

QUARTERLY RETURN

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ISSUE **128**

**PAYING
A FAIR
SHARE TO
FARMERS**

Full story on page 12

SHAREDINTEREST
INVESTING IN A FAIRER WORLD

WELCOME TO YOUR SUMMER MAGAZINE



Hello and welcome to your summer issue of Quarterly Return. In this edition, we bring you updates from our supporter events held in Edinburgh, York and London. We were delighted to welcome so many of you back to our first face-to-face events since the pandemic. You can read more on pages 4 to 7.

Next month, Fairtrade will raise its Minimum Price for coffee in an effort to strengthen protections for coffee farmers, amid the escalating impacts of climate change and growing global economic volatility. We explore the impact this will have on coffee farmers within two of the regions where we are working. You can read more on pages 12 to 14.

Our focus remains on widening our support for fair trade, continuing to work where other lenders are less keen to operate. With this in mind, we explore how a variety of certifications are helping two co-operatives in Mexico and Ivory Coast become more sustainable and have better access to education and healthcare. You can read more about this on pages 8 to 11.

In June, we thanked our volunteers for their unwavering support during Volunteers' Week. We held our third Volunteer Festival with sessions from colleagues and like-minded organisations, featuring an overview of our longitudinal case studies, carbon literacy and a presentation from Just Trading Scotland. More details are available on page 15.

Until next time,

A handwritten signature in black ink that reads "Patricia".

Patricia Alexander
Managing Director

TRANSFORM TRADE

While the Fairtrade movement sadly lost one of its pioneers earlier this year, when Traidcraft plc ceased trading, the crucial work in the sector continues.

It is fitting that four of the organisations Traidcraft helped set up are able to continue to support the future of ethical trade. Transform Trade (previously Traidcraft Exchange), the Fairtrade Foundation, Cafédirect and Shared Interest all came out of the early fair trade movement. Now, together, we are well positioned to build on the legacy of Traidcraft - each in unique ways, while fair trade and ethical businesses in the UK continue to trade, proving every

day that business can be done in ways which nourish people and protect the planet we all rely on.

To date progress has been promising. Transform Trade are utilising the well-known Traidcraft brand to improve market access for producers. The branding is now used on products, which have a transparent value chain that adhere to the Fair Trade Principles but are not Fairtrade certified, such as charcoal, rubber gloves and coffins and potentially others in future.

Transform Trade are also supporting as yet uncertified organisations through endorsement in the hope of opening doors to markets and investment.

Amy Wilson, Head of Partnerships and Investment, at Transform Trade, said: "We recognise how vital Fair Traders, individuals who sell our products, are to providing market access for producers and have developed 'ethical partnerships' with various ethical organisations to continue to trade. We hope to work with ethical retailers in the UK connecting them with innovative producers around the world to increase the social and environmental impact these businesses have within their communities."

**Transform
Trade**

Shared Interest member Theresa Black
with her daughter Natasha.



HELP US TO DO MORE

Shared Interest's mission is to provide financial and business support to producers as they face the daily struggle of providing for their families. We bring you stories of their lives in this magazine, on our website and, most recently, during our supporter events.

According to the Food and Agriculture Organization of the United Nations (FAO), small family farmers manage 80% of the farmland in sub-Saharan Africa and Asia and 75% of the world's food is generated from only 12 plants and five animal species. As a result, the global food system is highly vulnerable to shocks.

FAO believe that 2.5 billion people worldwide are dependent on small-scale farming for their livelihood but many are impoverished and food insecure due to their limited access to markets. Your investment has helped support these local enterprises by enabling us to provide much needed finance to fund infrastructure such as warehouses, machinery and transport as well as vital working capital to trade.

Whether you have invested £100 or more, we pooled your funds and made a difference to nearly 400,000 people last year alone.

People around the world face increasing challenges and we need to encourage more people to invest so we can increase household incomes, create jobs and invest in long-term resilience by encouraging gender equality and climate smart agriculture.

We know that the global economic recession has affected all businesses and this is the first year that we have seen a reduction in Share Capital.

As part of the Shared Interest community, you can help us by:

- Speaking to friends and family who may be interested in supporting our work
- Putting some of our information in your local church, community group or shop. (Email: membership@shared-interest.com and we can send you a pack)
- Letting us know if you have an event where we could set up a stall to tell people about our work
- Organising a talk for one of our local volunteers (Email: volunteers@shared-interest.com)
- Consider investing further or set up a regular standing order for your Share Account if you are able to
- Spreading the word on social media
- Consider waiving the interest on your Share Account



DID YOU KNOW THAT YOU CAN ALSO INVEST IN US DOLLARS AND EUROS?

As the majority of our lending is made in US Dollars or Euros, any investments we receive in these currencies will help us to reduce interest rate costs, resulting in your money going further. Please contact our Membership Team for more information.

