

**WAKULI**

# **2021: A HIGHER MARKET PRICE— THE EFFECT?**

Our 2021 yearly impact report

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Our partners from  
El Pinal, Honduras



# 1 A quick recap of the 2020 baseline.

If you haven't yet read the 2020 Impact Report, you may want to take a look at this summary now, as we'll be building on this baseline during this next chapter of Wakuli's impact journey – one that directly coincides with one of the more unorthodox periods in coffee's lifetime.

## THE PROBLEM WITH COFFEE

### *problem 1*

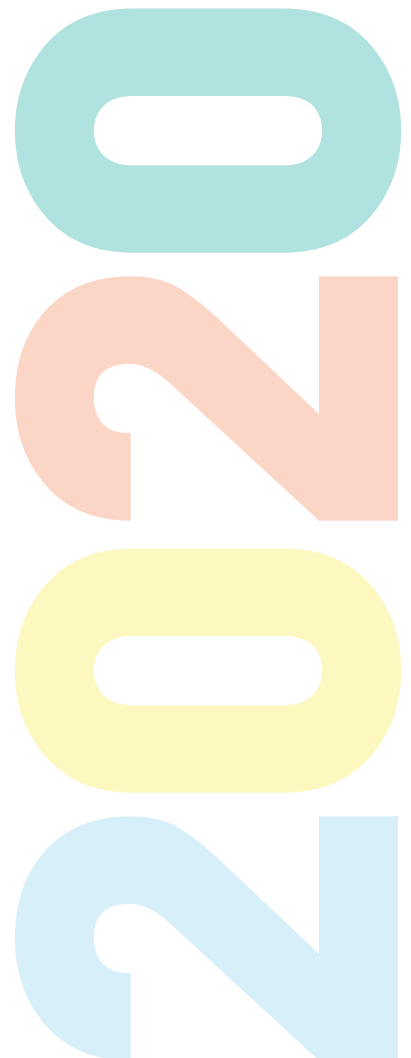
Amongst the most widely consumed beverages in the world, coffee has grown to a \$200B industry in current times. This wealth is unequally and unfairly distributed, with 10% remaining in producing countries (origins) and subsequently split amongst exporters, traders, local transport, and many others, leaving only crumbs for the roughly 12.5M smallholder households that depend on this for their main income.

### *problem 2*

Price-setting in the global coffee industry is heavily based on the C-market. This commodity trade incorporates supply and demand in its pricing, but is heavily influenced by trader speculation and excludes factors such as cost of production and quality. Apart from regularly setting unprofitable prices for farmers, this system means farmers have minimal control and insight into the price of their coffee within this market.

### *problem 3*

Continuously volatile and unprofitable prices make it increasingly difficult for farmers to continue in coffee – their living conditions worsen, it is increasingly difficult to invest in their farms, and the environmental impact of their products worsen. This spiral continues downward until farmers have limited options outside of uprooting their coffee trees, or fleeing their communities in search of a better income.





## WHAT WE ARE CHANGING - THE WAKULI WAY

**Our end goal** is a sustainable living income, meaning a situation where the entire value chain can at least have a decent standard of living through coffee on farms that have a net positive impact on the environment.

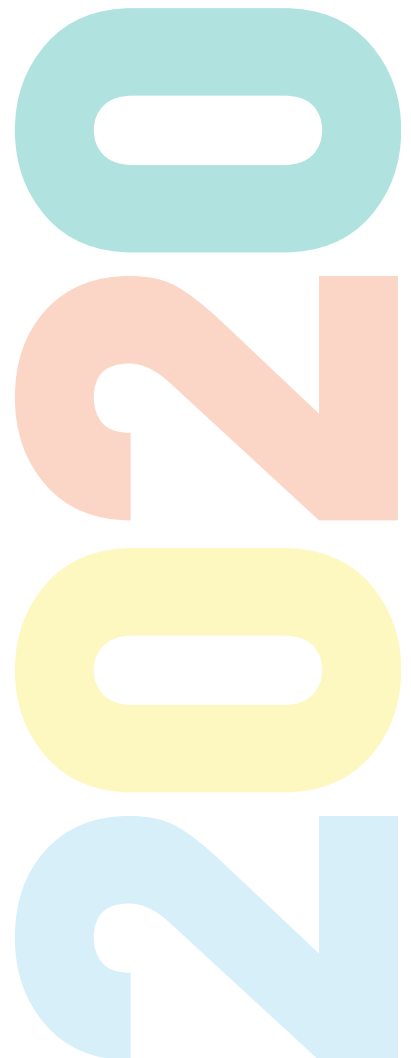
**We share this goal** with our farmer partners, and support this effort throughout all parts of our business, predominantly the way we source, trade and minimise environmental impact.

**We source coffees** from around the world which have limited market access and are continuously undervalued. By working with farmers to increase the quality of their main crop and connect to higher value markets, we can have a larger impact on overall farm income. This applies to arabica, but also robusta, which accounts for 40% of global coffee production but is almost always seen in low value settings, leaving a huge amount of untapped potential across the industry.

**We purchase coffee based on a direct trade**, long term relationship that is built on transparency and traceability. This simply means that only necessary and valuable middlemen are included in our supply chain. Everyone in this system understands the role of each actor, the proportion of the price that is paid to them, and is committed to a long term relationship and shared vision, which is for sustainable and independent smallholder coffee farms.

We use our direct relationships as an engine for **minimising negative environmental impact**, both on farms and in our operations. At origin, instead of demanding that farmers take on all the risks and costs of more climate-smart production, which is the common route for most coffee certifications, our approach is to understand the barriers here, and use our business relationship to break these down together, starting with a higher price. In our operations, we continuously seek to minimise emissions, for example through compostable pods, lower impact last-mile deliveries, and more energy-efficient roasting.

