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A n n u a l R e p o r t



COFFEECARE
For a fairer coffee supply chain

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Making the coffee industry fair

It starts with awareness, not only about how the supply chain works, but most importantly about the people behind it. In countries like Guatemala, the industry depends on the hand-picking of cherries, as our very high mountains do not allow the use of machines. Additionally, it is through the knowledge of our workers on how to select the best cherries that the high coffee quality is guaranteed. Coffee pickers make it all possible, and yet they are not able to have a decent quality of life with the income they get from working with coffee.

There are several initiatives that are currently being developed at a regional level, their purpose is to diversify the way coffee pickers generate their household income. One of these initiatives is our #WeCare bracelet project, in which women from Santa Barbara Huehuetenango are making fashionable bracelets to sell at different coffee shops. As consumers become aware of the problem, they will hopefully be motivated to support initiatives like this one.

Furthermore, Coffee Care is planning several other awareness campaigns for 2019. They include sharing the work of Marilyn Boror, a Guatemalan artist whose pieces are primarily focused on social issues such as migration. She spent a week in the municipality of La Libertad, visiting Coffee Care's projects and learning about the life of families that migrate to pick coffee. Marilyn uses different techniques to portray colorless faces of migrants on a white background, which makes them hard to be seen – just like in reality, where we sometimes do not make the effort or pay enough attention, and fail to see the people that really matter.

On the cover page of this report, you can see one of Marilyn's pieces: the face of Marina, a young woman from Santa Barbara Huehuetenango who migrates to La Libertad with her family every year to pick coffee, only this time she applied for a job as a nanny at one of the Kitas. She also started alphabetization classes a year ago, after seeing the development of 3 of her nephews in our TOS scholarship program. We hope you were able to see her and enjoy reading our 2018 final report!

Projects in Huehuetenango

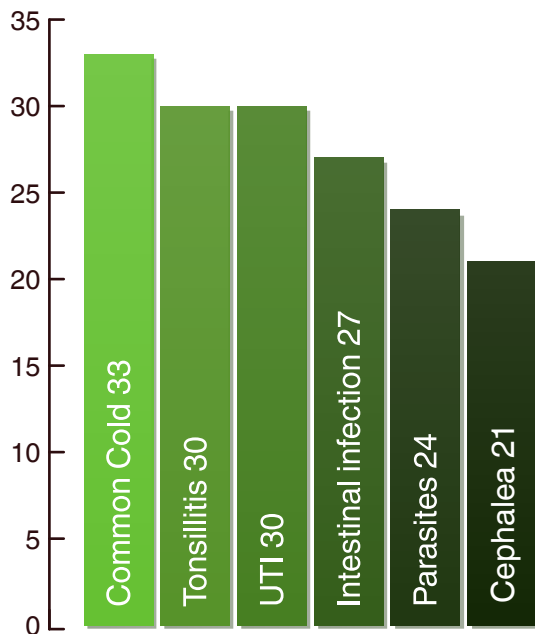


Clinic

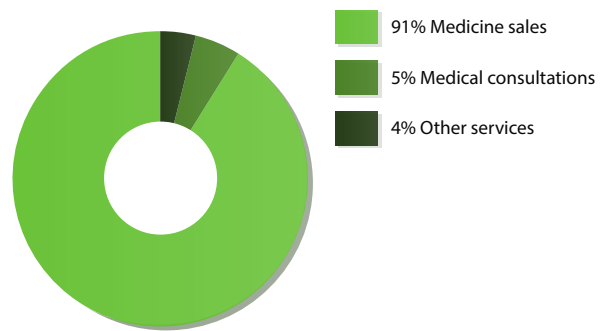
El Paraiso clinic has been providing health services and medicines at a very low cost for 14 years now. With the clinic's profits, Coffee Care sponsors projects, which are requested and chosen by the community.



