

# WE ARE UP TO THE CHALLENGE

*Advancing the sustainability agenda for the coffee sector through 2025*

## YESTERDAY'S CHALLENGE

Conservation International, together with Starbucks and 16 partners launched the Sustainable Coffee Challenge in December 2015 at the Paris climate meetings. Our goal is to accelerate action to make coffee the world's first sustainable agricultural product. Over the past five years we have:

1. Aligned the sector around a **common sustainability framework**;
2. Increased **transparency of sustainability commitments** across the sector – resulting in 67 stakeholders making 97 commitments that add up to more than \$531M in collective investment in sustainability efforts;
3. Built the **trust and partnerships** necessary to secure over **\$2M in new investments** over the past 12 months to advance the **collective action networks** in addressing the most challenging issues facing the sector.
4. Created a wide range of **tools and resources** to guide partners in their sustainability efforts; and

The Challenge is now a **movement of over 140 like-minded partners** – representing companies, governments, civil society and research institutes - working together to advance our common sustainability agenda. The Challenge is **embedded in Conservation International - one of the world's leading conservation organizations**, with boots on the ground across the coffee belt and partnerships with governments, businesses, coffee associations and leading NGOs. **We recognize that coffee needs both people and nature to thrive.**

## THE CHALLENGE TODAY

The world has changed significantly over the past five years, as has the coffee sector. We have met some challenges, but new and even greater ones have emerged. Environmental risks – climate action failure, extreme weather, biodiversity loss, natural disasters and human-made environmental disasters – now present the greatest risk to economic stability and social cohesion<sup>1</sup>. Global movements led by youth activists and scientists<sup>2</sup> are urging governments and business to fund sustainable, nature-based climate solutions that benefit people and our planet.

The question facing the coffee sector today is how to **maintain a diversified supply of coffee that meets growing demand** at a time when:

1. **Climate change** is reducing the area suitable for production, pushing high-quality arabica production into higher altitudes and threatening the last remaining intact forest areas; and

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<sup>1</sup> [Global Risk Report 2020](#)

<sup>2</sup> <https://www.conservation.org/video/nature-now-video-with-greta-thunberg>

2. **Low commodity prices** make coffee less profitable for farmers in the vast majority of producing countries, creating conditions in which farmers may choose to replace coffee with other non-tree crops. Doing so only increases global carbon emissions and further contributes to climate change.

## MEETING THE CHALLENGE

As a tree crop farmed by millions, coffee has the potential to be a sustainable, natural climate solution and once again lead the way on sustainability within the agricultural sector. If the sector can **double or even triple productivity on the existing 10 million hectares** of coffee lands over the next 25 years, we can improve the livelihoods of farmers, **conserve up to 20M hectares of forest**, and **avoid an estimated 1.65-3.3GT of carbon emissions**.<sup>3</sup>

In addition, there is the potential to increase tree cover on an estimated 41% of all coffee lands. Doing so could **store an additional 25M-148M tons of carbon** on coffee lands depending on the type of production system introduced.

Achieving these results will require unprecedented investments in renovation and rehabilitation of coffee farms coupled with technical assistance and forest conservation incentives and safeguards.

## OUR 2025 TARGETS

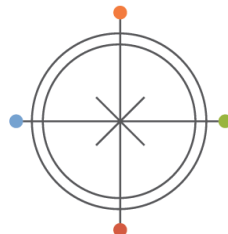
*The coffee sector secures 100 million tonnes of carbon and*

### SUSTAIN SUPPLY

Improves smallholder production by **215,000 MT** through renovation and other investments.

### IMPROVE LIVELIHOODS

Increases coffee farmer revenue by at least **20%** in support of a living income.



### CONSERVE NATURE

Restores **1.5M hectares** of tree cover + conserves **500,000 hectares** of forest.

### STRENGTHEN MARKET DEMAND

Transitions the **entire market** to sustainable sourcing.

