

15 Cultivating Organic Coffee: Challenges for Small Farmers in Jamaica

Dorienne Rowan-Campbell

Overview

Jamaica Blue Mountain Coffee is one of the country's premier exports. It is also one of the most expensive coffees in the world, often selling for US\$35–40 per pound. It can thus provide an income for small farmers, as well as employment opportunities for agricultural labourers. However, many challenges are involved in supplying the domestic and – especially – export markets. This case study looks at experiences of exporting organic Blue Mountain Coffee from the perspective of a small-scale woman farmer who owns and operates the six-acre Rowan's Royale Organic Farm.

Challenges at various levels

Production and marketing challenges

It takes three years for a coffee tree to bear fruit, and marketing the product is difficult for a small farmer growing a commodity controlled by a marketing and regulatory board.

The first hurdle is the Coffee Industry Board (CIB). The CIB's principal role is to promote, regulate, monitor and guide the development of the coffee industry in Jamaica and to assure the coffee's quality and integrity. It controls trademark registration licensing and monitors coffee dealers, processors, workers and nurseries. As the certification body for Jamaica Blue Mountain Coffee, it defines quality standards and growing areas and recommends specific plant varieties. It also provides advisory services.

Among the strategies for quality control is the requirement that any producer applying for a licence to process a brand must be able to supply 10,000 boxes annually. A box contains approximately 10 gallons of ripe coffee cherries.²⁹ As average yields are about 80 boxes per acre, the requirement is clearly addressed to the large commercial farmer who has over 100 acres. It is also clear that while there is undoubtedly a commitment to quality, that particular regulation is directed to the question of quantity. Historically, the CIB bought ripe cherries from small farmers and processed them at its own factories. The production system is now more decentralised,

but small farmers are still expected to sell the cherries on to the licensees who have taken over that function of the CIB. It is thus illegal for small farmers to process and sell their crop.

Being an organic farmer has provided a bargaining chip to challenge the system. Organic integrity must be maintained. The cherries cannot simply be sold on or processed by any factory and retain their organic certification. Rowan's Royale is certified organic for both farm production and off-farm processing. Since 2004 it has been awaiting a judgement from the CIB as to its legal status: its right to the brand, Rowan's Royale, and the right to market.³⁰ While the business can trade in a small way, selling to a group of customers locally who are all repeat buyers, this is a small market and there is a need to expand outreach.

There are a number of benefits involved in organic, as compared to conventional, production. For example, hurricanes are a frequent occurrence in the region and organic coffee trees, although still traumatised by extreme weather, are resuscitated more quickly than conventional trees. In addition, research undertaken for a presentation to a regional Caribbean organic meeting in 2004 showed that the low cost of inputs in organic farming balanced the increased labour required for weeding or pruning (Rowan-Campbell, 2004). As the costs of fertiliser have sky-rocketed, it is likely that conventional farming will call for much higher inputs. The yield was fairly equal for organic coffee and conventional coffee, although in the longer term the high level of chemical inputs on the conventional farms will damage the soil and thus their production capacity.

However, there are also costs involved in organic farming. One of the major ones is certification. For a small farm, international certification costs about JA\$43,000 per annum.³¹ The costs used to be even higher but, with the growing need for inspection, certification bodies from Germany and the UK have situated inspectors in the region. This has cut down on the heavy travel costs which formerly had to be borne by the farmers.

In 2007, the possibility of farmers working together as community growers' groups and thus obtaining organic certification was dealt a blow. These groups are considered as an entity, with the books given an overall check and a number of representative farms thoroughly inspected. The USA has decided that this is an unsafe practice and recommended that each farm in a community growers group should be inspected once a year as with single farms. This is being regarded in the region as a non-tariff trade barrier as, if maintained, it will put international certification of such commodities as coffee and cocoa out of the reach of most small farmers and block their access to northern markets for their organic products. Fortunately, the EU has not followed suit.