This way of working extended to **15 countries, with 3613 farmers, and 48,116 kgs of coffee purchased in 2020.**



# 2 Introduction

The coffee industry in 2021 was tumultuous for all actors – roasters for the first time in a long time started feeling the pains of a volatile market price that wasn't in their favour, meanwhile a higher price for coffee globally only exposed the importance for equal partnerships in future proofing the sector. These partnerships fundamentally need three elements to work:



## Price

What is paid to farmers and farmer groups for their outputs.



## Relationship

The attention and work put in to understand what each partner in the chain needs to build a better coffee future.



## Quality

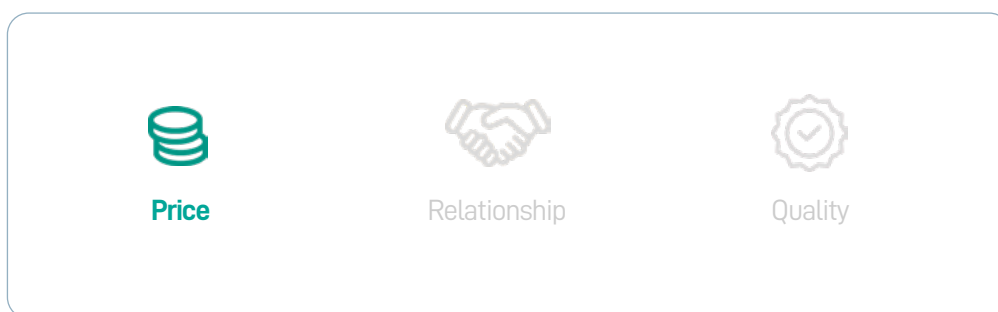
The quality of coffee, and of the ecological condition on farms.

*keep an eye out for these three pillars throughout the report!*

At best, some value chains in the coffee industry partially work on one or two of these elements, but without a focus on all three, the effort is temporary, and can sometimes do more harm than good.

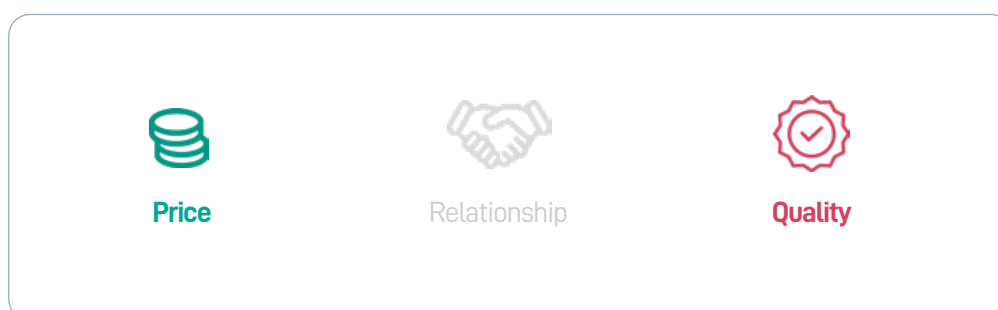
When the global price of coffee is high, we see a lot of actors focusing only on a high price, without looking at the long term needs of the system - does this higher price make it to farmers, has the cost of their inputs remained the same, will we commit to buying from them and paying this price next year? These questions are too rarely asked, and in most cases the answer is no.

For the larger coffee companies that control and largely benefit from a commodity trade structure, this lack of relationship and quality is not just naive but sinister. It is used to manipulate consumers into thinking coffee should always taste the same, be the same, and therefore preserved within the commodity market, under their control.



*The commodity coffee market has temporary price peaks, but without the stability of a value chain relationship, or recognition for quality.*

In the specialty world, the focus often lies heavily on quality, and while a higher price to the market accompanies this, it often requires higher costs and risks to be footed by farmers to hopefully gain a higher margin on a small portion of their farms. In some cases, quality is third or fourth in the list of urgent challenges or affordable opportunities facing coffee farmers, leaving them distanced and less interesting to the specialty segment. Working without an understanding of this and without a committed relationship that can have an impact at scale means farmers are left with increased dependence on specialty buyers, who are able to hide behind comparatively higher prices at export level (which anyway should be paid for the higher value products delivered).



*The specialty world can often chase the highest quality coffees and pay a higher price than commodity markets for them, but without an holistic view on farm income and a farmer-focused relationship. This keeps it inaccessible for many farmers.*

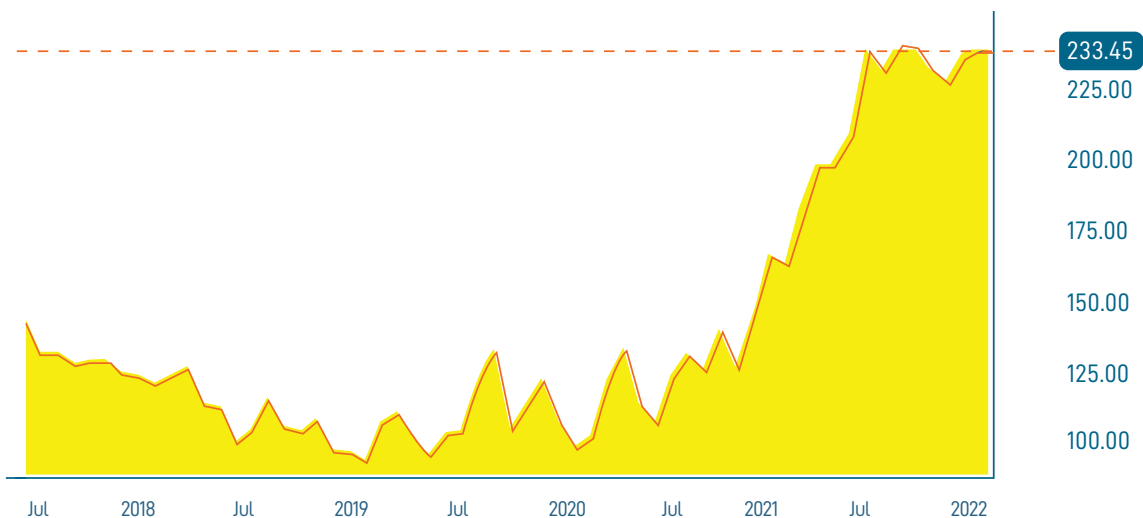
For us, the last year has only further emphasised **the urgency, complexity, and opportunity of the coffee world**. We have been lucky to work alongside the people in our 12 value chains, who are at the very least just as opinionated, dedicated, and hopeful for the next stage of the coffee world. At the same time, 1000s of coffee drinkers in Europe have signed up to use their favourite drink as a force for good. This report is written to bring you closer to what that has meant, and what we look forward to building on in our next year together.