Supporters at our event in London.

WELCOMING SUPPORTERS ACROSS THE UK

"I invest in Shared Interest because it is one of the best and honest ways of spreading the benefits of wealth and supporting communities to build and grow."

Quote from a member at our events.



Shared Interest Foundation Manager Kodzo Korkortsi meets with supporters at our London event.



Zaytoun Co-Founder Heather Masoud.

During May and June, we were delighted to return to our Supporter Events. We welcomed 181 members and supporters to the three events in Edinburgh, York and London, along with some fantastic guest speakers from Just Trading Scotland (JTS), Zaytoun CIC, and Impact Manager, Juanjo Ladines from customer Inka Moss in Peru who joined virtually.

On the following pages we provide an overview of each event.



Finance Director Tim Morgan meets with members at our London event.



The Scottish Fair Trade Forum hosting a stall at our Edinburgh Supporter Event.

EDINBURGH

We welcomed 34 of our members and supporters to Greyfriars Charteris Centre in Edinburgh on 18 May.

Shared Interest Managing Director Patricia Alexander opened the event, saying: "It is a pleasure to welcome you all to our first face-to-face event since 2019. We are delighted to be back here in Edinburgh today, the last time we were here no-one could have predicted how long it would be before we would be able to return. Whether this is your first event or you have joined us in the past, we welcome you all here today to hear about our achievements over the year."

We were thrilled to welcome Tracy Mitchell, Managing Director at Just Trading Scotland (JTS), as our guest speaker for this event. Based in Paisley in the West of Scotland, JTS is a fair trade enterprise set up to facilitate the import and distribution of fairly-traded food products to the UK.

JTS empower and educate producers and consumers, through the fair purchasing and sale of the finest ethical food products from the global south.



Tracy Mitchell, Managing Director at JTS.

Tracy (pictured above) began by announcing the rebranding of JTS to the new name of True Origin, emphasising their mission remains completely focused on supporting producers. She said: "We wanted to create a greater association between JTS and its purpose, the 'true origin' of the products we work with. Smallholder farmers and producers are at the heart of True Origin. It's in our name: we are true to the origin by providing sustainable income to the producers behind the products."

"Our desire is to make the world a fairer place for our producers, by offering them a sustainable income through our purchases, and, where appropriate, to supplement this with development projects through our charity."

Lending Manager for East Africa, Immaculate Ochieno joined the event remotely to provide an update from the region.

She said: "Our team of three in Kenya are currently handling 46 customers. Although we work in five countries, most of our active accounts are in Uganda and Rwanda, as well as Kenya, Malawi and Tanzania. Most of our portfolio is in coffee, just over 70%. The remaining portion is in handcrafts, fruits and vegetables, tea, cocoa and vanilla."

"The region has experienced the effects of climate change as evidenced by the recent flooding and landslides in Rwanda, and the same in Uganda in 2020. Droughts in the region in the last few years affected production in coffee and other food crops. Aside from climate change, a key issue our coffee customers have faced are the fluctuations and volatility in global coffee prices."

"In a fairer world, Shared Interest might not be needed but it is needed more now than ever."

Quote from a member at our events.

CONTINUED >



Inka Moss harvesters (front to back)
María Mendoza Ramos,
William Musquiano Baltazar,
Fiorella Anchiraco Montalvo,
Anaíz Baldéz Santiago,
Jennifer Rodríguez Hurtado during
harvesting in Tambillio, Peru.

SCAN TO
WATCH OUR
INKA MOSS
INTERVIEWS



"I invest to help
fight inequalities
in this world."

Quote from a member
at our events.

YORK



Juanjo Ladines Impact Manager.

On Thursday 25 May, 49 supporters joined us at the Priory Centre in York to hear from the Shared Interest team along with guest speaker Juanjo Ladines, Impact Manager at Inka Moss, a Peruvian social enterprise providing sphagnum moss harvesters with the opportunity to earn a sustainable income.

We were joined remotely by Juanjo (whom you may remember from past issues of QR).

Juanjo opened the event saying: "I ask you to think about what comes into your head when you think about Peru. For many it is Machu Picchu, the lost city of the Incas. This incredibly beautiful place is full of magic and wonder and it is a key part of our culture, but there is another face to this amazing scene that's hardly talked about, one that is sadly not as bright or magical.

"The people living in these communities are among the poorest and most vulnerable population of my country, with most of them being in the extreme poverty category. They lack access to basic services and have to endure extreme weather conditions, in an area where the geography makes travelling to and from the communities highly difficult. For most, their main source of income, and sometimes the only one, comes from the traditional crops, which are usually potatoes. These, however, are a very low profit crop that are highly susceptible to market changes, meaning that their already low income can be considerably lower at the blink of an eye.