Export challenges

It is possible to legally export up to 10lbs of coffee after obtaining a certificate from the Jamaica Trade and Investment Company (JAMPRO); this must accompany every export shipment. Unfortunately, all courier services out of the island pass through the USA. An exporter must, therefore, register with the US Food and Drug Administration (FDA) and file a Prior Notice of Imported Foods so that the FDA is in possession of the details of the shipment before the package arrives. This stricture is part of US bio-terrorism precautions. Compliance with these regulations does not make exporting from Jamaica to Canada, Europe or the rest of the Caribbean any simpler. The US Customs Department has the authority to detain packages for long periods of time; coffee often arrives at its final destination with a third of the packages slashed and useless. There is no redress and no insurance is available. The exporter simply has to accept the losses. It is small comfort to learn that 'the FDA and US Customs have different computer systems, so sometimes information takes a while to coordinate'.³²

Costs of export shipments eat into actual and projected profits from sales. JAMPRO must be paid a registration fee, the courier companies charge about US\$75 per 10lbs, with the cost changing according to the US dollar-Jamaican dollar exchange rate. For export to the EU, the organic certifying agency must provide a certificate indicating the organic status, and there is a charge for each certificate issued.

Demand challenges

There is great demand for Jamaica Blue Mountain Coffee and willingness to pay a high price. However, there are a number of hidden issues that face a small producer. At the reaping stage, large companies try to seduce growers by offering as much as JA\$3,500 per box. Sometimes, after delivery the grower is told that the quality of the beans was not as good as expected and the price per box is reduced. It is difficult to refute this claim as the beans have long since disappeared into the general collection mix. If a small farmer keeps their coffee and does not sell on to other producers and processors, the challenge comes at a later stage and in three forms: the demand for clean green beans; the need for Fairtrade certification; and the need to supply large quantities.

First, most importers or dealers and outlets are interested in clean green beans, not processed and packaged coffee. Coffee is an extremely labour-intensive crop that goes through 13 stages from reaping to cup. It is washed, floated to take off any berries that are less than perfect, pulped, fermented, washed again and set out to dry in the sun. Thorough drying may take as

long as three weeks, depending on the weather. The coffee is then stored until needed. When it is time for roasting, the parchment – the thin brittle membrane protecting the seed – is removed, which is traditionally done in a large mortar with a huge pestle. The ‘green’ coffee beans are then sized and sorted. The remaining stages are those of roasting, sorting and doing a final quality check before packaging. A demand for clean green beans means that all the labour is placed on the producer, while the roaster and packager claim the spoils. For organic green beans, foreign companies offer on average only US\$33 per kg. Roasted beans sell at \$77 per kg.

The economic gains are thus clearly in the value-added element and any farmer, but particularly a small farmer, needs to maximise production to the stage of premium value. This is what the CIB, to date, does not allow small farmers to do. Relative to the level of labour that goes into producing clean green beans, it is much more attractive financially to package the end product. Many unlicensed producers are thus doing just that. This makes the quality control function of the CIB even more difficult and compromises the strong name of the brand.

The second export challenge is the Fairtrade label. More and more coffee consumers are requiring that the coffee they buy bear this label. The basic certification processes and trade regulations of the label can indeed contribute to more sustainable livelihoods and farming practices.³³ However, there are blind spots. A small farm with only a few people working it does not qualify as a commercial enterprise that can obtain this label. If there are no other farmers around who practice organic production, a small farm cannot qualify as a farmer group or co-operative. Many distributors who would like to source organic Jamaica Blue Mountain Coffee say that their customers want a Fairtrade label. That is, therefore, another market opportunity denied.

The third export challenge is that large enterprises such as Trader Joe’s, who sample the coffee and are interested in carrying it, simply want much more of the product than a small farmer can supply. The other route is to establish links with small businesses – small wholefood and organic markets – that take some coffee. Although this type of partnership makes a good match for size, commitment to organic principles and fair trading practices, such partners tend to operate at the margin and often go out of business.

Interventions to help farmers

In order to help small women (and men) farmers to overcome the hurdles faced in exporting coffee, several interventions have been proposed and/or implemented at farm, national and regional level.

Farm level

Given the difficulties in breaking into the coffee market effectively, many small coffee farmers, including Rowan's Royale, have realised that they cannot survive on monoculture and have explored alternatives. Coffee requires soil with a very high *pH* level. Asparagus requires a similar growing medium and is a good complement to coffee. It too is a long-term crop and can be reaped in the same season. It realises high prices on local markets – particularly hotels, which normally have to import from countries as far away as Peru. In addition to asparagus, farms such as Rowan's Royale have also started producing some exotic salad leaf greens and items unusual in the island, such as purple Russian kale, multi-coloured Swiss chard and variegated beets. There are local foods as well. Sweet potato is used as a cover crop that can be reaped as desired. Bananas and plantains are used to offer more shade to young coffee trees. Pineapples beside the leaf lettuces and asparagus are used as a barrier against insects, while lemons, mulberries, rose-apples and tangy yellow raspberries abound and are processed into marmalades and other products.