# 3 The market and its pandora box

A major headline since January 2021 has been the rising global market price of coffee (the C-price), which has seen its highest peak in 10 years during 2021, and has been steadily rising since. Unlike the more common market spikes in the coffee market, we are amidst a mostly consistent "high" price over an extended period (the C-price has not been above \$2.00 for more than 9 months since 2010).

**The Price per pound of coffee -  
5 year overview**



*Historical graph of global coffee futures, referred to as the C price (US\$/lb)*

A major factor in this rise, and overall in the behaviour of the market, is the state of the Brazilian coffee harvest.<sup>1</sup> The most severe frost in over 40 years hit Brazilian coffee farms in July 2021, affecting upwards of 30% of farms' coffee production. This sent the coffee industry into a tailspin, with concerns over the availability of coffee starting a price surge that varied significantly with each day.

<sup>1</sup> Brazil is responsible for 37% of the world's arabica production.

Simple supply and demand dynamics are to be expected in most conventional markets, but the effect was further multiplied by trader speculation, i.e. the large number of actors who seek financial gain from the fluctuations of the market. The result - when prices rise, there is limited logical reasoning, and therefore limited control from producers, to keep the price at this new level. Similarly, there is no predictability on where the price will go tomorrow, next week, or next harvest.

A higher market price is generally very good news for farmers, however when it is implemented within this commodity structure with characteristically arbitrary pricing, an absence of risk-sharing, stability and long term partnerships, it presents some challenges, opening the coffee equivalent of Pandora's box.



Sorting coffee beans for quality in **Nebbi, Uganda**

## CHALLENGE 1: QUALITY

**Quality** becomes especially difficult to secure in an inflated market, due to factors such as:



### **Fear of theft**

Suddenly the value of the coffee on trees goes significantly up, and they become a more attractive prize for robbers. To avoid this, farmers often pick their coffee cherries in a hurry, ripe or not, significantly affecting how it tastes in your cup.



### **Lack of price motivation**

Rightfully so, if farmers are offered a higher price than expected for coffee through lower quality markets, then putting in the time, costs and effort to produce specialty quality seems less and less appealing. The volatility of the market additionally encourages farmers to sell quickly when the price is high, with less time and focus on quality.



### **Higher volume demand regardless of quality**

It is in a lot of ways refreshing to witness a year where farmers could choose where to sell their coffee. In this scenario, local buyers become more and more mobile as the value of coffee increases and volume availability decreases. New buyers who serve the commodity market temporarily enter, offer cash-in-hand, and move on in search of the next coffee bargain, leaving farmers and farmer groups uncertain of the long term demand, in terms of volume and quality, for coffee in their region.

## CHALLENGE 2: WORKING CAPITAL AND THE ABILITY TO ACQUIRE VOLUMES





In order to access the finance needed to purchase coffee from farmers, farmer groups need to prove that they are able to sell the coffee they purchase and process, at least at a price that covers their costs. Contracts with coffee buyers therefore become a very important part of this process, and in ensuring there is enough working capital for the farmer group to conduct their purchases in the coming season.

When the value of the coffee changes drastically from the time of contracting with buyers to the time of purchasing however, a significant problem is then posed to farmer groups. Suddenly their costs (the purchase price of coffee from farmers, processing costs, transport) far exceed their acquired sales price agreed at the time of contracting. If they sell to local traders, the price they are offered largely depends on the C-price on the day of buying - who knows how that will compare to their inputs. Larger firms are in a better position to mitigate this risk, but for smaller local businesses, this can mean a wipeout in profits, and even a loss made over the harvest.

Wakuli's view on long term relationships means sharing these risks across the chain, which in a practical sense means agreeing on a viable price and volume ahead of the harvest, and reviewing the feasibility of this throughout the purchasing process to make sure that it makes business sense for all involved, and if any compromises are made they are shared and toward a clear long-term benefit.

### CHALLENGE 3: PROFIT

While the price of coffee increased, this did not directly translate to increased profit, and a sustainable net income on farms. Higher prices also coincided with increases in the price of agricultural inputs, increasing the costs of production on farms.

For farmer groups, and farms that rely on casual workers during the peak harvest season, labour shortages due to the pandemic also resulted in increased costs. These factors pile on top of the main factor in the room - the fact that coffee prices have fluctuated about the same point for the past 40 years, while the surrounding world has transformed along with its costs of survival.

The cumulation of these factors point in one direction - **while a higher price for coffee is important, the system in which this is distributed is fundamental to its success**. In short, collaborative relationships throughout the supply chain make or break the future of coffee.

2 All of our previously-existing partnerships in 2021 had an agreement in place on quantities to be purchased and prices to be paid ahead of the purchasing season. For the relationships that started in 2021, they already have agreements in place for the 2022 purchasing season.