"Taking all of this into consideration a question comes to mind; is there a way in which these communities could increase their income? Enter sphagnum moss - although it's not a very well known plant sphagnum moss is amazing. It only grows in certain places in the world with Peru being one of those."

Juanjo went on to explain how the moss has three main properties; it is a high performance moisture absorber, a powerful natural antibacterial and good absorber of heavy metals. He said: "The most traditional and main use is a substrate for growing plants that require higher levels of humidity. Mixing sphagnum moss with the soil, hugely benefits their growth. Aside from that, you can also use it to make vertical gardens and green walls. As well as for decorative purposes. In that same line of usage, it is also the key component of the beautiful hanging baskets, which are a very popular type of decoration in UK. In this case the traditionally white moss is dyed green for that purpose."

He continued: "There is a huge demand in international markets, with the main market being Asia for growing orchids. Based on all of these factors I'm sure that you realise that harvesting moss will be a great alternative to generate income for these communities."

Juanjo told the audience about Soraya, a Selector at Inka Moss who had an accident some years ago that left her with a disability and unable to harvest the moss. Inka Moss provided Soraya with the opportunity to work as a moss selector, ensuring the moss sold is of the highest quality. Today she works as a moss leader making sure that all the moss that is harvested by her family arrives to the Inka Moss plant as clean as possible. Juanjo said: "Soraya became amazing at this job, and found a new purpose that allows her to actively help her family. She no longer feels like a burden and we have the certainty that when clients require moss of the highest quality possible we don't have to look any further than the one that comes from her household.

"Over the past 12 years we have worked with multiple communities in Peru and made an impact on the lives of thousands of people. This is only one example of the truly amazing impact the moss is having."

Since working with Shared Interest, Inka Moss has increased the number of harvesters from 1,985 to 2,800 and sales of moss from 80 metric tonnes to 120 metric tonnes.



Doha Aşous, olive farmer in Burin.
Photographer Alaa Badarnah.

LONDON

At our third and final event in London on 21 June, we were delighted to be joined by 98 members and supporters. We also had the pleasure of our international team joining us in-person from Costa Rica, Ghana, Kenya and Peru.

We were pleased to welcome Heather Masoud, Co Founder of Zaytoun (pictured on page 4), as our guest speaker. A social enterprise inspired by a love of Palestinian culture, communities and cuisine, Zaytoun, which is the Arabic word for olive, exists to support Palestinian farmers through fair trade.

Heather explained how the organisation had evolved from a trip she took to Palestine in 2003. She and a group of friends travelled to the area to help with the olive harvest in the shadow of the newly built wall and increasing restrictions on Palestinian trade.

She said: "The visit was life changing. I witnessed the gross injustice but also the sense of solidarity as families came together to harvest trees that had been in their care for generations. All by hand and with love and respect.

"Small farmers everywhere often struggle to make a living, but Palestinian farmers struggle more than most - with an estimated 600,000 illegal Israeli settlers - and all the infrastructure that goes alongside this. Some settlements are as big as a city. Obstacles to trade include highly restricted access to farmland, the closure of water sources, restrictions on the movement of people and stringent rules on the goods transported within the country and across its borders."

In 2009, Zaytoun's olive oil became the first in the world to be certified Fairtrade and Palestinian almonds were certified shortly after.

Heather continued: "In those early days, access to finance was particularly difficult and we received support from Shared Interest in 2008. It was transformational! Shared Interest were early enablers by providing a loan to our supplier in Palestine to build a plant to house the olive oil."

Heather explained that the farmers had been affected by climate change with harvests becoming less predictable and susceptible to erratic rainfall patterns. She said: "Palestinian farmers with whom we work farm traditionally using only organic inputs, tending indigenous varieties.

I invest in Shared Interest as a means of supporting fair trade at ground level - for the producers and growers - as opposed to simply buying the products"

Quote from a member at our events.

This age-old way of farming supports resilience. They are also leading the way in good agricultural practices with water retention methods running alongside intercropping with carob trees and tree planting programmes.

Heather said: "What started out with the sale of 10,000 bottles of olive oil to family and friends turned into a successful enterprise selling award-winning products ranging from the original oil to Medjoul dates, to almonds and even soap. All of the profits are reinvested to support the Palestinian farming communities where they are produced."

You can find out more about Zaytoun's producers, the story of the people of Palestine, their love for their lands and the rich heritage at www.zaytoun.uk

WHY FAIRTRADE?

As set out in our 2022 Strategic Review, we agreed to 'continue to widen our support for fair trade, extending our lending to organisations who are working towards Fairtrade certification, as well as those who meet the 10 Principles of Fair Trade. Shared Interest will continue to work where other lenders are less keen to operate, with lending likely to remain in unstable and remote geographic locations.'



FAIRTRADE

With this new strategy, we aim to remain true to our mission as a respected and trusted provider of social finance and business support to people living in disadvantaged global communities; working where other lenders are less keen to operate.

