










The Village

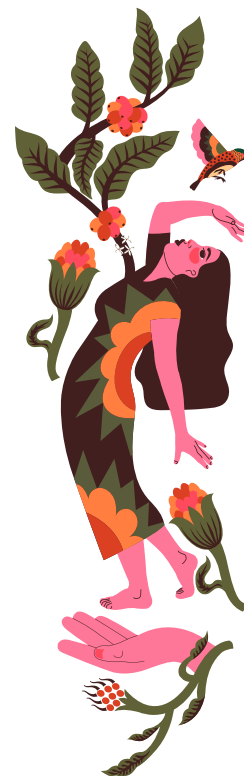
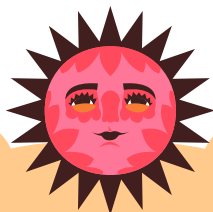
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|  ORIGIN: Mushubati, Rutsiro District, Rwanda |  ELEVATION: 1600-2000 MASL |
|  PROCESS: Washed |  FLOWER SEASON: October-November |
|  PRODUCER: Ejo Heza women, Kopakama Cooperative |  DRYING: SUN-DRIED ON RAISED BEDS |
|  HARVEST TIME: April-May |  DRY MILLING: Parchment removed, mechanically-sorted for density and size; then hand-sorted, 3 women per bag for 7 hours |
|  WET MILLING: Disk depulper, wet fermentation 12-18 hours; soaked in separate tank for 16-24 hours | |

When it comes to producing exceptional coffee, it truly takes a *village*. Women are a tremendously influential part of the global coffee community, making up 70% of the labor in field work and harvesting—detail-oriented roles which ultimately translate to excellence in the cup. However, women face steep challenges when it comes to equitable access to career growth, land, education, and credit, representing just 20-30% of farm ownership.

The Village is a celebration of women in coffee, composed of seasonally-rotating coffee from valued relationships with female producers and cooperatives, aimed at highlighting and addressing this gender gap. According to strong research, investing in women increases the sustainability of coffee everywhere—women are more likely to reinvest their income back into their families, their coffee businesses, and their communities. And when access to decision-making and the global marketplace improves for women farmers, quality improves too.

Currently, The Village features the Ejo Heza women's cooperative in Rwanda's Western Province. The women who make up the Ejo Heza group are part of a larger cooperative called Kopakama, which was founded in 1998 following the Rwandan genocide.

The women who make up the Ejo Heza group are part of a larger cooperative called Kopakama, which was founded in 1998 following the Rwandan genocide. Kopakama's goals to bring people together for a common good—rebuilding and creating a healthy industry—led them to see the value in creating a sub-group to allow the women in the community a place to thrive. Through the founding of the Ejo Heza group in 2011, Kopakama has become a leader in their community when it comes to social and gender equity. In 2016, Ejo Heza was able to found a microcredit savings and lending group to help member farmers continue to thrive. Every year, Ruth Ann Church, founder of Artisan Coffee Imports, meets with members to assess the impact of the premiums



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they receive for these micro-lots and how the group is sharing those benefits.

Due to her research projects in previous years, each year we hear from Ruth Ann about what the upcoming harvest will look like for producers. In previous years, when Rwanda's governmental coffee board determined a floor price for coffee cherry that would be too low (according to coffee producers), Artisan would guarantee a threshold would be met through contracts with roaster customers to ensure producers wouldn't lose out because of the fragile, volatile nature of these types of pricing mechanisms. The good news for 2024 is that national coffee prices are increasing! Rwanda's 2024 farmgate price was just released on February 12 by the coffee board, called NAEB, at 480 Rwf/kg cherry. This is the minimum price for sinker (good) cherry. It's always a learning moment for us at Joe Coffee countries that nationalize prices increase the floor price.

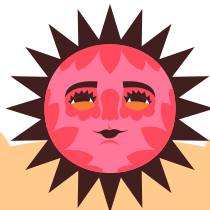
There is nuance and complexity here, though, it's not always as straightforward as more money going into producers' pockets. The benefit of working with the same, trusted suppliers year over year is that we gain the opportunity to learn a little more about this complexity each year, and be more equipped to see the challenges and successes in the new landscape as it unfolds. From a recent blogpost from Ruth Ann:

"It seems high compared to the 410 rwf/kg cherry of last year. However, when the two are adjusted for the decrease in the value of the Rwandan franc vs the dollar they are practically equal. The strain of inflation is real in its own way, though, of course.

