

# QUARTERLY RETURN

shared-interest.com | SPRING 2024

ISSUE  
131

**YIELDING  
BETTER INCOMES  
FOR GHANAIAN  
FARMERS**

Full story on page 11

**SHAREDINTEREST**  
INVESTING IN A FAIRER WORLD

# WELCOME TO YOUR SPRING MAGAZINE



## INTEREST RATE TO MEMBERS

For those members that have opted to receive interest on their investment you will have noticed that this was added to your March statement at 0.1% (the rate that applied during the 22/23 year).

The Directors decide in advance what the interest rate will be, with any interest credited to your Share Account on 31st March for the year ended on the previous 30th September. Interest is calculated at our published rate, currently 0.25%, on the closing daily balance of your Share Account.

You have the choice to receive interest, waive or donate it to Shared Interest Foundation. You can alter these arrangements at any time by contacting our Membership Team.

If you do choose to receive interest then it is applied gross to your Share Account and is taxable income.

About 20% of our members choose to waive their interest. When members choose this option, interest is not applied to the Share Account, and the funds are retained in the Society to be lent again to producers and improve our reserves position.

If you choose to donate your interest to Shared Interest Foundation, the interest is added to your Share Account and immediately donated to the Foundation. These monies are then used to fund projects like those detailed on pages 6 and 7. If you choose this option then the Foundation may also benefit from gift aid.

Welcome to your spring copy of Quarterly Return. This issue is packed full of news, including highlights from our online AGM, which took place on Friday 15 March. This year, we were delighted to welcome over 100 members to the meeting. You can find a summary of the event on pages 4 and 5.

As we send this QR to print, our series of supporter events is underway, with visits planned to Bristol, Durham and Manchester. A big thank you to those who have already signed up or attended; it is always a pleasure to meet so many of you in person and share news of the impact your investment is having. If you have not already done so, there is still time to sign up for our Bristol event on June 14th. Details can be found on the page opposite.

This year marks a significant milestone for our charity, Shared Interest Foundation, as it celebrates its 20th anniversary. When I began my role at Shared Interest back in 2006, the Foundation was in its infancy, and it has been incredible to witness its journey since. The Foundation really has gone from strength to strength, and we are happy to share some of their stories inside.

In this issue, we also share two inspiring stories from coffee farming co-operatives in Latin America. Journey with us to the northern jungle of Peru, where a respected leader has united more than 600 farmers to build his co-operative, Asociacion San Martin.

Meanwhile, in the San Juan del Río Coco region of Nicaragua, the Procafé co-operative is leading the charge in climate change mitigation. Discover how they are providing farmers with essential training, including innovative methods like shading their coffee plants with banana trees. Additionally, learn more about their recent biodynamic certification project, incorporating cosmic influences like the moon, stars and planets. You can read more on pages 12 and 13.

Back in the UK, we have launched our latest Little Book of Fairness. This bright and colourful publication and accompanying resources are available for our young members, and we have also continued to introduce them to primary schools and community groups. Please get in touch if you would like a copy for friends, family or local groups.

Until next time,

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

**Patricia Alexander**  
Managing Director

Liberation was the first company to bring Fairtrade certified nuts to the UK market back in 2005. They have maintained the Fairtrade certification ever since as 99% of ingredients that go into their products are purchased under Fairtrade Standards.



Anama, former vice-Chair of Fair Trade Alliance Kerala, and her friend on their stall at Seed Fest 2023, a local festival focused on crop diversity and wisdom sharing in Kerala.

# SUPPORTER EVENTS

As this QR goes to print, we are holding our first supporter events of the year. We are visiting Durham and Manchester during April, and Bristol in June.

There is still time to register for our Bristol event. If you would like to join us, please get in touch by calling 0191 233 9101, or by emailing [membership@shared-interest.com](mailto:membership@shared-interest.com)

Each event includes a presentation from a guest speaker, as well as an update on Shared Interest's activities over the past year.

Continue on this page to learn about the speakers at our supporter events.

## CO-OP

Senior Sustainable Sourcing & International Development Manager at Co-op, Emily Pearce, will join us at our Manchester event.

Emily leads on the Co-op's sustainable sourcing water poverty and Fairtrade strategies.

## EBAY FOR CHANGE

Joining us at our Durham event will be guest speaker Joanna Abena Fianu (pictured below). Joanna has been working in fair trade retail for almost 20 years. She has been involved with BAFTS Fair Trade Network UK since 2011, and since 2021 has been leading on the eBay for Change programme designed to support social and fair trade enterprises to thrive in e-commerce. With her husband, she runs a small social enterprise supporting income generation through eco-tourism in a cocoa growing community in Ghana.

Dedicated fair trade businesses are working in innovative ways to support incomes for artisans in the majority world. While we're used to seeing Fairtrade products on supermarket shelves, we may be surprised to find fair trade jewellery, toys and other items in unexpected places. Large organisations are partnering with small, specialist enterprises to support incomes and skills development for fair trade artisans and makers. Joanna will share with us more about how routes to market are key to building up skills and capacity and tackling global poverty and inequality.

## LIBERATION

Liberation are the UK's only farmer-owned Fairtrade nut company, and they were the first company to bring Fairtrade certified nuts to the UK market. They have maintained their Fairtrade certification ever since, as 99% of ingredients that go into their products are purchased under Fairtrade terms.

Liberation Foods' mission is for these smallholder farming communities to thrive, by realising full and fair value for their work, whilst building on sustainable and regenerative agricultural practices.