We are often asked why we see Fairtrade certification as the Gold Standard.

We believe that Fairtrade certification offers many benefits for smallholder producers and the most obvious is that it ensures producers receive a fair and stable price for their products. By guaranteeing fair prices, Fairtrade certification helps producers improve their standard of living, invest in their farms or businesses and support their families.

One benefit, which we hear about regularly from our customers, is that Fairtrade promotes democratic decision-making and producers have the advantage of collective bargaining, as they are generally part of a co-operative.

Fairtrade certification also encourages environmentally friendly farming practices, as producers must meet strict social and environmental standards, including the avoidance of harmful chemicals and the promotion of sustainable agriculture methods. Improved market access is another advantage that we see first-hand as producers are linked with international markets, which can increase their sales and allow them to achieve higher prices for their products.

Finally, the Fairtrade Premium, which is paid in addition to the price, can be a driver for social and community development. Our team on the ground see new schools, healthcare facilities, road infrastructure and clean water systems built regularly from the Premium.

Fairtrade's latest consumer research (Kantar, 2022) reveals that according to consumers' perceptions of different ethical labels, Fairtrade performs very strongly on the environment. The figures show that when it comes to 'supporting farmers to diversify their income to be more resilient to climate change and other risks,' twice as many UK shoppers now associate this statement with the Fairtrade label as they do another prominent food certification scheme.

Elsewhere, Fairtrade consistently outperforms in other sustainability categories, including 'paying a fair price to producers' and being 'ethically and responsibly sourced'.

GlobeScan's latest Healthy and Sustainable Living (HSL) Research, measuring consumer perceptions in over 30 countries, discovered certifications were the top reason for consumers knowing a product was environmentally friendly, with 34% of people saying they are guided by certifications in their purchasing decisions. (see chart on the page opposite).

Kate Nkatha Ochieng, Commercial Director at Fairtrade Africa, said:

"Our research found that around 50% of businesses in Africa embrace certifications because it gives them access to market not just in Africa but globally, so that becomes a key driver to gaining certification."

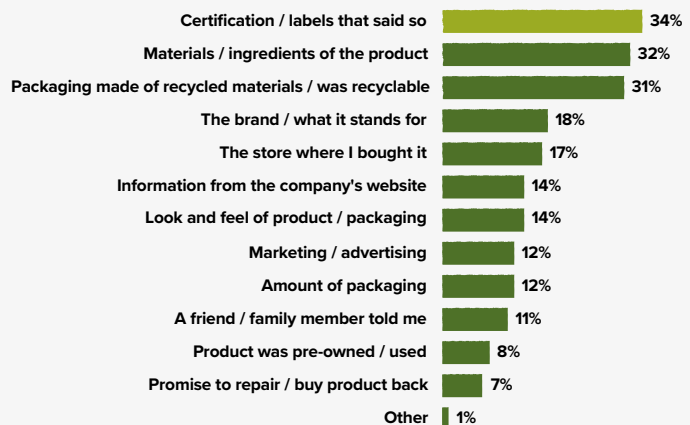
The survey also revealed that concern about climate change and extreme poverty continue on an upward trend, with over 50% of consumers seeing both as "serious" global problems.

Sustainability and Export
Manager at CAYAT,
Aboudramane Traoré, at
the cocoa bean packaging
factory in Vridi.

Although the majority of our finance goes to support Fairtrade certified producers we also remain mindful that it can be costly to small producers, and those who are not exporting their product. In order to enable us to reach these groups, we took the decision in 2014 following an extensive Strategic Review consultation to develop our own Fair Trade Assessment. This due diligence process allows us to support organisations that meet the ethical standards required but have not pursued certification.

Many of the customers we work with hold other certifications as well as Fairtrade. On the following pages we explore the benefits these certifications provide to two organisations we are working with in Ivory Coast and Mexico.

REASONS FOR KNOWING THE PRODUCT THEY HAD BOUGHT WAS ENVIRONMENTALLY RESPONSIBLE



TOP REASONS FOR KNOWING THE PRODUCT BOUGHT WAS ENVIRONMENTALLY RESPONSIBLE

FRESH FOOD ITEMS

1. **Certifications**
2. Ingredients
3. Recycled or recyclable packaging

COFFEE / TEA

1. **Certifications**
2. Recycled or recyclable packaging
3. Ingredients

PACKAGED FOOD ITEM

1. Recycled or recyclable packaging
2. **Certifications**
3. Ingredients

CLOTHING ITEM

1. Materials used
2. **Certifications**
3. Recycled or recyclable packaging

Source: GlobeScan Healthy and Sustainable Living Survey 2022. Q46. How did you know that the product was environmentally responsible? Sub-sample: Those Who Have Recently Bought and Environmentally Friendly Product. Average of 31 Markets, 2022 (n=15,813)



FAIRTRADE CERTIFIED

The Fairtrade certification system is rigorous, independent, and in line with best-in-class certification practice.

