



OUR PHILOSOPHY  
*of* COFFEE SOURCING



**UNION**

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HAND-ROASTED  
COFFEE

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## UNION DIRECT TRADE COFFEE MEANS

- ① You can find out exactly **where, how and by whom** your coffee is produced.
- ② The farmer receives a **fair, sustainable price**. Always above minimum Fairtrade price, in 2017 on average over 50 per cent above.
- ③ Your coffee comes from farmers committed to **sustainable agricultural practices and labour rights**.
- ④ You get access to **unique coffees**. Through our direct sourcing and long-term relationships, we can discover exclusive, hard-to-find gems.
- ⑤ You are guaranteed to drink a **delicious cup of 100 per cent Arabica, speciality coffee**.





DRYING BEDS IN COCAGI, RWANDA.

Union Direct Trade is about 'trade, not aid.' Receiving sustainable prices for coffee lets farmers build viable livelihoods and have control over investments and development in their communities.

Photo: Alan Schaller

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To see our latest updates from origin,  
follow us on [@unionroasted](#) and visit our blog:  
[unionroasted.com/blog](https://unionroasted.com/blog)

ESQUIPULAS, GUATEMALA, WHERE WE HAVE HELPED TRAIN WOMEN COFFEE FARMERS IN BEEKEEPING TO INCREASE INCOME AND DIETARY DIVERSITY. THE GROUP IS CALLED 'THE TEN ROSES' (LAS DIEZ ROSAS).



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## LETTER FROM OUR FOUNDERS

We started Union Hand-Roasted Coffee in 2001, after years of witnessing the impact of volatile markets on the lives of coffee farmers. We saw how communities suffered from having to accept low prices that did not even cover the cost of producing their coffee.

We wanted to create a better way. We wanted to be a force for good.

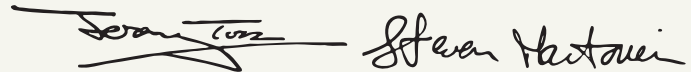
Union was founded with the aim of encouraging farmers to produce high-quality coffee by paying sustainable prices. The extra income from this trading model would improve the livelihoods of farmers and, we hoped, further encourage them to keep raising the quality of their coffee.

Today, we work together with more than 40 producer partners from Asia, Africa and Latin America on improving the economic, social and environmental conditions of coffee production, making a difference to over 65,000 people. We source and roast our coffee and sell to

cafés and restaurants throughout the UK as well as to enthusiastic coffee lovers at home.

A large part of our success has been due to the direct and close relationships we have with our coffee farmer partners. We want to continue to have a positive impact on farmers and particularly their workers by sourcing coffee produced under conditions that provide correct labour standards. Improving the lives of workers in our coffee supply chain is important for the overall sustainability of coffee production.

But more importantly, we believe in this because it is the right thing to do.

The image shows two handwritten signatures in black ink. The signature on the left is 'Jeremy Torz' and the signature on the right is 'Steven Macatonia'. Both signatures are written in a cursive, flowing style.

**JEREMY TORZ & STEVEN MACATONIA**  
FOUNDERS & COFFEE ADDICTS



'For us direct trade is more than going to origin and selecting the best tasting coffee.'

Union Direct Trade is our sustainable approach to developing long-term relationships with farmers and supporting them to produce the best-tasting coffees.'

**STEVEN MACATONIA**

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## OUR IMPACT ON COFFEE PRODUCERS' LIVES

### WE MAKE A DIFFERENCE TO OVER 65,000 INDIVIDUALS

Over 11,600 families from co-operatives we work with benefit from Union Direct Trade. With each family having an average of 5 family members, **we calculate that over 58,000 individuals benefit from our purchasing model.**

In addition, we also source from small and medium-sized farms, producers' organisations and estates. This extends to over 1500 families, which represents **a further 7500 individuals.** That makes over 65,000 individuals in all.

These families have been able to feed their children, send them to school and invest in their livelihoods. So our total indirect impact exceeds this number significantly.



WE SOURCE COFFEE FROM: 14 Countries / 40+ Producers



Coffee is grown in the 'bean belt' between Tropic of Cancer and Tropic of Capricorn.

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## COFFEE SUPPLY CHAIN CHALLENGES

**Around 25 million farmers depend on coffee for their livelihood.**

**Coffee is a joy for many – but the way it is produced and traded can create abuse.**

- The market price of coffee follows a world index which fluctuates in a speculative economy. When prices fall, farmers may not receive enough money to cover the investment they've made during the year to grow their coffee crop
- Coffee is grown in developing countries where life expectancy, education levels and incomes are low and have weak law enforcement on labour rights
- The conventional coffee trade has complex supply chains which make it difficult to get a true picture of working conditions at farm level, including seasonal workers
- Women comprise half the coffee growing workforce, but they are often excluded from training and decision-making at household, farm and organisational levels
- Higher-quality coffee can demand a higher price, but even if farmers are aware of this, they may lack the specialist knowledge, equipment and facilities needed to produce it
- Young people are less inclined to follow their parents into coffee farming, yet they are more likely to adopt new technology and implement modern farming techniques which are crucial to increasing quality and productivity. This is particularly important with challenges like climate change. The lack of a next generation of young farmers could affect the sustainable supply of high-quality coffee

**Union Direct Trade was developed to tackle these issues**

COCAGI, RWANDA.



