

small player **HIGH STAKES**

*Dorienne Rowan-Campbell
Rowan's Royale Organic Farm
Jamaica
June 2008*



Growing Inclusive Markets

Business Works for Development • Development Works for Business

small player HIGH STAKES

There are two aspects to this paper. First a sharing of my experience of being a small farmer, a woman farmer, an organic farmer as well as a farmer of a product, Jamaica Blue Mountain Coffee, which is regulated from the industry perspective of large producers. And, second the Rowan's Royale experience, at the personal level, cannot be separated from the context in which it operates. These include a range of challenges both local and international.

Background Herstory

"I had a farm in Africa...."

These words of Karen Blixen (IssakDinesen)¹ became immortalized through the film, *Out of Africa*. There are parallels between her experience mine. We are women; farming a commodity crop under colonial production systems. She too had a coffee farm at a similar elevation, faced ravages of weather and pests and, especially, the challenge of being taken seriously by her workers and fellow farmers. She too seemed to feel in some way that the land had chosen her; she too bonded with it and loved it deeply. But there the parallels end, I hope. Her storage barns were burned by locals who felt she challenged their authority. Plus, the economic climate of the Depression resulted in foreclosure and her losing her farm. The economic realities are not too different today and small farmers are losing farms/land at an astonishing rate².

And I, I have a farm in Jamaica... a tiny coffee farm a long way from the sloping ridges of the Ngong hills outside Nairobi. A farm perched on precipitous tropical mountainsides, lush and green; where the misty air is fragrant with grasses and wildflowers and which produce one the of the worlds premier coffees, Jamaica Blue Mountain.



My own experience

In 1991 I decided to try bring back to life a ruinate farm,(6 acres, three roods and a perch) owned by my father which is situated above the headwaters of the Buff Bay river in West Portland. Little did I know what lay ahead.

The decision to restart the farm was greeted with some amusement in the community close to the farm. There seemed to be an idea that people, particularly women, who had an education did not come back to farm especially, on a small farm. But, if I was going to hire someone to look after the farm for me that would be all right. A great deal of clear cutting goes on in the coffee areas of the Blue Mountains Trying to be hands-on, working with the work crew to clear the trees downed in Hurricane Gilbert !1988), using those trees for terracing along contours; not clearing the land but leaving as much vegetation as possible around the remaining trees; keeping as many shade trees as had survived on the land with the coffee was definitely suspect. Demanding a certain production system and "interfering" in the traditional way coffee is grown was

¹ Karen Blixen (Issak Dinesen) was a Danish author (Isak Dinesen), a feminist who ended up farming coffee in Kenya 1914-1931. Her best know works are perhaps *Seven Gothic Tales* and *Out of Africa*(London: Putnam, 1937; New York: Random House, 1938); *Den afrikanske Farm* (Copenhagen: Gyldendal, 1937);

² Between 2005 and 2006, the US lost 8,900 farms (a little more than 1 farm per hour) most "small" or family farms. USDA National Agriculture Statistics Service, "[Farms, Land in Farms, and Livestock Operations](#)". USDA, 2007. In Canada Census Division 1966 reported that small farms had decreased by 5.6% since 1991. Asian Farmers' Association for Sustainable Rural Development (AFA) pressed the Commission on Sustainable Development (CSD) to recognise the threat to small farms particularly "the growing problem of suicide amongst farmers and its impact on the lives of agricultural women". <http://asianfarmers.org/?p482#more-482>

Formatted: Bullets and Numbering

seen as threatening. A 'weekend' farmer is accepted and farmer who interferes is not. Jamaica has high levels of praedial larceny and an unguarded farm with an absentee farmer is tolerated, indeed welcomed as it makes unlawful reaping very easy.

The decision to farm organically was not made with market share or competitiveness in mind. It was a gut reaction to the advice gleaned from other coffee farmers which all ended with "*and you will need a big drum to mix the pesticide fungicide etc*". Already reports³ showed that pesticides used in coffee production was leaching into Jamaica's streams and rivers and presumably into its coastal waters. There had to be an alternative. There was, organic agriculture.

I did not have any technical experience of farming so I read books and magazines and applied my gardening lessons. At that time access to the internet in Jamaica was governed by high costs, so browsing, which would have netted rich information, was restricted. The Department of Life Sciences at the University of the Wet Indies (UWI) assisted with advice, farm visits and identification of pests and beneficials. All the while the surrounding community waited patiently for the attendants with straight-jackets to arrive. In Kingston, the capital city, the Coffee Industry Board (CIB) that regulates the coffee industry and some large coffee interests expressed concern that by not applying pesticides and fungicides, I was exposing other farmers to high risk of loss. I persevered.

