

# FarmMountain Coffee

## Communications on Progress

FarmMountain is continually trying to improve the conditions for our coffeefarmers in Uganda. The farmers are not employed by us, but we still perceive it as our responsibility to ensure them a reasonable standard of living. As a small company we have very limited resources, and therefore we depend on our partners to help us make a difference. Our partners are Rotary Ry, Danida, Seniors without borders, Frellsen Coffee and Lauritz Foundation. Our partners help us in different projects that support our work with the farmers and further help raising their standard of living. Our focus isn't philanthropy, since we don't have the resources for that. Instead we focus on giving the farmers the opportunity to improve their lives through their work, so that it benefits us all. While working with that mission, we often find problems, so severe, that we have to do something to solve them. Like the fact, that most of the women in the farmer's families were cooking inside their houses, causing the smoke to pollute the air so severely, that it corresponds to the women and the children inside the houses each smoking 40 cigarettes a day. In those cases, we turn to our partners and connect them to the problems so that together we can find the right solution.

At FarmMountain we do everything in our power to support the four main-areas: human rights, labor, environment, and anticorruption.

### Human rights

We believe in, and support the idea that, all people are equal. Therefore we work actively with creating better opportunities for women. We are supporting the women in Uganda by helping them organize their own savings associations. We are not doing all the work for them, but merely helping them get organized and provide them with the tools they need to make the associations successful. In that way they become more independent, and will be able to manage the associations themselves.

We are also buying coffee from a lot of female farmers, who are very good at what they do, and we are of course trading with them under the same conditions as with the men.

To support the farmer's health they are being taught about aids and how to protect themselves against it. We have tested the farmers, so those who have aids can avoid causing others to get infected. The work to prevent aids is being carried through in cooperation with Danida.

### Labour

We treat our farmers with respect and regard them all as being equal. We employ women under the same conditions as men, and we don't use child labor. When negotiating terms of agreement we always communicate directly with our farmers. That way we avoid third parties trying to cheat the farmers, and we know exactly what kind of arrangements we are committing to. We feel a great responsibility towards our farmers, since they are doing everything they can to meet our demands towards quality. Therefore we are paying them a price higher than that of the global market. For our highest quality we pay the farmers up to 3,5 times the price of the global market.

Our long term goal is to ensure the farmers an income 4 times higher than when we started trading with them in 2007. One of the means to that goal is to develop high quality coffee, which can be sold at a

premium price. Therefore it is a slow process, since it requires the quality to be developed and the customer's getting used to paying for good coffee.

Also we are helping the farmers to earn or save money in other ways than coffee. We are planting Jatropa trees, from where the farmers can collect oil to use or sell as fuel.

### **Environment**

Our coffee is produced without any use of pesticides. We don't have the official ecological certification, since that requires a lot of demanding paperwork from the farmers. To us the most important thing is to know, that we are doing things right, and not, that we are telling our customer's, that we are doing one thing right. We are educating the farmers in sustainable farming to ensure their awareness towards the great responsibility they have when living and working in a natural environment as fragile as the rainforest. We are continually working on preserving and restoring the rainforest. We are therefore planting shadowtrees, which provides shadow to our coffeetrees and prevents mudslides. The shadow trees are grown in orphanages, from whom we buy the trees.

To make sure, that the shadowtrees are left alone, Jatropa trees are planted around all the farms. They provide protection against cattle entering the fields and destroying the coffeetrees. At the same time, they provide the farmers with wood to burn, so they won't have to harm the rainforest in order to collect wood.

### **Anticorruption**

We do not in any way give in to corruption. We only deal with our farmers and the people working with them whom we have absolutely confidence in. We have never bribed anyone, or received anything under the table, and we do not allow our partners to do so either. We know that corruption is a big issue in Uganda, where we do business, but we have made it very clear that we do not support that, and don't want to do business with anyone who does.

We have experienced corruption with one of our suppliers, and when we found out, we refused to continue working with them, and advised them to find a new chairman and get things sorted out.

We have now resumed cooperation with the supplier in question, since they have selected a new chairman, and are now free of corruption. By ending all cooperation with the supplier, but giving them a second chance when they are back to doing things right, we believe we are setting the example, that the only way of running a successful business is to run it properly.

We cannot directly measure the outcome by numbers, since we do not have the resources to do so. What we wish to gain from our work is high quality and better standard of living for our farmers. We have succeeded in obtaining outstanding quality, and in being able to pay them a fair price. We can measure the quality, and prove the effect of it to the extent, that customers are willing to pay the price for it, which allow us to pay the farmers what we do. Raising the standard of living among the farmers must be perceived as an obvious consequence of the raised income. Also our other projects all support that goal, and therefore the outcomes of those must be evidence for that.

So far 650 stoves have been installed with the families. This means, that we have minimized the risk of those 650 families getting sick and perhaps even suffering a premature death because of the polluted air.

4 saving associations have been established, and are operating as we speak.

We have planted 35.000 shadowtrees, to support the coffeetrees and help maintaining and restoring the rainforest.

We have also set up charging stations in the villages where the farmers live. That means that they don't have to drive all the way into town each time they have to charge their mobile phones, since there are no electricity in the villages. The stations are provided with power from solar panels, we are installing at the schools, which also provides power to light up the classrooms.