

Purchaser's Guide to Sourcing Sustainable Coffee and Tea



Coffee and tea production have become increasingly industrialized since the 1970's relying on more chemical-intensive fertilization and pest control techniques and other practices that can have many negative social, economic, and human and environmental health impacts including:

Socio-economic Impacts^{1,2}

- Unemployment, landlessness and hunger among small-scale farmers and coffee pickers made vulnerable by fluctuating world market prices for coffee—at times significantly below the cost of production
- Forced child labor and poor labor conditions, especially for tea workers
- Wages below minimum wage with most profits flowing to foreign investors and not reinvested in the community
- Difficulty of small-scale farmers to obtain affordable financing to cover raw material costs and basic needs while awaiting payment from commercial importers who often wait 60-90 days before paying
- Reliance of small-scale coffee farmers who are not organized in marketing cooperatives on local middlemen and brokers to sell their coffee, which can result in their not receiving their fair share of the final market value of their products—according to the Fair Trade Federation, North American consumers pay \$4 to \$11 per pound for coffee bought from growers for about 80 cents per pound

Human and Environmental Health Impacts^{3,4}

- Conversion of wildlife habitat from highly diverse tropical forests to large monocrop “full-sun” plantations in the case of coffee and, in the case of tea from grasslands, marshes and forested areas to monoculture plantations, causing a significant loss of biodiversity, e.g. full-sun coffee plantations support 90 percent fewer bird species than shade-grown coffee; also the heavy reliance of tea plantations on wood as fuel to dry tea contributes to deforestation
- Degradation and erosion of soil, a particular problem for tea, which is often planted in areas of considerable slope
- Extensive use of and reliance on agrochemicals such as herbicides, fungicides, nematicides, and fertilizers, including some pesticides that are illegal to use in the US and other countries, which can harm workers, wildlife and local water supplies
- Degradation of water quality from soil and agrochemical runoff and from the dumping of pulp leftover from coffee processing

As organizations that purchase, serve or otherwise make coffee and tea readily available to patients, staff and visitors, health care purchasers can help to counteract these negative impacts by:

1. Choosing coffee and tea products that have been certified to carry one or more of the following eco-labels:
 - Fair Trade Certified™ (www.transfairusa.org)
 - Certified Organic (www.ams.usda.gov)
 - Bird Friendly (www.si.edu/smbc)
 - Rainforest Alliance Certified (www.rainforest-alliance.org)
2. Supporting wholesalers and roasters that have a demonstrated commitment to fair trade values as evidenced in the U.S. by membership in the Fair Trade Federation or Cooperative Coffees.
3. Encouraging on-site vendors to take similar steps.

Certified Products

The eco-labels listed above are not the only ones that purchasers will see in the marketplace pertaining to the sustainable production of coffee and tea products. However, they are the only four considered “highly meaningful” by Consumer’s Union.⁵ As such purchasers can be assured that, in addition to meeting other criteria, the products have been verified by an independent third party to meet the applicable standards and that the organizations behind these labels are free from conflict of interest.

Not all standards are applied to both coffee and tea products, and no one set of label standards fully addresses all of the socio-economic and environmental impacts outlined above. Thus, purchasers are encouraged to use the information provided in Table 1 to choose products with complementary certifications to address the gaps. (The more diamonds “♦” the more comprehensive the standard.) For instance, while Fair Trade standards address most socio-economic concerns, and some environmental concerns, the limits to pesticide use are not as restrictive as Organic standards. Organic standards predominately address the use of pesticides and genetically-modified organisms (GMOs), and but do not adequately address some of the other environmental concerns, such as shade management on coffee plantations, or any socio-economic issues. Bird-Friendly certification only applies to

products that are Certified Organic and is used primarily to verify that coffee has been produced using shade management practices. And Rainforest Alliance certification addresses some but not all environmental and socio-economic issues.⁶

Fair Trade Wholesalers/ Roasters

While buying products that have been Fair Trade Certified is a significant step towards supporting fair trade practices, the label only indicates that the product, in this case coffee or tea, was purchased from the producer under Fair Trade terms and does not certify that the company selling the product is committed to fair trade practices and principles. Additionally, the more direct the link between low-income producers and consumer markets the more likely those producers are to receive an equitable share of the profits from the sale of their product and the more likely workers are to receive fair wages.