We will do this by initially focusing efforts to **sustain supply and avoid expansion into forests in five countries: Indonesia, Mexico, Peru, Ethiopia and Uganda**. Each of these countries

<sup>3</sup> World Coffee Research and Conservation International (Coffee in the 21<sup>st</sup> Century) have each independently projected 2050 demand for coffee to be between 2 and 3 times current levels. Assuming a hectare of tropical forest stores 165 tons of carbon, we can calculate the potential carbon savings from avoiding coffee expansion. In addition, Jha et al 2012 estimated that 41% of coffee area has no shade production and estimated the extent of shade systems in each country. Rikxoort et al 2014 estimated the carbon in different coffee production systems. We combined these figures to estimate the carbon potential from improved shade management.

has tremendous need for smallholder renovation and the potential to significantly increase yields without extending the footprint of coffee beyond degraded lands.

In addition, **Brazil, Indonesia, Vietnam and Mexico have the greatest potential for planting additional trees on farms** whether it be via shade or other interventions like windbreaks, live fencing or other practices that optimize production, income and tree cover. By introducing some trees on coffee farms in these countries we could both increase farm income and store at least **19M tons of additional carbon**.

Each of these targets provides multiple benefits to coffee, people and nature.

- By transitioning supply chains to sustainable sources, the Challenge will send strong demand signals for supply chain transparency, living income and adoption of better agronomic, social and environmental practices.
- By **renovating 286,000 hectares** of smallholder farms in 5 countries we **can increase coffee production by over 224,000 MT**, improve farmer incomes **and avoid the clearing of 455,000 hectares of forest and the release of 75 million tons of carbon** in Ethiopia, Uganda, Mexico and Peru.
- By **restoring 1.5M hectares** of tree cover on coffee farms in **Indonesia, Brazil, Mexico, Vietnam and Mexico** we can shelter coffee from the impacts of climate change, sequester **19M tons of carbon** and diversify and increase the income of **1.8M farmers** by at least **20%** by linking them to tree crop and carbon markets.
- By ensuring a smooth transition from coffee where climate is making continued production unfeasible (e.g. El Salvador, southern Mexico) , we can create transition plans that stabilize farmer incomes and are carbon neutral.

We will identify and develop interventions that support these goals in at least 10 production landscapes across the 8 target countries that will serve as models and priorities for the Challenge. We will also encourage consumers to offset the carbon footprint of their coffee and support the restoration and renovation efforts through an on-line coffee and carbon calculator.

The Challenge will convene partners via the Collective Action Networks to identify joint priorities and opportunities, provide resources and drive investments to achieve these targets.

To track progress against these goals, the Challenge will encourage partners to make new and more ambitious commitments that support these targets and state these in the Commitments Hub. The Challenge will publish an annual Hub report showcasing our progress towards these goals. We will also develop a peer-to-peer tool to help stakeholders compare their commitments to leaders in the sector as a way of encouraging more ambitious action.

## **WHAT IS DIFFERENT?**

The Challenge will continue to push for more ambitious and transparent sustainability commitments throughout the coffee sector. We will increasingly focus our efforts in driving commitments and investments – individual and sector wide – to 4 key areas: sustainable sourcing, living income for farmers and workers, climate adaptation, and forest conservation



and restoration. In some regions the coffee sector will need to consider responsible divestment strategies that enable farmers to transition from coffee. In each of these places we will aspire to improve farmer incomes and be carbon positive. We will actively leverage public and private funding to significantly expand the reach of existing programs.

The Challenge will continue to manage the Commitments Hub on behalf of the sector and to facilitate collective action networks. We anticipate partners stepping in to increasingly lead new networks. And we will expect partners to provide more financial support to the initiative in the ways that make sense for them.

## **JOIN US! MEET THE CHALLENGE HEAD ON!**

Visit [www.sustaincoffee.org](http://www.sustaincoffee.org) to make a commitment today and help us demonstrate that rather than a victim of climate change, coffee has an important opportunity to be a climate change disruptor through the united efforts of farmers, companies, governments, civil society and consumers.