Photo: Alan Schaller

Climate change is coffee's biggest long-term threat. Rising temperatures, increasing weather volatility, increased prevalence of pests, and disease associated with climate change all contribute to lower yields and lower quality, with a damaging effect on farmers' livelihoods. Prolonged drought, when combined with poverty, forces farmers out of coffee production and contributes to human migration.

Without action the global area suitable for coffee production is predicted to decline by 50 per cent by 2050, and yet demand is expected to double (World Coffee Research 2017).

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# SPECIALITY VS COMMODITY COFFEE – WHAT DOES IT MEAN?

## COMMODITY GRADE COFFEE

Coffee, when treated as a commodity, is defined as a uniform product that is interchangeable with another coffee of the same type. This makes up the majority of coffee consumed around the world. Commodity coffee is traded on the New York Coffee Exchange, and the price is set on the world market without regard to intrinsic coffee quality.

Commodity coffee offers neutral or negative flavour attributes without provenance, which means buyers switch to the lowest price offer on the market with no commitment to long-term relationships.

Volatile pricing means farmers cannot plan for their future.

## SPECIALITY GRADE COFFEE

The Speciality Coffee Association (SCA) defines Speciality Coffees as those with positive flavour attributes, and which are assigned a score of 80+ based on numerous attributes which contribute to the taste. These evaluations are based

on fixed criteria which are used through the speciality coffee industry. At Union we only buy and source Speciality Grade, 100 per cent Arabica, and select our coffees through a careful quality evaluation which includes tastings (cuppings) and farm visits.

Speciality grade coffee production needs more investment than commodity coffee, as it is often grown on higher altitudes with steep slopes which are difficult to clamber up. Care and attention to detail is required through the season. Hand-picking is needed to select perfectly ripe cherries. Processing must be carried out with exceptional care. Yield is lower as low quality and defects are removed.

We focus solely on high-quality Speciality Coffee because we believe it is the route to long-term sustainability for coffee farmers. Farmers can be proud of what they produce and increase their income, and we get to enjoy delicious coffee – everyone wins. This is, in our view, the future of coffee.

Our focus on Speciality Coffee allows us to pay above market prices, improving farmers' incomes and hence contributing to a better quality of life.



SPECIALITY COFFEE PRODUCTION IS METICULOUS WORK. HERE DEFECTS ARE REMOVED BY HAND-SORTING THE BEANS.



STEVEN CUPPING IN MARABA, RWANDA.

CUPPING (TASTING) IS THE WAY WE EVALUATE EACH COFFEE. AT ORIGIN WE CUP WITH THE LOCAL CUPPERS AND QUALITY-CONTROL SPECIALISTS, ENABLING US TO GIVE DIRECT FEEDBACK AND TO SELECT THE COFFEES WE WILL PURCHASE.

IN MARABA, RWANDA, WE HELPED TEACH CUPPING SKILLS TO NATIONAL RWANDESE. IN YAYU, ETHIOPIA, WE CONSTRUCTED A CUPPING LAB FACILITY TO COMMENCE TEACHING CUPPING SKILLS THERE TOO.

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## COFFEE SOURCING MODELS

There are different approaches to buying coffee. We describe some of the more common ones here.

### CONVENTIONAL TRADE

Most of the world's coffee is traded by speculators. Commodity prices are set according to a formula known as the New York 'C' Contract market and the price fluctuates as contracts change ownership many times. In this conventional trade the coffee passes through many hands: farmers sell to middlemen, who sell to exporters, who then sell to brokers and traders. Finally the coffee is sold to importers in the consuming country. In this long supply chain traceability is lost and the farmer receives a very small share of the final price.

Trading untraceable coffee poses a risk to human and labour rights. To undertake due diligence in those areas it is necessary to know where the coffee was grown.

### CERTIFICATION

There are many certification schemes for coffee. Some may appear similar but each may place a particular emphasis on environmental, social or economic factors. The best known is Fairtrade which sets standards and trading conditions for smallholder coffee cooperatives to provide access to export commodity markets. The key aspect of Fairtrade is setting a minimum baseline price of USD \$1.40/lb for green coffee, or the world market price if this is higher. In addition, a USD \$0.20/lb social premium is paid. Standards are set to ensure that the conditions of production are socially, economically, and environmentally responsible.