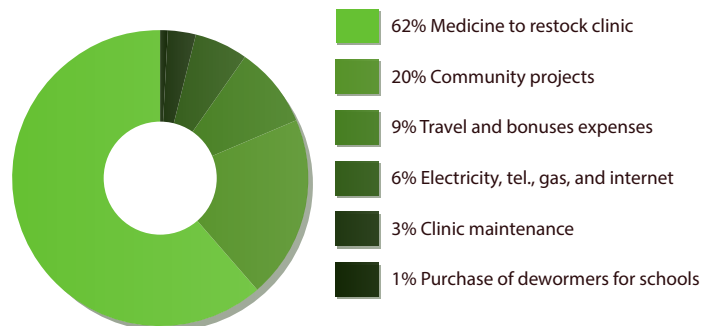
Common diseases treated:



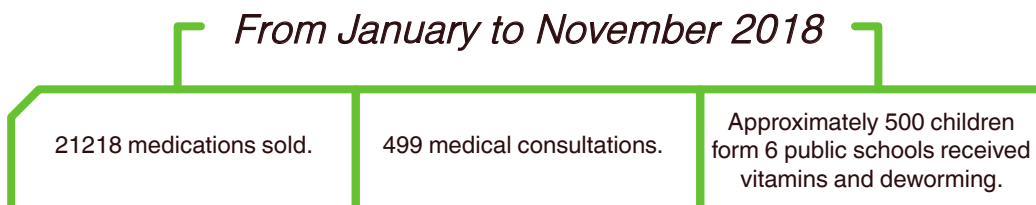
Clinic revenue:



Clinic Expenses:



From January to November 2018



Rescue 10

Coffee Care has carried out the R10 scholarship program since 2015. Its goal is to help students in need to continue or complete their education. Those students benefited with the program are supported because of financial needs, home remoteness, time limitation, among others. During 2018, ten teenagers were part of the program, and here are the results:

Scholarships

At the beginning of the year, each student is responsible for presenting their own budget according to their financial needs. Such budget is then adapted to Coffee Care's. The program covers school enrollment fees, tuitions, computer courses, school supplies and uniforms.

6 High School students were benefited with a full scholarship, average grades of 82.4.
4 university students were benefited with half a scholarship, average grades of 84.2.



Workshops

As part of their personal growth, benefited students participated in a monthly workshop to discuss relevant themes. Throughout the year we covered topics such as:





“Me siento feliz, mucho mejor que antes, debido a mis actitudes, miedos y sueños, todas las reuniones aprendí cosas nuevas.”

“I feel happy, a lot better than before, due to [a change in] my attitudes, fears and dreams. I learned something new in every workshop.”

-Sindy Martinez, 2018



“Me siento mejor que antes porque estoy aprendiendo a vencer mis miedos.”

“I feel better than before because I am learning to overcome my fears”.

-Darvis Contanza, 2018

Giving back

As part of the scholarship program, benefited students must return something back to their community. They are required to devote eight hours per month to community work, reinforcing the reading, writing and Math skills to a 1st grader student.



“Me siento muy bien con el niño porque siempre nos llevamos bien, teníamos confianza y nos divertimos y por sobre todo porque a él le fue muy bien este año.”

“I feel very good with the kid because we always got along, we trusted each other, and had fun; but mainly I feel good because he got better in school.”

Frankly Pineda, 2018.



“He aprendido a darle más atención a su persona y estudio feliz por poder contribuir en la vida de esa maravillosa persona.”

“I have learned to be more interested in him and in his studies, and I feel very good contributing to the life of a wonderful child.”

Rubixa Villatoro, 2018.













Kitas

Kita is the German word for “daycare”, and the aim of its implementation is to reduce child labor in coffee-producing communities. Those children attending *Kitas* get care, education, two square meals a day, and medicines free of charge. Over the last seven years, 2,000 kids have been looked after at the six established daycares during all harvest seasons.