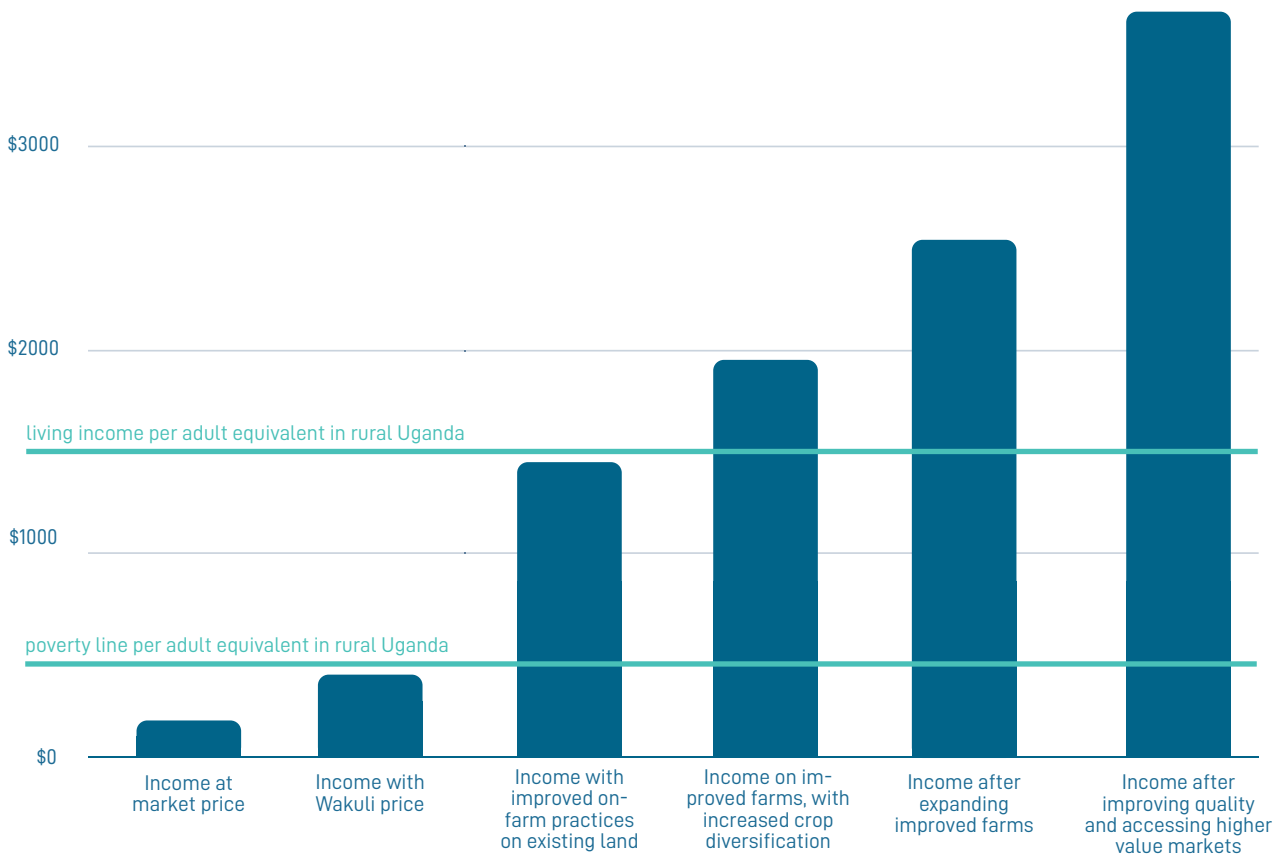
Partners (and their family)  
from **Coopervass, Brazil**



# 4 A higher price is a start, but...

Below you can see different income scenarios on an average arabica farm in one of our partner regions, the Nebbi District of Uganda.

## Annual income (USD)



*Current and potential future income scenarios on an average arabica farm in Nebbi, Uganda.*

Whilst a household net income of \$435 seems unrealistic, the majority of farmers in this region claim coffee as their most significant source of income. It is also the income stream that they spend the least time on - with the history of underpayment and unpredictability of the coffee market, there is a heavy reluctance to further invest in this crop.



Even with a higher market price and premiums (bar 2), you can see that farmers are far away from a decent income on their existing farms, emphasising the need to look at opportunities beyond price.

While each origin's context is different, and Uganda represents one of the more extreme low income scenarios in our portfolio, the effect of incorporating other means of reaching a decent living income, in addition to the direct price paid, remains critical across the board. For example in this case, it is clear that by focusing on increasing the amount of coffee produced, the quality of that coffee and the market it serves, diversifying income streams and/or reducing the costs to farmers, the impacts all combine toward a more profitable outcome.

A lot of these factors overlap of course, and their relative priority and impact in each community varies. Understanding the most important factors, and effective solutions has been a big part of Wakuli's current phase. Just as importantly, also promptly taking steps, no matter how simple and small they may feel at first, **to make tangible, farmer-led changes.**



Thomas, one of our partners in Mbinga, greeting us during our visit to **Tanzania**

# 5 Where we are now- our 2021 focus

In 2020 we introduced our baseline, our entrance to supporting farmers in reaching a sustainable living income (SLI) by at the very least making sure that we are paying a higher price than the markets that currently undervalue their coffee.

As our relationship with partners matured in the past 2 years, moving beyond only promising to come back another year but actually working together through the obstacles of the pandemic, its shipping delays, and price concerns, we've been able to use a mutual trust to expand beyond this higher price baseline.

There are huge, and critical gains to be made by diversifying impact in this way. For one, while we use a farmer-led price setting approach, there are limits on where this can go; while we pay a higher price, this on its own does not ensure that other buyers will do the same, at least not overnight. At the same time, with limited resources available to reliably document the costs on a farm level, it is difficult for most farmers to accurately propose a profitable price, farless one that sufficiently contributes to their overall household income.