To market , to market...

Supply Challenges

It takes three years for a coffee tree to bear. I worked the farm; I resuscitated the coffee; I had a sought after product; marketing couldn't be that difficult. But, for a small farmer growing a commodity controlled by a marketing and regulatory board, it is difficult.

And, the first hurdle is the regulatory board, the Coffee Industry Board (CIB). The CIB's principal role is to promote, regulate, monitor and guide the development of the coffee industry of Jamaica and to assure quality of Jamaican coffee. As such it licenses and monitors coffee dealers, processors, works and nurseries and controls trademark registration licensing and monitoring of users. It is the certification body for Jamaica Blue Mountain Coffee and defines quality standards, growing areas and recommends specific plant varieties. It also provides advisory services. In its Mission Statement it speaks to "the protection of the quality and integrity of Jamaican coffee."⁴

Among the strategies for quality control is the requirement that any producer applying for a license to process or a brand be able to supply 10,000 boxes⁵ annually. As average yields are about 80 boxes per acre the requirements is clearly addressed to the large commercial farmer who has over 100 acres. It is also clear that while there is undoubtedly a commitment to quality, that particular regulation is directed to the question of quantity of supply. Historically, the CIB bought ripe cherries from small farmers and processed at their own factories. The production system is now more

³ Mansingh Ajai, and Dwight Robinson (1999). "Insecticide Contamination of Jamaican Environment. IV. Transport of the Residues Coffee Plantations in the Blue Mountains to Coastal Waters in Eastern Jamaica," *Environmental Monitoring and Assessment* 54 (2), 125-142.

⁴ Jamaica Ministry of Agriculture and Lands State Bodies http://www.moa.gov.jm/statbod/coffee_brd.php.

⁵ Ripe coffee cherries are measured by the box. A box equals approx 10 gallons. 50-80 boxes per acre. Lose about 30% dry to roasted.

decentralised but small farmers are still expected to sell the cherries on to the licensees who have who have taken over that function of the CIB. It is thus illegal for small farmers to process and sell their crop.

Being an organic farmer has provided a bargaining chip to challenge the system. Organic integrity must be maintained. The cherries can not simply be sold on or processed by any factory and retain their organic certification. Rowan's Royale is certified organic for both farm production and off-farm processing and since 2004 has been awaiting a judgement from the CIB as to its legal status. its right to the brand, Rowan's Royale, and the right to market. Currently, I can trade in a small way, selling to a group of customers locally who are all repeat buyers. But that is not much of a market. Where else?

Green Product – Red Tape

Jamaica Blue Mountain Coffee is one of Jamaica's premier exports. It is also one of the most expensive coffees in the world. It often sells for between \$35 and \$40 per pound. So, what about the export market?

That has its own difficulties. One can legally export up to 10lbs of coffee, after obtaining a certificate, that must accompany every export shipment, from the Jamaica Trade and Invest Company (JAMPRO). Unfortunately, all courier services out of the island pass through the United States. An exporter must, therefore, register with the Food and Drug Administration and file a Prior Notice of Imported Foods so that the FDA is in possession of the details of the shipment before the package arrives in the USA. This stricture is part of the USA's Bioterrorism precautions. Compliance with these regulations does not make exporting from Jamaica to Canada or to Europe or the rest of the Caribbean any simpler. The US Customs Department has the authority to detain packages for long periods of time; coffee often arrives at its final destination, with a third of the packages slashed and useless. There is no redress, there is no insurance available. The exporter simply has to accept the loses incurred. It is small comfort to learn *that " the FDA and US Customs have different computer systems, so sometimes information takes a while to coordinate "*⁶

Costs of export shipments eat into actual and projected profits from sales. JAMPRO must be paid a registration fee, the courier companies charge about C\$80.00 per 10lbs and the rate changes based on the rate of the US dollar to the Jamaican. For export to the EU, the organic certifying agency must provide a certificate indicating the organic status and there is a charge for each certificate issued.

Demand Challenges

There is a high demand for Jamaica Blue Mountain Coffee and a willingness to pay a high price. However, there are a number of hidden issues that face a small producer. At the reaping stage, large companies try to seduce the grower by offering as much as J\$3,500 per box.⁷ Sometimes after delivery they are told that the quality of their beans was not as expected and the price per box is reduced. It is difficult to refute this claim as the beans have long disappeared into the general collection mix. As I

⁶ Quote from Prior Notice customer service after a package was detained in Miami Customs for 5 days because of questions as to place of origin. Documents had all been filed with FDA, with FedEx, with JAMPRO all of which stated, in detail place of origin.