Fairtrade Labelling Organisation is the certifying agency providing guidance, but not implementation on the standards. Fairtrade coffee can be bought from a broker or importer, and the roaster might not have a relationship with the cooperative. Estate farms and individual smallholder farmers are not eligible for this model.

## DIRECT TRADE COFFEE

During the last decade, as a response to periods of low world market prices, specialty coffee roasters wanted to demonstrate ethical practises represented by showing provenance and traceability of their coffee. Importers and traders supplying these roasters responded by coordinating communication between farmer and roaster and creating alternative trading initiatives frequently referred to as “Direct Trade” coffee buying. These initiatives are important because many roasters do not have the resources to create and manage their own direct supply chain. There is no commonly agreed definition of Direct Trade coffee, and the term is used to cover many different practises with varying degrees of price transparency and of participation by farmers in direct price negotiation.

Direct Trade can imply a long-term trading relationship, but often this can be just a one-time purchase. Standards to ensure that conditions of production are socially, economically and environmentally responsible may or may not be part of this relationship. Despite the inherent implications of ethics related to Direct Trade models, this is not always the case. To take up an authentic programme of direct trade takes a significant commitment from the buyer, and costs can be prohibitive.



## UNION DIRECT TRADE

Several elements create the entity we define as Union Direct Trade. Firstly, we have created a Code of Conduct, which is a set of standards designed to ensure that conditions of production are socially, economically and environmentally responsible. Our Sustainability Sourcing Manager undertakes regular Social Audits on the farms, reviewing labour and environment conditions and identifying any weaknesses in procedures or processes where we can help with specific support.

Secondly, contractual terms of purchase are agreed directly with farmers ensuring 100% transparency and traceability with a minimum price safety-net, always above the Fairtrade minimum price. We work with many types of farm structures; from family-owned estates who employ workers, to formally-organised smallholder cooperatives, and also farm associations, who may be a group of farmers working together. We create long-term relationships which give financial security and allow farmers to plan for the future and invest in coffee quality.

Quality of coffee is at the heart of our initiative.

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## OUR PHILOSOPHY OF COFFEE SOURCING

**Quality of coffee. Quality of life. Quality of business.**  
That's what underpins Union Direct Trade. It brings sustainable livelihoods for farmers and better quality coffee for us to enjoy.



**More than paying a fair price,  
Union Direct Trade means we work  
in long-term partnership with farmers  
to improve the quality of their coffee  
and their livelihoods.**



PERFECTLY RIPE COFFEE CHERRIES FROM  
OSCAR MENDEZ AT FINCA GENESIS, COSTA RICA.



## QUALITY OF COFFEE

- 100% high quality Arabica, grown at high altitude
- We offer training for farmers and workers on quality and productivity
- Speciality-grade coffee with quality price premiums



## QUALITY OF LIFE

- Sustainable prices allow farmers to invest in their families and their workers
- Our producers commit to Union Code of Conduct for Ethical Sourcing, covering social, environmental, and economic sustainability

## QUALITY OF BUSINESS

- We pay sustainable pricing with the International Fairtrade price as minimum – in 2017, on average over 50 per cent higher
- We engage in transparent financial transactions with all participants in our supply chain
- We make our commitment to long-term relationships extending to multi-year purchases, allowing farmers to plan and invest
- We play a proactive role by visiting producers 'on the ground' within 12-24 month periods (minimum) to monitor quality, provide feedback and discuss business goals
- Sustainable prices allow producers to make their own decisions investing for their future. We call this a Structural Approach – money is the foundation of change

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## QUALITY OF COFFEE

**Union Direct Trade focuses on empowering farmer partners to acquire the skills needed to produce high-quality coffee.**

We achieve this through participatory workshops and farmer-farmer training. This enables farmers to maximise yields and negotiate a higher price for their coffee.

There is a direct link between cup quality and coffee value, so we are committed to paying an additional incentive premium to motivate farmers towards greater income. Our trading mechanism has expanded economic opportunity for small-scale farmers to transition from commoditised production to producing coffee with intrinsic value. When we first started working in Rwanda they didn't produce speciality coffee. By teaching farmers how to take care of their coffee, we helped them improve coffee quality and we were the first roasters to source speciality coffee from Rwanda. The economic benefits to producers have been profound.

For training we engage with experts in the sustainable practices described in our Code of Conduct. In addition to coffee quality this training addresses environmental issues such as waste water management and reducing agrochemicals.

Training covers health and safety, providing group members with the knowledge and tools needed to ensure their own safety and that of other farm workers. This in turn supports the well-being of their communities.

We also offer training in financial management and capacity building, so that farmers can better understand their cost of production and plan investments.

