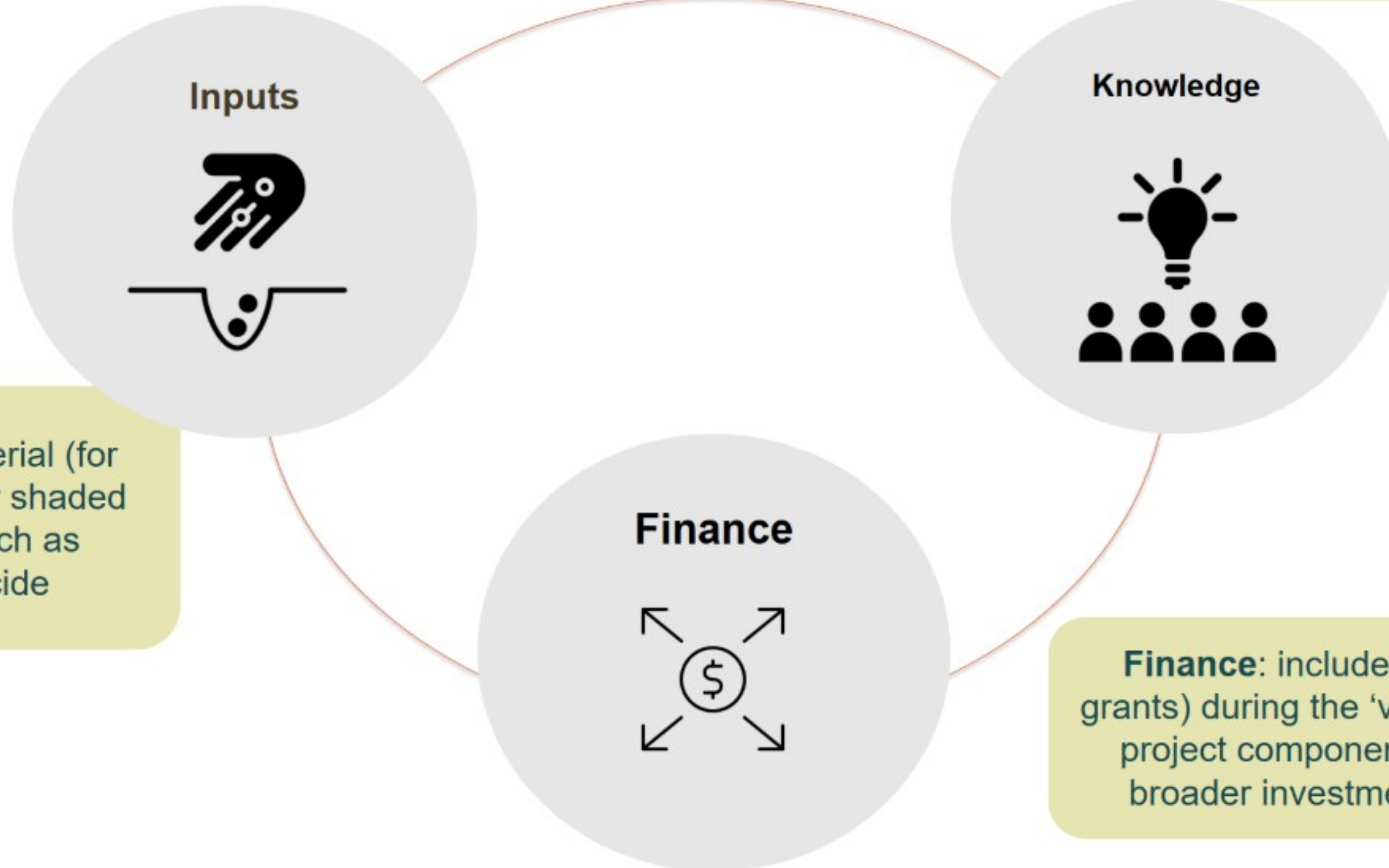
## Those interested in supporting farmers in R&R also have many considerations

"Is a return on my capital desirable? Feasible?"



