



Green Mountain Coffee Roasters and Fair Trade PRODUCER IMPACT REPORT



Green Mountain Coffee Roasters and Fair Trade

Since becoming a licensed Fair Trade Certified™ coffee roaster in 2000, Green Mountain Coffee Roasters™ has set a precedent for the success of Fair Trade in the U.S. market. Through an innovative partnership with Newman's Own Organics™, Green Mountain has increased the availability and visibility of Fair Trade Certified coffee in the U.S. GMCR's Fair Trade Certified coffee sales grew 69% in 2005, and now represent 28% of total sales, up from about 20% in fiscal year 2005. Fair Trade Certified and organic coffees now represent 41% of Green Mountain's sales in supermarkets. Even with this notable growth, Green Mountain continues to set aggressive growth goals for its Fair Trade Certified products, and now aims to achieve 35% Fair Trade Certified sales, as a percentage of total sales revenue, by fiscal year 2008.

Green Mountain Coffee Roasters has shown consistent dedication to creating more equity and long-term sustainability for coffee farmers. This producer impact report highlights the positive effect Green Mountain's Fair Trade coffee bean purchases have had on farming communities in 12 countries. From Guatemala to East Timor, Green Mountain's Fair Trade purchases mean a high-quality cup of coffee for customers and higher living standards, stronger communities, and environmental sustainability for thousands of farming families.



Oromia, Ethiopia. Twelve-year-old Rahema Hussein serves coffee to her family, who belong to an OCFCU cooperative. Thanks to Fair Trade, Rahema has greater access to education and higher hopes for the future.

About Fair Trade

Historically, lack of access to international markets, volatile prices, and power imbalances have often forced traditional, small-scale farmers to sell their harvests for less than the cost of production—making it tough for them to stay afloat. They can end up in a cycle of poverty and debt, unable to support their families or keep their kids in school—much less invest in their farms and communities. Without Fair Trade, farmers often resort to removing their children from school to work on the farm, growing illegal crops or selling their land just to survive.

Fair Trade is a market-based solution to this problem, driven by consumer demand for products that were produced without harming people or the environment. By purchasing Fair Trade Certified goods, we can directly support a better life for farming families through fair prices, community development projects, and environmentally sustainable farming practices. Fair Trade farmers market their harvests directly to international buyers, developing the business skills necessary to compete in the global market place. In short, Fair Trade empowers farmers to lift themselves out of poverty, keeping food on the table, children in school and families on their land.



Signs of prosperity at La Florida Cooperative, Peru. This coop has used the extra income they earn from Fair Trade sales to improve and expand their infrastructure, helping to increase both their product quality and sales volume.

GMCR Fair Trade Purchases, Q4 2005 - Q3 2006

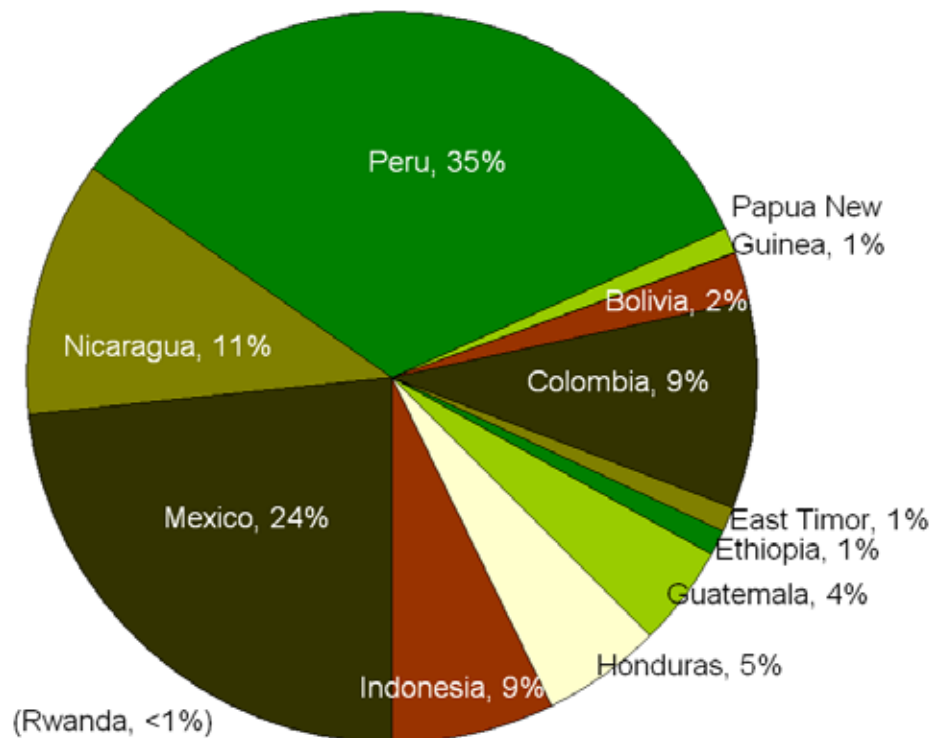
Total Fair Trade Purchases

Country	Producer Group	Total Purchases (Pounds)	Estimated Payment Per Pound	Estimated Total Payment
Bolivia	PROAGRO	158,605	\$ 1.37	\$ 217,289
	CENAPROC	77,100	\$ 1.37	\$ 105,627
Colombia	APECAFE	82,500	\$ 1.37	\$ 113,025
	COSURCA	526,958	\$ 1.37	\$ 721,932
	TIWEN	334,294	\$ 1.37	\$ 457,982
East Timor	CCT	117,596	\$ 1.37	\$ 161,107
Ethiopia	OCFCU	79,798	\$ 1.37	\$ 109,323
	YCFCU	39,600	\$ 1.37	\$ 54,252
Guatemala	ADIPSA	41,250	\$ 1.37	\$ 56,513
	APODIP	75,000	\$ 1.37	\$ 102,750
	ASOBAGRI	37,500	\$ 1.37	\$ 51,375
	FEDECOCAGUA	121,312	\$ 1.37	\$ 166,197
	LA VOZ	116,250	\$ 1.37	\$ 159,263
	MANOS CAMPESINAS	75,000	\$ 1.37	\$ 102,750
Honduras	CCCH	288,828	\$ 1.37	\$ 395,694
	COCAOL	75,990	\$ 1.37	\$ 104,106
	COCASAM	91,427	\$ 1.37	\$ 125,254
	COSAGUAL	83,270	\$ 1.37	\$ 114,080
Indonesia	PPKGO	548,469	\$ 1.37	\$ 751,403
	TUNAS INDAH	215,496	\$ 1.37	\$ 295,230
Mexico	CESMACH	82,500	\$ 1.37	\$ 113,025
	FINCA TRIUNFO VERDE	288,750	\$ 1.37	\$ 395,588
	ISMAM	192,862	\$ 1.37	\$ 264,220
	LA SELVA	528,818	\$ 1.37	\$ 724,480
	LA TRINIDAD SSS	447,000	\$ 1.37	\$ 612,390
	URPPCZ	885,698	\$ 1.37	\$ 1,213,407
Nicaragua	CECOCAFEN	399,795	\$ 1.37	\$ 547,719
	DEL RIO COCO	336,097	\$ 1.37	\$ 460,453
	PRODECOOP	371,250	\$ 1.37	\$ 508,613
	UCPCO	82,500	\$ 1.37	\$ 113,025
Papua New Guinea	HIGHLAND	80,256	\$ 1.37	\$ 109,951
	YHA HUKA	37,000	\$ 1.37	\$ 50,690
Peru	APAVAM	71,452	\$ 1.37	\$ 97,889
	APROCASSI	123,750	\$ 1.37	\$ 169,538
	APROECO	7,500	\$ 1.37	\$ 10,275
	BAGUA GRANDE	162,429	\$ 1.37	\$ 222,527
	CAC DIVISORIA	41,250	\$ 1.37	\$ 56,513
	CACVRA	78,750	\$ 1.37	\$ 107,888
	CASIL	123,750	\$ 1.37	\$ 169,538
	COCLA	692,698	\$ 1.37	\$ 948,997
	CSECANOR	502,421	\$ 1.37	\$ 688,317
	FRONTERA SAN IGNACIO	330,424	\$ 1.37	\$ 452,680
	JUMARP	41,250	\$ 1.37	\$ 56,513
	LA FLORIDA	450,495	\$ 1.37	\$ 617,178
	LA PROSPERIDAD	412,613	\$ 1.37	\$ 565,280
	PANGOALTA	247,904	\$ 1.37	\$ 339,628
	SAN JUAN DEL ORO	41,250	\$ 1.37	\$ 56,513
	SELVA ANDINA	105,113	\$ 1.37	\$ 144,004
	UNICAFEC	82,500	\$ 1.37	\$ 113,025
Rwanda	KOAKAKA	22,704	\$ 1.37	\$ 31,104
TOTAL	50 Producer Groups	10,457,019	-	\$ 14,326,117