National level

One area of necessity for organic agriculture is an infrastructure that supports the particular needs of the production process. While the Jamaica Organic Agriculture Movement (JOAM), formally established in 2000, has driven organic production activities in the island, engineering the correct architecture to support this has been slow. JOAM has provided farmer training courses through the International Organic Inspectors Association (IOIA) for inspector certification and has established JOAM organic standards and a local certification body. Despite this track record, the Ministry of Agriculture's organic agriculture policy is still in draft form. The Jamaica Bureau of Standards is in discussion with JOAM about adopting the JOAM standards as national standards.

Small farmers need a strong mesh of business networks with other small farmers. This understanding encouraged a number of women small farmers to decide on a mutual support policy. Each will buy and use the other's products – packaged salad greens, honey, coffee, asparagus, cheeses – and the group is looking to expand to farmers that produce organic chickens, eggs and meats. Some of the group are sharing transportation costs when organic manures are sourced.

Regional level

A series of three workshops on ICT tools and services for women organic farmers in the Caribbean and a subsequent facilitators' training has begun a process of networking among women farmers committed to organic growing.³⁴ At first the network exchanged and shared information and checked on members after hurricanes and floods. Now a group is beginning to look at inter-Caribbean marketing of organic products, developing alternative marketing arrangements, trading and barter, and examining potential shipping arrangements. The network is also developing the capacity to capture and share traditional farming lore and to document women's and small farmers' 'ways of knowing' and ways of growing.

If the Jamaica Bureau of Standards adopts the JOAM standards, it will be easier to reach a common standard for the Caribbean region using Jamaica as the model because national bureaus of standards are working towards harmonisation under the CARICOM Single Market and Economy (CSME).

Lessons learned and future directions

- Organic agriculture 'not only enables ecosystems to better adjust to the effects of climate change but also offers a major potential to reduce the emissions of agricultural greenhouse gases' (FAO, 2008: 6). Further, CO₂ emissions per hectare of organic agriculture systems are 48 to 68 per cent lower than in conventional systems (ibid.: 3). Agriculture policies should recognise the range of environmental goods and services organic agriculture provides in improving soil, air and water quality, realising energy savings, and increasing and sustaining biodiversity as well as ecological services with natural pest control and conservation, and begin to recompense these in tangible ways through tax benefits, incentives and other support.
- The majority of JOAM members are small farmers and many of their needs are overlooked by existing agriculture policies, which tend to accommodate large farmers. For example, a farmer may get duty concessions on a pick-up for transportation, but these cost over JA\$2 million and few small farmers can afford this. Rather, they need a small car to take produce to market or to get to the farm, but these do not attract any assistance. Large equipment such as tractors are deemed to be agricultural and are zero-rated for value added tax. However, a weed-whacker that is not of industrial size is deemed to be a household item and attracts 16.5 per cent tax. Organic farming practice may require a weed-whacker more than a tractor, and incentives should be put in place to assist in the purchase of such equipment.

- Although Jamaica is a party to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), women still get asked by many funding agencies if their husband or other significant male can co-sign with them for a loan. It is therefore still difficult for women to access agricultural loans. It is even more difficult if land is being used as collateral. Women own less land than men and often work land on family farms without dedicated ownership rights. Action is needed to bring about equitable access to land.
- Small farmers, women farmers and organic farmers want a system of Fairtrade certification that is more inclusive. Fairtrade has to be more than a halo and ‘feel-good’ label for northern buyers; it should challenge the world to produce more equitably and sustainably and lead large and small producers and buyers globally to commit to fair trade practices.
- Many drinks, vegetables and coffee packs have labels that identify them as 100 per cent organic; however, there is little existing legal muscle to protect the consumer against the labelling of products that purport to be organic but have no certification to back up these claims. The whole concept of organic production is not well understood. For many people it means ‘grown without fertilisers’. Supermarkets have thus been accepting produce as organic without understanding the rigorous process required to attach such a label. There is a need for national awareness programmes and training for wholesalers and produce buyers for supermarkets and hotels, as well as the general public.
- Further organising/networking is needed to enable small women farmers to deal with the challenges faced in producing and marketing coffee – and particularly in securing access to organic and fair trade markets.

References

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