3. Rehabilitation is a great option for many farmers, particularly those with less upfront capital and lower risk appetite.

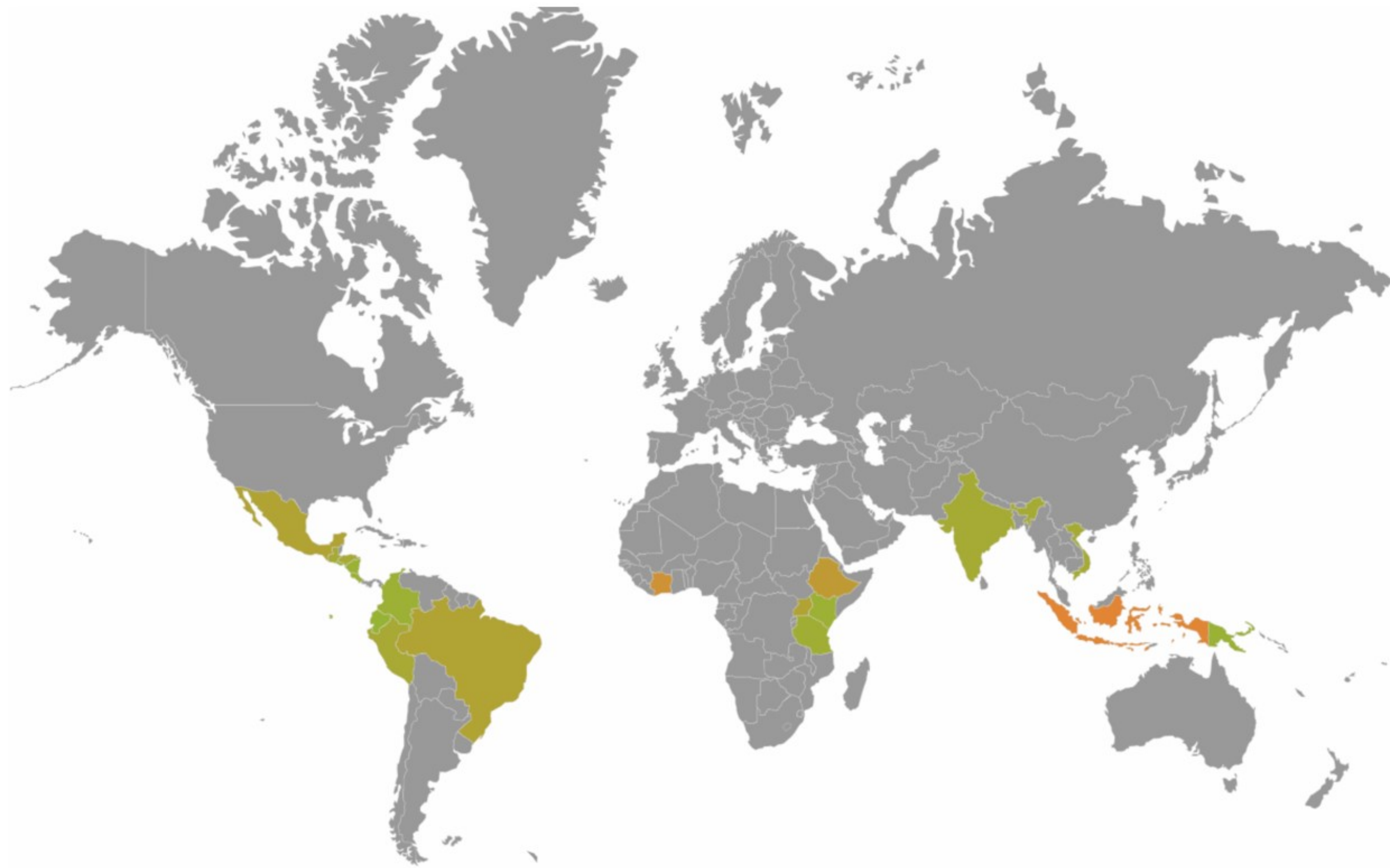
## 4. Successful programs combine inputs, finance and knowledge