Liberation was founded in 2006, and became a Shared Interest customer the following year when they approached us for finance to enable them to make pre-payments to purchase nuts from farmers. In 2022, Liberation purchased 487 tons of Fairtrade nuts and dried fruits from smallholder farmers across the globe.

Managing Director Dan Binks will join us at our Bristol event.

**You can read more about all of our guest speakers and our supporter events in your next issue of QR.**

# ANNUAL GENERAL MEETING



Shared Interest Chair,  
Dr Yvonne Gale.

**We held our Annual General Meeting (AGM) online on Friday 15 March. Dr Yvonne Gale welcomed over 100 members to her first AGM as Shared Interest Chair. Yvonne opened the meeting, saying: “It is fantastic to see so many members joining us today for our 4th AGM, held virtually. This is my first one as Chair, as we said farewell to our former chair Mary last year, and it is a pleasure to be with you here today. Mary steered us through many challenges and successes during her eight-year term, and I am hoping to enjoy the same level of success in my time as Chair.**

“I am a Chartered Accountant by profession with a career specialising in improving access to finance for small businesses, and it was the ability to put this passion and skills to the benefit of a fairer world, enabling people to trade their way out of poverty, that drew me to Shared Interest.

“I would like to take this opportunity to thank you for your unwavering support during this year, our Members really are at the heart of Shared Interest and it is thanks to your support that we have been able to achieve such strong positive social impact. I'm delighted to say that over the last year your investment has helped us reach a remarkable 412,628 farmers and artisans in 45 countries.”

Shared Interest Managing Director Patricia Alexander echoed these sentiments, saying her 18th AGM as Managing Director has been another challenging year for Shared Interest. “We are operating in the UK where we are trying to raise investment. There has been the cost of living crisis, high inflation, interest rates that are higher than we can match, certainly without putting a significant increase on the cost of borrowing for our customers.

“Our customers are facing many challenges themselves, such as climate impact. For the first time in 33 years, we actually saw our Share Capital reduce by £700,000, which is about 1.3%. We still have over £51 million in Share Capital which is enough to carry out the committed lending this year, however it is a trend that is concerning and one that we need to reverse.

“It is vital that we continue to replenish these numbers to meet demand for our finance and it is more important than ever that we share the impact of our work. We know that word of mouth is the best way to increase investment, and we are very thankful for any support our members can offer in spreading the word about Shared Interest.

“In terms of our customers, we support 153 organisations across Africa and Latin America and 20 buyers in North America and Europe. Our finance supports a wide range of products - 78% is focused on coffee and cocoa, which is representative of Fairtrade certification. Handcrafts make up 8% of our lending and continue to be a really important sector for us, in line with our mission of working with small and disadvantaged groups who are not able to access finance elsewhere.

“As a Shared Interest member you are not only impacting over 412,000 individuals, you are impacting their families and their communities, who are benefitting through the Fairtrade Premium.

“Celebrating its 20th anniversary, our charity, Shared Interest Foundation delivered a record number of 14 projects during the year, helping to establish and promote sustainable and resilient businesses. These projects focus very much on climate and gender equality, and we are grateful of any support you are able to give.”

Finance Director Tim Morgan led us through the financial results for the year, saying: “These results reflect the financial year up until 30 Sept 2023. In terms of Share Capital, we had an outflow of investment, which we have not seen before, with a decrease of £0.7m. Despite that, payment levels to customers remained strong, and we had a reduced bad and doubtful debt charge from last year.

“Shared Interest, unlike any of its peers, is consciously lending to some of the smallest and most vulnerable producers in the developing world, and that comes with some risk.”

Tim summarised, saying: “To conclude, bad and doubtful debt costs have decreased but are still above longer-run average. We still have substantial provisions and reserves in place but would like to build those further as economic conditions improve. The underlying financial performance of the Society was good but the result was negatively impacted by bad debt provisions. The Foundation had a very good year of delivery, and was again able to designate its own funds to specific projects.”

## FINANCIAL POINTS:

- **Interest earned on deposits rose from £471k to £574k**
- **Cost of money increased by £112k to £193k**
- **Bad debt cost £1,446k, a decrease of £283k**
- **No proposed donation to our charity, Shared Interest Foundation this year**
- **Result is a loss after interest to members. With reserves of £1.1m we are below the minimum level (£1.6m) that we would like to have per our reserves policy**

The following resolutions were carried on the day with a significant majority (and this reflected proxy votes of members not attending the online event):

- Financial Accounts
- Social Accounts
- Re-appointment of Auditor

Our Chair, Dr Yvonne Gale, closed the meeting saying: "I would like to express our sincere appreciation for our retiring Council members Katherine Wyatt and David Fellows, their passion is unquestionable and we are truly grateful for their service. I would like to thank everyone for attending to hear about the incredible impact your investment is having."