All producer organisations must go through an on-site audit before they can sell Fairtrade certified products. The Fairtrade Standards incorporate a holistic blend of social, economic and environmental criteria.

The key objectives of the Fairtrade Standards are to:

- Ensure that producers receive prices that cover their average costs of sustainable production

- Provide an additional Fairtrade Premium which can be invested in projects that enhance social, economic and environmental development
- Enable pre-financing for producers who require it
- Facilitate long term trading partnerships and enable greater producer control over the trading process
- Set clear core and development criteria to ensure that the conditions of production and trade of all Fairtrade certified products are both socially and economically fair as well as environmentally responsible

CAYAT farmer Dominique Kouman Kouamé and his son Luc fertilise the soil with organic fertiliser.



CAYAT

You may remember CAYAT from your autumn 2022 magazine (QR 125). CAYAT is a cocoa and coffee farming co-operative, based around the towns of Adzopé and Yakassé-Attobrou in the South East of Ivory Coast. Like many areas across Ivory Coast, the La Mé region where CAYAT is located is home to many cocoa farmers who depend on the crop to earn a sustainable income.



General Manager at CAYAT, Awa Traoré.

Founded in 2010, CAYAT hold various certifications for both their coffee and cocoa. In 2012 they gained Fairtrade certification for their cocoa. Following that in 2015 CAYAT achieved certification for their coffee with 4C Association.

4C Association

4C is an independent, stakeholder-driven, internationally recognised sustainability standard for the coffee sector, working towards sustainable coffee supply chains and improved livelihoods of farmers. The 4C vision is aligned with the 17 Sustainable Development Goals of the United Nations (SDGs). Through various channels, 4C contributes to all SDGs.

We spoke to the General Manager and Sustainability Officer about the impact of these certifications on the co-operative and its members. Awa Traoré (pictured above), told us: "Thanks to the certifications, we were allowed to put in place many social development projects in our communities.

"For example, we created schools in far away areas where children used to have to go to other villages to go to school. We refurbished a hospital and a maternity facility in one of our communities. The hospital used to be in disrepair and women had to give birth in terrible conditions. And now we're able to protect mothers and newborns. We also refurbished a college for secondary school students in which over 1,000 students study.

"We have also been able to diversify our income and one of our main achievements was that we were able to empower women. We have been able to use the premiums derived from these certifications to allow women to become part of the trade and increase their income. Over 100 women have benefited from these programs and their profit after selling cocoa at approximately 50,000 CFA francs per month for the women in this program.

"We have used certain premiums to create agroforestry projects, and created a nursery with over 55,000 plants. So, as you can see, many projects were put in place thanks to the premiums deriving from certifications.

It has also meant that producers, who receive a share of these premiums, can better maintain their fields and employ qualified labour to help in the maintenance of their fields, on top of increasing their productivity."

Aboudramane Traore, Sustainability Officer at CAYAT, said: "We were previously only a local organisation, and in 2017 we gained certification by the Coffee and Cocoa Council, the regulatory organisation in that field. We received an export certification and that is when we began entering the international market.

"The Fairtrade certification basically meant that we got financing from Shared Interest. It also meant that the quality of life of our producers was improved because of the social projects, and it has also enabled CAYAT as a whole to become more professional.

"Fairtrade is truly the Rolls Royce of certifications because it has allowed the co-operative to develop and increase the quality of life of its members."

Educe beekeeper Vitaliano Cahuich checks one of the bee colonies.

EDUCE

Educe are a honey co-operative, working with almost 1,000 beekeepers in the Yucatan Peninsula of Mexico. This area is known for its production of high-quality honey, particularly from the Melipona bee, which is native to the region. These bees are stingless and are known for their unique honey, which is prized for its medicinal properties and distinct flavour.

For Mayan communities, bees and honey have always been sacred. The honey produced in the region is harvested using traditional methods, which involve using small wooden boxes called “cajas” to house the bees and collect the honey. The cajas are placed in areas with abundant flowering plants, and the bees are left to forage and produce honey at their own pace. Once the honey is ready it is extracted using simple tools and techniques with minimal disruption to the bees and their habitat.

However, honey pricing is volatile and can fluctuate from season to season. Consumer demand can drive these changes, and ultimately it is the beekeepers who suffer when the price is low.

Educe’s honey is organic and Fairtrade certified, and the co-operative told us that certifications enable Educe to stay competitive in the honey market and achieve a higher price for their produce.