⁷ The Jamaican dollar is, to date, trading against the US at 71- 1

keep my coffee and do not sell on to other producers and processors, my challenge comes at a later stage and in two forms; the demand for clean green beans and for fair Trade certification.

First most importers or dealers and outlets are interested in buying your stock, but, they want clean green beans, not processed and packaged coffee. Coffee is an extremely labour intensive crop. From reaping to cup Rowans Royale Organic Coffee goes through thirteen stages. The coffee is washed, floated to take off any less than perfect berries, pulped, fermented, washed and set out to dry. The coffee is sun-dried and thorough drying make take as much as three weeks depending on the weather. The coffee is then stored until required. When required for roasting, the parchment is removed⁸ and this is done traditionally in a large mortar with a huge pestle. The "green" coffee beans are then sized and sorted. The remaining stages are that of roasting and sorting as Rowan Royale does a final quality check before packaging. A demand for clean green beans means that all the labour is placed on the producer while the roaster and packager claim the spoils. For organic green beans foreign companies offered on average only U\$15.00 per pound.⁹

The economic gains are thus clearly in the value-added and any farmer, but particularly a small farmer, needs to maximize production to the stage of premium value. This is what the CIB, to date, does not allow small farmers to realise. Relative to the level of labour that goes into producing clean green beans, it is much more attractive financially to package to the end product. Many unlicensed producers are thus doing just that. This makes the quality control function of the CIB even more difficult and often does compromise the strong name of the brand.

(Un)Fair Trade: the Blind Spots

The second export hurdle is the Fair Trade label. More and more coffee consumers are requiring that coffee they buy bear a Fair Trade label. The basic certification processes and trade regulations of the Fair Trade Label¹⁰ can indeed contribute to more sustainable livelihoods and more sustainable farming practices. However, there are blind spots. A small farm, such as mine with only five people working it does not qualify as a commercial enterprise that can attain the Fair Trade label. As there are no other farmers around who practice organic production, Rowans Royale cannot qualify as a farmer group or cooperative. Many distributors who would like to source organic Jamaica Blue Mountain Coffee say that their customers want a Fair Trade label. That is, therefore, another market opportunity denied.

Perhaps the major drawback in selling coffee is that large enterprises such as *Trader Joe's* who sampled the coffee and were interested in carrying it, simply want much more of the product that a small farmer can supply. The other route is to establish links with small businesses. I have had poor experiences with small whole food and organic markets who do take some coffee. Although we make a good match for size, commitment to organic principles and fair trading practices, two such partners have recently declared bankruptcy.

⁸ The parchment is the thin brittle membrane which protects the seed.

⁹ Taking a "box" as the basic unit, if a farmer sells a box of cherries 1 box it sells for J\$3500 which is US\$50.00 1 box cherries yields approx 3.85 kg of clean green beans and that sells at US\$33 per kg which equals US\$125.00 per box. 1 box berries yields approx 2.85kg roasted which sells at US\$77 per kg which is US\$219.50 per box.

¹⁰ See <http://www.fairtrade.org.uk/>

Survival Strategies

Strangled on all sides in attempts to break effectively into the coffee market, Rowan's Royale has had to adopt a number of survival strategies. It is clear that small farmer cannot survive on monoculture and we explored the optimal alternatives. Because I do not live on the farm, anything planted is open to praedial larceny. Already we sustain a loss on reaping of ripe berries of about 30 percent per annum. We needed a crop that is not well known or recognised.

Coffee requires soil with a very high pH. Asparagus also requires a similar growing medium. We have thus planted asparagus as a complement to the coffee. It too is a long term crop; can be reaped in the same reaping season as the coffee. It realises high prices on the local market which normally has to import from countries as far away as Peru. It is expected that in 2009 Rowan's Royale will be able to provide the local market with a bumper crop of asparagus. The intent is to sell to the hotel trade where demand is greatest.

As well as asparagus the farm also produces some exotic salad leaf greens and items unusual to the island such as purple Russian Kale, multi-coloured Swiss Chard and variegated beets. There are local foods as well. We use sweet potato as a cover crop that can be reaped as desired; bananas and plantains are used to offer more shade to young coffee trees, pineapples are used as a barrier against insects beside the leaf lettuces and asparagus while lemons, mulberries, rose-apples and tangy yellow raspberries abound. Rowan Royale processes lemons into a chunky lemon marmalade, dries the rose-apples and makes banana vinegar.