A Q&A session preceded the voting, with members posing a number of questions to the Board of Directors. A sample of the Q&As can be read below, and the full minutes of the meeting are available on our website at [shared-interest.com/agm-2024](https://shared-interest.com/agm-2024)

### **What support do Shared Interest offer to borrowers who are heading towards financial difficulties. We need to avoid the risk of default. Do you need to firm up criteria for lending to the exposure to bad debt, or other means of helping the bad debtors?**

There are a number of things we do which centre around our regular contact with customers through the team. A third of our team are in country, and those colleagues work very closely with the producers that we are lending to. They are the first people who would spot a customer heading into difficulties, or the people a customer would turn to should they be facing financial challenges. We also have a more formal Annual Review, which aims to assess the suitability and sanctioning of lending. When there is a clear difficulty, our team have a conversation with the customer about the cause of it. It is not always the case that because somebody is in financial difficulty, we do the obvious thing, that a more commercial social lender would do and cease the finance. We have a conversation centred around what we can do to help. We would ask if deferring payment would help, occasionally we might ask if it is a matter of further capital that needs to be lent and can we either do that or work with others to do that. It may be the case that the customer needs to fix something, then they can get back to paying us. We consider if we have security of some sort, however we are very careful about how we use this, and it is more about having a conversation than exercising that security necessarily. Our starting point is always, can we help borrower recover? We aim to work with our customers through times of hardship, to enable them to succeed as a business and Shared Interest to be able to recover our finance so we can lend this money again. However, that does not always work, and sometimes people do not want to talk to us, and that is when it gets a bit harder. It is then we have to look at recovery techniques and how we can persuade them to repay at least a proportionate of the money.

### **Are any new Shared Interest Foundation projects in the pipeline to increase diversification and combat climate change impacts?**

The Foundation delivered 14 projects last year. We currently have eight projects underway at the moment. Each of our projects form three themes: Developing Sustainable Businesses, Empowering Women and Youth, and Building Climate Resilience. When we develop a project, we always try and bring those themes in, and if we can, to ensure that each one is actually covered within the projects. We have a number of projects at the moment, which are actually under the theme of Building Climate Resilience, and that includes the Soilless Farming project and the Bees for Business project. We are always looking for new funding streams, and we have a pipeline of projects that we have developed with the help of our Lending Team who are on the ground supporting us to identify where there are project needs, and we try to use this funding to meet these needs with climate resilience being a key focus. You can read more about our projects on page 6 and 7 or on our website at [shared-interest.com/foundation](https://shared-interest.com/foundation).

## **EXCERPT FROM MODERATORS' REPORT**

**Delivered by Joint Moderator of Council, Shelagh Baird-Smith.**

I am writing this at the end of my first year as joint moderator of Council, alongside Stephen Thomas. It has been a year of change and turmoil around the world. Much of this has been bad news for Fairtrade as a movement, as well as for all the people directly affected.

For farmers and artisans involved, Fairtrade is more important than ever. Not only because of the stability provided by fair levels of income and reliable trading partners and networks, but also because of the training and resourcing that is available to them. The role of Shared Interest in facilitating the funding of the Fairtrade movement is crucial to so many people.

This year we have had input on areas including credit risk management and the taking of security on loans. Council were reassured to know that security is rarely deployed, but is taken to make sure that Shared Interest has some leverage among other creditors in case of a default.

We also had interesting presentations on cyber risk and AI and the steps being taken to protect Shared Interest and its members from scammers (and some great tips on individual passwords). Council was also impressed by the work being done on partnership development, to actively connect with other organisations with a similar ethos to our own with a view to mutual co-operation and support.

Council members were pleased to support the member face to face events last year, where a good number of supporters came together.

Two Council members retire at this meeting, David Fellows and Katherine Wyatt, and I wish to thank them both for their input, especially Katherine for her time as joint Moderator. We look forward to welcoming Ian Stewart and Denise Smith to Council, subject to ratification by this meeting.

# OUR STRATEGIC AMBITION

During 2022, we undertook a full Strategic Review, conducting research into key trends and global issues, examining how they may impact our work. These included the climate emergency, which poses an increasing threat to rural communities, the importance of gender equality, the consumer desire for more transparency in supply chains, and the fast pace of technological change.

One of the key themes highlighted during this process was technical assistance, and we acknowledged an interest from both customers and members to provide this in parallel to our financial support.

Technical assistance is incorporated into the projects delivered by our charitable arm, Shared Interest Foundation. Over the past 18 months, we have worked closely with our customers, speaking to them about the immediate challenges they face and ways to sustain their business, and our in-country lending teams have also helped to identify common issues. What has become evident is that tailored training in areas such as governance and financial management, as well as climate mitigation and adaptation techniques, along with much-needed tools and equipment, are a key focus among our customers.

Our members helped shape the current strategy and we will be looking for your input in a forthcoming Members' Survey which will be included with your next issue of QR.

## 20 YEARS OF ENRICHING LIVES

Our charity, Shared Interest Foundation, will celebrate its 20th anniversary this year. The Foundation was set up to support the mission of Shared Interest Society.

Managing Director Patricia Alexander, said: "The Foundation really began to grow when the Society opened our regional offices in 2006; this gave local people the opportunity to talk directly to farmers and artisans and identify their needs on the ground."

Over the last 20 years, Shared Interest Foundation has delivered 51 projects in 15 countries, supporting over 13,000 farmers and artisans, to 230 producer organisations, and worked with seven fair trade producer networks.

Today, Shared Interest Society and Shared Interest Foundation work closely to support producers to trade and earn a living. We achieve this through a combination of fair finance and business support.

In February, we launched the first technical assistance specific project, working with 21 co-operatives across Africa and Latin America. This project seeks to address challenges, and provide good solutions to some of customers we work with. Training will look at pricing, business planning, governance and techniques to improve climate resilience.



Bees for Business project participant Alimatou Ouattara holding melted and ground wax.

Shared Interest Society and Shared Interest Foundation work towards a

## JOINT MISSION

To provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty.

We work collaboratively and innovatively with those who share our commitment to fair and just trade. With a community of investors and the support of donors and volunteers, we seek to contribute to a world where justice is at the heart of trade finance.