GRACIANO CRUZ, SPECIALITY COFFEE FARMER IN PANAMA, IS A PARTNER IN OUR PROJECT TO TEACH SMALLHOLDER FARMERS IN YAYU, ETHIOPIA, HOW TO PRODUCE HIGH-QUALITY COFFEE. HERE HE CONDUCTS TRAINING ON SELECTIVE PICKING AND DRY-BED TREATMENT.



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## QUALITY OF BUSINESS - HOW WE TRADE



### PRE-HARVEST NEGOTIATIONS AND PRE-FINANCE



Farmers usually get paid at the end of the harvest, when their crops have been picked, but most money is needed at the beginning of the season. This is why we provide 'pre-financing': negotiating fixed prices, agreeing contracts of sale and advancing payment for the coffee so farmers can cover their costs during the harvest. This enables them to plan and budget for the season ahead.

We provide pre-financing capital directly to farmers and also work with specialised social investment agencies in vulnerable places in Latin America and Africa.

### TRAINING AND AUDITS



We visit farmers and if necessary provide advice and training on improving the quality of their coffee.

Farmers we work with follow our Code of Conduct, which covers both social and environmental aspects of their operations. We conduct audits on farms to ensure these are adhered to.



## FAIR PRICE FOR THE COFFEE

We pay always above Fairtrade minimum price, in 2017 on average over 50 per cent above.



## FARMERS CAN INVEST IN THE FUTURE

Paying a fair price means coffee farmers can invest in their farms, and in education for their children.



## LONG-TERM RELATIONS

We come back the next year – and the year after. This is crucial to help farmers plan for their future and have long-term security.

Coffee trees produce usually one main crop a year. If a farmer invests time and money in the crop but the buyer does not return to purchase, this can weaken the management and sustainability of the farm.

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## WHY WE WORK IN LONG-TERM RELATIONSHIPS

There is an economic benefit to long-term relationships: building trust, confidence in coffee quality and zero contract failures.

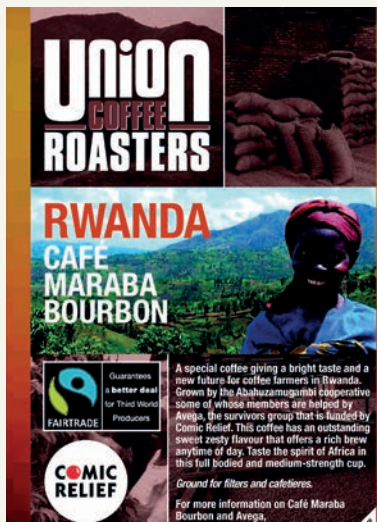
Long-term relationships also mean that farmers can plan for their future with confidence. If they make investments in their farm they can be certain we will pay a sustainable price for their coffee.

This is crucial when you consider that a coffee tree takes over three years to grow and to start providing a return on investment.

We have a policy of not buying more than 50 per cent of a single producer's output. This is to avoid dependency on either side. Once these volumes have been reached, we seek to commence a new relationship to meet our business growth demands.

**JUST OVER 70 PER CENT OF OUR COFFEE IS SOURCED  
FROM RELATIONSHIPS EXTENDING 5 YEARS OR MORE,  
WITH 10 PER CENT NOW INTO OUR 15TH YEAR.**

Maraba Rwanda is our first direct-trade relationship (2002). Celebrating over 15 years now! When farmers know they have a trusted buyer year after year, they can plan for the future. Being able to make informed decisions gives them stability.



The image shows the packaging for Union Coffee Roasters' Rwanda Café Maraba Bourbon. The top section features the brand name 'Union COFFEE ROASTERS' in a bold, sans-serif font. Below this, the text 'RWANDA CAFÉ MARABA BOURBON' is prominently displayed. A photograph of a smiling coffee farmer in a red headwrap is featured on the right side of the packaging. At the bottom left, there are logos for 'FAIRTRADE' and 'COMIC RELIEF'. A small text box on the right side of the packaging reads: 'A special coffee giving a bright taste and a new future for coffee farmers in Rwanda. Grown by the Abahuzamugambli cooperative some of whose members are helped by Avega, the survivors group that is funded by Comic Relief. This coffee has an outstanding sweet zesty flavour that offers a rich brew anytime of day. Taste the spirit of Africa in this full bodied and medium-strength cup. Ground for filters and cafeteras. For more information on Café Maraba Bourbon and Avega, visit www.marabacoffee.com'.

JEREMY IN 2016  
WITH VENANTIA  
MUKAKALISA, WHO  
FEATURED ON OUR  
MARABA PACKAGING  
IN 2002, AND HAS  
WORKED WITH US  
EVER SINCE.



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## QUALITY OF LIFE

**Union Direct Trade focuses on social, environmental, and economic sustainability, ensuring that labour rights are respected.**

Millions of people around the world endure inadequate, sometimes shocking working and living conditions. Coffee gives us an opportunity to make a difference in the communities we source from and the people we work with – and also with our colleagues and customers.