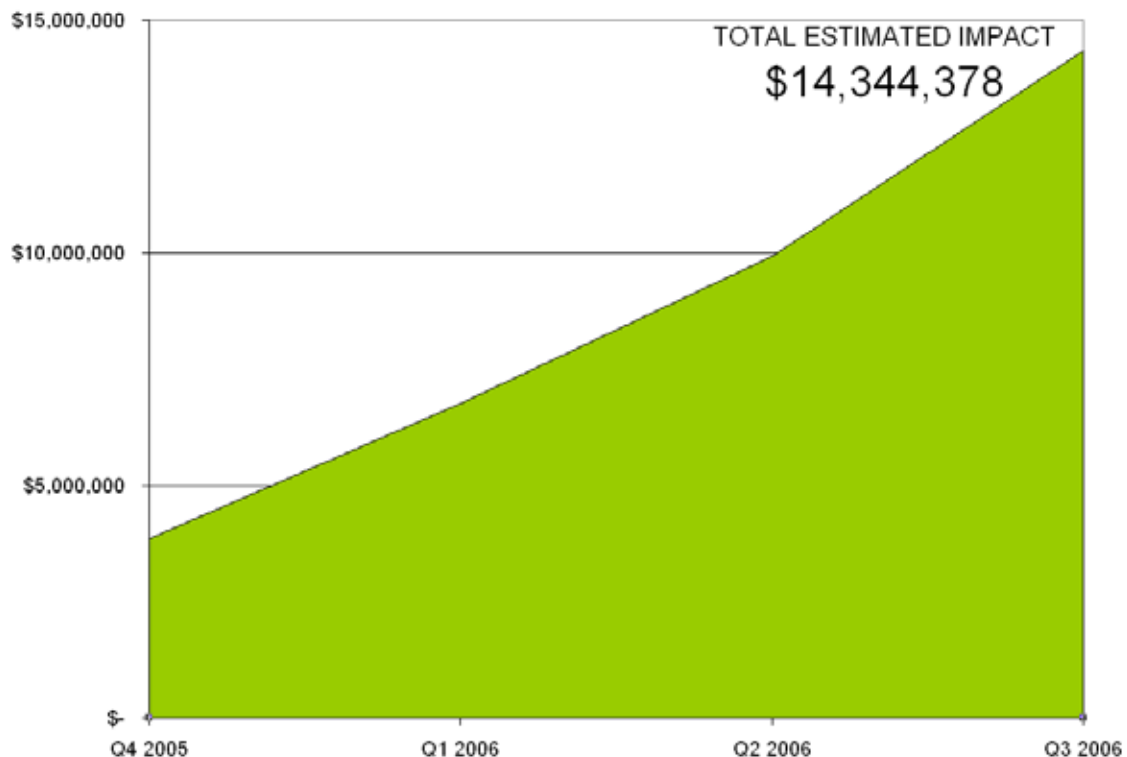
GMCR Fair Trade Purchases, Q4 2005 - Q3 2006

Total Purchases by Country

Total 10,457,019 Pounds



Cumulative Total Payments Received by Producer Groups*

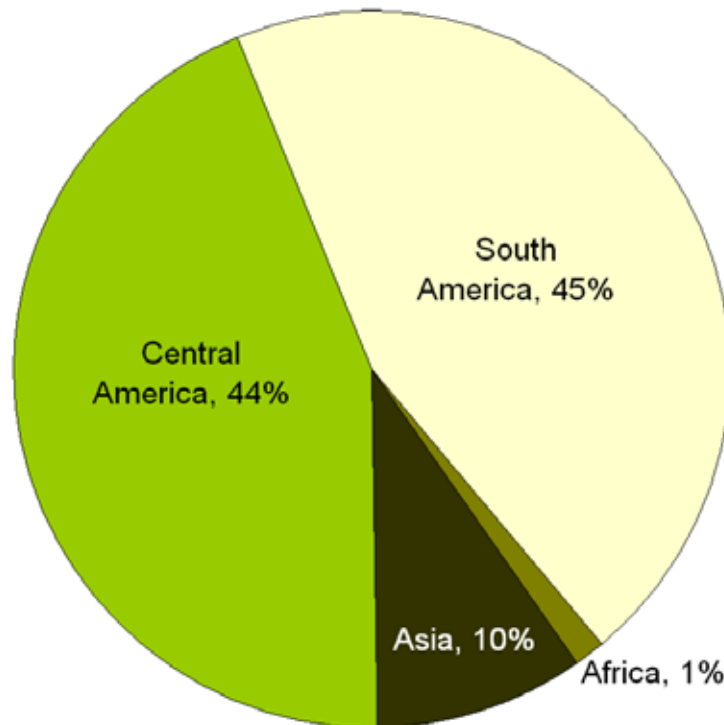


*Estimated purchase values are based on minimum Fair Trade prices, weighted by organic and conventional purchase volumes. Cooperatives frequently receive payments above the minimum price.

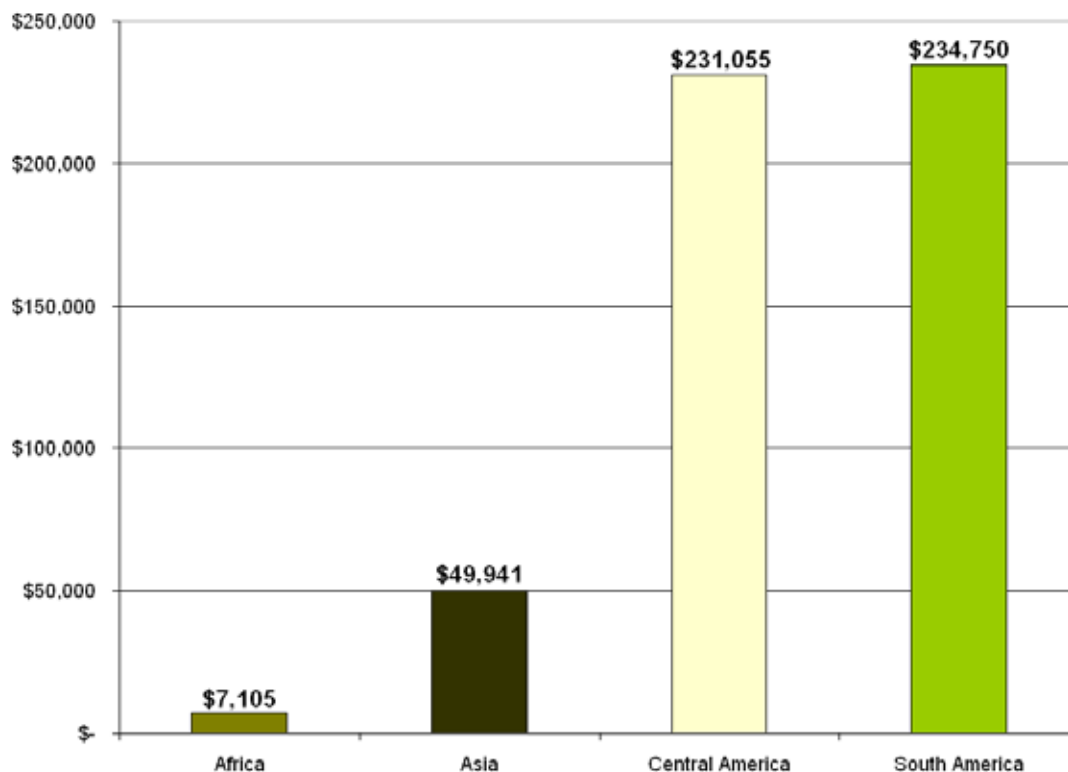
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GMCR Fair Trade Purchases, Q4 2005 - Q3 2006