Managing for Climate Change

The survival strategies are not all directed at the bottom line and the market. Since 2004 the farm has been hit by four hurricanes. Although there were no landslides on the farm, we need to consider hurricane readiness. For the seven years preceding that there had been flooding rains followed by periods of drought. In the summer months the farm lies in rain shadow. Rains from the north hit the face of a tall mountain across the valley blocking much of the moisture and a similar pattern occurs with rain from the south and south east. To protect the farm we have thus introduced strategies to combat the extremes of the climate change we are experiencing. We already embrace organic production methods, however, now we are beginning to introduce permaculture techniques so that the water run off from the steep slopes remains minimal while the increase in biomass will protect the soil from drought. We already have about 8-10" of biomass under all the trees and we will be increasing this along all the terraces in a systematic way.

Rowan's Royale had a high level of shade grown coffee, many large trees were destroyed in Hurricane Ivan in 2004, and we planted fifty more. Half were lost in an extended drought in 2005. In Hurricane Dean in August 2007 many more large trees were lost and many of these blew down onto the coffee trees damaging nearly a hundred of them. The commitment to shade grown coffee remains but we are seeking the right balance between the large shade trees and trees such as mulberry and shrubs like Elder which would do much less damage if they were uprooted.

As well as an increase in biomass, we also have to develop a secure system for storage of water and decreasing the reliance on rain fed production. 400 gallon plastic drums have already been stolen.

If large trees get uprooted and coffee destroyed in hurricanes, what could we grown that is small and hardy? We have recently begun to grow wild herbs that are used for medicinal purposes and will experiment to see whether we could develop these for the nutraceutical industry.

Organic Costs and Benefits

A major benefit of organic production as compared to conventional has been illustrated in the level of loss from the hurricanes. Unlike farmers close to me, my coffee trees, although traumatised, resuscitated very swiftly. Across the valley other fields looked like November in Ottawa, stark limbs and no leaves and remained that way for over two months. Other farmers experienced massive land slides and loss of trees with then.

In research undertaken for a presentation to a Regional Caribbean Organic Meeting in 2004¹¹ it was clear that the low level of inputs costs in organic farming balanced the increase labour require for weeding, pruning etc. As the costs of fertiliser have skyrocketed this year, it is likely that the conventional farming is now demonstrating a much higher cost. The yield was fairly equal for organic coffee and conventional coffee although in the longer term the high level of chemical inputs on the conventional farms will damage the soil and thus their production capacity. Yield was higher for organic vegetables than conventional for vegetables; a finding replicated by the Jamaica Organic Agriculture Movement (JOAM).

One of the major costs of organic farming lies in certification. For a small farm, such as mine, international certification costs about US\$600 per annum. The costs were higher but, with the growing need for inspection, certification bodies from Germany and the UK have situated inspectors in the region. This has cut down on the heavy travel costs which formerly had to be borne by the farmers.

Last year the possibility of farmers working together as community growers groups (CGGs) and thus obtaining organic certification was dealt a blow. Community grower groups are inspected as an entity with the books being checked and a number of representative farms thoroughly inspected. The US has decided that this is an unsafe practice and have recommended that each farm in a CGG be inspected once a year as with single farms. This is being regarded in the region as a non-tariff trade barrier, as if maintained, this would put international certification of such commodities as coffee and cocoa out of the reach of most small farmers and block their organic access to northern markets. Fortunately, the European Union (EU) has not followed suit.

Supports for Organic Farming

One area of necessity is an infrastructure for organic agriculture that supports the particular needs of the production process both locally and in the CARICOM region. JOAM, formally established in 2000, has driven the organic production activities in the island but engineering the correct architecture to support organic production has been slow. JOAM has provided farmer training, courses through the International of Organic Inspectors Association (IOIA) for inspector certification and has established JOAM Organic Standards and a local Certification Body. Despite this track record, the Ministry of Agriculture only recently released a draft Organic Agriculture Policy for discussion.

¹¹ Rowan-Campbell, D. Case Study, Rowans Royale Coffee, REGIONAL ORGANIC WORKSHOP ON SUSTAINABLE ORGANIC AGRICULTURE - September 6-10, 2004

The Jamaica Bureau of Standards is currently in discussion with JOAM about adopting the JOAM standards as the national standard.

If the Jamaica Bureau of Standards adopts the JOAM Organic Standards as the Jamaican standard, it would become easier to reach a common standard for the region using Jamaica as the model because, under the Caricom Single Market and Economy (CSME), the Bureaux of Standards are working towards harmonization

There is also little existing legal muscle to protect the consumer against the labelling of products that purport to be organic goods and which have no certification to back up these claims. Many drinks, vegetables and coffee packs have labels which identify them as being 100 percent organic. The whole concept of organic production is not well understood. For many people it means '*grown without fertilisers*'. Supermarkets thus have been accepting produce as organic without understanding the rigorous process required to attach such a label. There is a need for a national awareness programme and training for wholesalers and produce buyers for supermarkets and hotels as well as the general public.

