

# Nicaragua

## FAIR TRADE FOR WOMEN PRODUCERS

*"I started working in the fields with my mother and father when I was about six years old... It has taken me more than 50 years to understand that my work is worth something. Maybe if I had had a photo of myself looking after the coffee plants before, I might have woken up earlier."*

Antonia, President Gender Commission, Canta Gallo Cooperative

Partner: PRODECOOP

### MISSION & MEMBERSHIP

PRODECOOP has 39 primary cooperative members with 2,400 individual members; 25 per cent of them women. Coffee production occurs in three geographical regions covering 10 municipalities with 100 rural communities. PRODECOOP's annual production averages 50,000 quintals (about 110,000 tonnes) of coffee.

Key to PRODECOOP's success is an emphasis on quality of its product, service provided to members and clients, environmental sustainability and quality of life for its members. It offers technical support to its primary cooperatives to ensure the quality of coffee, as well as training and capacity building in cooperative management, social programmes, diversification of production, food security and climate change mitigation. It also handles the bulking and processing of coffee at its state-of-the-art coffee processing plant, and sales and marketing. PRODECOOP has won the "Cup of Excellence" international award every year since its inception in 2002.

Recently, PRODECOOP diversified into other crops and is now a multi-functional cooperative working on a range of programmes that include food security in basic grains and vegetable production.

### LOCAL AND GLOBAL CONNECTIONS & MARKETS

PRODECOOP is a Fairtrade (Fairtrade Labelling Organization) and organically-certified source. At a Latin American level, the CLAC (Latin American Network of Fair Trade Cooperatives) is presided over by PRODECOOP's General Manager. It exports 80 per cent of its coffee to Fairtrade and organic markets in



Photo by PRODECOOP

### WOMEN'S ECONOMIC EMPOWERMENT

Launched in 2009, the Women's Economic Empowerment project is funded by the MDG3 Global Fund by the Government of the Netherlands. Through the project, WIEGO and its partners are advocating for the needs of informal workers, especially women. The projects seeks to promote the voice, visibility and validity of working poor women across different countries, sectors and issues in the informal economy. As part of this project, WIEGO's Global Trade Programme, in partnership with leading Fair Trade organizations in seven countries, initiated *Fair Trade for Women Producers* with a focus on documenting, analyzing and disseminating key success factors of fair trade by involving women producers in all stages of development.



Development Cooperation  
Ministry of Foreign Affairs

the USA and Europe and is a member of a country-wide alliance of 11 cooperatives and unions called CafeNica. Within CafeNica, there is a women's movement, Flores del Cafe, to address the issue of gender equity at a structural level.

Many of the cooperatives of smallholder farmers in Nicaragua who form part of CafeNica have radically changed the way in which they trade coffee with the support of Northern based Alternative Trade Organizations (ATOs) and commercial buyers. The creation of "cupping stations" at the processing plants has seen negotiations move from the auction house to the field. Speciality buyers carry out tasting sessions at the cooperatives' own laboratories and create their own blends. At the same time, many of the Fairtrade certified cooperatives are shareholders in Fairtrade Brands such as CafeDirect in the UK and Equal Exchange in the USA.

### CURRENT CONTEXT AND CHALLENGES

PRODECOOP has benefitted from significant growth in consumer demand for Fairtrade coffee in Europe and the United States. Sales of Fairtrade certified food products have increased more than 40 per cent in Europe in the last five years. This has brought the challenge of securing sufficient working capital at the time of the coffee harvest to fulfill demand. Fair finance remains one of the greatest challenges for many second level cooperatives, especially when the commodity price is high. While high prices are good news for farmers, they lead to an increase in the requirements for working capital.

During interviews and discussions, cooperative members identified a number of challenges: the high level of illiteracy in the communities, a high degree of deterioration of infrastructure such as access roads and ports which pose a risk to the quality of the coffee and climate change. A recent report predicted that many areas of coffee production would disappear within 15 years.

### FINDINGS FROM THE RESEARCH

Much can be learned on how to build successful cooperative enterprise from the experience of

PRODECOOP. Its vision, values and strategy, its democratic structure and active member participation, its clear policies and internal control mechanisms, and its emphasis on membership support and customer service have all combined to make PRODECOOP an outstanding example of how poor producers are able to engage with global markets.

The cooperative members said the Fair Trade for Women Producers project had a great impact on making women's productive work visible. Its focus on providing a means and a space for women to tell their story in their own words was described as "having a chance to look in the mirror for the first time."

### MOVING FORWARD

The cooperative provides a strong testimony to women's economic empowerment in a context of financial hardship and social and political exclusion.

Achieving 25 per cent female membership is considered a triumph, but PRODECOOP hopes that number will grow. To this end, it has removed the land ownership requirement of membership and established a gender policy aimed at increasing women's membership and participation in leadership roles. A dedicated gender unit provides technical support to the primary cooperatives.

PRODECOOP has also adopted a forward-looking strategy to diversify production away from a dependency on coffee due to the risks attached to fluctuating commodity prices and the negative impact of climate change.

*"This project has great significance for us. Many of the women in our cooperative are proud to have daughters who are taking on professional careers. When I was growing up it wasn't like that...We all have to get involved – the men and the sons. There are still some who are not open yet.... It's a process."*

Adolfo, President of Primary Cooperative Jose Benito Jimenez.



**PRODECOOP**



**Women in Informal Employment: Globalizing and Organizing (WIEGO)** is a global action-research-policy network that seeks to improve the status of the working poor, especially women, in the informal economy by increasing their representative Voice through more and stronger organizations and their official Visibility through better statistics and research. The individuals and institutions in the WIEGO network are drawn from three broad constituencies: membership-based organizations (MBOs) of informal workers; research, statistical, and academic institutions; and development agencies of various types (non-governmental, governmental, and inter-governmental). For more information see <http://www.wiego.org>