Total Purchases by Region



Total Social Premiums Paid by Region



GMCR's Fair Trade Purchases from Peru, Q4 2005 - Q3 2006

About Peru's Coffee

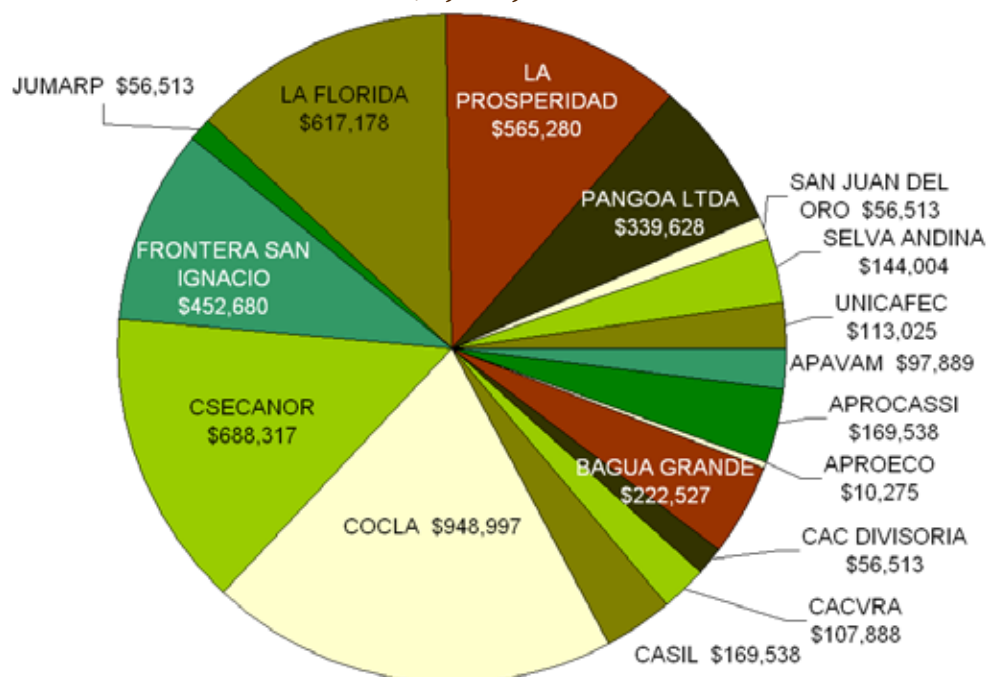
Most of Peru's coffee is grown along the forest-clad eastern slopes of the rugged Andes mountain range, at elevations between 900 and 1800 meters. Nine distinct coffee-growing regions span the country, ranging from Piura in the far north to Puno in the south, near the border with Bolivia. Most coffee is grown on small farms, cafetales, where coffee plants thrive in the shade of tall trees that support an amazing biological diversity. for which the forests of Peru are famous.

However, in the 1980s, coffee production plummeted. Political, social, and economic upheavals threw Peru's coffee industry into turmoil, and many cafetales were abandoned. Making matters worse, the Peruvian Minister of Agriculture promoted a plan encouraging coffee farmers to cut down shade trees and cultivate new coffee hybrids grown in full sun. In many areas this resulted in mass deforestation and soil erosion.

During the mid-1990s, Peruvian coffee started to make its comeback with the help of groups like Fair Trade Labelling Organizations. Under Fair Trade standards, Peru's hard-working coffee growers have banded together into cooperatives, giving them more direct access to international markets and additional incentive to conserve their delicate ecosystems. Between 2000 and 2005, Fair Trade coffee prices were as much as 50% higher than the conventional market price in Peru. These increased revenues have provided Peruvian coffee farmers with the resources to focus their efforts on coffee that is both environmentally sustainable and of the highest quality.

Total Purchases From Peru by Producer Group*

Total \$4,816,301

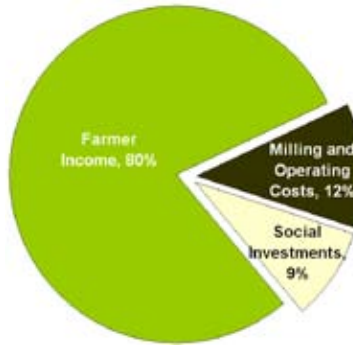


*Estimated purchase values are based on minimum Fair Trade prices, weighted by organic and conventional purchase volumes. Cooperatives frequently receive payments above the minimum price.

Fair Trade Producer Snapshot: COCLA, Peru



COCLA's Allocation of Fair Trade Price



COCLA has invested Fair Trade revenues in the following initiatives:

- **Environmental protection.** In addition to helping member farmers convert to organic growing methods, COCLA contributes financially to a reforestation project which protects biodiversity. COCLA is replanting one area with mango trees, for instance.
- **Member training.** COCLA has a team of technical assistants who train farmers in increasing yields, improving quality, crop diversification, and organic production. The coop offers extensive education programs in cooperative management, production, gender issues and healthcare. They even have a radio station through which the organization informs farmers about various issues.
- **Road improvements.** COCLA's coffee must be transported over treacherous mountain roads to market, a five-day trip. The cooperative invests in lobbying for and contributing to the construction of better roads.

ABOUT THE COOP

Fair Trade Certified Since: 1995

Number of Active Members: 6,267

Average Farm Size: 2.8 hectares

Coffee Varieties: Bourbon, Catimor, Caturra, Typica

Elevation: 900 - 1850 m above sea level

Harvest Season: April - September

Export Season: May - October

Annual Production: 18.5 million pounds

Organic Production: 30%

Organic Certification Agencies: OCIA, Naturland

GMCR COFFEE PURCHASES, Q405-Q306

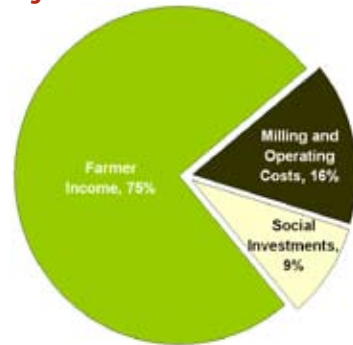
Fair Trade Purchases: 692,698 pounds

Est. Payment to COCLA: \$948,997

Fair Trade Producer Snapshot: Pangoa LTDA, Peru



Pangoa's Allocation of Fair Trade Price



Pangoa has invested Fair Trade premiums in the following initiatives:

- **Healthcare improvements.** Pangoa has created agreements with local hospitals and pharmacies so that members may access pre-allocated funds.
- **Education.** The coop has established a scholarship fund to allow members' children access to higher education. Currently, two children are using these funds to attend university.
- **Infrastructure.** Pangoa built a washing station that helps all members with their coffee processing.
- **Credit program.** The coop maintains a credit and savings program for their members that alleviates dependence on outside financing.

