



# Fairtrade & Utz Kapeh

An explanation about two leading programs in coffee certification

Like most consumers, you increasingly want to know where products are coming from and how they are produced. Certification is a useful tool to assure you the providence of coffee. Fairtrade and Utz Kapeh are two leading programs, but they have different aims and principles. This raises questions for consumers such as what are the differences and which label meets your needs. As Fairtrade and Utz Kapeh we have worked together to create a combined overview of each program. This overview provides insight to our work, explains our different approaches and helps the consumer make the choice that best matches your needs.

## Coen de Ruiter, director Max Havelaar the Netherlands

*"Doing business under certification schemes gives a human face to international trade. We feel that's important. People are no longer just buying products, but they're buying something from someone. This is a basis to long term and probably more equal relationships. We therefore welcome the existence of trustworthy certification schemes."*



## David Rosenberg, director Utz Kapeh

*"It is no longer a question whether a certain coffee product is good or bad. It is about whether the roaster knows where the coffee comes from and how it was produced. We believe all coffee should be certified, so the customer always knows the answer to those two simple questions. This is clearly the direction the market is moving: not just with those coffees clearly identified as sustainable, but also with mainstream brands we drink every day. We are working together with other certification programmes to achieve this vision. We challenge you to find the right program that fits your needs and join us."*



## FAIRTRADE IN COFFEE

### Why are we here?

Drinking coffee is enjoying a good quality product. However, while enjoying coffee, you can achieve more. Choosing Fairtrade-labelled coffee, you participate actively in social and environmental improvements in the South and add to development. Providing coffee smallholders with a better price share enables them to build up a decent living for themselves, their families and communities. Thus you give them the means to provide you with a good quality coffee, produced in a sustainable way.

## UTZ KAPEH IN COFFEE

### Why are we here?

As a business or as a consumer you are looking for coffee that tastes good, comes from your favorite brand and is competitively priced. You demand quality. And with this quality you also expect that the coffee you drink is produced in a decent way; without exploitation of people or the environment. And although it is still not common in today's market, you believe it is the duty of your coffee brand to know where the coffee originally comes from and that it was produced in a decent way. The Utz Kapeh program is this credible assurance that your coffee was indeed produced in a socially and environmentally responsible way.

## What's our program?

### • *Empowerment*

We strive for greater fairness in international trade. Fairtrade contributes to sustainable development by offering better trading conditions to small, marginalized coffee producers and empowering them to take development into their own hands.

### • *Professionals without negotiating power*

Though 70 percent of the world's coffee is grown by smallholders, they rarely earn enough to support their families in a dignified way or to control their own destinies. The price they get for their coffee is crucial to their livelihoods yet it constantly fluctuates, has long been falling and seldom covers production costs, let alone social or environmental improvements. Farmers lack the negotiating power to influence the price or to claim an appropriate share for themselves.

### • *Development model*

We work exclusively with organisations of small farmers, who are often the most vulnerable members of the coffee chain and lack market access. Producers must comply with social regulations, such as those of the International Labour Organisation, and environmentally-friendly practices. We impose minimum requirements, allowing the most vulnerable farmers to participate in the market. This is starting a process, which gradually must achieve the desired development.

### • *Sustainable price*

The belief that farmers need to make a decent living underpins a key Fairtrade element: a minimum price. That price must not only cover the economic but also the social and ecological costs of production. On top, our system adds a fixed premium to the price, which smallholders receive to narrow their backlog in trade and invest in the development of their co-operatives. Consumers can thus contribute to social and environmental improvements in developing countries through their purchasing behaviour.

### • *Working on own future*

Our system is fully democratic, where farmers are represented in all decision-making and advisory bodies. Fairtrade is a trading partnership based on dialogue, transparency and respect. By becoming reliable business partners and through trade, members have the chance to improve their living and determine a sustainable future for themselves.

### • *Coffee with a human face*

Thanks to our strong relationships with smallholders, coffee of every blend is traceable to the grower, enabling consumers to learn all about their product and their growers.

## What's our deal for you as consumer?

Our label enables committed consumers to make a deliberate choice for poverty reduction and sustainable development. It covers a wide range of suppliers, brands, varieties and qualities. If you want your buying behaviour to contribute actively to making international trade fairer, Fairtrade is the coffee certification program for you.

*Max Havelaar the Netherlands, member of Fairtrade Labelling Organizations International*

## What's our program?

### • *A world wide standard for responsible coffee*

Utz Kapeh aims to implement the worldwide standard for socially and environmentally responsible coffee production and sourcing. Utz Kapeh is a program for the mainstream market which is open to all growers from all producing countries and to all traders, roasters and retailers across the entire product range. We enable roasters to answer two key consumer questions: where does my coffee come from and how was it made?

### • *Responsible practices*

Utz Kapeh certification recognizes coffee producers who manage their farms in a professional way and care for workers and the environment. Certified farmers must comply with our stringent and comprehensive Code of Conduct, which sets a standard for socially and environmentally responsible practices, traceability and professional farm management. Independent, third party certifiers annually inspect these farms to ensure compliance.

### • *Improve management*

Being Utz Kapeh-certified, farmers improve their management systems, lower their costs of production, increase quality and increase yields. We give farmers access to NGO support programs, technical assistance, coaching, knowledge-sharing and a transparent trading system feeding back market information to all buyers and sellers.

### • *Tools for negotiations*

Utz Kapeh certified producers have the means to negotiate better terms of trade. They gain access to fast-growing markets and to market information, long-term relationships with buyers and a better price for a better product. We work within the existing market rather than distorting competition. The Utz Kapeh system is based on supply and demand, rather than working with a minimum price or a guaranteed premium. Utz Kapeh is a market driven system.

### • *Traceability*

A unique web-based tracking system makes Utz Kapeh-certified coffee traceable from farm or cooperative to factory. Our products are traceable all the way through to the consumer. That means you know exactly where your coffee comes from and can be assured it is responsibly produced.

## What's our deal for you as consumer?

With Utz Kapeh, you can continue buying your favorite brand for its quality, taste and price – secure in the underlying knowledge that it was produced responsibly. You get the assurance your coffee was produced with care for people and the environment, without having to switch brands or pay significantly more for it.

*Utz Kapeh Certified Responsible Coffee*