We joined the Ethical Trading Initiative (ETI) to gain an understanding about improving labour standards and transparency in our supply chain. We are committed to upholding human rights and support in full the UN Universal Declaration of Human Rights and the International Labour Organization (ILO) Core Conventions.

Union Direct Trade builds strong partnerships with farmers, ensuring high-quality coffee that is responsibly sourced from trusted suppliers. We work with both third-party certification and in-house auditors to identify issues around compliance. We know that labour rights abuse can be hidden from easy sight and difficult to identify. We make sure we visit our producers on a regular basis. Visits include farmworker interviews – including interviews with the most vulnerable, such as migrant and seasonal workers – to identify potential human rights abuses.

Ethical sourcing is an ongoing activity, as situations can change each year. Our close relations with producers keep us informed about conditions on the ground.



**Ethical Trading Initiative**

Respect for workers worldwide

MEMBER SINCE 2002



Audits in Finca La Candelaria, Guatemala, found that working conditions for seasonal workers should be improved. New showers and lavatories were built, and covered resting places to have lunch were provided as a result.



Pascale with Mulugeta from Sorgeba Union at Yayu, Ethiopia, looking through the cooperative's financial records. Understanding the cost structure of cooperatives is needed before we can discuss prices, costs and possible efficiency improvements - and to ensure the cooperative and its members receive a fair price for their coffee.



We visit our farmer partners regularly – in 2017 we made 24 visits. Pascale, our Sustainable Sourcing Manager, conducts audits and interviews at the farms to identify any issues and design corrective action plans if needed.

# OUR CODE OF CONDUCT

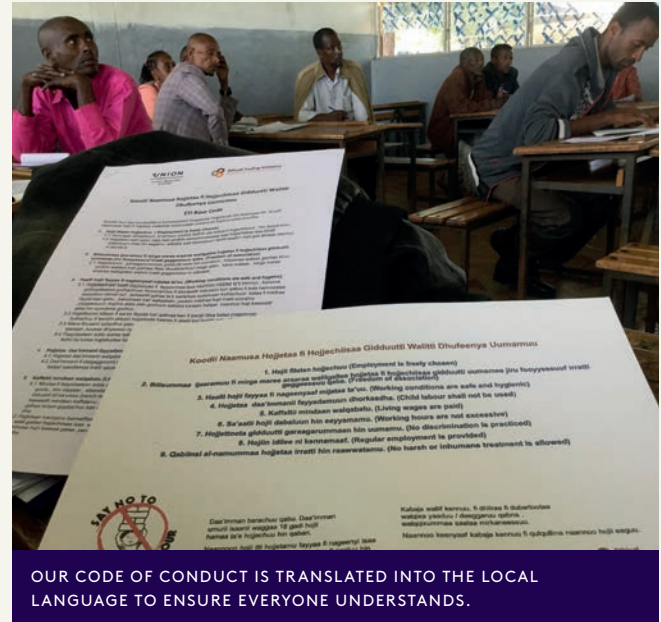
Our Union Code of Conduct defines a set of standards of behaviour and working practices that guarantee safe and healthy working conditions for farmers and their workers.

It provides the framework for monitoring and evaluating the working lives of farmers and their workers. This also extends to sustainable agronomy practices on the farms.

We undertake our own social audits to ensure the Code of Conduct is adhered to, and we track progress from year to year.

## WANT TO LEARN MORE?

On our blog [unionroasted.com/blog](http://unionroasted.com/blog) we regularly write about what this means in practice. Our full Code of Conduct is available at [unionroasted.com](http://unionroasted.com)



OUR CODE OF CONDUCT IS TRANSLATED INTO THE LOCAL LANGUAGE TO ENSURE EVERYONE UNDERSTANDS.

Code of Conduct Compliance is directly linked to our procurement practices: price premiums, purchase guarantees, access to pre-finance or a combination of these as a positive incentive and reward for Code of Conduct Compliance. If issues around compliance with

our Code of Conduct are identified, we will seek to address them with a Corrective Action Plan but also understand the root causes, and assist in making the changes. Should farmers fail to collaborate to implement changes, we may end the trading relationship.

No forced labour	No child labour	No harsh or inhumane treatment is allowed	No discrimination	Working hours are not excessive
				
Freedom of association and the right to collective bargaining	Working conditions are safe and hygienic	Living wages are paid	Respect for the environment	Regular employment is provided
				

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## OUR COFFEE SOURCING TEAM

We believe that a truly sustainable, ethical supply chain requires specialised individuals to manage it correctly. Here is our team focused on developing Union Direct Trade with our farmer partners – and sourcing our delicious coffees.