We must therefore also develop avenues for farmers to independently command a higher price – be it through market awareness, increasing product value, increasing marketing and operational strengths, and the list goes on.

Secondly, coffee's pivotal role in the lives of the most marginalised communities provides an important tool to enact social and environmental change. Approximately 10 million hectares of land is used globally for coffee farming, meaning it can be used as an engine to absorb upwards of 3 million tonnes of carbon if invested in an effective way.

Leveraging these possibilities however require a lot of trust between all actors, namely farmers, farmer group leaders and Wakuli, alongside a clear understanding of the risks and challenges faced within each of the communities we work in.

The roadmap on the next page lays out the journey we go on once we start working within a new region, or with a new group, and starts to give an understanding of how our overall mission translates into each of our partnerships.

## Legend



Overall impact focus



Regenerative agriculture focus



Data improvement focus

## Goal

Sustainable, independent coffee farms

## Phase 4



Project execution to address at least 1 prioritised risk.



Project rollout with first farmer group + scale-up plan.



Plan set for living income, using purchasing roadmap and project progress.

## Phase 3



Assess, prioritise and plan to tackle risks.



Ecological risk assessment, prioritisation + overlap with other risks.

Set scope and plan for pilot project.



Decide cost of production and living income measurement plan.

## Phase 2



Set scope (which farmer group and coffee).

Pay jointly agreed price that is a premium to current markets.



Connect data needs to carbon market opportunities.



Set up continuous measurement of on-farm income and make a plan to address gaps.

## Phase 1



Pre-purchase value and product alignment.



Understand production practices and priorities.



Baseline of existing data + collection of price breakdown.

Start here

1

2

3

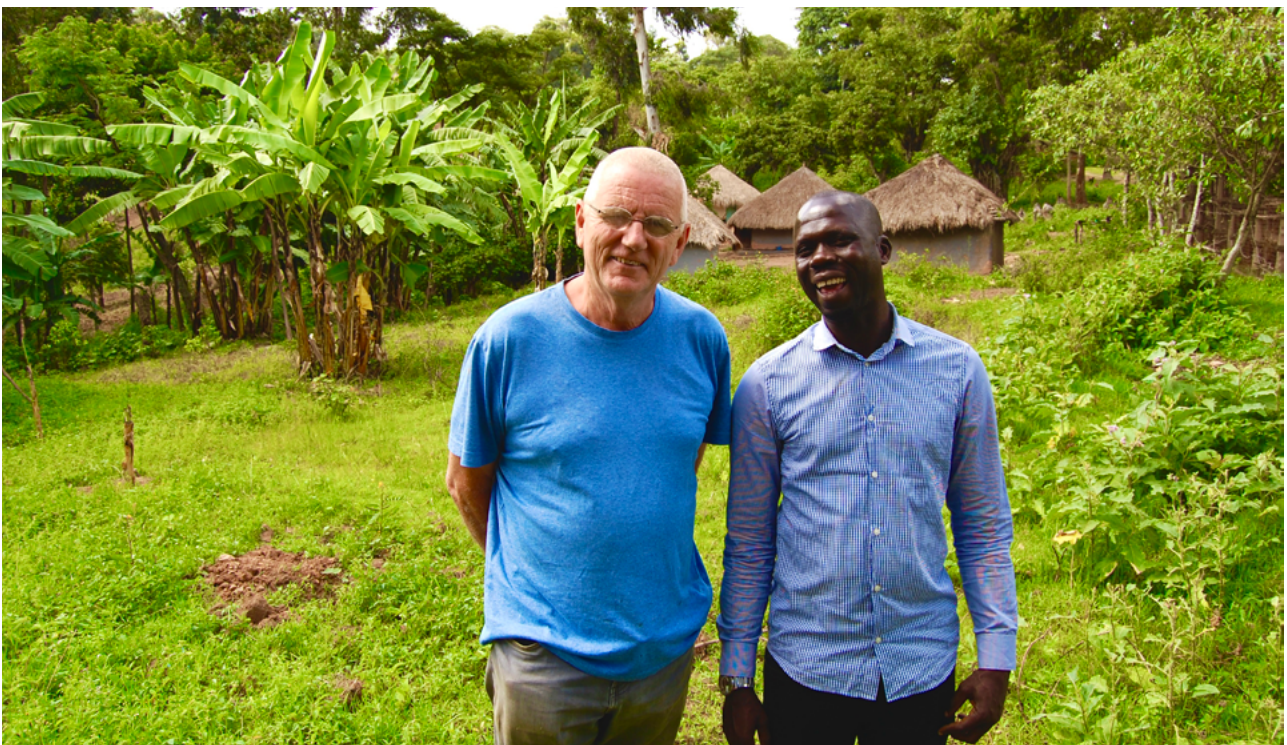
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# 6 Origin view - Uganda

Aggrey and Andy of Zombo Coffee Partners (ZCP) have introduced an entirely new way of working with farmers in the north-west of Uganda. We've been partnering with them since 2019, not long after they formed ZCP, and have seen first-hand the teething issues involved in disrupting a coffee market, especially while on the doorstep of some of the largest coffee traders in the world.

Zombo and Nebbi, the districts in which ZCP have focused on, are of the few arabica-producing areas in Uganda, a landscape dominated by robusta production. The majority of farms in the country are smallholder, but the coffee outputs of ZCP's farmer partners are exceptionally low, with farms estimated to produce less than 100 kgs of exportable coffee per year.



*Andy Carlton on the left and Aggrey Chombe on the right. Co-directors of Zombo Coffee Partners, our partner in Uganda.*

Beyond the farm, this has an obvious knock-on impact at the processing level - with low volumes come high unit costs and high unit costs, higher quality risks and competition amongst local buyers for the limited supply.