The real, undeniable upward price pressure for Rwanda this year will come from increased competition due to the removal of the zoning policy. This is a huge relief for me and for farmers. NAEB has finally ended its experiment with this unsustainable law which was jeopardizing Rwanda's long-term future as a supplier of top-quality specialty coffee. The zoning policy, simply put, forced farmers to sell to only one washing station in the name of traceability.

Now all washing stations will have to compete for cherry, bringing market forces to the markets in which farmers sell their cherry, which is a good thing to the extent that markets work in this agricultural sector. For those that may not know, washing stations in Rwanda have three basic ownership structures. There is private and cooperatively owned, meaning the farmers themselves operate it and keep the profits. Among the privates, there are Rwandan private owners and multinational private owners.

In the short term, removing the zoning policy may seem to be a disadvantage for cooperatives versus their multinationals competitors with lots of cash reserves. However, this



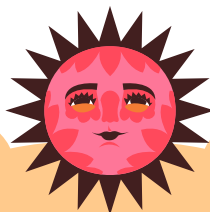
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disadvantage existed before and during the zoning policy. As recently as the 2022 season, we saw site collectors being disloyal to their employer (a cooperative board), because the co-op offered them credit while those owned by multinational corporations (MNCs) offered cash. The MNCs offered the same "price", but cash instead of an IOU to be paid in three months after the season ends. In other words, the zoning policy did not correct this market imperfection.

In the foreseeable future, we can see solutions to the credit vs. cash issue, which seem more likely to happen if there is no zoning policy restricting farmer choice. For one, cooperatives might do a better job communicating (or "advertising") the advantages of cooperatives for farmers and the community vs. the 'cold cash' that an MNC buyer offers. Cooperatives are there year-round, in the community, offering services like school fee loans, help for the elderly, jobs for the young, women's groups for solidarity and training, and of course, the second-payment that cooperatives try to pay their members. That second payment comes because the coop is farmer-owned and operated. They can emphasize what a difference that is compared to what an owner who lives in Switzerland is doing with the profits on a coffee sale.

A second, clearly helpful solution would be for the government of Rwanda to advocate even more for appropriate agricultural financing for cooperative and Rwandan-owned post-harvest processing organizations. Access to pre-harvest capital is an imperfect market, or said differently, an uneven playing field. MNCs have access to low-cost capital with which to buy cherry and cooperatives have high interest costs (I've heard as high as 24% when the rest of the market was at 16%) and sometimes are denied any access at all. There are high risks, of course. There are good reasons for banks to charge high interest rates and refuse to lend. But there are also innovations in financing that should be accessed on behalf of cooperatives. For example, could financing for several cooperatives in one region be bundled and offered to a lender with average risk over a longer period than what might be offered to a single entity?"

Artisan has also continued their goal to support women entering the job market in the coffee industry in Rwanda. Jobs in coffee communities are often low paying fields and mill work with little opportunity for advancement—especially for women. Meanwhile, cooperatives are often lacking university-trained talent to help lead them through the challenges of the coffee industry today. To support the growth of opportunities for women in coffee, and at the same time close the talent gap observed in cooperative management teams, Artisan Coffee Imports has developed a Talent Partnership with our producing cooperatives. Now in its third cycle, Artisan is supporting Angelique MUTUYIMANA, who is



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working with the Co-operative des Caféculteurs de Gishoma (COCAGI) in Rwanda's south.

The arrangement financially is what Artisan considers "tri-funded", meaning three parties contribute to make the internship work. Artisan funds Angelique's expenses for transportation and living while she is at the cooperative. The cooperative agrees to supervise Angelique and involve her in valuable work and this is formalized with an MOU between the cooperative and Artisan Coffee Imports. Angelique volunteers, or rather "invests" her time.

Angelique's internship is the third one Artisan has created and sponsored. Intern Grace IZERWE, 2020 - 2021, worked with Kopakama Cooperative in Rutsiro district, which included some support to Ejo Heza. Now Grace is the Kopakama Chief of Production and Dry Mill Managerr—in other words, employed by the co-op as permanent staff. So, even though Grace has ended her internship with Artisan, Joe Coffee still benefits from her direction and expertise at Kopakama, and the women of Ejo Heza can also continue to benefit from a strong ally in her at the leadership level of the co-op. This internship project has outsized impact for both producers and also Artisan's roaster customers, like us at Joe, and only confirms that we have a responsibility to put our money where our mouth is and purchase coffees from logistics partners who are doing incredible work at all levels.

