

Shade-Grown Coffee

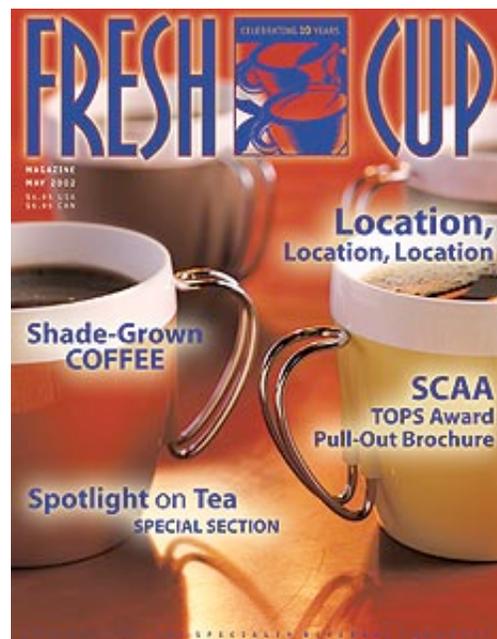
Helping an Industry Turn Over a New Leaf

by April Pojman / photos by David Griswold

In recent years, sustainability has become a hot topic in the specialty coffee industry. But as discussions about organic and fair-trade coffee have intensified, it has become increasingly clear that the lesser-known "third leg" of the coffee sustainability stool--shade--is wobbling and in need of repair.

While the organic movement has become practically mainstream and fair-trade coffee has enjoyed unprecedented growth since 1999, shade coffee has lagged behind. According to Daniele Giovannucci's 2001 Sustainable Coffee Survey of the North American Specialty Coffee Industry, 98.7 percent of businesses contacted were aware of organic coffee, and 82.5 percent knew about fair trade, but only 76.4 percent were familiar with shade-grown coffee. Moreover, only three percent of specialty coffee drinkers reported having purchased shade coffee.

Why the lack of awareness? Despite shade-grown coffee's biological value and potential as a conservation-oriented marketing tool, it has been plagued by confusion, criticism and slow acceptance. Clearly, there's plenty to learn about shade coffee, its position in the sustainable coffee arena and its enormous marketing potential for unique specialty coffees.



Shedding Light on Shade

Traditionally, coffee grows in the "understory" beneath the forest canopy, as part of a larger ecosystem. Different layers of vegetation provide food and shelter for animals and insects, soil replenishment through leaf litter, microclimate stabilization, and protection from soil erosion and water run-off. Under natural conditions, coffee is one of the most environmentally benign and ecologically stable cash crops in the world.

But not all shade is equal. There is a broad variety of shade coffee systems, ranging from monocultures--a single species of shade tree--to highly diverse polycultures with many species. The greater the number and type of shade tree, the greater the biodiversity of plant and animal species in a given area.

Although an undisturbed area is always preferable for conservation purposes, extensive and reliable scientific studies have shown that shaded coffee plantations can serve as important migration corridors or alternative habitats for native and migratory animals. In return, shade trees provide many benefits to coffee farmers, including less need for chemical inputs, and production of wood, food and medicinal products that diversify the family economy.

Types of Shade

<i>Traditional or Rustic</i>	Farmers leave the original forest canopy intact; removing only such undergrowth as is necessary to plant the coffee shrubs underneath.
<i>Traditional Polyculture or Coffee Garden</i>	Farmers make use of the original canopy, introducing useful plant species alongside the coffee shrubs.
<i>Commercial Polyculture</i>	Farmers remove the original forest canopy and plant shade trees and legumes (less than 15 m tall), as well as other commercially useful species.

<i>Shaded Monoculture</i>	Leguminous trees are used to provide shade and nitrogen to the coffee bushes.
<i>Unshaded (or Full-sun) Monoculture</i>	Coffee bushes are exposed to direct sunlight and are not accompanied by other plants.

At the same time, shade trees provide what are known as "ecosystem services." These are natural environmental functions--such as air purification, nutrient recycling and soil formation--that are very difficult and costly to achieve without the help of natural processes. According to a 1997 Nature article entitled "The Value of the World's Ecosystem Services and Natural Capital," ecosystem services are estimated to be worth some \$33.3 trillion. The article goes on to compare that figure to the total combined gross national product of all of the world's economies--only \$18 trillion. Some argue that farmers should be paid shade premiums based on this idea.