ZCP is a relatively new buyer in this area, where larger coffee firms have been operating for years. The local coffee market is incredibly mobile, especially in an inflated market where buyers move not just to find the lowest coffee prices, but enough volumes to fulfil their contracts. Andy described the chase to us:

*"In 2021, buyers from Kenya moved into Mt. Elgon in the east of Uganda, where coffee is similar to Kenyan coffee but cheaper. Mt Elgon buyers moved to Zombo and Nebbi for the same reason. Our local buyers moved to DR Congo, in a kind of westward-moving "musical chairs". Everyone was excited about the big surge in the C-price, and the local price for coffee cherries increased by 60% as a result. Our farmers certainly benefited in the short term in the 2021 harvest. Whether the benefit will be permanent is less certain. It never has been before."*

As mentioned earlier, this price competition in most cases is a very good thing for the short-term income of a farmer. Apart from the direct financial reward, the case is proven that buyers can indeed pay a higher price than they have historically been paying, and motivates farmers to invest in a future in coffee.

As Andy said, without a farmer-focused approach and **relationship**, there is limited faith that this will last. Whilst ZCP's presence acts as healthy competition for coffee in the region, there is no certainty on what would happen to prices if they were no longer active here.



Price



Relationship



Quality

*The local buyers in Uganda paid a higher price than they usually do this year, but without any commitment to purchasing in the future, or even maintaining a similar price.*





**So where do we start?** During our time in Uganda this past year, we spoke to farmers and processing managers on how we can permanently tackle these challenges, and made a plan together.

We defined two key focus areas. First, **a price structure** that very simply and clearly rewards everyone in the chain for higher quality coffee. We have already started working with this system in 2022.

Secondly, we need to increase the profitability on a farm level by decreasing labour and direct costs while increasing output of their existing crop, i.e. the **volume and quality** of coffee per tree. This cannot be done without a direct focus on soil health, and biodiversity on farms. Therefore, we are presented with an opportunity to reduce the reliance on external inputs on farms, increase yields, and move toward smallholders as carbon sinks rather than carbon emitters.

In partnership with MVO Nederland, we're currently designing a project that is led by ZCP's farmer partners to execute this in 1000+ farms in Zombo and Nebbi, aimed at making regenerative farming accessible, widespread, profitable and inclusive.



Price



Relationship



Quality

*With a new price structure that directly rewards quality, we take a further step in our relationship to increase profit and therefore income on farms.*



*Visiting the Gonyobendo microstation in Nebbi, Uganda*

# 7 Origin view - Honduras

Across the 2021/2022 season, our prices remained marginally higher than the alternative markets in Honduras as the inflated market persisted. Yet, El Pinal farmers still insisted on delivering coffee to CAFESMO and Wakuli. We asked our partners why, and Hidardo, director of CAFESMO, responded:

*"From our point of view the most important thing about working directly with Wakuli is that the producers have been able to have certainty of sale and stability and they know who is really buying their coffee."*

*Besides the fact that Wakuli is a roaster very committed to social and environmental responsibility and directly linked to the impact generated in the community of Pinal, Wakuli has also supported different programs promoted by CAFESMO such as the workshops specialised in promoting and improving specialty coffees and generating greater knowledge in the producers."*

If you look at our price transparency data only, you might think that the increases in prices to farmers are enough to cover the challenges in El Pinal. This year Wakuli paid 27% more than in our first year of purchasing, and almost doubled the volume of coffee. **It's the highest coffee price paid** to farmers in years, yet, El Pinal still sees mass migration from its community due to the low household income from farmers dependent on coffee. This does not say that we are moving in the wrong direction, only that we are at the beginning of an accelerating journey.



*Coffee being dried after washed processing.*



How can we go further? Generally-speaking, coffee farms seeing successes, i.e. those who can maintain a decent livelihood within regenerative systems, and who are in an upward economic spiral, largely depend on there being remaining capital at the end of the year to effectively re-invest in the land.

You would think that this is a very obvious and logical view, but still disrupts the general thought of most in the industry, and remains outside of the focus. It calls everyone in the chain to place their targets beyond price in the shorter term, and into margins and overall on-farm income. In the current scenario, most farmers do not have the data to do so. There is limited knowledge on what it costs to produce coffee, how this changes with scale, and therefore what is needed from both farmers and buyers in order to improve on this situation, at least from an economic standpoint.



*Our coffee partners from Cafesmo, Honduras.*

Therefore in El Pinal, in tandem with efforts to increase price and quality, there is a need to focus on farmers having an understanding and control over their margins - a fundamental part of our next step together. We spent a few weeks in El Pinal in 2021 to work on this, understanding further the existing income scenario of farmers, and the barriers to accurate bookkeeping in order to form a plan, together with CAFESMO, on how we can build a complete, transparent and effective record of income within the value chain beyond just sales price.

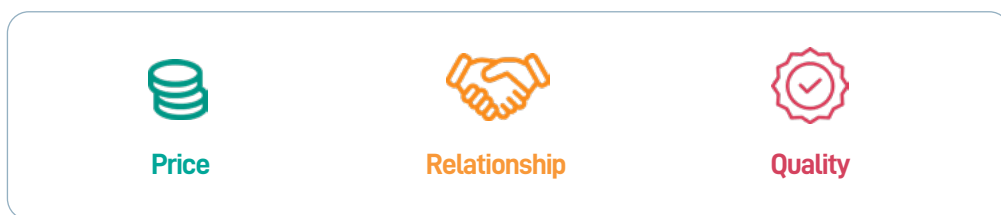
We rely heavily on a **strong relationship** to work on this. Loyalty can end up being expensive, and in many coffee value chains farmers are the only ones making sacrifices to keep relationships alive, despite the whole chain believing in its importance. While farmers remain committed to our partnership, liquidity remains a challenge, and sometimes they need to sell their coffee elsewhere to cover immediate and increasing expenses.