In 2018, we redesigned the way the project works for it to become long-lasting and self-sustained for different stakeholders in the coffee chain supply. Here is what happened during the last year:

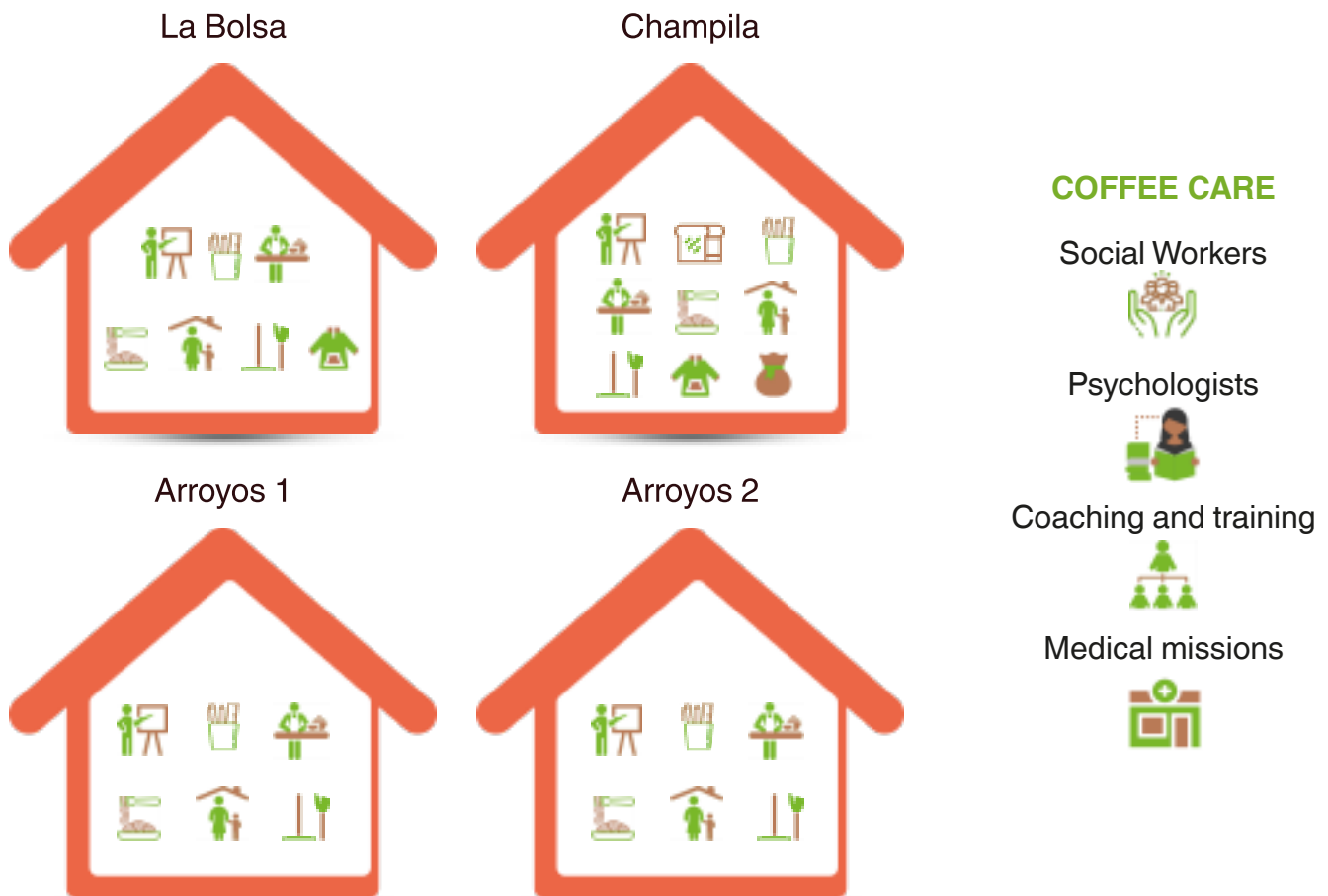


From 2012 to 2017, Coffee Care was responsible of all the expenses and decision making. The benefits offered in each *Kita* during this period were:

Teachers		Breakfast and lunch menus	
INTECAP Seminars		Sweater incentives	
Educational supplies		Beans and rice weekly incentives	
Social workers		Nannies	
		Hygiene supplies	

The detailed expenses were explained to the representatives of the six places where the *Kitas* were executed so they could evaluate if the project continuation was feasible with the new approach.

The four farm owners decided to continue with the project and the 2 communities decided to put an end to it because they did not have the financial resources to support it. The following charts show the elements selected by each *Kita*, as well as the elements that Coffee Care added to the project.