To Certify or not to Certify?



Shade-grown coffee has enjoyed the spotlight only sporadically in certain parts of the United States. One of the main reasons is that shade lacks a worldwide champion like the International Federation of Organic Agriculture Movements (IFOAM) or Fair Trade Labeling Organizations International (FLO), both of which have created widely accepted and enforceable definitions and standards for their certification systems.

Some critics contend that the term "shade" itself is a misnomer that prevents its widespread acceptance and that the concept should be re-branded as "habitat-friendly" or "ecosystem-friendly" to convey the benefits it provides. Others take the opposite tack, arguing that the shade concept should refer to the problems it addresses, such as deforestation.

The U.S. has two separate shade certification systems intended to ensure that Latin American shade-grown coffee is produced under a set of scientific guidelines. One is the Eco-OK program developed by the Rainforest Alliance and a network of Latin America environmental organizations, and the other is the Smithsonian Migratory Bird Center (SMBC) criteria. Both systems' standards require a minimum of 40 percent shade coverage, as well as specified tree heights and numbers of non-deciduous native tree species.

Eco-OK is a stand-alone certification that covers many aspects of farming. It requires a minimum of 12 species of native trees and at least 70 trees per hectare (one hectare equals 2.47 acres). It also includes regulations regarding agrochemical use, water resources, soil and waste management, hunting, working conditions, and community relations. Within the next year, Eco-OK auditors will begin to certify for organic and fair-trade criteria as well.

SMBC guidelines focus exclusively on shade. In September 2000, SMBC began a series of workshops to standardize the definition of shade and to align itself with organic certifiers so that a single technician can inspect for shade and organic standards in one visit. Currently, all SMBC-certified farms must also have organic certification.

Francisco Mena, general manager of the Lomas Al Rio coffee farm, recently went through this new certification process, making Lomas Al Rio the first SMBC-certified farm in Costa Rica. He explains that an organic inspector visiting his farm had completed one of the SMBC workshops, so during his inspection for organic, he recommended that he also inspect for SMBC standards. Mena approved the idea, and the total cost for certification was around \$320.

The trend toward integrating certification systems is occurring in other areas as well. For example, FLO criteria for bananas already includes some environmental standards. And the Eco-OK's Sustainable Agriculture Network is working with FLO, IFOAM and Social Accountability International to develop a "Social Accountability in Agriculture" program. These initiatives are important, because many farmers find the preparation, transition to compliance, and certification difficult and costly. For example, farmers seeking Eco-OK certification must pay for technicians to perform site visits and evaluations (\$7.50 per hectare), and they must cover the technicians' travel-related expenses (\$100-\$150 per day plus travel expenses, depending on where the nearest inspector is located). Achieving and maintaining more than one certification is simply beyond the economic capacity of most producers.

For this reason, a "super seal" concept that combines organic, shade and fair-trade criteria is gaining support among importers, roasters and retailers. In the Sustainable Coffee Survey, nearly two-thirds of the specialty coffee industry

supported a "super seal" as a simpler way of communicating sustainability in the marketplace.

Still, there are many other areas of confusion and contention regarding shade in the coffee industry. In the Sustainable Coffee Survey report, nearly 45 percent of the companies claiming to carry shade-grown coffee did not even know who their shade-certifying agency was. Many importers, roasters and retailers add to the confusion by selling "verified shade" coffee, which comes from plantations that have not been certified by Eco-OK or SMBC but have been visited by someone--often an importer--who, without scientific guidelines, checks to make sure shade trees are present on the farms. Most people seem to agree that certified-shade is the clearest way to convey the concept in the marketplace and provide a transparent method of ensuring validity of shade claims.

Arguments for and Against Shade Certification from the NorthWest Shade Coffee Campaign Listserv

Pro-Certification	Anti-Certification
Allows growers to get a higher price for conservation efforts	Certification is expensive and time-consuming
Consumers know that product is truly shade-grown	"Verified shade" is based on personal relationships, so it's better than a certification bureaucracy
Provides transparency and holds companies accountable for their claims	Certifiers could be corrupt and falsely label coffee as shade-grown
Builds trust between people who have never met	Some importers do more for their farmers than certification systems do
Ensures scientific evaluation of farm biodiversity	Retail prices will become too high if every aspect of coffee is certified
Establishes a chain of custody that can be followed to detect fraud	Brokers, not farmers, should be certified so they can verify shade conditions



Shade From Below

There are four broad elements of shade certification that the industry agrees upon:

1. Certification should not increase the financial burden on farmers.
2. Producers who go through the certification process should get a premium price.
3. Certification criteria should be developed with input from farmers.