Therefore, working on our long term vision together sometimes mainly comes down to keeping the relationship alive for another year, and sharing the compromises needed for this, for example by ensuring we are a premium to the market even when prices spike.

We maintain that quality is a key avenue to even out those spikes and secure more committed markets, and El Pinal farmers are especially enthusiastic to explore this, using innovation to make a name for their coffee. This year, Wakuli supported CAFESMO in their workshop to help farmers perfect fermentation techniques for their coffee, thereby **increasing the expressiveness and quality of their beans**. The emphasis here was on making improvements with as much simplicity as possible, delivering a better product with less steps along the way.

With workshops like these, and the energy of the El Pinal farmers, we hope to diversify our purchasing from the community in the coming years. In this way, we can differentiate pricing for higher quality lots, incentivising these investments in quality on a larger scale.



*By matching the market during price spikes, and investing in longer term efforts to increase product quality such as improved coffee processing, we're able to build our relationship toward more stable and profitable income through coffee.*



*El Pinal coffee farmers playing football.*

# 8 Origin view - Tanzania

Tanzania generally exists on the periphery of the specialty coffee radar, but the southern regions of the country are more or less unseen in high value markets. The farmers in this region sit on incredible potential, with a distinctive and unique flavour profile present in their beans, but with some processing barriers keeping them away from a specialty grade cup. Since 2016, when Wakuli was still just an idea, we've been figuring out the hurdles between farmers and the full potential of their crops together with our friends in the remote region of Mbinga.

Government restrictions on most direct export and trade relations were a first key point. Farmers are not allowed to export directly - a scheme guised as farmer protection, but actually used as an institutional tool for control and higher taxes from exports.

With a system that limits international access for smallholders, there is a high dependence on the national coffee auction - a marketplace with extremely low and volatile prices that feeds the commodity market, giving no recognition for quality and blocking any opportunity for direct relations. It is important to consider this within the context of farmers who already have physical and cultural barriers between them and end buyers. Most have never tasted coffee themselves, therefore the idea of a higher quality product comes predominantly from external input. With the auction controlling coffee production, there is minimal, if any, information shared with farmers on the quality of their output, what its value is in the market, or where, and how, viable improvements can be made. If improvements are made, with no price control, there is no guarantee this effort will be rewarded, or if that reward will be worth the upfront investment.

Therefore, apart from no obvious motivation to invest in quality, there is no capital to do so, keeping coffee production in control of the auction and creating a cycle of disconnection between farmers and end drinkers. We then collaboratively decided on how we can share the risks of these investments.



Price



Relationship



Quality

*No price or quality control exists for farmers within the local coffee auction system, and there are significant barriers to forming direct, long term relationships.*



The opportunities clearly exist to create a more equal coffee sector here, but few are able or willing to take the risks. We decided in 2019 with Adolph Kumburu and Thomas Ngapomba from CBC Ltd. to take the leap and **jointly build a path for direct trade**, one that is also easily accessible to other specialty buyers who can build on this beginning and extend the impact to more farmers for the longer term. We can then gradually move toward an open, transparent and profitable sector driven by farmers.

CBC started solving the logistical and bureaucratic hurdles while we tracked the quality produced with two farmer groups. The 2020 crop yielded great coffee, but hidden under too many quality defects to make export possible. We created a roadmap from this point onward to avoid this happening again, and ensure **consistently high quality**. We then collaboratively decided how we can share the risks of these investments and got to work.



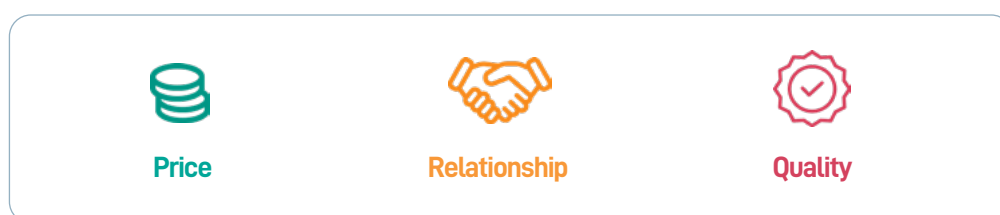
*Coffee partners from Mbinga, Tanzania.*



In the end, we provided loans to pre-finance the coffee cherry purchases and make essential upgrades to the processing facility. This meant it was possible to pay farmers part of their income "cash-in-hand" upon delivery of the cherry, avoiding the need to wait until the end of harvest for the bulk of their income. Apart from making financial planning a bit less difficult than it would have otherwise been, this helped create trust in this new way of working and start rewarding the risks that the farmer group took on.

In May 2022, the first lot of Mbinga coffee went out to Wakuli customers - an amazing cup, characteristic of Tanzania and a resounding improvement from the cup assessed in 2020. While there is still some way to go in getting the most out of the coffee quality here, this first export brought **the highest price** these farmers have ever received for their coffee (38% above the local price for the highest grade of coffee). It created a new, independent supply chain, with a first export under their belt that has started paving the way for better access to finance and opportunities to scale.

Today, we are already working on our 2023 export together, outlining the key areas for co-investment, building on quality, and continuing to increase the robustness of this transformative value chain.



*Using quality and relationship toward a first direct export, and leading to a higher price for farmers than the local market is a strong start to a better coffee future in Mbinga.*



*Cupping session during our visit to Tanzania, Oct 21.*

# 9 Intro

So much for the 2021 Impact Report. Thank you for taking the time to read about our mission, strategy and future. Every year we take a critical look at the changes in the world around coffee, from bean to your cup at home. And we're not there yet. This is sometimes difficult, but we are confident that we are going to make a difference.

It may sound cliché, but we can't do it without you - the connection between coffee drinkers and change-makers at origin. You reading this report shows that you are in some way already making a shift in our coffee world, so thank you.