The new *Kita* methodology resulted in:



4 locations offering the *Kitas* program



293 children registered in the Montessori program



247 families receiving monthly social worker visits focused on reducing child labor



Medical and dental missions for children and parents



TOS

Tchibo GmbH is a German coffee roaster which, besides sponsoring Kitas, also supports us with scholarships for outstanding children identified at the daycares. We named this program TOS (Tchibo Outstanding Students). The purpose has been to support the education, nutrition and health of students all year round, even when it is not harvest season.

It is important for the TOS program to become independent, just as with the Kitas. Therefore, we have started to implement a phasing-out strategy in which the benefited families will receive help until all of their members finish elementary school. Such help will gradually be reduced year by year, though, as shown in this table:

	Education (uniform, shoes or school supplies)	Nutrition (bag of food or corn for tortillas)	Health
2019	Support per student until they have graduated from 6th grade	100% of 1/4 the of basic food basket	Only when needed
2020		80% of 1/4 the of basic food basket	
2021		60% of 1/4 the of basic food basket	
2022		40% of 1/4 the of basic food basket	
2023		20% of 1/4 the of basic food basket	





Along with the phasing-out strategy, we had families tell us the kind of help they need. Out of the nine benefited families, seven requested support with the purchase of uniforms for their kids, and two asked for help with school supplies. Five of them requested a bag of food, and four of them corn to make tortillas.

2018 results:

21 children benefited with an educational program
18 of them passed their school year

9 families benefited with a nutritional program

9 families with a health program support

9 families participated in workshops to follow their dreams

Tchibo Joint Forces Project

Improving conditions for coffee producers in the region is one of our mission's cornerstones. *The Tchibo Joint Forces Project* was born after some needs were identified in the production and commercialization of coffee.

Producers were experiencing low productivity due to little or no knowledge on coffee quality or its processing. Besides that, the lack of access to credit, and having to sell their coffee to brokers affected their income and the way they managed their production.

Since October 2017, Tchibo Joint Forces has helped 1,600 coffee producers in Santa Barbara Huehuetenango through these main actions:

- ▶ Producers have received monthly training on how to improve their practices, and they have been subject to internal audits to get Rainforest Alliance and Starbucks certifications.
- ▶ Now producers can bring their samples and sell them directly to us at a fair price, without depending on brokers.
- ▶ Demonstrative plots have been established across Santa Barbara's villages so producers can learn through practice.
- ▶ Strategic alliances with well known companies were built in order to get their support to grant microcredits to producers, as well as to provide them with fertilizers, agrochemicals, and plant nurseries.

1,600 Rainforest Alliance-certified producers

1,000 trained producers



an increase of 2.6 to 6.5 USD per 46kg of parchment coffee sold



As we get close to the medium term of the project, here are some of the achieved results:



44 coffee plots established



68,038kg of parchment coffee bought directly from producers



exports to clients interested in our coffee quality

We Care bracelets

The We Care bracelets project began in October 2017 and took Coffee Care around a year to develop and implement. Three of our staff members received an Inclusive Business Methodology training and went on to identify potential communities and women to start making the bracelets.





Two communities were selected and the first bracelet technique was taught in April 2018. Less than a month later, the first income had been generated, and in November 2018 we had groups visit and learn from each other in the “Let’s go see” activity.



During the course of 2018, there were twenty-eight active producers from three different communities. Together, they manufactured 9,159 high-quality bracelets.

Computer lab

There is a computer laboratory in El Paraíso, which is available for those children and young adults who want to learn how to use a computer as a tool for communication and learning.