As part of our 20th year celebrations, our Foundation Team will be hosting a series of virtual events, presenting more information about our on-going projects and vision for the future. If you would like to hear more or attend the events, please email [foundation@shared-interest.com](mailto:foundation@shared-interest.com)

Working in partnership with local organisations, Shared Interest Foundation implement projects that aim to:

1

Support the development of sustainable income generating enterprises to improve livelihoods and contribute towards a reduction in poverty.

2

Economically empower women and young people to play an active role in supply chains and earn a meaningful income.

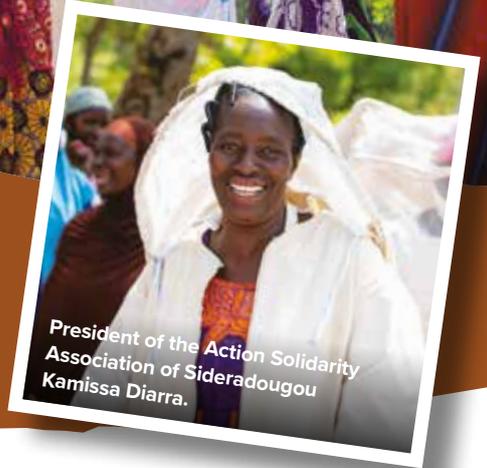
3

Support farmers to implement climate adaption techniques to build their climate resilience and increase environmental protection.

# ACHIEVEMENTS IN 2023



Bees for Business project participants holding melted and ground wax.



President of the Action Solidarity Association of Sideradougou  
Kamissa Diarra.

## BEES FOR BUSINESS



With the support of  
**2,089 DONORS**  
& **7 GRANT MAKERS**



We delivered  
**14 PROJECTS IN**  
**6 COUNTRIES**



We worked with  
**11 LOCAL PARTNERS**  
including **9 co-operatives**



**3,408 FARMERS**  
**AND ARTISANS**  
(**27% women**) accessed  
training



**WE SUPPORTED**  
**PRODUCERS OF 7 DIFFERENT**  
**COMMODITIES**

(coffee, cocoa, groundnut,  
shea, passion fruits,  
vegetables, sphagnum moss)

In addition to working with Society customers, our charity also works with in-country networks to deliver projects which impact local communities. Shared Interest Foundation has been actively collaborating with Plateforme Nationale du Commerce Equitable du Burkina Faso (PNCE-B) since 2018, delivering nationally acclaimed projects aimed at empowering communities and producers across southern Burkina Faso.

Between 2018 and 2021, PNCE-B served as our key partner in implementing our Bees for Business project, a transformative initiative that supported 125 women to become beekeepers. This project not only provided opportunities for economic sustainability but also contributed to environmental conservation through sustainable beekeeping practices.

Four years on from the start of this project, the group have gone from strength to strength. Their honey production has increased from 420 litres in 2019 to 6,000 litres in 2022 and, in 2023, the group made sales of over £6,000. With this income, they built a second honey processing and storage facility last year, enabling them to manage their increase in production effectively. So that they can travel to work and around their local community, 40 of the women have purchased bicycles. This year, the group has plans to finance the extension of electricity to their community and build a school.

Building on the success of this project, Shared Interest Foundation has extended its partnership with PNCE-B to implement an initiative focused on supporting shea nut collectors in the region.

Additionally, Shared Interest Foundation, in collaboration with PNCE-B, has launched initiatives designed to empower women by enabling them to increase their income through soilless vegetable production. A local elder donated 8,000m<sup>2</sup> of land, which was used to house two greenhouses, providing the farm with the space to grow sustainably. The whole site was fenced and each of the greenhouses were fitted with a solar panelled drip irrigation system connected to a borehole and water reservoir. In addition to providing a sustainable source of water for the farms, this borehole also serves the local community, which previously had no permanent access to water.

Shared Interest Foundation Manager, Kodzo Korkortsi, said: "PNCE-B are a key local project delivery partner. Their position as the network of Fairtrade organisations across Burkina Faso means they are in an excellent position to connect us to some of the smaller and more vulnerable producer groups and they have an in-depth understanding of the challenges facing organisations in their network. Over the past five years, we have delivered a broad range of projects in partnership with PNCE-B, directly supporting 405 women to establish sustainable income generating enterprises. We look forward to extending our partnership with PNCE-B throughout 2024."



Hear more from BOCU by scanning this QR code with your phone.

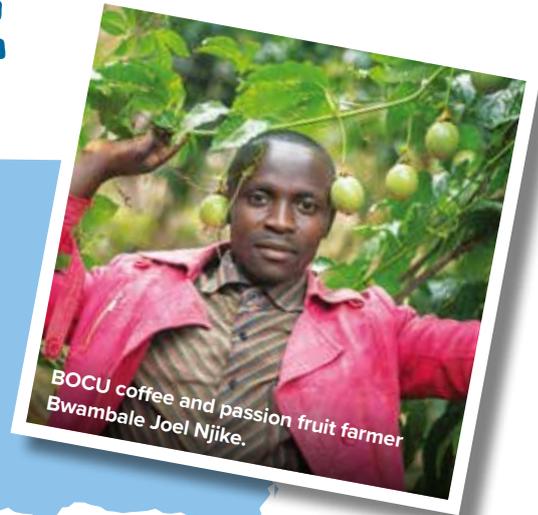
BOCU farmer collects passion fruits on a farm in Uganda.

“I have spent five years growing passion fruits and 10 years growing coffee. I have five biological children whom I have managed to look after because of the farming I do and support from my co-operative.”

