

Adaptation for Smallholders to Climate Change

A Public-Private-Partnership between Producer Organisations, Cafédirect and German Technical Cooperation (GTZ)

1. Background and Key problem

As it becomes increasingly obvious by international research, the impact of climate changes will affect a number of vital areas and sectors across the world. One of the most affected economic sectors will be the one most dependent on status and stability of its natural environment and resources: Agriculture.

Climate related trends over the past decade that have been experienced by the agricultural producer groups materialise as increasing inland effects of the **hurricane** season in Mexico and Central America with **massive rainfalls causing flooding**, but for farmers more worrying, very **destructive landslides**. On the other hand, increasing occurrence and severity of the **El Niño** effect, may delay the start of the **rain season** or cause **unstable rainfalls** that directly **affect the flowering and thus production capacity**, e.g. for crops like coffee or tea. **Increased hurricane activity** also has been observed in the Caribbean with devastating effects for agricultural production. In Peru the **melting glaciers** cause stress on freshwater availability.

In East Africa, especially Tanzania, Uganda and Kenya, there have been increasingly prolonged **drought periods**, which especially affect perennial crops like tea and coffee which does result in substantial output reduction for smallholders, and hence their income. On the other hand the climate scenarios project increasing **water stress problems**, caused by heavy rains and floods.

With all the given uncertainties still involved concerning the most likely scenarios of climate change: Those most susceptible to the expected impacts will be poor agricultural smallholders in rural areas. Due to lack of information, adaptation capabilities and access to financial and technical support schemes, these producer groups will be affected most by climate change increasing their poverty and vulnerability to climate change related risks.

Being absorbed by daily survival activities and challenges, these farmers and their organisations, have dedicated little time to analyse the wider implications and effects of climate change to their livelihoods and their families on a mid- and long-term range. It is the aim of this project to support these smallholders in analysing the possible scenarios of climate change in respect to their specific cases, and to identify viable ways of adaptation combining external and internal options of support and risk reduction measures.

2. Project Objective

The main output of the joint three years project will be that specific **producer groups of Cafédirects' supply chain have created examples how to strengthen their capability to cope with the impacts of climate change and how to improve their access to respective financial and technical support mechanisms**. The identified adaptation strategies include measures to be implemented by the producers themselves, measures to be implemented with external technical and/or financial support, and measures taking into account other stakeholders of Cafédirects' supply chain.

3. Strategy and Approach

To develop adequate and feasible adaptation methods it is necessary to collect practical information concerning the key problems caused by climatic changes. Therefore the project starts with a **producer dialogue in six focus regions** (Mexico, Nicaragua, Peru, Tanzania,

Uganda and Kenya). Together with Cafédirects' close cooperation partners, Twin and Imani, the experienced impacts of climate variability, the options to deal with these impacts, traditional successful measures in dealing with climate change and how they get access to information and technical and financial support will be discussed with producer groups.

Climate and agricultural experts will collect and analyse further information concerning scientific climate scenarios and statistics for certain regions, impact studies on crops like tea or coffee, support mechanisms for smallholders and the institutional landscape on a national basis in the six focus regions.

The evaluation of all the above mentioned information will lead to specific contents and objectives for **producer workshops**, the so-called **risk assessments**. Within these workshops **together with pre-selected representative producer groups** the threatening risks and impacts, adaptation needs and options for solutions will be identified.

On the basis of the results of the specific risk assessments, **adaptation strategies** will be developed and implemented together with pilot producer groups.

As a parallel activity, **financing options** will be identified to support the implementation of adaptation instruments in the producer's livelihoods.

Although the project will be limited to the implementation of few pilot strategies based on a priority setting by producers, the **results and experiences will be accessible for all producers and other interested stakeholders**.

The producers will be involved in all stages of the project activities, ranging from information gathering and sharing to customisation of adaptation strategies and implementation of pilot cases as well as analysing lessons learned and next steps to be done. There will be a focus on cases where effectiveness of current adaptations is limited by access to knowledge and/or technical or financial resources.

The whole project will be supported by national and international climate and agriculture institutions of science as well as experts from different fields of Development Cooperation.

4. Expected Results

- ❖ detailed information about climate impacts and risks for producers in the coffee and tea sector in different regions
- ❖ overview of adequate adaptation instruments
- ❖ methodology to identify adaptation strategies in the coffee and tea production
- ❖ pilot tested case specific adaptation strategies
- ❖ options for a financing scheme to ensure long-term financing for the adaptation strategies
- ❖ network of institutions and producers to share experiences and knowledge
- ❖ evaluation, discussion and dissemination of project experiences amongst the main stakeholders in order to improve future support to producer oriented adaptation measures

5. Partners and Stakeholders

The private Partner **Cafédirect plc** is UK's largest Fairtrade hot drinks company producing high quality 100% Fairtrade coffee, tea and drinking chocolate drinks.. Cafédirect was the first coffee brand to carry the Fairtrade Mark in the UK. Through their trading and business model Cafédirect build long-term direct relationships with their grower partners.

The growers hold shares in the company and sit on the Board. Cafédirect also invest a percentage of their profits every year back into growers' organizations through their Producer Partnership Programme. These programmes include working on the long-term issues facing the growers from climate change. This is one clear example where Cafédirect wants to proactively engage with its producer partners and make a valuable contribution to the long-term sustainability of the growers' communities and businesses.

The **German Technical Cooperation (GTZ)** is an international cooperation enterprise for sustainable development with worldwide operations. As a federal enterprise GTZ promotes complex reforms and change processes, often working under difficult conditions. Its corporate objective is to improve people's living conditions on a sustainable basis. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) the GTZ implements the Public-Private-Partnership Program (PPP). Within such partnerships – also known as development partnerships with the private sector – GTZ cooperates with businesses and business associations in developing and transition countries.

Within the context of the described PPP project Cafédirect and GTZ share the responsibility for the project coordination and management.

Target group, beneficiaries and partners of the project's outcome are the **Producer Groups** of Cafédirect in Latin America, Africa and Asia.

Specific partners in project implementation: **Imani Development Ltd.** is a group of private, employee-owned, consultancy firms, offering a range of services directed towards policy makers as well as the industrial, agricultural and commercial sectors and development agencies. Its aim is to assist in the process of economic growth and development in developing countries, particularly in Eastern and Southern Africa. **Twin/ Twin Trading** is the leading alternative trading company in the UK and one of the founders of Cafédirect. Twin is committed to developing long term trading relationships built on trust with producers and bringing the producer and the market closer together.

Other Stakeholders: Development Cooperation Community, Coffee and Tea Community, Climate Change Community and Stakeholders in pilot regions and along Cafédirect's supply chain. They will be approached and involved via the Public-Private-Partnership instrument and identified during the implementation process.

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