We love that you are a part of Wakuli and that you have signed up to make the world of coffee a lot fairer and better for everyone involved. Our inboxes are always open when you want to find out more, so please do engage us, and let us combine forces to wake up the coffee world.

**That's the Wakuli way, enjoy.**



Workshop with farmers from **ZCP, Uganda**, to better understand struggles and possible solutions.

# 10

## Where we are in numbers



**16** partners  
in **15** origins



Kg of coffee  
purchased

2020

**55,512**

>>

2021

**150,990**



Avg. farm  
gate price\*

**\$3,72**

>>

**\$4,38**



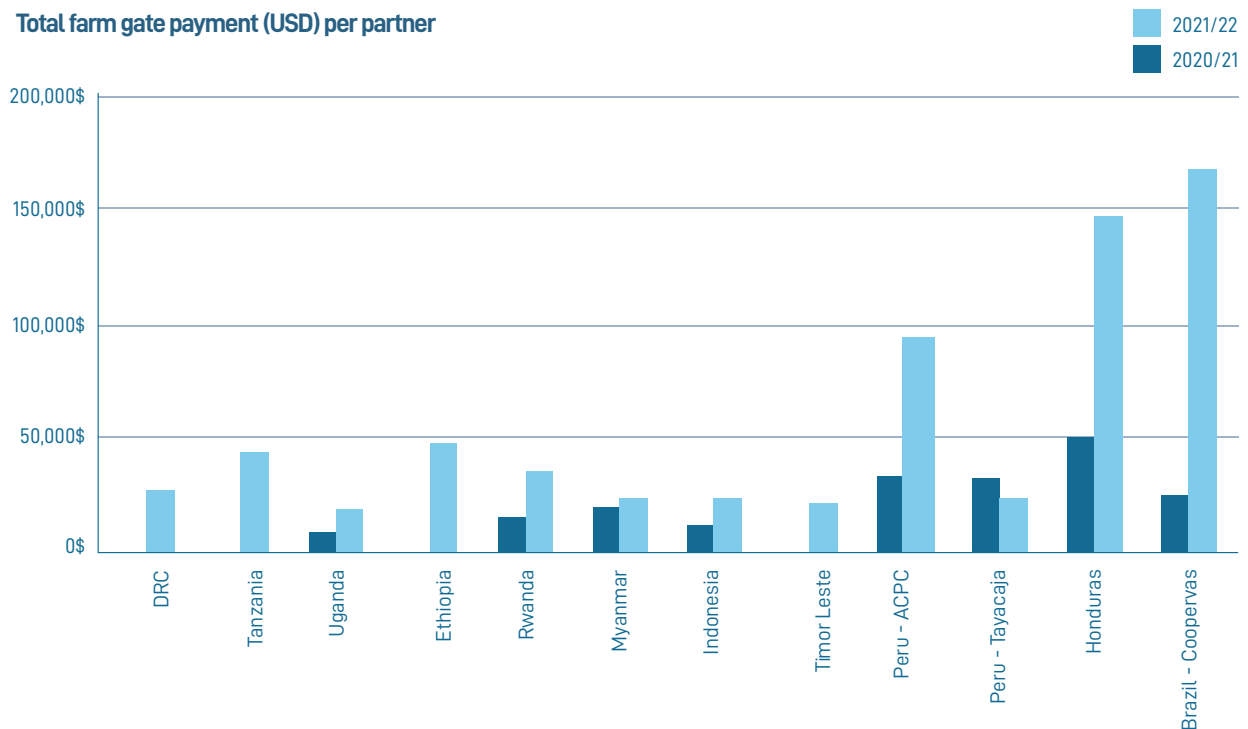
Coffee  
farmers

**3,613**

>>

**9,774**

Total farm gate payment (USD) per partner





Country of origin	Partner name	Partner since	2020/21 Volume (kg)	2021/22 Volume (kg)	Farm gate price 2020 (USD/kg)	Farm gate price 2021 (USD/kg)	Latest FOB price (USD/kg)	Number of farmers 2021
DRC	Rebuild Womens Hope	2021		8,640		3,04	5,84	1,499
Tanzania	Cafe Business Consult (CBC)	2020		9,600		4,47	5,29	9
Uganda	Zombo Coffee Partners (ZCP)	2020	2,580	4,800	3,10	3,79	5,73	250
Ethiopia	Kata Muduga Union	2021		10,200		4,69	6,17	53
Rwanda	Baho coffee	2020	3,600	6,600	4,34	5,23	7,25	856
Myanmar	Indigo Mountain	2020	3,600	4,860	5,56	4,54	6,61	51
Indonesia	ASNIKOM	2019	2,880	6,000	3,93	3,93	5,44	24
Timor Leste	Raw Material Timor Leste	2021		7,020		2,99	5,00	6,900
Peru-ACPC	ACPC	2019	9,108	18,975	3,75	4,96	6,42	25
Peru-Tayacaja	Tayacaja Community	2019	9,798	6,900	3,28	5,07	6,53	13
Honduras	Cafesmo	2021	16,146	28,635	3,17	5,14	6,83	27
Brazil-Coopervass	Coopervass	2020	7,800	38,760	3,22	4,34	5,40	67
Brazil-Capricornio	Capricornio	2019	19,200		3,02		3,25	20
Colombia	Azhar Colombia	2021	5,175			4,51	6,57	2
India	SICC	2020	3,600		3,79		4,17	1
Guatemala	ASIAST	2021	4,140			4,67	6,25	30

 = Discontinued partnership

\***Farm gate price** = the price paid to the farmer for their coffee, which can be bought in parchment and cherry form. The prices quoted reflect what was paid per green kilo of coffee.

\*\***FOB (Free-on-board) price** = this reflects the price paid upon delivery at the port of origin. It reflects all in land costs and risks associated with the coffee up to the point of delivery