**Bwambale Joel Njike**

# FARMING A FAIRER FUTURE

Based in the Kasese region of Uganda, Bukonzo Organic Farmers Cooperative Union (BOCU) is a coffee co-operative made up of over 3,000 smallholder farmers in the Rwenzori Mountains, where they produce high quality, organically grown, handpicked coffee. The co-operative became a Shared Interest customer in 2014 and has since used our finance to build up stock levels for buyers to export and support their growth. Their membership has increased by over 60% and they have subsequently developed their processing capacity.



BOCU is one of the few coffee co-operatives in Africa which is managed by women. General Manager, Josinta Kabugho, said: “The loan from Shared Interest has allowed us to double our coffee sales and pay the farmers on time. With the increased income from coffee sales, the farmers have been able to educate their children.”

The strong relationship we have built with BOCU has enabled us to respond to challenges they have faced. In 2020, BOCU suffered severe flooding, resulting in the destruction of coffee farms and members’ homes. Shared Interest Foundation stepped in to assist through their Livelihood Security Fund, which the charity relaunched during the Covid-19 pandemic to support farmers in desperate need. This fund helps to support customers recover from unanticipated shocks outside of their control.

During the crisis, Josinta described the devastating effects of the flooding: “Following heavy rains from the Rwenzori Mountains, five rivers simultaneously burst their banks. We believe that 1,200 Bukonzo farmers have been affected. The situation of the displaced is serious, many homes are concentrated in villages which are in the low lands and along the river basins - they are now completely flooded. The Kasese District Disaster Team is reported to have registered over 35,000 displaced families, with some sleeping in the open air.

“Families reported that the floods were seen at night, which was very threatening to them and most of the properties were swept away. They had nowhere to run, since they could not tell the direction of the water. The farmers lost coffee and also food crop fields, therefore, food packs will be a high need.”

In response to the challenges faced by BOCU, Shared Interest Foundation launched a project in 2021 to enable farmers to diversify their income sources.

The project focused on training 365 farmers (40% of whom were women) in passion fruit farm management. Each farmer received 50 passion fruit plants for intercropping on their coffee farms, along with essential farming tools.

The project also extended its support to financial empowerment by delivering training in Village Savings and Loan Association (VSLA) Management. This resulted in the formation of 10 savings groups, with a total of 151 active members, with women constituting a significant 70% of the membership.

*“The project has helped me obtain a second income in addition to coffee. I am able to cater for my basic needs. For example, I am able to pay school fees for my children and take care of other needs at home such as buying salt, soap and drinking juice as I wait for coffee to mature for sale.”*

**Project participant**

Farmer sorts freshly collected coffee berries on a farm in East Africa.



Tropic Coffee farmers preparing to distribute shade trees grown in the nursery.

# CREATING OPPORTUNITIES THROUGH COFFEE

Family owned Rwandan coffee co-operative Tropic Coffee have been a Shared Interest customer since 2018, receiving loans to help prefinance their coffee contracts and grow their business. The business operates in three different regions of Rwanda, each with different altitudes, climate, soil and rainfall. This combination leads to a very high quality Arabica coffee, which is highly sought after.

After the devastating Rwandan genocide in 1994, many women were left widowed with children. Tropic Coffee work with 2,767 farmers growing coffee on small, individual blocks of land. More than half of the farmers are women. They believe that by harvesting coffee cherries, the farmers are empowered to improve their incomes, creating more opportunities for themselves and their families.

With our finance, Tropic Coffee have been able to construct their own coffee washing station, rather than using hired facilities.

In 2022, Shared Interest Foundation also began working with the co-operative, launching a project to support 625 coffee farmers to enhance their coffee production and build their resilience to climate change.

The farmers underwent training in Good Agricultural Practices, Climate Smart Agriculture and organic compost production. Following the training, all farmers have transitioned to producing compost collectively in groups, which has not only reduced their production costs, but also improved the quality of their coffee.

As part of this project, a total of 86,050 coffee seedlings and 10,919 shade trees were distributed among the participating farmers. Additionally, farmers received training in agri-business and financial management skills. Following this, Tropic Coffee opened a Savings and Credit Co-operative Organisation (SACCO). Currently, 70% of farmers are saving within the SACCO and Tropic Coffee has set an ambitious goal of reaching 100% participation by the end of the project.

“Since the project started I have seen a change. The farmers have made improvements in good agriculture techniques, how to make fertiliser and how to reduce soil erosion.”

**Tropic Coffee Field Officer Joseph Niyonkuru**

## CLIMATE SMART AGRICULTURE

A set of farming methods designed to increase the resilience and productivity of land affected by climate change.

## GOOD AGRICULTURAL PRACTICES

A set of standards for sustainable production of crops, which help to maximise yields whilst minimising production costs and environmental impact.



Sphagnum moss harvesters (left to right) Marcelino Blass, Renato Blass and Anibal Crispín working in the region of Incacocha, Peru.

# STRENGTHENING COMMUNITIES THROUGH SUSTAINABLE HARVESTING

Many of you may remember Society customer Inka Moss from past issues of QR, or when they joined us remotely at our supporter events last year.

Inka Moss is a social enterprise and certified B-Corp, dedicated to the production and export of sphagnum moss. It was formed in 2010 by Founder Marco Piñatelli and currently operates with 20 employees (50% women) and 562 harvesters.