**Inputs:** includes planting material (for renovation), insetting trees (for shaded coffee), and other inputs such as nutrition, tools, and herbicide

**Knowledge:** Includes technical assistance on GAP and management of long-term loans and R&R programs

**Finance:** includes financing (loans or grants) during the 'valley of death' to cover project components, and, sometimes, broader investments in coffee sector



5. Indonesia, Ivory Coast, Ethiopia, Mexico, Uganda & Brazil make up more than half of the global hectares in need of R&R





6. Environmental & Social safeguards should not be overlooked

Expand current programming models

Fill data gaps on R&R

Innovate in delivery models

Innovate in finance to leverage commercial capital & improve reach

Better understand possible rehabilitation outcomes

Build R&R support services by strengthening coops, nurseries, local banks, etc

Join others in advocating to governments the value of R&R

7. There are various ways stakeholders can get involved in R&R

# VOICES FROM THE PRIVATE SECTOR



Eric Poncon  
ECOM  
Director,  
Strategy Management



Marcelo Burity  
Nestle  
Head of Green Coffee



Derek Bothereau  
Starbucks  
Sr Manager,  
Global Responsibility

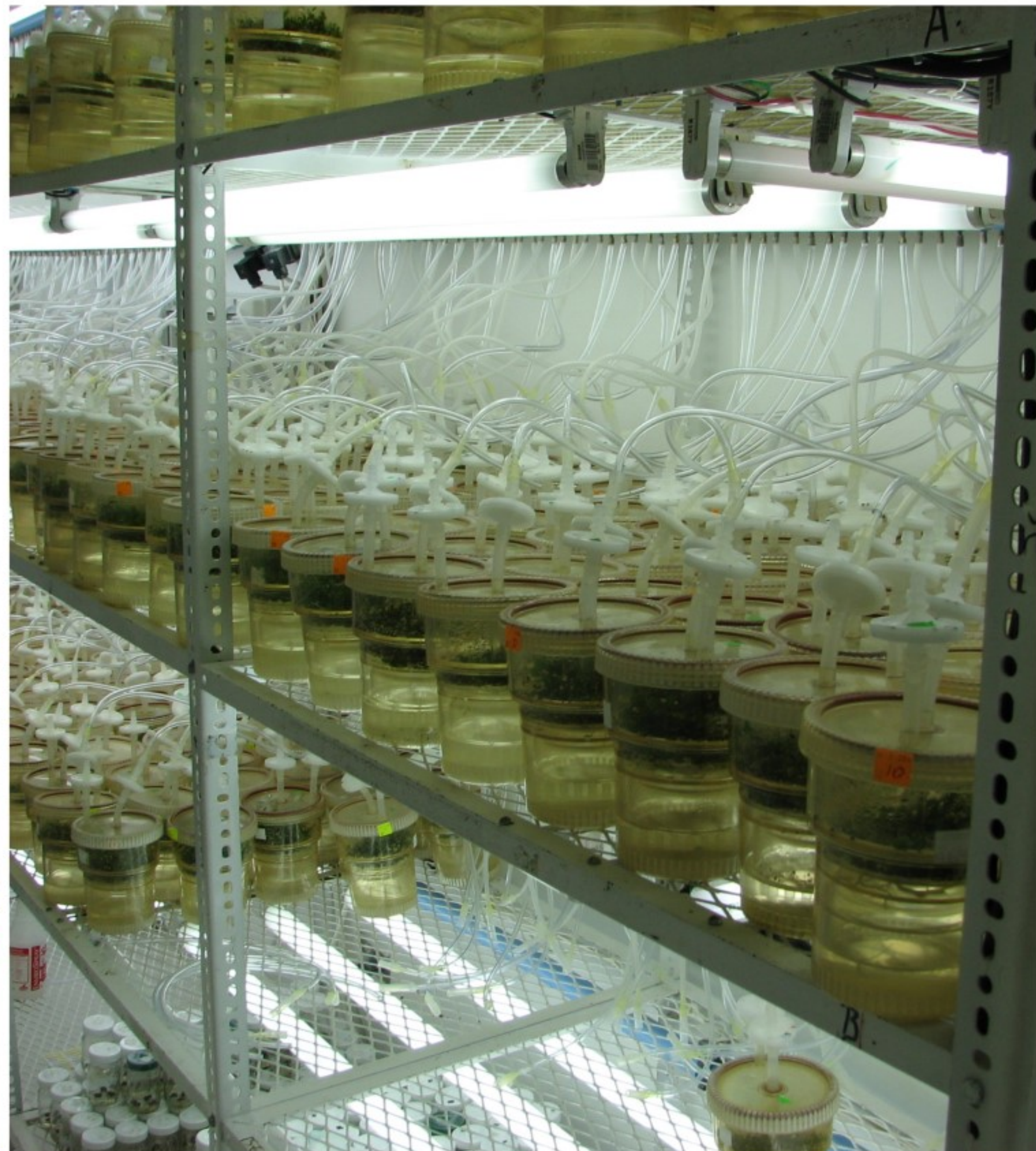
## **ECOM:** **INVESTMENT IN GENETIC MATERIAL DEVELOPMENT & RENOVATION**

- Opened lab in Nicaragua in the early 2000's.
- First mass development and distribution of F1 hybrids
- Developed the Marsellesa variety
- Post roya, brokered funding for long-term renovation loans in Nicaragua in partnership with IFC, IDB & Starbucks
- Partnered with The Moringa Fund & Cafetelera Nica-France to promote farm renovation 'outsourcing' model
- Provides nursery development services for renovation initiatives, including Starbucks, S&D, and others
- Clonal of native precious local timber species to promote use in agroforestry systems





Servicios  
de Manejo  
Sostenibles



# NESTLE NESCAFÉ PLAN

- The *Nescafé* Plan is a global initiative that brings together commitments and activities that support the responsible farming, production and supply, and consumption of coffee.
- To improve the quality, quantity and sustainability of its coffee supply chain, as part of the *Nescafé* Plan, Nestle will distribute 220 million coffee plantlets for farmers by 2020.