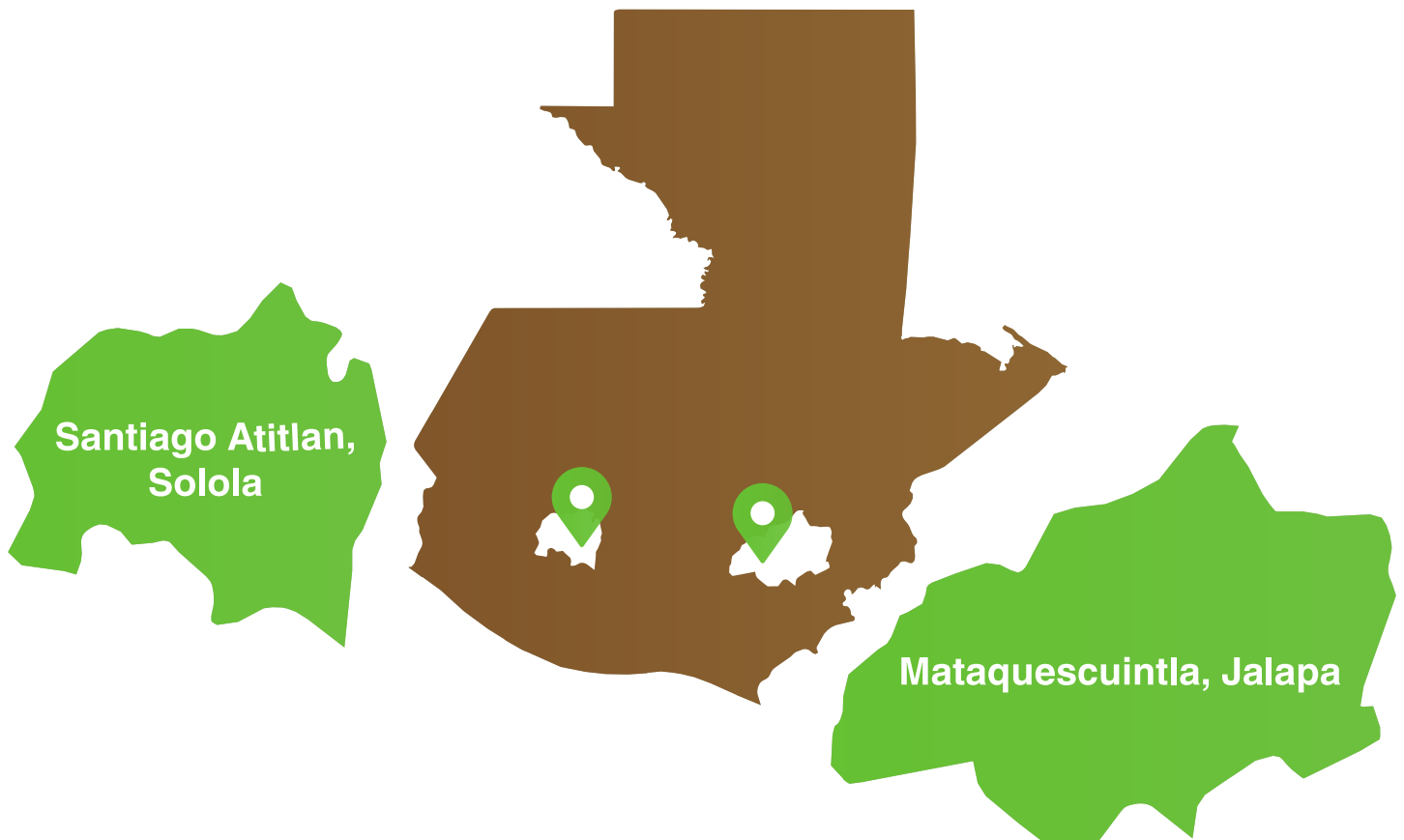


A total of thirteen students enrolled into the lab, six of which were high schoolers taking typewriting lessons, and seven of which took basic computer courses.



The laboratory also took twenty children to take reinforcement classes and technological education.

Projects in Oriente and Atitlán



Education

The lives of more than 1,000 children in Guatemala have been changed thanks to schools and the scholarships sponsored by the Roger's Family Foundation. Over the last decade we have provided several communities with education, health, and nutrition programs.