ABOUT THE COOP

Date Established: 1978

Number of Active Members: 600

Coffee Varieties: Caturra, Bourbon, Pache, Catimor

Elevation: 800 - 1700 m above sea level

Harvest Season: March - September

Export Season: May - November

Annual Production: 2.2 million pounds

Organic Production: 48%

Organic Certification Agency: OCIA International

GMCR COFFEE PURCHASES, Q405-Q306

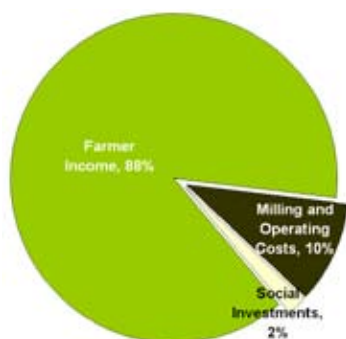
Fair Trade Purchases: 247,904 pounds

Est. Payment to Pangoa: \$339,628

Fair Trade Producer Snapshot: La Florida, Peru



La Florida's Allocation of Fair Trade Price



La Florida has invested Fair Trade revenues in the following initiatives:

- **Family development.** A committee made up of female coop members and wives works to improve standards of living for families in the community.
- **Healthcare and emergency aid funds.** La Florida provides financial assistance to members and their families in case of serious accidents or ailment and assists with basic medical expenses for members in need.
- **Education fund:** The coop provides partial scholarships to members' children.
- **Social benefits.** La Florida provides funds for community sport competitions and assists with funeral costs for members and their families.
- **Community infrastructure.** La Florida has contributed to the completion and maintenance of five roads, three potable water systems, three schools, a bridge, and a health clinic.

ABOUT THE COOP

Date Established: 1965
Number of Active Members: 1300
Average Farm Size: 15.4 hectares
Coffee Varieties: Bourbon, Caturra, Catimor, Pache
Elevation: 900 - 1500 m above sea level
Harvest Season: March - August
Export Season: May - October
Annual Production: 5.4 million pounds
Organic Production: 83%

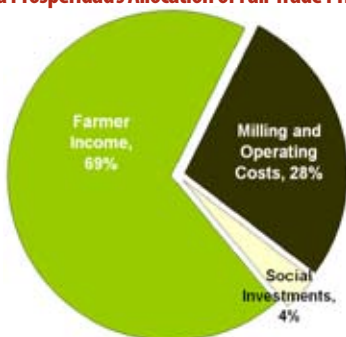
GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 450,495 lbs
Est. Payment to La Florida: \$617,178

Fair Trade Producer Snapshot: La Prosperidad, Peru



La Prosperidad's Allocation of Fair Trade Price



La Prosperidad has invested Fair Trade revenues in the following initiatives:

- **Universal healthcare.** In an area with high infant mortality rates, no hospital, no potable water nor plumbing, all members of La Prosperidad have access to a healthcare fund which pays for basic medical care and treatment of infectious diseases.
- **Education.** The coop supports education by purchasing school supplies for members' children and financing adult education classes in business administration, finance, law, and marketing.
- **Quality improvements.** The coop trains farmers in organic production methods, horticulture, and crop diversification. They have also purchased de-pulping machines and upgraded the coffee storage warehouse, wet processing plant, and transportation routes to processing facilities.

ABOUT THE COOP

Number of Active Members: 471
Average Farm Size: 4.5 hectares
Coffee Varieties: Bourbon, Catimor, Caturra, Pache, Typica
Elevation: 1300 - 1850 m above sea level
Harvest Season: April - October
Export Season: June - December
Annual Production: 900,000 pounds
Organic Production: 84%
Organic Certification Agencies: IMO, OCIA

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 412,613 pounds
Est. Payment to La Prosperidad: \$565,280

Fair Trade Producer Snapshot: Selva Andina, Peru



Selva Andina's Allocation of Fair Trade Price



Selva Andina has invested Fair Trade revenues in the following initiatives:

- **Education.** Selva Andina has purchased school supplies and made improvements to rural school buildings.
- **Quality improvement.** The coop has invested in infrastructure to improve its post-harvest techniques and in soil analysis to improve crop quality.
- **Market expansion and higher prices.** The coop, which operates democratically and transparently, has been able to market their high quality, organic coffee directly to exporters and negotiate higher prices. Between 2004 and 2005, the coop experienced a 67% increase in sales, and sales have continued to rise.

ABOUT THE COOP

Date Established: 2003
Number of Active Members: 304
Average Farm Size: 5.5 hectares
Coffee Varieties: Caturra, Bourbon, Typica
Elevation: 900 - 1800 m above sea level
Harvest Season: April - September
Export Season: May - October
Annual Production: 1.3 million pounds
Organic Production: 84%
Organic Certification Agency: OCIA

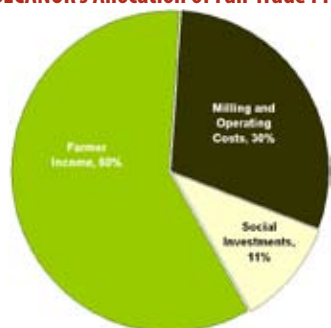
GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 105,113 pounds
Est. Payment to Selva Andina: \$144,004

Fair Trade Producer Snapshot: CSECANOR, Peru



CSECANOR's Allocation of Fair Trade Price



CSECANOR has invested Fair Trade revenues in the following initiatives:

- **Healthcare.** CSECANOR employs healthcare professionals who provide primary care to members and their families and provides first aid kits for each of its 43 communities.
- **Road improvements.** The coop has financed the repair and construction of regional highways, enabling members to transport their coffee to market more efficiently.
- **Education.** CSECANOR distributes school supplies to members' children.
- **Empowering women.** The coop established community banks that provide credit to women for projects such as small restaurant development, farm improvements, and sales to local markets. CSECANOR also trains female members in planting gardens and raising animals to diversify food and income sources.
- **Environmental protection.** Hillside farmers plant living barriers, including coffee trees, to prevent erosion.
- **Quality control.** CSECANOR's two agronomists implement crop improvement programs specific to each farm's ecosystem and microclimate.

ABOUT THE COOP

Date Established: 1999
Number of Active Members: 2,250
Average Farm Size: 3 hectares
Coffee Varieties: Typica (90%), Caturra (5%), Pache (5%)
Elevation: 1000 - 1800 m above sea level
Harvest Season: May - September
Export Season: June - December
Annual Production: 3 million pounds
Organic Production: 70%
Organic Certification Agency: OCIA

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 502,421 pounds
Est. Payment to CSECANOR: \$688,317

GMCR's Fair Trade Purchases from Mexico, Q4 2005 - Q3 2006

About Mexico's Coffee

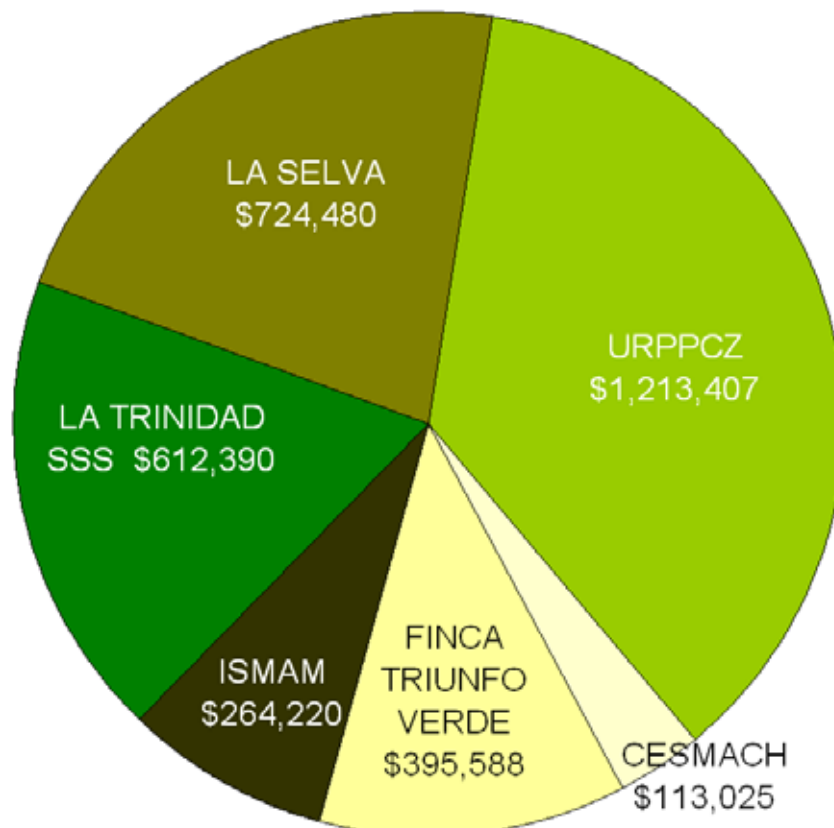
Coffee has been an important export crop in Mexico for hundreds of years. Coffee exports generate about \$700 million annually in national income.