The organisation works with communities in the Andean highlands to help them earn a living from natural resources. They do this by offering training to rural potato farmers, giving them the opportunity to supplement their income by collecting moss in a way that complements the ecosystem. They purchase the moss at a fair price and sell it internationally for various uses, including water purification and in horticulture, to add nutrients to soil.

Shared Interest Society have been supporting social enterprise Inka Moss with finance to pay sphagnum moss harvesters since 2017. Marco Piñatelli, Founder and General Manager, said: “We approached Shared Interest for finance so that we can pay the farmers for their moss on delivery to our factory...The loan has also given us the opportunity to include more remote communities within our supply chain.”

Supply Chain Manager, Dionicio Jimenez, said: “In the beginning, we could say your support was reaching hundreds of families at that point, and now we can certainly say that support is now reaching thousands and thousands of families. Their lives have been improved and that is something that would not have been possible at that scale if it wasn't for the support that we have received from Shared Interest. I encourage the investors to continue with the support because I know that the investment is actually going straight to those who need it the most right now.”

There is no doubt that climate change is having a complex and fundamental impact on the moss harvesters, changing seasons in a region which already experiences erratic weather patterns, causing challenging working conditions. Harvesting during wet weather is more labour intensive, especially when the moss is transported manually. Ideally, the harvesters want the moss to dry naturally as a dry sack weighs around 20kg, but when wet can weigh up to 60kg.

Our Lending Team referred Inka Moss to our charity as they had identified a need to improve the understanding of sustainable harvesting of sphagnum moss in the wider communities.

As a result, training was delivered to 1,000 harvesters from 28 communities in the Huánuco region of central Peru.

The participants underwent comprehensive training in sustainable moss harvesting techniques and environmental conservation methods. Additionally, to improve the efficiency of the harvesting process, a winch system was installed. Prior to this installation, the sacks of moss would be transported down the hillside using pack animals (usually llamas), or the harvesters would carry them on their shoulders, often for up to two hours.

This project supported the protection of 5,800 hectares of land that was previously at risk from disruptive farming methods. Now the land is being sustainably harvested for sphagnum moss, providing a source of income for over 1,000 community members, whilst protecting the natural eco-system for future generations.

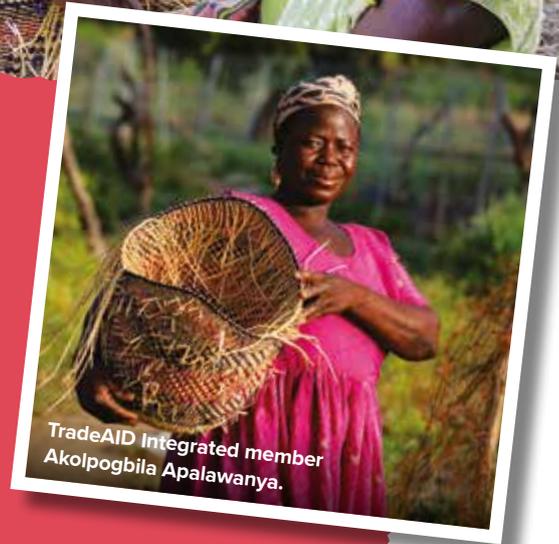
Juanjo Ladines, Project Supervisor and Impact Manager at Inka Moss, said:

***“The introduction of moss harvesting in a community allows it to thrive in its own land using its own natural resources in a sustainable way.”***

TradeAID Integrated basket weavers work on a farm in Bolgatanga, Ghana.



# YIELDING BETTER INCOMES FOR GHANAIAN FARMERS



TradeAID Integrated member Akolpogbila Apalawanya.

**Established at the turn of the millennium, TradeAID Integrated is a not-for-profit organisation working with 68 basket weaver groups, 90% of whom are women, in the Bolgatanga area of the upper east region of Ghana. Due to the hot and dry climate, the land is difficult to farm and so the majority of the population relies on handcrafts to make a living.**

Furthermore, the impact of climate change has caused straw to be low quality and at times difficult to source. As this is the predominant raw material of the basket industry, it can cause major problems.

Nicholas Apokerah founded the organisation after researching the role of basket weavers in Ghana whilst at university and discovering that they were earning less than 20% of the final retail price for their baskets.

They began working with 255 weavers, formalising them into 17 groups and providing training so they could become internationally competitive.

Shared Interest Society have been working with TradeAID Integrated since 2014. Initially providing finance to buy a truck, we have also supported them in establishing a straw farm, after heavy rainfall reduced the availability of materials.

In 2017, basket weavers were facing challenges meeting orders and further finance from Shared Interest was used to purchase new production tools and equipment, which made a huge difference to productivity.

In 2022, our charity began working with the group introducing soilless farming, with the aim to provide an opportunity for women to increase their income through the production and sale of organic vegetables.

The technique is practised on land unsuitable for traditional farming and requires less water, enabling crops to be grown throughout the year.

This initiative led to the creation of six farms, equipped with drip irrigation watering systems. Participants underwent training in soilless farming techniques as well as comprehensive tuition in agri-business skills, rural entrepreneurship and nutritional education.

Foundation Manager Kodzo Korkorts, based in Ghana, visited the farms in the Bolgatanga region. He said: "In northern Ghana, the impacts of climate change are severely impacting upon food production. In response to this challenge, we launched soilless farming as an innovative project designed to ensure all year round production of organic vegetables, providing a source of income to 60 women and contributing towards a reduction in local food insecurity."

Coffee farmer collects fresh berries on a farm in Peru.



# A FUTURE WITH COFFEE



Rosa López Ochoa,  
Head of Logistics and Marketing.