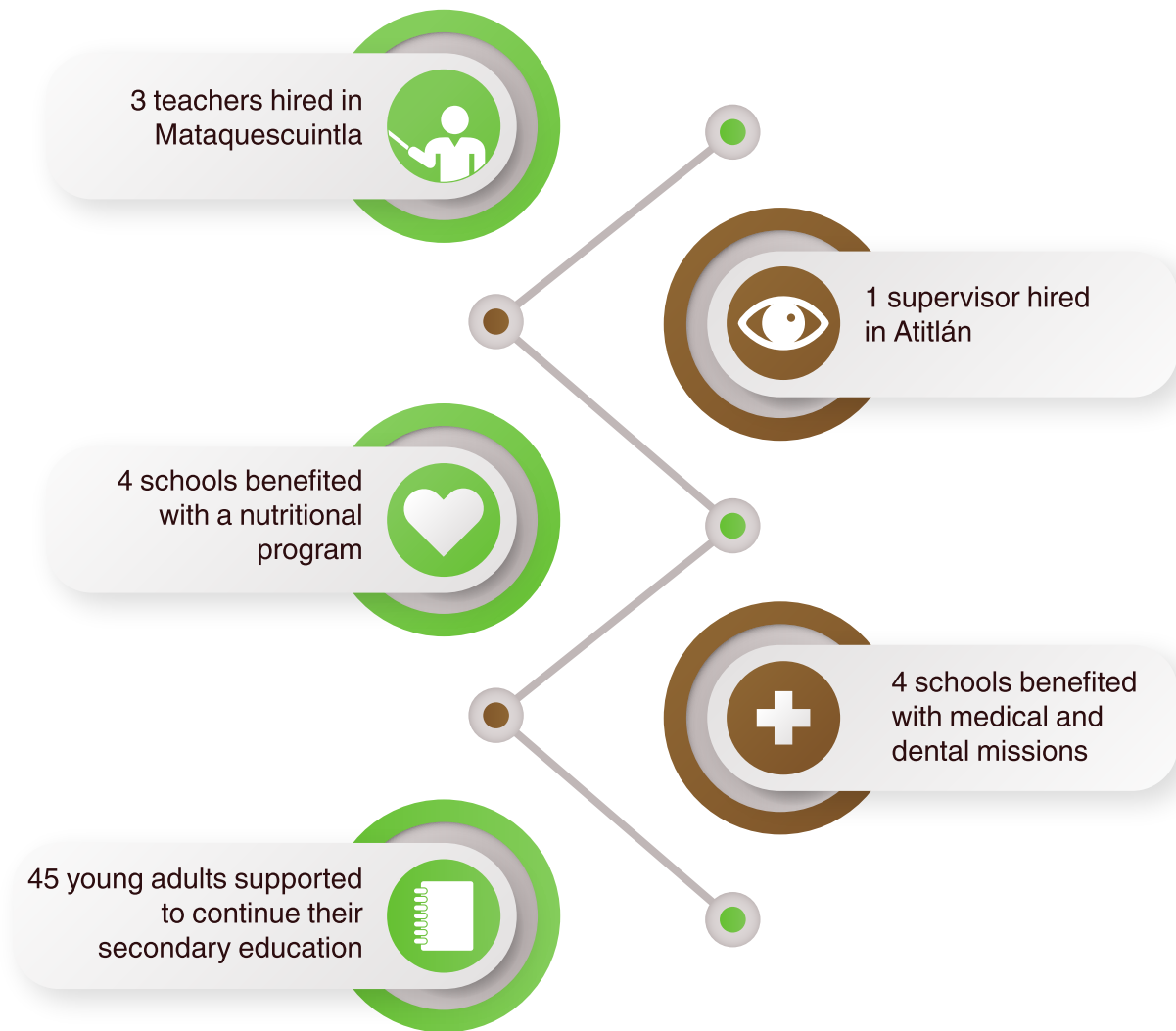
For several years Coffee Care was responsible for deciding on the benefits granted to communities. In 2018 however, we had the communities participating in the program choose what they needed help with, according to their needs.



The three communities in Mataquesuinta, Jalapa, asked for support with nutrition.

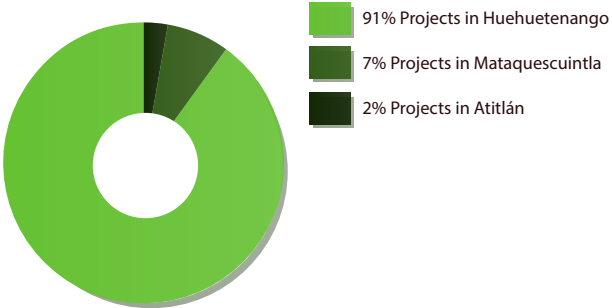


The community in Santiago Atitlán, Sololá, requested help with both school maintenance and nutrition.