However, for the majority of small-scale coffee farmers in Mexico, the earnings from their labor-intensive crops do not even cover their basic needs, much less provide the capital necessary to finance community development or improvements to their farms.

Today, approximately 200,000 of the 283,000 coffee producers in Mexico are indigenous smallholders, or *campesinos*, with land holdings of less than 5 acres. While many farmers continue to live in a state of acute poverty, Fair Trade provides an alternative. With the extra income and social premiums Mexican coffee cooperatives earn from Fair Trade, many have implemented community development programs and improved their crops and their farming and processing techniques.

Total Purchases From Mexico by Producer Group*

Total \$3,323,109

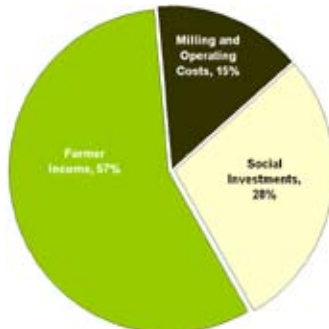


*Estimated purchase values are based on minimum Fair Trade prices, weighted by organic and conventional purchase volumes. Cooperatives frequently receive payments above the minimum price.

Fair Trade Producer Snapshot: URPPCZ, Mexico



URPPCZ's Allocation of Fair Trade Price



URPPCZ (Huatusco) has invested Fair Trade revenues in the following initiatives:

- **Infrastructure improvements.** The coop has built a new processing plant, including drying and de-pulping machines, which has greatly increased both the quality and efficiency of production. URPPCZ has also invested in local road construction and repair.
- **Social benefits.** URPPCZ has established schools and clinics in several remote villages, helping reduce migration to urban areas.
- **Diversified cultivation.** Members receive training in diversifying their crops, which provides environmental benefits as well as food and income security.
- **Environmental stewardship.** The coop trains members in organic production methods and teaches environmental stewardship. Members have planted additional shade trees and terraced hillside farms to prevent soil erosion as part of the coop's reforestation program.

ABOUT THE COOP

Date Established: 1983

Fair Trade Certified Since: 1995

Number of Active Members: 1,727

Average Farm Size: 2 hectares

Coffee Varieties: Typica, Bourbon, washed Robusta

Elevation: 700 - 1300 m above sea level

Harvest Season: October - March

Export Season: December - May

Annual Production: 36 million pounds

Organic Production: 15%

Organic Certification Agency: OCIA

GMCR COFFEE PURCHASES,
Q405-Q306

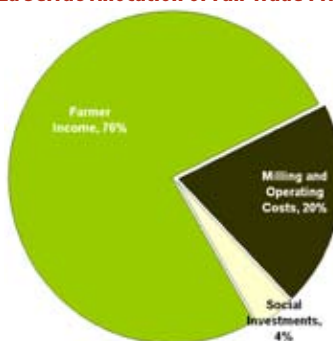
Fair Trade Purchases: 885,698 pounds

Est. Payment to URPPCZ: \$1,213,407

Fair Trade Producer Snapshot: La Selva, Mexico



La Selva's Allocation of Fair Trade Price



Union de Sociedades de la Selva has invested Fair Trade revenues in the following initiatives:

- **Access to credit.** La Selva uses their additional income and social premiums as collateral for securing loans from the local bank during the harvest season. These loans are distributed to their members to pre-finance their harvests.
- **Crops diversification.** Influenced by increased interaction with other organizations within the Fair Trade system, La Selva has diversified the crops they cultivate, thereby increasing food security for their members.
- **Improving members' standards of living.** Members of the cooperative have traded their straw and grass rooftops for cement-block houses and tin roofs.

ABOUT THE COOP

Date Established: 1978

Fair Trade Certified Since: 1988

Number of Active Members: 2,039

Average Farm Size: 2.5 hectares

Coffee Varieties: Typica, Arabica, Robusta

Elevation: 600 - 1600 m above sea level

Harvest Season: November - February

Export Season: December - August

Annual Production: 5 million pounds

Organic Production: 70%

Organic Certification Agencies: IMO, Naturland, QAI

GMCR COFFEE PURCHASES,
Q405-Q306

Fair Trade Purchases: 528,818 pounds

Est. Payment to La Selva: \$724,480

Fair Trade Producer Profile: CESMACH, Mexico



"Because of Fair Trade, we have been able to improve the conditions of our family lives and of the community by making progress little by little."

—Raúl Gutiérrez,
CESMACH member

Campesinos Ecológicos de la Sierra Madre de Chiapas (CESMACH) is a coffee cooperative located in the southern highlands of Chiapas within the buffer zone of the El Triunfo Biosphere. El Triunfo is an area of great ecological importance because it contains two of the most complex and beautiful ecosystems in the world: the cloud forest and the tropical rain forest. El Triunfo's unique ecosystems are home to an incredible diversity of plant and animal species considered rare or in danger of extinction. CESMACH members are deeply committed to sustainable agricultural practices that prevent the encroachment of agriculture into the biosphere and the disturbance of the natural resources within its boundaries.

CESMACH has invested Fair Trade revenues in the following initiatives:

- **Education.** CESMACH has established a fund to support education for its members' children.
- **Agricultural training programs.** Members are provided with training in sustainable agricultural methods, organic production, and quality control.
- **Infrastructure improvements.** Access to credit has allowed the coop to finance the construction of a cupping laboratory, a coffee storage shed, and a meeting hall.
- **Debt relief.** CESMACH's members have been able to pay off their debts and make necessary improvements to their homes thanks to the higher price they receive for the coffee from Fair Trade sales. CESMACH also offers 100% pre-harvest financing for its members, assuring that the farmers have the resources they need to produce high quality coffee.
- **Environmental protection.** CESMACH was awarded the 2003 Ecological Merit Award by the Mexican government for its efforts to protect endangered plant species. The coop is currently working on converting all production to certified organic.



ABOUT THE COOP

Date Established: 1994

Number of Active Members: 270

Average Farm Size: 3.26 hectares

Elevation: 900 - 1700 m above sea level

Coffee Varieties: Bourbon and Novo Mundo

Harvest Season: June - September

Export Season: September - December

Annual Production: 880,000 pounds

Organic Production: 80%

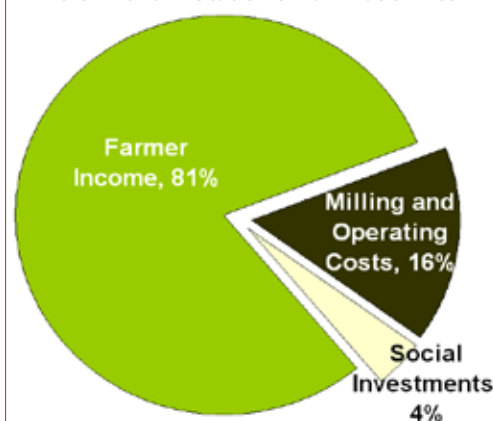
Organic Certification Agencies: NOP, Certimax