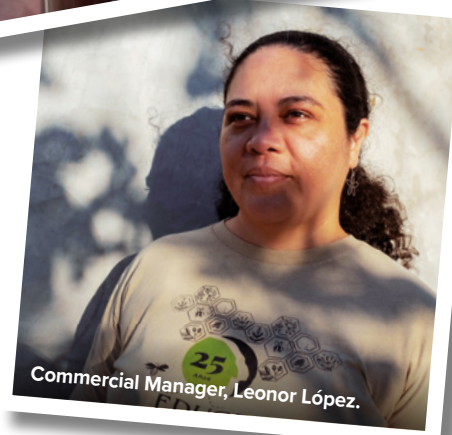
General Manager Miguel Ángel Munguía Gil, said: “We are certified organic by Certimex for the European Union and additionally, Naturland for Germany, Biosuisse for Switzerland, National Organic Program (NOP) for the United States. We also have Fairtrade certification.



General Manager,
Miguel Ángel Munguía Gil.

“The certifications have been key for our beekeepers to obtain better prices, and consequently to have access to more social satisfactions, such as education for their children, health and home improvements.”

A bottle of honey showing Educe's own brand Xjon Ha'ac.




Commercial Manager, Leonor López.

Commercial Manager, Leonor López, said: “There are more and more regulations, demands and requirements from the government and from importers. So for Educe we need those certifications to be able to defend the honey price that we have for producers and the quality that allows that price.”

Educe are one of Shared Interest’s longest standing customers, and have been working with us since 2002. They receive loans to pre-finance their honey harvest, enabling them to pay the beekeepers all year round.

CAYAT and Educe will be the focus of our Longitudinal Case Studies this year, so look out for more on their impact in future issues of QR.



Banyankole Coffee Services farmers check their coffee plants during the harvest season.



Fairtrade's global coffee network comprises of nearly 900,000 certified coffee farmers in over 650 producer organisations, across 31 countries.



PAYING A FAIR SHARE TO FARMERS



Despite the recent spikes in global coffee prices, coffee farmers are struggling with inflation, rising production costs, and crop loss due to the effects of climate change. The World Bank estimates smallholder farmers produce 60% of the world's coffee, yet nearly half of those smallholder farmers are living in poverty; nearly a quarter of them live in extreme poverty. Coffee prices in 2022 were relatively high, but profits ultimately failed to reach the farmers themselves. Studies have shown that producers typically retain around 1% of the retail coffee price, which, for a \$4 cup of coffee, equals around \$0.04 per cup.

Fairtrade coffee producers are protected from some of this price volatility and receive a more stable and reliable income as they benefit from the Fairtrade minimum coffee price. In addition to this, Fairtrade producers also receive a Premium, which can be invested in community projects chosen democratically by the farmers, such as education, healthcare, or infrastructure improvements.

In August 2023, Fairtrade will raise its Minimum Price for coffee in an effort to strengthen protections for coffee farmers, amid the escalating impacts of climate change and growing global economic volatility.

This change will raise the baseline price by 19% and 29% for Fairtrade certified Robusta and Arabica coffee respectively. Fairtrade's global coffee network comprises of nearly 900,000 certified coffee farmers in over 650 producer organisations, across 31 countries.


- Arabica -


Arabica coffee, is a high quality coffee species known for its superior flavour and aroma. With delicate and nuanced taste notes, it offers a complex profile with hints of floral, fruity, and chocolate flavours. Grown in higher altitudes, Arabica is cherished for specialty coffees worldwide.

There is hope this will have a positive impact on the Fairtrade coffee sector. In this article, we explore what this might mean for two of our customers.

- Robusta -

Robusta coffee, scientifically known as *Coffea canephora*, is a robust and strong-flavored coffee species. With higher flavoured content, it offers a bold, bitter taste and an earthy flavour. Its smaller, round beans have higher acidity. Grown at lower altitudes, Robusta is resistant to diseases and commonly used in mass production and instant coffee blends.





Peruvian coffee farmer collects coffee cherries during the harvesting period.

CAC PANGOA

Characterised by rugged mountains, deep valleys, and dense forests and situated in the Central Jungle of Peru, the region of Pangoa has a rich cultural and ecological past. With a long history of coffee farming dating back to the early 20th century, coffee was first introduced to the region by migrants from the Andean highlands who settled in the area and started cultivating coffee as a cash crop. Additionally, the formation of co-operatives and farmer associations in the area helped to consolidate the local coffee industry and empower small-scale farmers.

Today, the main economic activities in Pangoa are agriculture and forestry, with coffee being the most important cash crop. During the mid-20th century, coffee production in Pangoa expanded rapidly, and the region became known for producing high-quality, organic coffee beans. In the 1960s, the Peruvian government established the National Coffee Institute (INCAFE), which helped to improve the quality and productivity of coffee farming in Pangoa and other regions of Peru.

Subsequently in 1977, a group of coffee farmers met with the idea of setting up a co-operative in Pangoa itself. Founder, Esperanza Dionisio, said: "As with any organisation commitment, drive, insistence, union and a great desire to achieve, the determined group persisted in meeting after meeting until the co-operative was set up."