The majority of those who are members of the Movement are small farmers and many of their needs are overlooked by existing agriculture policies simply because of their size. The current agricultural policies tend to accommodate the needs of large farmers. For example a farmer may get duty concessions on a pick-up for transportation. When these cost over two million Jamaican dollars, how many small farmers can afford them? A farmer may need a small car to take produce to market or to get to the farm but these do not attract any assistance. Large equipment is deemed to be agricultural and is zero-rated for value added tax. However, a weed-whacker that is not of an industrial size is deemed to be a household item and attracts 16.5 percent tax.

Despite being states party to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), women still get asked by many funding agencies if their husband or other significant male can co-sign with them for a loan. It is, therefore, still difficult for a woman to access any agricultural loans available. If land is to be used as collateral this is even more difficult. Women own less land than men and often work the land on family farms without dedicated ownership rights.

Visions for the Future; What needs to change

Worldwide consumers spent over £1.6 billion on Fairtrade certified products in 2007, trumpets the Fair Trade Foundation. This represents a 47% increase on the previous year and means that over 1.5 million producers and workers in 58 developing countries now benefit from Fairtrade sales.¹²

Small farmers, women farmers, organic farmers want a Fair Trade system of certification that is more inclusive. FairTrade has to be more than a halo and "feel-good" label for northern buyers. It has to become an umbrella for the products we buy and use; and, although it currently benefits farmers, it should embrace not just agricultural products but computers, electronic goods, furniture, diamonds ... Fair Trade should challenge the world to produce more equitably and sustainably and lead large producers and small, and buyers globally, to commit to Fair Trade practices.

Policies

¹² FairTrade Foundation Press Release 22 May 2008

The Caribbean needs agriculture policies that clearly differentiate between the needs of small farmers and larger farmers and include initiatives that recognise this difference. For organic farmers policy must recognise that organic farming practice may require a chipper/shredder more than a tractor and put in place incentives to assist in their purchase.

In a world which is just beginning to realize that small farmers contribute more to the preservation of biodiversity and are generally more productive than large farmers, we need policy initiatives that reward that heightened production and that sustaining of biodiversity.

Organic agriculture 'not only enables ecosystems to better adjust to the effects of climate change but also offers a major potential to reduce the emissions of agricultural greenhouse gases'¹³. Further, Co2 emissions per hectare of organic agriculture systems are 48 to 68 percent lower than in conventional systems¹⁴. Policies should begin to recognise the range of environmental goods and services organic agriculture provides in improving soil, air and water quality, realising energy savings, increasing and sustaining biodiversity as well as ecological services with natural pest control and conservation and begin to recompense these in tangible ways through tax benefits, incentives and supports.

Sustaining Networks – Doing it ourselves

The series of three Knowing and Growing Workshops: ICT Tools and Services for Women organic farmers in the Caribbean and a subsequent Facilitators Training¹⁵ has begun a process of networking among women farmers committed to organic growing. At first the network exchanged and shared information, checked on members after hurricanes and floods. Now a group is beginning to look at inter-Caribbean marketing of organic products, developing alternative marketing arrangements, trading, barter and examining potential shipping arrangements. The network is also developing a capacity to capture as well as share traditional farming lore and to document women's and small farmers "ways of knowing" and ways of growing.

This is a significant beginning as small farmers need a strong mesh of business networks with other small farmers. Recently, a number of small farmers (female) in Jamaica decided on a mutual support policy and took networking to another level. Each will buy and use the other's products; packaged salad greens, honey, coffee, asparagus, cheeses and the group is looking to expand to farmers that produce organic chickens, eggs and meats. Some of the group are sharing transportation costs when organic manures are sourced.

A saying in Jamaica goes: *Yu Lickle but yu Tallawah!*
Which being translated is:
You are small but you are lion-hearted

And that sums up we small farmers, we women farmers, we organic farmers. And, yes we are going to create a more inclusive support and marketing system in the Caribbean...
and,

¹³ Organic Agriculture, Environment and Food Security, p. 6. FAO, Natural resources Management and Environment Department, 2008

¹⁴ Ibid. p 3

¹⁵ Knowing and Growing developed from a Genardis award to JOAM and Networked Intelligence for Development (NID) to provide women farmers with exposure and training in the use of ICTs to enhance their organic enterprises. For reports see <http://www.networkedintelligence.com/index.html>

yes, we are going to change our world.
(...I think Karen Blixen would approve)