GMCR COFFEE PURCHASES, Q305-Q206

Fair Trade Purchases: 82,500 pounds

Estimated Payment to CESMACH: \$113,025

CESMACH's Allocation of Fair Trade Price



Guatemala Overview

About Guatemala's Coffee

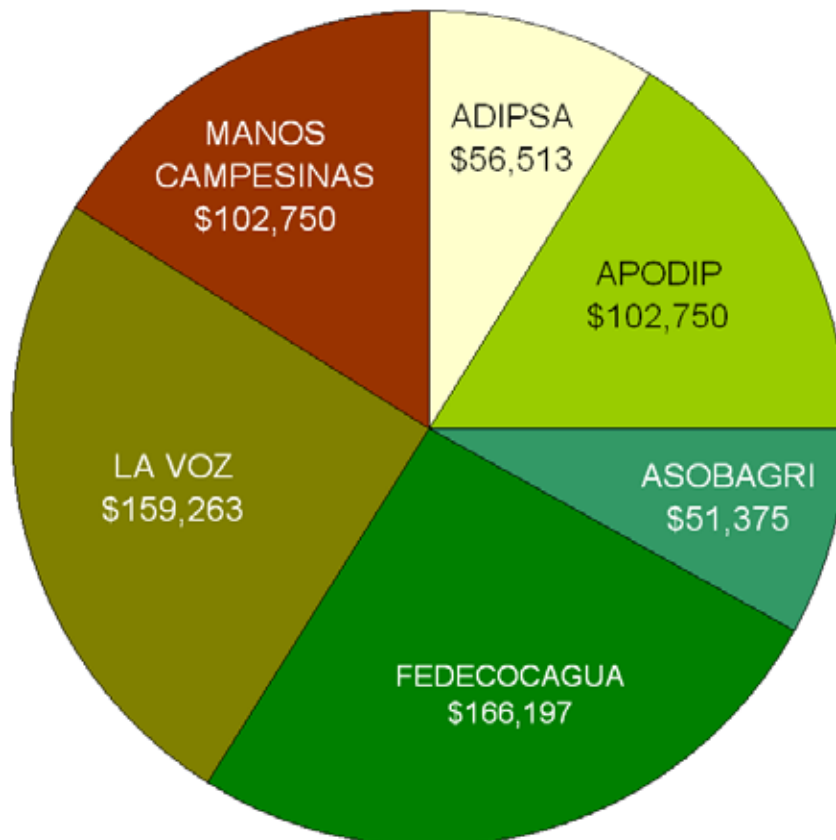
The coffee industry in Guatemala epitomizes the dichotomy of the entire country: a large number of *campesinos* produce small quantities of coffee, while a small number of large plantations or *fincas* produce the largest share of coffee. In Guatemala, less than 2% of landowners control 65% of farm land. Approximately 27% of the population is landless, and many people work as part time wage laborers.

The world's coffee prices go up and down depending partly on supply and demand and speculation by big investors, but small-scale coffee farmers operating independently have little access to information about market fluctuations and may never receive market prices for their crops. Many have no choice but to sell their beans to local businessmen whom they derisively call coyotes, who pay them far less than the market price. A typical farmer's home is a shack with dirt floors, no running water, and no electricity in chilly mountain elevations.

In Guatemala as in other parts of Latin America, the Fair Trade system offers *campesinos* an alternative to selling to *coyotes* and empowers coffee farmers to take an active role in improving their own lives.

Total Purchases From Guatemala by Producer Group

Total \$638,847



*Estimated purchase values are based on minimum Fair Trade prices, weighted by organic and conventional purchase volumes. Cooperatives frequently receive payments above the minimum price.

Fair Trade Producer Snapshot: ASOBAGRI, Guatemala



ASOBAGRI's Allocation of Fair Trade Price



ASOBAGRI has invested Fair Trade revenues in the following initiatives:

- **Crop diversification.** A technical assistance team teaches members to intercrop bananas and citrus trees with coffee plants, helping farmers avoid economic dependence on a single crop and enhancing soil fertility.
- **Quality improvement and organic production.** ASOBAGRI trains and hires agronomists to inspect farms and give workshops in organic production and quality control.
- **Education.** ASOBAGRI began a literacy campaign, and approximately 100 members participate in reading and writing workshops annually. The coop also provides scholarships to members' children.
- **Health care.** The coop invests in a health fund that helps members cover medical care costs.

ABOUT THE COOP

Date Established: 1989
Fair Trade Certified Since: 1999
Number of Active Members: 686
Average Farm Size: 5 hectares
Coffee Varieties: Caturra, Bourbon
Elevation: 1200 - 1600 m above sea level
Harvest Season: November - April
Export Season: February - May
Annual Production: 1.2 million pounds
Organic Production: 70%
 Organic Certification Agency: OCIA

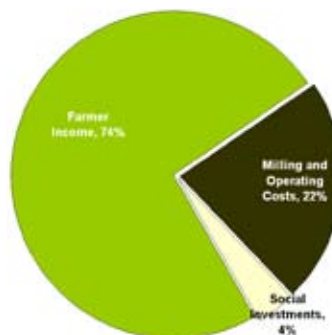
GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 37,500 pounds
Est. Payment to ASOBAGRI: \$51,375

Fair Trade Producer Snapshot: La Voz, Guatemala



La Voz's Allocation of Fair Trade Price



La Voz has invested Fair Trade revenues in the following initiatives:

- **Promoting education.** La Voz donates money and supplies to local schools. In a community where most people have no education beyond elementary school, all coop members have been able to send their children to primary and secondary school.
- **Improving infrastructure and quality.** The cooperative has expanded and improved facilities at its coffee processing plant. Members have also built their own wet mill and upgraded their drying patios. La Voz provides training and technical assistance to its members on quality issues.
- **Sustainable agriculture.** With increased income, La Voz farmers are building terraces, planting shade trees, converting to organic production, and diversifying their crops.
- **Healthcare programs.** Among other healthcare initiatives, La Voz distributes basic medicines in each of its three communities.

ABOUT THE COOP

Date Established: 1979
Fair Trade Certified Since: 1991
Number of Active Members: 130
Average Farm Size: 2 hectares
Coffee Varieties: Caturra, Bourbon, Typica, Catuai
Elevation: 1500 - 1650 m above sea level
Harvest Season: November - March
Export Season: February - July
Annual Production: 540,000 pounds
Organic Production: 50%
 Organic Certification Agencies: OCIA, QIA

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 116,258 pounds
Est. Payment to La Voz: \$159,263

Fair Trade Producer Profile: Manos Campesinas, Guatemala



"Thanks to the Fair Trade market, I have managed to obtain an additional quarter hectare of land, which has allowed him me to diversify my production with plantains, papayas and other products. These contribute to my family's food security and provides additional income not linked to coffee."

— **Eduardo Haz, organic coffee farmer and Manos Campesinas Member**

Asociación de Pequeños Productores de Café (Manos Campesinas) is an umbrella organization comprised of eight coffee cooperatives from the departments of Quetzaltenango, San Marcos, and Sololá in southwestern Guatemala. The cooperative was founded and achieved Fair Trade certification in 1997. Manos Campesinas' membership is 80% indigenous. Participation in Fair Trade has allowed these family farmers to become independent of intermediaries, to keep their land, and to improve the quality of their coffee.

Increased revenues from Fair Trade sales has empowered Manos Campesinas to:

- **Develop infrastructure.** Members installed a wet mill and dry processing plant to make production more effective. The coop has also purchased plots of land, where they plan to construct offices and coffee storage facilities. Additionally, improvements on drainage systems, electricity, and drinking water supply have meant significant improvements in members' standards of living.
- **Improve coffee quality.** Manos Campesinas uses Fair Trade premiums to maintain processing equipment, allowing members to higher quality standards. The coop also provides technical training and assistance in converting farms to organic production.
- **Support education.** Manos Campesinas is providing three-year scholarships for five members' daughters to attend technical colleges. Once they receive their degrees, these five women will join directive committees in their communities. Other cooperative members' children are now able to stay in school because their parents can afford the investment in their education.