By working directly with producers and avoiding exploitive middlemen, “certified” Fair Trade businesses are able to cut costs and pass on a greater percentage of the retail price of coffee or tea to producers. Fair Trade businesses also strive to sell 100 percent fairly traded products, including coffee and tea, versus just carrying a few items for marketing purposes. The Fair Trade Federation (FTF) is the only network of fair trade businesses-retailers, wholesalers, and producers in North America. To become members, businesses must agree to a set of comprehensive fair trade criteria. More information and a current list of FTF wholesalers can be found at www.fairtradefederation.org. Purchasers are encouraged to support these businesses and the small-scale fair trade roaster/wholesalers who are members of Cooperative Coffees, a cooperative importer of green coffee. A list of their members can be found at coopcoffees.com.

Surveying Suppliers

The following survey can be used by purchasers to identify sustainably produced coffee and tea products as well as wholesalers and roasters who have a demonstrated commitment to fair trade values. As a significant amount of material is used to package and ship coffee and tea products, a few questions about packaging have also been included.

TABLE 1: HIGHLY MEANINGFUL ECO-LABELS

Eco-label	Address Environmental Issues		Address Socio-Economic Issues	
	Coffee	Tea & Herbs*	Coffee	Tea & Herbs*
Fair Trade Certified	♦	♦	♦♦♦	♦♦♦
Certified Organic	♦♦	♦♦		
Bird Friendly**	♦			
Rainforest Alliance Certified	♦♦		♦♦	

* Includes products derived from the Tea plant as well as from herbs commonly used to produce caffeine-free “tea” (Rooibis, Chamomile, Hibiscus, Peppermint and Spearmint).

**Only used on products that are also Certified Organic, and primarily verifies shade management.

2. Fair Trade Business

- a. Is your company a member of the Fair Trade Federation (www.fairtradefederation.org) and/ or Cooperative Coffees (<http://coopcoffees.com>)? (Check any that apply.)
- Fair Trade Federation YES NO
Cooperative Coffees YES NO

3. Packaging

- a. Please indicate which of the following materials is generally used to individually package your coffee and tea products. (Check any that apply and indicate the overall percentage of these materials used.)
- Petroleum-based plastic _____ Percent
 Biobased plastic _____ Percent
 Paper _____ Percent virgin content _____ Percent post-consumer recycled
 Foil _____ Percent
- b. If you use paper packaging for individual packages, what percentage of any paper-based materials used to package individual coffee and tea products was produced without the use of chlorine or chlorine compounds? (See www.chlorinefreeproducts.org/marks.htm)
- _____ Percent
- c. What percentage of the packaging for your individual coffee and tea products is recyclable or compostable according to the Federal Trade Commission Guides for the Use of Environmental Marketing Claims, www.ftc.gov/bcp/grnrule/guides980427.htm?
- _____ Percent recyclable _____ Percent compostable

ENDNOTES

- 1 Gresser, C. & Tickell, S. (2002). *Mugged: Poverty in your coffee cup*. Retrieved May 29, 2007, from http://www.oxfamamerica.org/newsandpublications/publications/research_reports/mugged.
- 2 Wortman, D. (2004). *Product report: Tea*. Retrieved May 30, 2007, from <http://thegreenguide.com/reports/product.mhtml?id=56&sec=2>.
- 3 World Wildlife Fund. (2005). *Agriculture and environment: Tea*. Retrieved September 22, 2006, from http://www.panda.org/about_wwf/what_we_do/policy/agriculture_environment/commodities/tea/environmental_impacts/index.cfm.
- 4 World Wildlife Fund. (2005). *Agriculture and environment: Coffee*. Retrieved September 22, 2006, from http://www.panda.org/about_wwf/what_we_do/policy/agriculture_environment/commodities/coffee/environmental_impacts/index.cfm.
- 5 For more information, see the Consumers Union Guide to Environmental Labels at www.eco-labels.org.
- 6 The Bird Friendly and Rainforest Alliance standards are the only certifications that fully address shade management issues.



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