# NESTLE

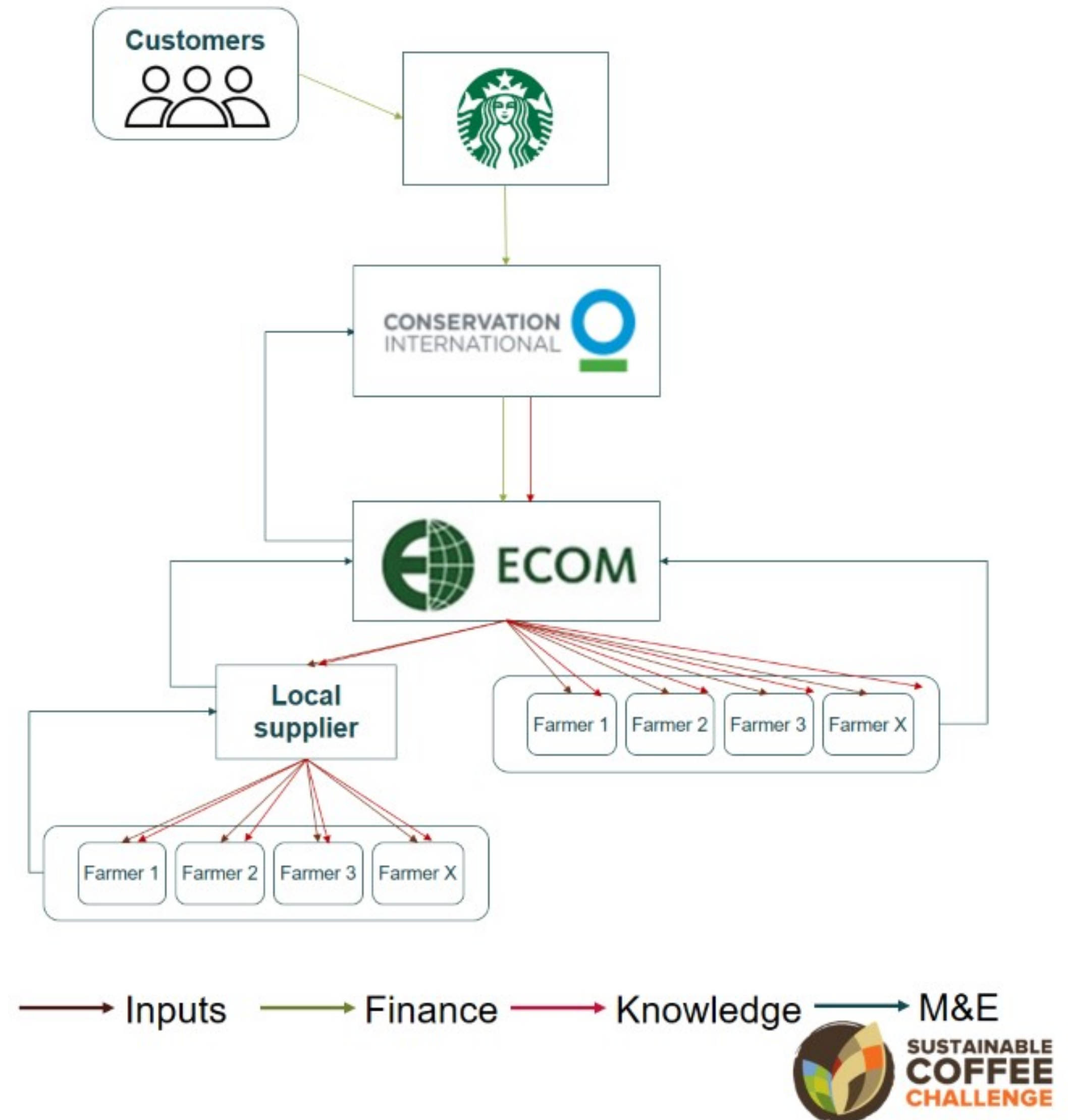
- Plant Science unit in Tours/France
  - Arabica and Robusta breeding and selection since the 90's – Ecuador and Thailand
  - Research on drought resistance, genetics
  - Training of several scientists from various research institutions
  - Ongoing research partnerships and collaboration in 15 countries with public and private entities
- Have distributed more than 180 Mio Robusta and Arabica coffee plantlets since 2010
  - Propagation done by SE, Seeds, Rooted Cuttings and Grafting
  - Around 90k Ha planted in 15 countries
  - More than 300 Agronomists and field technicians around the world





## STARBUCKS RENOVATION EFFORTS: ONE TREE FOR EVERY BAG

- In September 2015, Starbucks committed to donate funds from each bag of coffee purchased in Starbucks stores between Sept 2015 – June 2017 to distribute rust-resistant coffee trees
- Sales generated enough funds to provide more than 30 million trees
- 10 million seedlings were delivered per year via 12 nurseries
- Trees are distributed to C.A.F.E. Practices farmers in Mexico, Guatemala & El Salvador
- Social & environmental safeguards and strong M&E ensure maximum reach







# MOVING TO 100 MILLION TREES

NEWS > COMPANY NEWS

News

MARKETS NEWS

COMPANY NEWS

## Starbucks to Provide 100 Million Healthy Coffee Trees By 2025 (SBUX)



BY CRAIG ADEYANJU | Updated Apr 17, 2017

- In 2017, expanded commitment to to 100M trees by 2025 (10M per year)
- Builds upon the efforts of “One Tree for Every Bag”
- Leverages green coffee purchase power
- Contributes to Sustainable Coffee Challenge industry goal of 1 billion trees
- Insights from first harvest forthcoming



PEOPLE  
NEED  
COFFEE  
TO THRIVE

AND COFFEE NEEDS  
PEOPLE AND NATURE  
TO THRIVE



SUSTAINABLE  
COFFEE  
CHALLENGE