### PASCALE SCHUIT

Sustainable Coffee Sourcing

Pascale has an MSc in Development Economics from Wageningen University, The Netherlands, and is a Certified Q Grader. Based in Panama, her mission is to drive positive change in the value chain by working closely with our farmer partners. She joined us in 2011, and her pivotal role spans areas from training financial management through conducting audits and on-site risk assessments at farms, to managing improvement programmes at origin.



'To make a real change in communities we need to understand what the difficulties are and how to work together to create sustainable livelihoods. There is no one-size-fits-all approach to sustainability, and that is what makes my job so exciting. Every day is different and there is always something new to learn. In my job I am able to combine the topics I am most passionate about: sustainable agriculture, social justice and travelling – and of course the people.'

## STEVEN MACATONIA

Co-Founder



Steven is a trained Social Auditor and creator of the Union Direct Trade model. 'The delicious flavours of fresh roasted coffee inspired Jeremy and me to create Union Hand-Roasted Coffee, but it was the discovery of the effect of coffee production on the lives of farmers and workers that raised my awareness of how business has an obligation to be a force for good. Remaining true to this principle has given all of us at Union a sense of purpose to build a successful company.'

## VIOLETA STEVENS

Managing Director



Violeta is a Certified Q grader and holds a Post Graduate Certificate in Sustainable Value Chains from Cambridge University. 'I fell in love with coffee at early age. I still remember sniffing the air when my grandmother was making her morning ibrik. Later on I discovered the subtle nuances and distinctive flavours of coffee. But it was when I travelled to origin and met the coffee growers that coffee became my true passion, a passion to make coffee a force for good, all the way from bean to cup.'

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## UNION DIRECT TRADE IN ACTION

# MARABA

## RWANDA

Union was the first coffee company in the world to source speciality coffee from Rwanda following the devastating genocide in 1994. A USAID-funded development project was launched to improve the livelihoods of poor rural farmers through production of high-quality coffee, and Union committed to be the programme's first commercial partner. In 2002, our first year of operations, we purchased 50 sacks of coffee from Abahuzamugambi Ba Kawa Cooperative (Maraba for short). Having maintained this relationship for over 15 years we now purchase 600-1200 sacks of coffee every year.

From approximately 300 initial members in 2001, the co-operative has expanded to over 1,500 members, of whom about 35 per cent are women. At the start of the project, poverty levels were high and families could not

afford to feed their children every day, or send all of them to school. Health was poor and nutrition levels low. Housing was basic: no furniture meant sleeping or sitting on dirt floors in a single room with corrugated tin roofing.

The premium we pay has contributed towards health insurance for cooperative members, improved housing with hygienic flooring, tile roofing and furniture, and economic stability in the local area through the creation of shops and local banks. Being able to eat three balanced meals a day has resulted in improved nutrition and health. As sales of speciality coffee have increased incomes in the area, greater economic stability has contributed significantly towards community cohesion. This is particularly important as ethnic divisions were a factor in the conflict that led to the 1994 genocide.

A group of women are captured in a moment of joy, dancing in a coffee washing station. They are wearing bright yellow aprons with the words "MARABA COFFEE" printed on them. The women are dressed in traditional, colorful Rwandan attire, including patterned skirts and headwraps. Some have their arms raised in the air, and they appear to be smiling and moving to a rhythm. The setting is outdoors, with lush green trees and a wooden structure in the background. The overall atmosphere is one of community and celebration.

WELCOME DANCE AT MARABA COFFEE WASHING STATION. WE NOW ALSO SOURCE FROM THREE OTHER COOPERATIVES IN RWANDA.

Maraba is the world's first speciality coffee from Rwanda, and has won many Great Taste Awards over the years.

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## UNION DIRECT TRADE IN ACTION

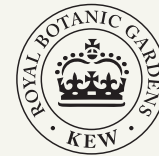
# YAYU

## ETHIOPIA

Ethiopia is the birthplace of Arabica coffee, and the Yayu Coffee Forest Reserve in Ethiopia is noted for its high levels of natural (wild) coffee genetic diversity. It is also home to around a remarkable number of species: 450 flowering plants, 50 mammals, 200 birds, and 20 amphibians.

Coffee farming occurs within the forests of the buffer zone and transition areas of the reserve, and generates up to 70 per cent of the cash income for over 90 per cent of the local population. However, most farmers in the area are struggling to make sufficient income from coffee, causing a conversion from a forest-based farming system to other types of farming. This invariably leads to forest loss, a reduction in biodiversity and ecosystem services, and a narrowing of income diversity.

In 2015 we started a project with The Royal Botanic Gardens, Kew, with a Darwin Initiative grant from DEFRA,



called 'Mainstreaming Biodiversity, Conservation and Climate Resilience at Yayu Biosphere Reserve, Ethiopia.'

The project aims to:

- ① increase the income from coffee
- ② reduce land-use conversion
- ③ preserve biodiversity
- ④ minimise farmers' vulnerability to climate change

The most important factor restricting coffee income at Yayu is coffee quality. Union's role in the project is to provide training and support in coffee farming, picking, and processing to improve the quality of coffee. We also provide a route to market for the coffee.