4. Certification should be based on valid scientific data to ensure that shade increases biodiversity.

Because of the lack of coordination surrounding shade coffee, most of these points have not been implemented, and they are actually the source of many farmers' complaints about shade certification. For example, many producers are interested in being certified, but they cannot afford it. "When we wanted to get certified, the price of coffee had already gone down, so it wasn't very attractive for the producers," says Lorena Calvo, a conservation biologist studying coffee farms in Guatemala. "[Farmers] have to pay for the certification, make the changes on the farm and then look for a market for their coffee."

Farmers also often feel that if they cannot get a higher price for shade-certified coffee, the time and expense involved in the certification process cannot be justified. Asked what the benefits of certification are for farmers, Francisco Mena answers, "We don't know yet. I expect someone [might be willing to pay an] additional premium. We're all making an effort for the good of the whole, but we need motivation."

"A lot of certified coffee ends up in the market at conventional prices," acknowledges Christopher Bacon, a doctoral student in environmental studies at the University of California-Santa Cruz who works with coffee cooperatives in

Nicaragua. "We've been discussing with growers their decision to become certified, because there is a risk that they won't realize a price premium. They need to consider other positive impacts of shade production, such as reducing costs or improving working conditions."

For many producers, there simply isn't enough demand for shade coffee. "Our idea is to start certifying just a few producers, because the market seems small," says Nicolas Eberhart, marketing coordinator for the PROCAP coffee cooperative in Ecuador. "Only one importer has inquired up to now. [We will] begin with the producers who already have organic certification. The only problem is the shade seals--there is much confusion about them in Ecuador."

In fact, according to the Sustainable Coffee Survey, of the 6.6 million pounds of coffee that were shade-certified globally in 2000-2001, only 2.1 million pounds were sold as such. Importers agree that shade certification doesn't often bring farmers a premium, but it may help their coffee sell more quickly. All other factors being equal, roasters are more likely to purchase certified-shade coffee over an equivalent uncertified coffee.



A Shady Future

In order to gain wider appeal, shade-grown coffee needs a unified front to champion a biodiversity- and farmer-friendly definition of shade and to coordinate compliance and education around that definition. This is hardly a quick fix, but it's the only way that shade will gain more respect and popularity.

In May 2001, five non-profit organizations that work on coffee conservation issues (Conservation International, Consumer's Choice Council, Rainforest Alliance, Smithsonian Migratory Bird Center, and the Summit Foundation) took a step toward creating a unified front by releasing a document entitled "Conservation Principles for Coffee Production." The principles were designed to provide common ground for conservation groups to work with other environmental movements and coffee businesses. They can also help importers and roasters develop sourcing guidelines and assist banks and foundations in deciding which coffee development projects to fund and how to evaluate them.

There also remains a need for a widespread educational campaign to establish a single definition of "shade." Many growers still don't know what the shade standards are or how to get certified. As a result, some retailers are carrying coffee with "shade-grown" claims that cannot be verified. More importantly, even with all of the debate in the industry over shade-grown coffee, most consumers don't even know that it exists or what it means. The concept of shade-grown coffee can be difficult to explain on a supermarket shelf to consumers who lack prior knowledge about how coffee is produced and what a difference shade can make.

There are hopeful signs, however. A 1999 survey by the Hartman Group indicates that 86 percent of American consumers believe that there is a connection between the health of the environment and their own well-being. And a March 2002 survey by the Songbird Foundation shows that 75 percent of Seattle-area coffee drinkers are likely to switch to shade-grown coffee if they understand the implications. Based on their experiences, 83 percent of those who have purchased sustainably produced coffee say they would buy it again.

Clearly, the coffee industry's move toward sustainability will not be complete until the shade "leg" of the stool is securely affixed.

[Consulting](#) | [Photography](#) | [Resources](#) | [Links](#)



info@yapame.com

2001-2005 © Yapame All Rights Reserved