

Web:

Español: <http://clac-comerciojusto.org/2018/10/llamado-urgente-para-poner-fin-a-los-bajos-precios-del-cafe/>

Portugués: <http://clac-comerciojusto.org/pt-br/2018/10/dia-internacional-do-cafe-chamado-urgente-para-por-fim-aos-baixos-precos-do-cafe/>

Inglés: <http://clac-comerciojusto.org/en/2018/10/urgent-call-low-prices-coffee/>

CLAC groups together more than 400 coffee cooperatives and associations that represent 230,000 coffee-growing families from 13 countries in Latin America and the Caribbean, families that today are *seriously affected by low coffee prices*.

Within the framework of the International Coffee Day, the **Latin American and Caribbean Network of Fair Trade Small Producers and Workers** (CLAC) makes an **urgent call** to put an end to low coffee prices, working towards sustainable and fair trade practices that put farmers at the center of decision-making.

30 years ago, the first foundations of the current Fairtrade system were established when a group of small-scale farmers from UCIRI started exporting without intermediaries while receiving a fair price for their coffee. Fair trade is a movement that focuses on **creating fair and transparent commercial relations** where a fair price is paid to the farmers, and injustice and exploitation are fought through a different and regulated trade system that puts farmers and their families at the centre.

Fair trade is based on the principle that small-scale producers have the **right to live with dignity from the income generated by their work**. At the same time, it recognizes their limited power within the value chain of products such as coffee, which for decades has left its sad traces in coffee families and communities, where there is still hunger, child labor and lack of access to basic services.

UCIRI producers sought to change this reality when they said, back in 1988, that even after selling all of their coffee in global markets, coffee families still depended on the charity of governments and humanitarian organizations. In addition, many men had to leave their families and farms for months to make a living income taking laborer jobs in other regions of the country. Luis Martínez, Executive Director of the Mexican Network of Small Fairtrade Producers.

The situation is similar in the rest of Central America according to a recent publication by [PROMECAFÉ](#) : El estado actual de la rentabilidad del café en Centroamérica (ie. Current state of coffee margins in Central America). The research concludes that the average production cost in Guatemala, Honduras, Costa Rica and El Salvador is more than US \$2.00 per pound of coffee, an amount impossible to compensate with current market prices.

Only 8% of the value of coffee paid by the final consumer reaches our cooperative. If we deduct the costs of processing and export, the farmer receives less than 7%, which does not cover the costs of [sustainable] production, not to mention their family's costs of living. Merling Preza, Manager of [Prodecoop](#), cooperative of small-scale coffee producers in Nicaragua.

Fair trade was built using simple but effective tools, which have changed the quality of life of farming families, in addition to boosting rural economies, promoting the participation of women and increasing resilience to face challenges such as climate change. Fair trade has

shown that trade relations have the unique capability to **reverse poverty and contribute to the wellbeing of humanity**.

Tools and characteristics of the Fairtrade system include: a *guaranteed minimum price (Fairtrade Minimum Price)*, a *social premium (Fairtrade Premium)* to invest in sustainability, *standards that regulate production and the relationship between producers and buyers*, and *support services for producer organizations to strengthen productive, commercial and social-environmental compliance capacities*. These services are provided by CLAC and the [Fairtrade International](#) system.

Our cooperatives manage to sell 34% of production within Fairtrade markets. The minimum price from the Fairtrade system has, for years, mitigated the negative effects of fluctuating coffee prices within conventional markets. In addition, thanks to the Fairtrade Premium we have been able to invest in sustainable production, which has helped overcome several crises, among them, the recent attack of la roya (ie. coffee rust), which affected up to 60% of our production. Carlos Reynoso, Coordinator of Red Café of CLAC (ie. CLAC's Coffee Network) and Manager of the cooperative Manos Campesinos from Guatemala.

The negative effects of coffee rust, together with the prolonged crisis of low coffee prices, has negatively impacted farming families, resulting in things such as farm abandonment, rural-urban migration, sowing of illicit crops, hunger and despair. On one hand, the Fairtrade system - which turned 30 years old in 2018 - has proven its effectiveness over the years, while the international community has committed to the [Sustainable Development Goals](#). Unfortunately, traditional coffee trade destroys the hopes of reaching these goals for 25 million families that produce and depend on coffee.

Small-scale farmers organized within Fairtrade continuously invest in social, environmental and economically sustainable production, complying with best practices to produce high quality coffee. Fair trade consumers show, through their purchase, a sincere commitment to farmers and the planet, paying a fair price for their coffee, and thus contributing to great changes in the lives of millions of people.

From CLAC we ask ourselves: *why are we only able to sell 34% of our coffee on Fairtrade terms, and why are there still millions of small-scale producers out of the Fairtrade system?* Fair trade advocated for small-scale producers, so that they can access the same rights as many consumers in developed countries, **the right to live with dignity of their work**. We ask ourselves: why do our buyers, who have seen the impact of Fairtrade up close, not buy all of their coffee under this system?, and together with the farmers promote the payment of fair prices, thus contributing to the achievement of Sustainable Development Goals.

CLAC makes an urgent appeal to governments from north to south, the international trade and trade protection organizations, and to all those people who firmly believe in the potential of trade as a key ally for development... and not for destruction.

We call on people that are committed to respecting **human rights and the non-negotiable right to life**, as putting limits on trade does not guarantee sustainable prices for farmers, with special attention for small-scale farmers that produce 70% of the world's food, and often suffer from hunger in their day to day.

CLAC invites consumers and allied companies to increase their fair trade purchases, as it's the only guarantee in which farmers will receive a minimum price; allowing them to manage their farms a viable way while living with dignity, and at the same time, receiving a social premium to be able to invest in their wellbeing and long term sustainability.

We want to continue to grow your coffee and bring joy to your home, while guaranteeing our true commitment to quality and care of natural resources with maximum respect for people and the environment. **Fairtrade is currently the only system that meets these expectations**, and sadly, with a price below US \$1.40 per pound, our future as farmers turns truly dark as the only option we have left is to leave our farms and seek out charity.