ABOUT THE COOP

Date Established: 1997

Fair Trade Certified Since: 1997

Number of Active Members: 842

Average Farm Size: 1.68 hectares

Elevation: 1200 - 1800 m above sea level

Coffee Varieties: Bourbon, Typica, Caturra

Processing: Wet processing and sun drying

Harvest Season: November - March

Export Season: February - June

Annual Production: 1.25 million pounds

Organic Production: 61%

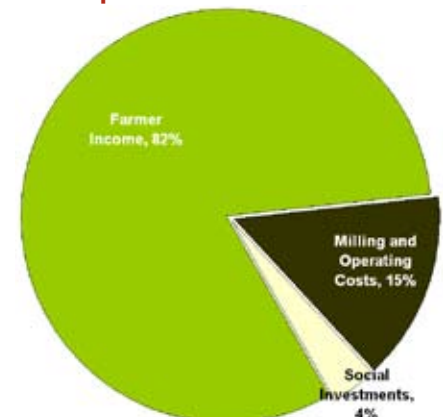
Organic Certification Agency: Mayacert

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 75,000 pounds

Est. Payment to Manos Campesinas: \$102,750

Manos Campesinas' Allocation of Fair Trade Price



Fair Trade Producer Profile: COSURCA, Colombia



“Under the Fair Trade seal, we have been able to improve our organization and provide services for the members, especially through loans for coffee sowing, food security projects and improved processing.”

— Eivar Meneses,
COSURCA member

Empresa Cooperativa del Sur del Cauca (COSURCA) is composed of 15 farmer associations and coffee cooperatives from four municipalities in Cauca, a mountainous province of Southwestern Colombia. Founded in 1993, this organization has been seriously affected by armed extremist groups who value the area for its proximity to the jungle and abundant natural resources. Many farmers in the area have converted their coffee crops to more profitable, illegal ones while others have been threatened and displaced by armed groups. In contrast, COSURCA's members have a strong organization and financial stability as a result of Fair Trade.

COSURCA has invested Fair Trade revenues in the following initiatives:

- **Technical assistance and conversion to organic production.** Cosurca offers technical assistance to producers through farm visits and annual training programs. The coop teaches organic production methods, crop diversification, soil management and conservation, and shade grown farming techniques. Cosurca has a technical team of professionals, technicians and rural promoters to provide technical assistance. Fair Trade premiums are also used to pay annual costs of organic inspections.
- **Credit services for members.** COSURCA offers credit to members for a variety of projects, including marketing and processing coffee, production improvements, food security, and planting and marketing papaya and other fruits. The credit funds are run by the organization and producers, and all loans are paid annually with Fair Trade premiums.
- **Strengthening organizations.** COSURCA provides assessment and training to coop directors and technicians in quality assurance, marketing, and financial and accounting services, with the goal of strengthening financial management. The organization has also invested in improvements to their computers, quality control equipment, and infrastructure.
- **Empowering women.** The coop has designed coffee and intercropping training programs as well as a credit fund specifically for women in the community, who are encouraged to register into the coop directly as members. A woman serves on the board of directors, and several women participate as technicians.



ABOUT THE COOP

Date Established: 1993

Number of Active Members: 1,204

Average Farm Size: 3.2 hectares

Varieties: Caturra, Columbia, Bourbon, Typica, Arabica

Elevation: 1400 - 2000 meters above sea level

Harvest Season: April - June, October - December

Export Season: Year round

Annual Production: 2 million pounds

Organic Production: 75%

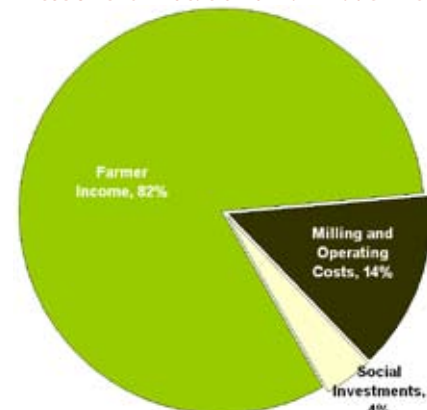
Organic Certification Agencies: LA de Bolivia and IMO Control

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 526,958 pounds

Est. Payment to COSURCA: \$721,932

COSURCA's Allocation of Fair Trade Price



Fair Trade Producer Profile: PPKGO, Indonesia



"The value added from Fair Trade is not just about money. It is about protecting the ecosystem and our community. We are able to invest in infrastructure to improve our well-being. Thanks to Fair Trade, one of my children is now in medical school and the other is in midwifery school."

—**Mohammed Salim,**
PPKGO member

The Gayo Organic Coffee Farmers Association (PPKGO) is an organic Fair Trade coffee cooperative located in the Gayo Highlands of the Aceh province of Sumatra, Indonesia. Coop members are small-scale coffee farmers dedicated to producing 100% shade-grown, organic coffee. In a region known for political conflict, the coop has continued to produce, process, and export high quality Sumatran coffee. It has maintained peace and unity among an ethnically diverse membership comprised of Gayo, Javanese, Acehnese, Padang, and Batak peoples. Twenty percent of PPKGO's members are women.

PPKGO lies in an environmentally sensitive region—the buffer zone to Gunung Leuser National Park, which contains critical watershed areas and sanctuaries for endangered species such as the Sumatran tiger. Fair Trade price incentives and technical support provided by the cooperative have encouraged sustainable agriculture and resource conservation.

PPKGO has invested Fair Trade revenues in the following initiatives:

- **Disaster relief.** PPKGO mobilized relief efforts to assist people affected by the earthquake-tsunami that struck Southeast Asia in December 2004. Fair Trade revenues supported the cooperative's efforts to collect and distribute crucial supplies, in addition to extensive volunteer time and labor for rebuilding and supporting orphans and widows in the community.
- **Plant bio-diversity.** Community nurseries provide improved and grafted coffee and shade tree seedlings.
- **Credit program.** Coop members now use a credit union that extends small loans to members and their families, alleviating dependence on outside financing.
- **Infrastructure development.** The coop has made improvements to the water supply, local roads, mosques, and schools.
- **Processing improvements.** PPKGO has constructed two cupping labs and 16 satellite wet mills in producing communities.
- **Income diversification.** Farmers have received training in growing additional crops such as vanilla, potatoes, and bananas for income.



ABOUT THE COOP

Date Established: 1997

Number of Active Members: 1,913

Average Farm Size: 1 hectare

Elevation: 1100 - 1500 m above sea level

Coffee Varieties: Bergendal, Catimor, Caturra, Sidikalang, and Typica

Cup Characteristics: low acidity, medium to firm body, earthy

Harvest Season: October - June

Export Season: September - November

Annual Production: 4.2 million pounds

Organic Production: 100%

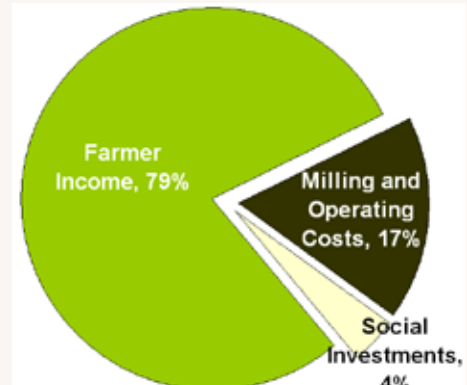
Organic Inspection Agency: SKAL

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 548,469 pounds

Estimated Payment to PPKGO: \$751,403

PPKGO's Allocation of Fair Trade Price



Fair Trade Producer Snapshot: CECOCAFEN, Nicaragua



CECOCAFEN's Allocation of Fair Trade Price



CECOCAFEN has invested Fair Trade revenues in the following initiatives:

- **Healthcare improvements.** CECOCAFEN built a community health center and has subsidized eye glasses and medical exams for many members and families.
- **Education.** The coop has funded 480 scholarships for members' children. Additionally, \$28,000 worth of school supplies were provided to children in rural primary schools. A literacy program has taught 375 members to read and write.
- **Infrastructure improvements.** CECOCAFEN has funded improvements to roads to remote towns, as well as the construction of a school and 25 homes.
- **Community development.** Fair Trade funds have been used to start 12 baseball teams and several programs for women.