Cooperativa Agraria Cafetalera (CAC Pangoa) was born and today the co-operative works with over 700 coffee and cocoa farmers with the aim to improve economic income and raise the standard of living for members. They have been a Shared Interest customer since 2010, receiving loans to renew and expand their coffee crops.

Commercial Manager, Albino Nuñez, said:

"The loan from Shared Interest has a lot of impact, particularly the loan without contracts helps us to count with early funding that allow us to have a prompt payment to our members."

Also an Agronomist and General Manager, Esperanza, has been working at the co-operative since 1981 and is one of the few female managers in Peruvian co-operatives. She is well known in the industry and won the Specialty Coffee Association (SCA) Sustainability Champion Award in 2019.

In recent years, CAC Pangoa has become a hub for sustainable and organic coffee farming, with many small-scale farmers using environmentally friendly practices to grow their crops.

CAC Pangoa runs various social programmes for its members and families:

- A health fund to provide preventive health and emergency procedures
- An education fund, providing long-term loans with the aim to cover educational expenses of members
- Social and environmental projects such as the planting of forest and fruit trees on members' farms, demonstration plots for the training on soil and water conservation
- A housing fund to improve living conditions

We spoke to Albino about the impact of the Fairtrade Minimum Price rise on the co-operative. He said: "In my opinion, even though the policy is applicable since August, the effects in the local market are now evidenced through increases in the local purchase price. The positive effects are it will help to cover the farmer's production costs, making them more sustainable.


"The negative effects however, when the market drops, this would make the industry think twice about acquiring coffee, since the gap between a certified Fairtrade coffee and a non-certified would be big, which could have a negative effect in the demand of certified coffee (as of today this is a speculation)."

Albino also talked to us about the challenges CAC Pangoa have been facing in recent years. He said: "Climate effects, the variation of the temperature, heavy rains, and extended droughts have had an impact in the quality of the product. Particularly this year, we have a slight delay in the cocoa and coffee harvest."



Founder, Esperanza Dionisio.

CONTINUED >



Dried coffee beans
after being collected
from a farm in Uganda.



BANYANKOLE COFFEE SERVICES

Situated around 1,500m above sea level lies Kabwohe; a town in the Sheema District of western Uganda. An area that is characterised by rolling hills and lush vegetation.

Coffee is a major export crop in Uganda and as a result is a significant contributor to the country's economy by providing foreign exchange earnings, employment and income opportunities across the supply chain. The Kabwohe area is ideal for coffee farming due to its favourable altitude, nutrient-rich soil, consistent rainfall, and proximity to major coffee markets. The area's high altitude slows down the ripening process of coffee cherries, resulting in higher-quality beans.

The nutrient-rich volcanic soil in Kabwohe supports the development of healthy plants and high-quality coffee beans. Consistent rainfall ensures that coffee plants have sufficient moisture to produce high yields of quality coffee beans. Finally, proximity to coffee markets in Uganda facilitates easy access to markets and helps support the livelihoods of coffee farmers.

Banyankole Coffee Services (BCS) was founded by three coffee farmers in 2014, with the aim of producing good quality coffee and achieving good prices to benefit farmers. Today, BCS works with more than 1,500 farmers supporting them to export the highest quality Robusta coffee to local and international markets.

BCS has also provided training to the community on environmental conservation practices such as reforestation, coffee seedlings to individual farmers to replace old coffee trees, and linked farmers to international markets.

We spoke to Managing Director, Lauben Kurubaija about the impact the minimum Fairtrade price rise would have on BCS. He said: "The rise is a two way traffic. When the Fairtrade prices are raised and the purchases at farm level is reduced a bit, this will perhaps leave the farmers with profit margin so that the business is sustainable."

BCS have been a Shared Interest customer since 2020, receiving loans to meet export demands from their buyers.

"Sincerely speaking, the loan from Shared Interest has helped us so much that we are always assured of capital to respect our buyers contracts in time."

"BCS use the Fairtrade Premium for community projects and quality standards for the coffee. Our farmers normally get advance payment on their coffees to pay children's school fees. Coffee production has increased as farmers are supplied with seedlings under premium arrangement to improve productivity to mention but a few. Staff payments are done promptly and other quality services are paid in time to enable smooth running of the business."

PROJECT WITH SHARED INTEREST FOUNDATION

In April 2023, our sister charity, Shared Interest Foundation launched a one year project in partnership with BCS to support 330 of their members to increase their climate resilience through training in Climate Smart Agriculture and agroforestry practices.

The farmers will receive 12,000 disease resistant coffee seedlings to enable them to increase their production and replace ageing trees. In addition, 4,300 native agroforestry trees will be provided to plant among their coffee farms to increase soil stability, reduce erosion and provide important shade to the young coffee trees. Working with local partners, the farmers will also be trained in agri-business management including record keeping and budgeting, to support them to manage their farming sustainably and increase their financial resilience.