A group of five women and two children are smiling and embracing each other in a lush coffee plantation. The women are wearing colorful headwraps (black, red, yellow, and patterned) and various tops. The children are also smiling. The background is filled with green coffee trees and branches with small red coffee cherries.

COFFEE FARM WORKERS AT YAYU, ETHIOPIA.

By the end of 2017 we had successfully sourced and sold over 82,000 kilos of Yayu Wild Forest coffee. The quality has improved so significantly that we have also selected some delicious microlots to sell as separate parcels.

Photo: Emily Garthwaite

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## UNION DIRECT TRADE IN ACTION

# FINCA LA CANDELARIA

## GUATEMALA

We have been working with Finca La Candelaria in Guatemala since 2014 to improve the conditions for farmworkers.

One of the main challenges, discovered during our audits, was the situation of children of seasonal workers. In Guatemala the coffee harvest coincides with school holidays and entire families migrate to coffee producing regions to find employment. Children accompany their parents to the farm or are left in the housing facilities – both undesirable situations for the children.

We wanted to create an option for children to join their parents at the coffee farm, but at the same time take part in schooling, by creating a summer school.

We put La Candelaria into contact with FunCafé, a local NGO closely related to ANACAFE (the national coffee organisation in Guatemala). We agreed to purchase an increased amount of coffee to support the setup of the summer school – and in 2017 the first-ever summer school was launched.

The project included a workshop for the parents, explaining to them the importance of education. In 2017, twenty children participated in the summer school, and the plan is to double this in the following year.

Other improvements implemented at the farm, after attention was drawn to them during audits, were improved sanitary facilities and showers, and the creation of a shade area where workers can rest and eat during their breaks.

SUMMER SCHOOL FOR CHILDREN OF SEASONAL WORKERS IN CANDELARIA, GUATEMALA.



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## UNION DIRECT TRADE IN ACTION

# TRAINING AT ORIGIN

### TRAINING ON COFFEE PROCESSING, DRYING AND STORAGE

After coffee cherries are picked, they need to be dried and processed. Even a ripe, red, perfectly picked coffee cherry can lose all its positive attributes if processed or dried incorrectly. Sweetness disappears or, worse, turns into astringency, bitterness and harshness.

In Yayu, Ethiopia, we have financially supported the cooperatives in building more drying beds. Limited capacity of drying beds is often resolved by placing more coffee on the same bed and drying thicker layers of coffee. This negatively affects the drying process and damages the final taste and quality of the coffee. During the harvest and processing season we visit the cooperatives and provide training on correct processing, drying and storage.

PERFECTLY PICKED, RIPE COFFEE CHERRIES IN YAYU, ETHIOPIA.