ABOUT THE COOP

Date Established: 1997
Number of Active Members: 2,074
Average Farm Size: 5 hectares
Coffee Varieties: Caturra, Bourbon, Maragogype
Elevation: 800 - 1400 m above sea level
Harvest Season: November - February
Export Season: January - June
Annual Production: 4.4 million pounds
Organic Production: 40%

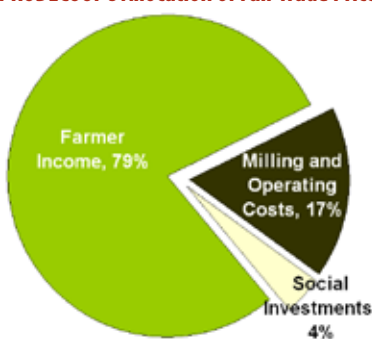
GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 399,795 pounds
Est. Payment to CECOCAFEN: \$547,719

Fair Trade Producer Snapshot: PRODECOOP, Nicaragua



PRODECOOP's Allocation of Fair Trade Price



PRODECOOP has invested Fair Trade premiums in the following initiatives:

- **Education.** Scholarships allow members' children to attend primary and secondary school, and the coop has provided supplies to over 2,000 students.
- **Environmental protection.** Nearly half of PRODECOOP's production has been converted to certified organic.
- **Infrastructure and quality improvements.** PRODECOOP has built a quality control center, a cupping lab, 13 de-pulping facilities, a dry mill, and three storage warehouses, which all help produce a high quality product. The coop has been able to establish strong relationships with multiple buyers in the specialty coffee market, allowing them to function independently of external aid or loans.

ABOUT THE COOP

Date Established: 1993
Number of Active Members: 781
Average Farm Size: 4.3 hectares
Coffee Varieties: Bourbon, Caturra
Elevation: 1200 - 1400 m above sea level
Harvest Season: December - March
Export Season: January - September
Annual Production: 3.5 million pounds
Organic Production: 45%
Organic Certification Agency: OCIA

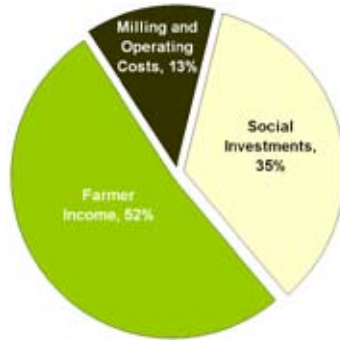
GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 371,250 pounds
Est. Payment to PRODECOOP: \$508,613

Fair Trade Producer Snapshot: APECAFE, Colombia



APECAFE's Allocation of Fair Trade Price



APECAFE has invested Fair Trade revenues in the following initiatives:

- **Educational support.** APECAFE provides scholarships to more than 250 students who could otherwise not attend school.
- **Environmental stewardship.** The coop provides training in organic farming methods and hired a technical advisor to assist members with organic conversion. Currently the coop is planning a septic system for the community in order to protect the area's water.
- **Credit programs.** APECAFE maintains a credit fund exclusively for members' wives, which has helped many families begin raising livestock for supplemental food and income. The coop also extends credit to members for home improvements such as building floors and indoor kitchens.
- **Infrastructure improvements.** APECAFE has funded improvements to storage, drying and processing facilities and maintenance of pulping machines.

ABOUT THE COOP

Number of Active Members: 465

Average Farm Size: 1.2 hectares

Coffee Varieties: Caturra

Elevation: 900 - 2000 m above sea level

Harvest Season: May - August, October - December

Export Season: May - August, October - December

Annual Production: 14 million pounds

Organic Production: 10%

Organic Inspection Agency: Mayacert

GMCR COFFEE PURCHASES, Q405-Q306

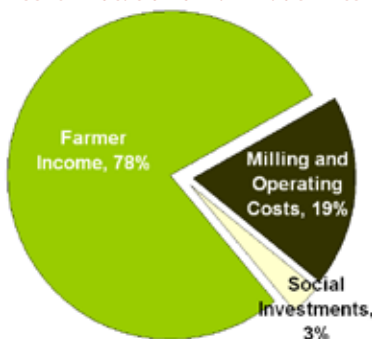
Fair Trade Purchases: 82,500 pounds

Est. Payment to APECAFE: \$113,025

Fair Trade Producer Snapshot: CCT, East Timor



CCT's Allocation of Fair Trade Price



CCT has invested Fair Trade premiums in the following initiatives:

- **Healthcare improvements.** CCT primarily uses Fair Trade premiums for its revolutionary healthcare programs. CCT has set up 10 full-service clinics as well as 25 mobile clinics that make regular calls to remote locations. Free primary healthcare is provided to all CCT members and their immediate families. By the end of 2006, CCT clinics will have seen over 1 million patients. The health services particularly focus on prenatal care, as East Timor has a very high infant/mother mortality rate.
- **Infrastructure.** Fair Trade revenues also fund water treatment at the coop's wet processing facilities.

ABOUT THE COOP

Date Established: 2000

Number of Active Members: 19,945

Average Farm Size: 1.5 hectares

Coffee Variety: Arabica

Harvest Season: May - September

Export Season: July - March

Annual Production: 5.5 million pounds

Organic Production: 100%

Organic Certification Agency: Control Union B.V.

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 117,596 pounds

Estimated Payment to CCT: \$161,107

Fair Trade Producer Profile: OCFCU, Ethiopia



"We started selling to the Fair Trade market, and now we have more food, and Fair Trade is very important to the community. You should do more to get people to buy Fair Trade to help improve our lives."

—**Tadesse Alemu, OCFCU member**

"Fair Trade has definitely helped our community — it has helped the school and it has improved our water supplies. It has also made a big difference to the price we get for our coffee with the guaranteed payment. We don't want your money. We simply want you to buy our coffee at a fair price so we can be independent."

—**Workineh Heldaja, OCFCU member**

Ethiopia, the birthplace of coffee, has more than 1.2 million coffee growers, and approximately 15 million households depend on coffee for their livelihoods. Coffee accounts for more than half of Ethiopia's export earnings. **OCFCU (Oromia Coffee Farmers Cooperative Union)** is the largest Fair Trade coffee producer in Ethiopia. OCFCU was established in 1999 when 35 small Ethiopian cooperatives came together with the goal of exporting their coffee directly to the specialty market. All six varieties of Oromia's Highland Coffee are grown by indigenous farmers of the southwestern rainforest of Ethiopia. Today, Oromia sells its coffee to Fair Trade markets in the United States and Europe.

OCFCU has invested Fair Trade revenues in the following initiatives:

- **Food security.** Members have lessened their dependence on imported food by intercropping coffee plants with citrus and bananas.
- **Credit program.** The higher Fair Trade price has allowed OCFCU to build up capital and to establish a cooperative bank which offers low-interest loans to members, alleviating dependence on external financing.
- **Infrastructure and community development.** Member organizations have purchased washing stations, and OCFCU has developed a fund for repairing equipment. Coops have also constructed 4 schools, 17 additional classrooms, and 4 health clinics.
- **Quality improvements.** The organization has hired and trained development agents to teach member farmers sustainable farming methods, which elevate coffee quality while protecting the environment. OCFCU's coffee is forest-grown, organic, and bird-friendly. In 2005, the cooperative was awarded first place in the East African Fine Coffee Association cupping competition.
- **A commitment to organic production.** OCFCU provides training to its members on organic farming techniques such as composting the by-products of coffee production and utilizing shade trees and natural fertilizers to enrich the soil.



ABOUT THE COOP

Date Established: 1999

Number of Active Members: 9,067

Average Farm Size: 3 hectares

Coffee Varieties: Yirgacheffe, Limu, Sidamo, Harar, Nekemte, Jimma

Elevation: 1550 - 2200 meters above sea level

Harvest Season: October - January

Export Season: December - August

Annual Production: 4.2 million pounds

Organic Production: 100%

Organic Inspection Agency: BCS

GMCR COFFEE PURCHASES, Q405-Q306

Fair Trade Purchases: 79,798 pounds

Estimated Payment to OCFCU: \$109,323

OCFCU's Allocation of Fair Trade Price

