



Brazil Responsible Sourcing Project

Connecting Rural Coffee Farmers to Global Markets

THE CHALLENGE

Brazil's Advanced Developing Country status masks the fact that one third of its population, approximately 53 million people, live in poverty. This fact is exacerbated by one of the most egregious inequities of wealth in the world. The poorest 50 percent of Brazilians earn approximately 10 percent of overall income. In effect, Brazil is home to the largest pocket of poverty in the western hemisphere. Small rural farmers represent an underexploited source of economic growth and employment opportunities in Brazil. Over 50 percent of the formal workforce is comprised of micro and small businesses, including smallholder farmers. Despite these impressive statistics, these small businesses only produce an estimated 2-3 percent of the country's exports.

THE APPROACH

The Brazil Responsible Sourcing Program is a collaboration between USAID, TransFair USA, Wal-Mart, Sam's Club, and local Brazil non-profit organizations to increase the incomes of smallholder coffee farmers in Brazil. The \$1.9 million, three-year partnership seeks to provide coffee growing cooperatives with the resources and expertise to help smallholder farmers increase exports of Organic and Fair Trade Certified coffee by 400 and 350 percent. By engaging with both farmers and consumers, partners are helping to bridge the divide between the field and the store. Farmers benefit from greater access to global markets and improved earnings and retailers benefit from premium-quality coffee beans.

PARTNERS

Fair Trade Certified, Wal-Mart, Sam's Club, SEBRAE-MG



RESULTS

- Since its launch in fall 2007, the Brazil Responsible Sourcing Program has benefited 30,000 people
- More than 150 farmers at five local cooperatives have received equipment upgrade processing grants of approximately \$144,000.
- In April, Wal-Mart launched its exclusive "Sam's Choice" sustainable coffees, including three Fair Trade Certified coffees from Brazil.
- In May and June, more than 275,000 Wal-Mart shoppers sampled Sam's Choice Fair Trade Certified coffee during in-store events at 1,100 Wal-Mart stores.