**Founded in 2011, Cooperativa Multifuncional de Productores Exportadores de Café de San Juan del Río Coco (Procafé) is a co-operative union created to improve the income and standard of living for coffee-producing families in the region of San Juan del Río Coco in northern Nicaragua.**

Characterised by high valleys, dramatic mountains and cool temperatures, the area provides ideal microclimates for coffee farming. Subsequently, the region is said to produce some of the highest quality coffee in Nicaragua. Farmers, however, are facing many challenges including the devastating impacts of climate change, as well as the threat of 'la roya' – or coffee rust – a fungal disease that is killing their coffee trees and currently affecting around 70% of farms.

Comprising 204 members, 35% of whom are women, Procafé is committed to supporting their farmers to become self-sustainable entrepreneurs, providing access to market opportunities to sell their coffee. They also provide farmers with training in climate mitigation and how to combat coffee rust.

In 2011, Procafé gained Fairtrade certification for their coffee. Rosa López Ochoa (pictured above), Head of Logistics and Marketing at Procafé, said:

***“The benefit of Fairtrade certification for farmers is the assurance of stable prices plus a premium for the sale of their coffee, providing additional funds for investment at both the farmer and worker levels, such as improving plots, enhancing worker conditions, health, and education.”***

Procafé also:

- Supports producers with the maintenance and improvement of their coffee processing facilities, and provides technical support to strengthen their response to the impacts of climate change.
- Helps producers develop coffee nurseries with resilient varieties, as well as protecting water sources in their farms.
- Manages a health care project providing medical services to their producers free of charge.
- Supports a group of farmers with a banana planting project which is aimed at providing an additional income stream as well as shade for the coffee plants.
- Supports the local church and nearby community schools by providing construction materials.



Procafé member Brigida Anabell Montalvan Acuña.



Procafé member Tania Calderón taking part in training on coffee cupping.

## LA-ROYA OR COFFEE RUST

Coffee rust – scientific name *hemileia vastatrix*, or 'la roya' in Spanish – is a fungus that develops on the leaves of the coffee bush. If not identified and treated, the fungus spreads, blocks photosynthesis and reduces the plant to a skeleton within a couple of weeks.

Today, coffee rust is considered the most destructive disease affecting Arabica coffee in the world. For coffee farmers, it is economically disastrous. Light infections can result in the loss of leaves. Severe infestations may cause twigs to die back from the tips. Eventually entire trees can die. The long-term effects of the disease often result in a major decrease in yield.

Instances of la roya are believed to have increased as a result of the impacts of climate change, including changes in rainfall and temperatures.

## FAIRTRADE PREMIUM

In addition to the Fairtrade price, the Fairtrade Premium is an extra sum of money which goes into a communal fund for farmers and workers to use – as they see fit – to improve their social, economic and environmental conditions.

## PREFINANCE

In the case of Shared Interest, prefinance is mainly used to purchase and secure products from farmers. It can also take place when Shared Interest advances funds to a customer based on proven orders from buyers. The customer usually requires the funding in order to produce and supply the goods. One of the key reasons for prefinance is so that the customer has sufficient working capital to enable them to complete and deliver new orders or contracts.

Shared Interest has been working with Procafé since 2018, providing loans to prefinance coffee contracts, enabling the co-operative to pay the farmers on time for their coffee.

Speaking about the impact of the Shared Interest loan, Rosa said: “We address the financing needs for harvest collection for each of our partners (farmers). The terms and credit turnover policies provided by Shared Interest allow the organization to sell the product at a better price, thus providing benefits such as paying the highest market price locally, providing medical services to our partners and food packages.”

Procafé are also delivering projects focused around certification and reforestation. Rosa continued: “In 2023, Procafé began a biodynamic certification project. It's a new certification we're venturing into for sales in Europe. Currently, we have a group of 22 producers. We're doing this with DEMETER, which is a process similar to Organic, but influenced by other cosmic factors such as the moon, stars, planets, etc. Also, we're getting recognition for Earth, plants, and animals (we're learning a bit more about it).

“We are running a new project where areas of land are being made for each producer. They will also be given plants for reforestation if they need them on their farms. Every year, the carbon footprint will be measured.

*“We also have a new local dry processing facility where coffee will be processed. So far, we've been selling locally roasted and ground coffee. Previously, we used to buy the service, but now we'll do it in our new roastery.”*

Brigida Anabell Montalvan Acuña (pictured above) is a member of Procafé, based in the Samarkanda community. Her farm covers an area of seven hectares.

She said: “Working with Procafé is very beneficial as they provide education through training in all areas such as productivity and organizational skills, facilitating spaces and consultations for both male and female partners. They express satisfaction with the challenges and have achieved different certification seals to ensure the proper use of funds and the execution of various activities to improve farm productivity and quality.”

# CULTIVATING CHANGE

Coffee farmer collects coffee plants from a greenhouse in Peru.



Asociacion San Martín President Gerardo Zamora (R) pictured with Shared Interest Lending Manager Bruno Biaggi Vidal (L) and Customer Representative Marcelo Cordova (C).

Deep in the northern jungle of Peru, the combination of unique microclimates and a close proximity to the Andes Mountains offers high altitudes and fertile soils, making San Martin a perfect region for growing coffee.

Home to thousands of coffee farmers who depend upon the crop for their livelihood, San Martin has 87,163 coffee growing hectares and produces 82,319 tons of coffee per year.