THANK YOU FOR HELPING US GROW

We are thankful for the skills, expertise, energy, and passion that our volunteer community brings to Shared Interest. Whether sharing information, entering data, translating documents or researching online, volunteers support us through a wide variety of activities and Volunteers' Week gives us a great opportunity to show our appreciation.

This year we held our third Volunteer Festival online. The festival ran over two days on 6th and 7th June, and was open to all volunteers and colleagues. Sessions included 'eBay for Change' by Joanna Pollard, Project Lead at eBay for Change and 'JTS to True Origin: a journey involving rice and pasta sauce and so much more' with Tracy Mitchell, Managing Director at JTS.

Colleagues also got involved in presenting some sessions including 'Strengthening the resilience of coffee farmers in Uganda through passion fruit production' from Harriet Urwin and Kodzo Korkortsi of Shared Interest Foundation, and 'What is a carbon footprint?' from our newly carbon literate, Partnership Manager Sally Seddon.

"I just wanted to say how much I enjoyed the three interesting presentations...great programme."
- Elsa Fairbanks (Ambassador)

As well as those who carry out volunteer roles, such as Ambassador, Community Supporter, Data Entry Volunteer and Translators, we also recognise the activity that many of our supporters do on a more informal basis. Thank you to all of you who pass on QR, share literature in your local area or get in touch to suggest an opportunity for a Shared Interest speaker.

This all makes a difference, thank you. We encourage everyone to do 'micro-volunteering' activities where you can.

If you would like to find out more about volunteering opportunities please contact us on volunteers@shared-interest.com or call us on 0191 233 9101.

**SCAN TO
VIEW THE
RECORDINGS
FROM OUR
VOLUNTEERS'
FESTIVAL**



COUNCIL COMMENT

As I write this, news is coming in of devastating floods in Italy caused by torrential rain. This follows the devastation caused by hurricane Freddy, named as it began in Australia then crossing the ocean to impact Malawi, Madagascar and Mozambique. I was also saddened to hear that flooding has impacted one of our customers in Rwanda. The changing climate is affecting every part of the world, but it is often the most remote places which are hardest hit.

Since Shared Interest was founded we have worked to support and empower producers, particularly farmers, through the Fairtrade network.

Fairtrade rules have always included environmentally sensitive methods, and now the emphasis is even stronger. Much of the work of Shared Interest is still what it has been for many years - providing working capital to buy commodity crops such as coffee and cocoa (where farmers are having to be evermore creative about dealing with environmental challenges).

Working hand-in-hand is our charity, Shared Interest Foundation, which is now focused on educating, facilitating farmers to develop more ecologically sound and sustainable methods of production. Recent projects have included Inka Moss harvesters who have been trained in sustainable methods to ensure a continuing supply of moss. Coffee farmers have been shown how planting trees not only improves their local environment and helps to prevent serious flooding in increasingly heavy rainy seasons, but the shade provided to the coffee bushes means their coffee is higher quality. On a smaller scale, women in Nicaragua were supported to grow organic sesame seeds, and female basket weavers in Ghana have been able to diversify their income through a soilless farming technique. In addition, I was delighted to see that in the past month an appeal was launched to raise funds to support the young farmers who lost homes and crops in the recent floods and landslides.

The changing weather patterns, plus the unstable political climate in so much of the world mean that Fairtrade is more important and relevant than ever. Partner organisations and individual producers all know that Fairtrade guarantees fair prices and long-term orders. Now they can see other benefits as they are able to adapt to, and mitigate the effects of the changing climate. That is good for them, and good for the rest of the world as well, as their adaptations help to reduce climate change for all of us.

Shared Interest, as a unique organisation, has a huge part to play in all this, which is only possible because of the money invested by all of us.

Member of Council, [Shelagh Baird-Smith](#)

SHAREDINTEREST

INVESTING IN A FAIRER WORLD



COVER IMAGE: CAYAT Treasurer Soumia Affouo carries a bowl containing freshly harvested cocoa beans.

HELP RAISE OUR PROFILE

Join us on social media to keep up to date with our activities and help share our news with others.



SharedInterest



SharedInterestSociety



Shared Interest Society



Shared Interest Society Ltd

GET IN TOUCH WITH US

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SHARE WITH A FRIEND

Have you considered passing Quarterly Return on to a friend or family member before recycling it?

If you would like a Resource Pack to spread the word about Shared Interest please get in touch.



If you would like to manage your Share Account online, you can register for the Member Portal by calling us on 0191 233 9101.

Shared Interest Society Ltd is registered with the Registrar of Mutual Societies, number 27093R. The Directors decide on what the interest rate payable to members will be. The interest rate since 1st October 2021 has been 0.1%

BECAUSE WE CARE



shared-interest.com