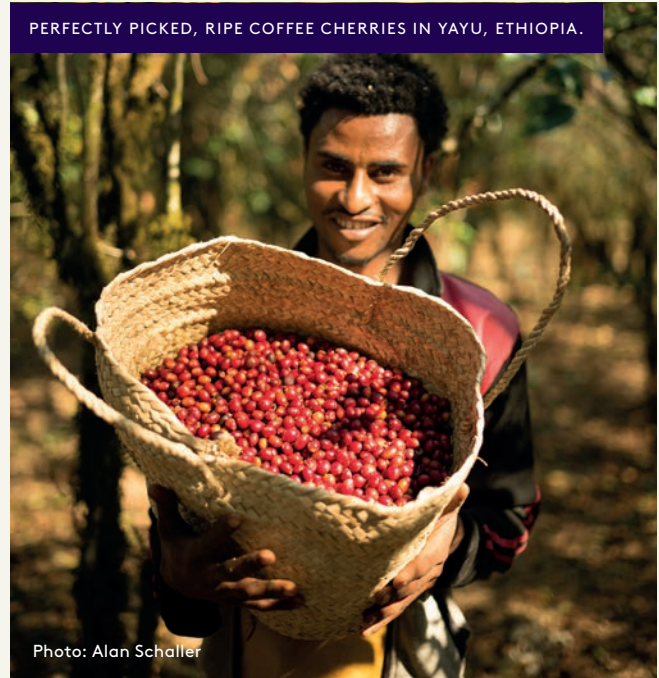


Photo: Alan Schaller

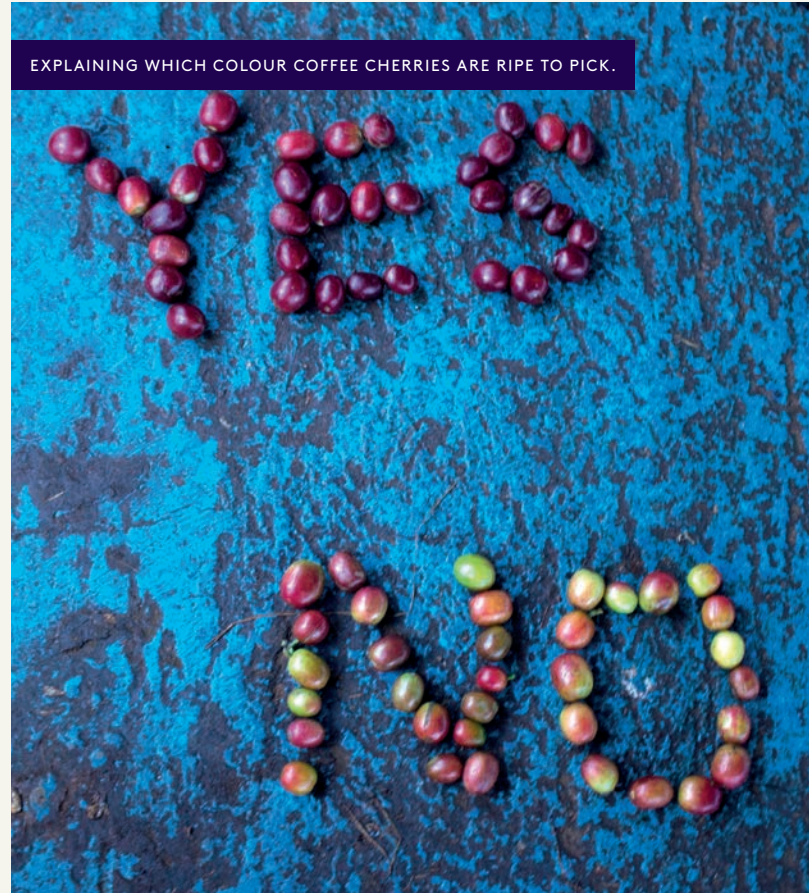
## TRAINING ON COFFEE PICKING TO IMPROVE COFFEE QUALITY

Coffee is a tree, and coffee beans are the seeds of a coffee cherry. These cherries are hand-picked, often by seasonal workers, on difficult-to-reach high-altitude coffee growing areas. It is demanding and important work: picking only perfectly ripe coffee cherries can dramatically improve coffee quality.

**Training of coffee pickers is therefore crucial in helping increase the quality of the coffee.** There's no classroom training – we go into the field during the harvest and provide pickers with practical examples and training.

We explain the astounding difference between a perfectly ripened coffee cherry and an unripe one, how an unripe coffee cherry will lack all the sweetness and juiciness of a ripe cherry. We then explain that similar characteristics will show up in the coffee taste: bitter, harsh, astringent and hay-like flavours.

By showing coffee pickers that the same number of unripe cherries weighs less than ripe cherries, they can also see that it directly benefits them. Coffee pickers often get paid by weight, and you need to pick nearly twice the number of unripe cherries to reach the same weight as ripe ones.



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## OUR VALUES AND SUSTAINABILITY

In addition to ensuring we work with our farmer partners in a sustainable way, we focus constantly on improving the sustainability of our roastery operations.

All of our **coffee chaff** (the husks from roasted coffee beans) is recycled to provide bedding for the dairy cattle that produce our barista milk.

All our **cartons and shipping packaging** are made from recyclable, FSC-certified materials and are printed with vegetable ink.

All our **print materials** are made from recyclable, FSC-certified materials.

All of the coffee grounds from our barista training facilities are recycled into **bio fuel**.

All our **office waste** is separated and recycled; we have a Zero to Landfill policy.

We encourage **cycling to work** for our roastery employees, supported by a Cycle Scheme.

Our **coffee bags** are constructed from Paper/Aluminium/PET/PE. It is only recyclable in some boroughs due to the mix of materials that need to be separated to be recycled. While we cannot compromise the freshness of the coffee, we are working on fully recyclable solutions.

### OUR COMMUNITY:

We've partnered with our neighbour, **Cody Dock**, working in partnership with our local primary school, Thames21 charity, and Newham local authority to rehabilitate Cody Dock, River Lea and our street, South Crescent. We're creating new habitats that support the existing wildlife, bringing about a culture change to make a pleasant walk along the Lea River Park and Cody Wilds.

Our **paper coffee cups** are 100% biodegradable and compostable, and recyclable where facilities exist. We acknowledge that use of paper cups is an environmental issue in the industry, and we actively promote the use of multiuse cups to our café customers and home consumers. We offer **Union KeepCups** and in our roastery we use porcelain cups.

In 2017, we won the **Gold Recycler Award** by our recycling partner First Mile, being one of their top 10 recyclers out of 20,000 customers.





**More than paying a fair price, Union Direct Trade means we work in partnership with farmers to improve the long-term quality of coffee and livelihoods.**

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