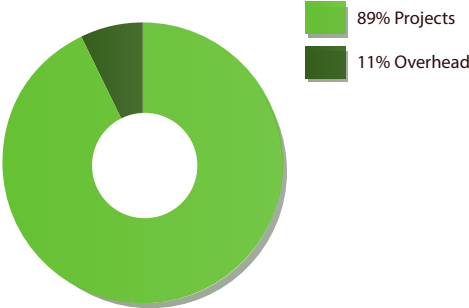


Financial Report

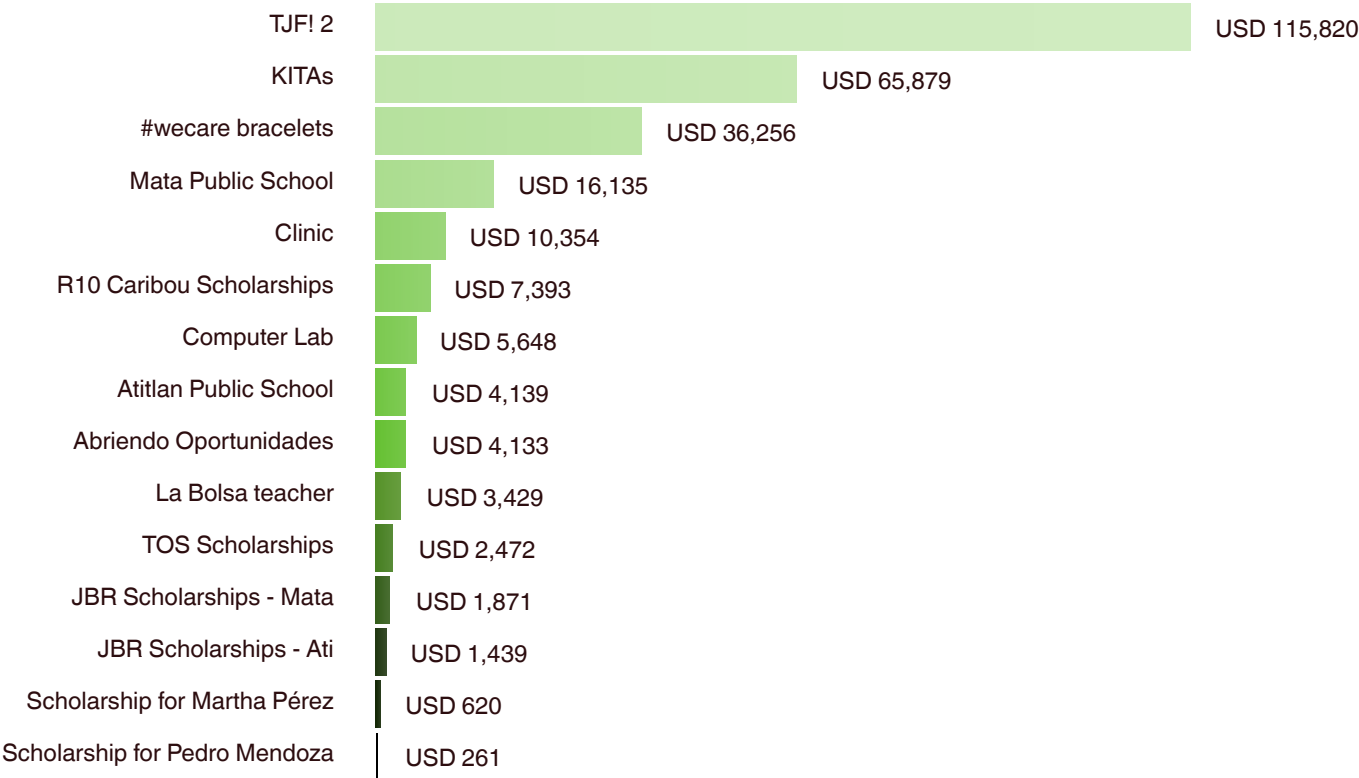
Investment per region:



Coffee Care:



Projects' total cost in 2018:





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