Located in Moyobamba district, Asociacion San Martin are an Organic and Fairtrade coffee producing co-operative working with over 600 farmers, 32% of whom are women. Founded in 2017, the co-operative offers training and technical support to members as a way of increasing their yields. This not only helps farmers expand their overall production, but it also provides them with an additional income.

The initial objective of the co-operative was to support farmers to avoid unfair prices offered by local intermediaries and enable farmers better access to international markets. They started to export directly in 2018, and obtained Fairtrade and Organic certification that same year.

New members have joined the co-operative rapidly since its formation – some attracted by President Gerardo Zamora, a well-known personality in the region. Gerardo leads a team of employees made up of the sons and daughters of coffee farmers.

Passing down knowledge from generation to generation, Gerardo's father also led a co-operative in the region, and many of the farmers were attracted to Asociacion San Martin because of the family name.

Asociacion San Martin have been a customer of Shared Interest since 2022, when they approached us for a loan to prefinance coffee contracts with international buyers.

Founder and President Gerardo Zamora (pictured above), said: "The main benefit of the finance is that the farmers can receive their payments on time with a good and fair price. This allows the farmers to have a better life quality and continue producing.

"The Fairtrade Premium improves the life quality of the farmers with the projects executed every year. Also, Fairtrade allows you to reach several international markets which could give you better margins and, therefore, better payment to the farmers for their coffee."

In 2021, the organisation won a project led by the Ministry of Agriculture, with the objective of increasing the level of productivity and improving the capacities of small producers to sell their products to the certified specialty coffee market.

Gerardo continued:

***"The farmers associated to the Asociacion San Martin have access to technical assistance (in-house), credits with Agrobanco (national bank for agriculture), a better price for their products due to Fairtrade and Organic certifications, and to a development annual plan with the projects executed with the Fairtrade Premium."***

# COUNCIL COMMENT

For many of us - perhaps increasingly forgetful - anniversaries can easily turn out to be events that we miss. Yet they are often reminders of key things that happen in life, and not just of our personal landmarks. That is why it is worth celebrating 2024 as the year that marks the anniversaries of the founding of two innovative Fairtrade entities.

Twenty years ago Shared Interest Foundation was formed as a charitable offshoot of the Society. It has grown significantly since then and in recent years in particular has funded more projects in a greater range of countries. Its work has evolved from concentrating on providing business and financial training, or supporting stronger leadership within organisations representing farmers and artisans in developing countries.

Those aspects of its work remain, but the Foundation has also expanded into other realms - partly as a result of what we as members have said in past strategic reviews of the Society and Foundation. These newer initiatives include technical assistance and practical inputs to farming groups in their responses to climate challenges, strengthening the income-generating potential and influence of women in co-operatives, and support for young farmers. Sustainability and improved resilience for such groups now form a clear thread in the Foundation's priorities.

And 2024 marks 30 years of the Fairtrade Mark in the UK, co-ordinated and licensed by the Fairtrade Foundation. This is the logo with which we are all familiar: it denotes products that are certified as being fairly traded and maintain the internationally accepted Fairtrade Standards. From its modest beginnings in 1994 with one chocolate, one coffee and one tea on shop shelves, Fairtrade in the UK has grown to 450 companies now licensed to trade 6,000 Fairtrade products.

The Fairtrade Mark has become a symbol of life-changing impact for farmers and workers across the world. As coffee farmer Enrique Calderon says of the Mark: "it is the only and best ethical and social certification that really ensures social and environmental, ethical and economic impact, and therefore human impact." One practical change in this anniversary year is the moving of Fairtrade Fortnight to September 2024. An annual occasion which often forms the focus for Shared Interest volunteer activity, it is likely to stay in this revised slot each year.

**Stephen Thomas**  
Joint Moderator of Council



Shared Interest Lending Manager Bruno Biaggi Vidal taking part in coffee cupping with Asociacion San Martin.

## ARABICA COFFEE

Peru is the world's leading producer of certified Fairtrade and Organic Arabica coffee. Peru's coffee areas stretch along the eastern slopes of the Andes, covering 17 of 24 regions. A third of all agricultural employment in Peru is connected to coffee, and 75% of coffee is harvested by smallholder farmers.

Asociacion San Martin produce three types of Arabica coffee; Typica, Catimor and Catuai.

### • TYPICA

Known for its very good flavour potential, Typica produces large coffee beans, and is one of the most culturally and genetically important Arabica coffees in the world. Grown best at high altitudes and well-adapted to the coldest conditions, Typica is highly susceptible to coffee leaf rust.

### • CATIMOR

Catimor was developed in Portugal in 1959 by scientists searching for the magical formula of high yields, high disease resistance and small plant size. Commonly grown at mid to low altitudes, the variety is a hybrid and is resistant to coffee leaf rust. In the wake of the coffee leaf rust crisis, it is also becoming increasingly common to grow Catimor at higher altitudes in countries such as Mexico and Peru.

### • CATUAI

Catuai is more of a compact plant with high yielding potential of standard quality. Its leaves are green, and bean size is average, with good yield potential.

# SHARED INTEREST

INVESTING IN A FAIRER WORLD



**COVER IMAGE:** Akolgo Abaah, TradeAID Integrated basket weaver, holding her vegetable crops cultivated on a group farm in the Sirigu Akondone community of Ghana.

## 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



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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.



## CONVERSATIONS WITH OUR CUSTOMERS

Visit our YouTube channel to hear from some of the customers featured in this issue of QR.

**BECAUSE WE CARE**



[shared-interest.com](https://shared-interest.com)

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 2023 has been 0.25%