



The SPP Small Producers' Network Protects Itself Against False Sustainability

8th General Assembly Global SPP

JULY 30th, 2019

Gathered in General Assembly of SPP Global, the intercontinental network of nearly half a million families of small organic producers from 30 countries of Latin America and the Caribbean, Africa and Asia, we make the following unanimous statement:

1 The race for low prices and false sustainability destroy us

- The price of most agricultural products and handicrafts made by small producers has been consistently below their production costs for decades, apart from small moments of exception.
- With extremely low prices for coffee, cocoa, sugar cane, honey, fruits, grains, and many other products, today small producers' families of large regions of the world have ended in misery; they have been forced to leave production and migrate in search of alternatives.
- Those small producers that are able to participate in preferential markets, encounter the despicable and unfortunately common practice, of the purchase by 'combos' of those companies that participate in preferential markets opportunistically.
- These buyers offer to pay part of the product with a certificate of fairer prices, as long as the producers sell them additional produce at low prices, decimating the benefit to producers and misleading consumers.
- In addition to low prices in markets, now small producers are confronted with the rejection of their products in international markets, despite having eco-certification, caused by the affectation of the massive pollution of land, water and air by glyphosate and other agrochemicals, products that harm many people but generate large profits for some consortia.
- Recently there have been several cases of product held up in ports of departure and arrival because of these contaminations caused by agro-industry, causing irreparable economic disruption for families and small farmers' organizations.
- Paradoxically, today, it's increasingly difficult for small producers to gain access to organic certification, because of the increase in requirements and costs, without rising prices for our products.
- We are pleased with the strong growth of organic markets by increasing awareness of consumers, who share the same environmental concerns of small producers.
- However, we note with concern that it is mainly the large-scale agricultural production' companies that take advantage of this growing market, incurring in unfair competition towards small producers, with *dumping* prices.
- We small producers are told from the highest international forums of discussion, like at the recent Global Forum of Coffee Producers, that the only solution is to compete with the big ones and increase our efficiency and productivity, and if not, stop producing and seek other employment.



- We find that the minimum prices which before were recognized as 'fair' for producers, no longer allow a decent income, much less for those producers that produce in an environmentally friendly manner and with high quality, such as the SPP producers.
- Some believe that these minimum prices cannot increase, for now, because the difference with the conventional market would become so big that it would imply the loss of market participation. As producers, we would need to conform ourselves with a 'less bad' market.
- Although everyone recognizes the need for prices which allow a decent income for small producers, many believe that this objective can only be achieved over the long term and only by changing the way small producers produce.
- We are concerned that the responsibility to respond to the market failure is again put back on the side of producers, pointing to these as inefficient and unproductive, and small scale production as not sustainable.
- The solution is not sought fostering better prices for producers, but seeking that producers become better adapted to this situation, forcing them to dramatically lower their costs of production, increasing productivity and efficiency.
- All organizations of small producers in the SPP are constantly looking for ways to improve the quality and productivity of our activities, as long as it is in the context of ecological sustainability and the collective benefit and as of our possibilities.
- However, as an example of sustainability, we are set on the model of large automated and industrialized production, as if sustainability were only a matter of financial performance.
- We believe that it is precisely this supposed efficiency of large-scale monopolistic production that has led us to this crisis of constant low prices for producers.
- The current mainstream economic model of optimization of profits is, in our view, the cause of increasingly precarious jobs, mass unemployment and the destruction of the global ecological balances.
- Consumers are systematically deceived with the illusion of cheap products, even certified as sustainable, that in fact end up being very expensive; to be paid through the impacts of ecological destruction, the proliferation of employment under bad conditions, unemployment and violence.
- We note that, unfortunately, the sustainability models that many governments, companies and policy-initiatives promote, do not change in depth the model of constant exploitation of natural and human resources, making it become a makeup or a blindfold.

2 Small producers invite you to join the real sustainability, today

- Today, in the intercontinental network of SPP producers, we are close to 120 organizations of, in total, half a million small producers, some 2.5 million people, from 12 countries and Latin America/Caribbean, 9 African countries and 3 Asian.
- We have moved forward, along with our commercial partners, in the generation of a growing market which respects and even exceeds the minimum prices proposed by small producers, way above of the prices that mark the market, in nearly 50 countries.



- For example, we have achieved an average of prices in the SPP contracts in the past season, of US \$ 2.35 dollars per pound of coffee, when the minimum price for green *Arabica* SPP coffee is US \$2.20 and when the market was in the historic low level between \$0.90 and \$1.15. We have been able to double market prices.
- The sale of food and craft have historically been an important lever to escape poverty and build a decent future for small producers in rural communities and indigenous people.
- According to the FAO, the small agricultural production makes great contributions for a healthier planet and a better future for all, safeguarding the production of global food sufficiency.
- In addition, SPP small organic producers cultivate with technologies and practices that protect, conserve and regenerate the natural balance of flora and fauna, microclimates, groundwater, soils, forests and jungles.
- The products and SPP small producers generate greater local added value, a greater amount of employment in production areas, and makes the local economy flourish.
- SPP small producers provide, in addition, greater gender equality, models for democratic decision-making, inclusive economy, and greater food self-sufficiency.
- SPP small producers have been dedicated to the high quality of our products, by having a personal and intimate relationship with the production process and with our customers and consumers.
- SPP products are constantly gaining national and international quality prizes, for products such as coffee and cocoa.
- Small farmers' organizations are struggling for better access to markets and a decent income for several decades, since the years 60 of the last century.
- Today, small producers gathered in SPP refuse to disappear and we are demonstrating what is the real sustainability with our practices, in collaboration with the trade allies.
- The SPP prices allow a decent income in case the small producers can sell their whole production under SPP conditions.
- It is important that consumers know that the impact of better payment to producers is very big for small producers, while it has very little impact in the price for consumers.
- The big companies of brands and distribution chains of final products are reporting huge profits. The low prices to producers do not imply lower prices for consumers.
- With the SPP we have found that it's possible to compete in the market paying well to producers, both in the segment of the specialty shops as well as in supermarkets.
- Fortunately, more and more companies join small producers by paying above the minimum SPP prices, achieving a growth rate of more than 30 per cent per year of the market value of SPP products.

In conclusion, we are convinced that a product cannot be called "sustainable" if it generates ecological, social or economic destruction, with disregard of the fact its quality is well on the market or not in disregard of the profitability its production and marketing might be for some.

SPP's small producers call to become acknowledgeable and recognize the reality in which we live. The true costs of production of small farmers must be made transparent, including all hidden costs, such as family labor and the work of women. It is also necessary to make visible and to recognize the value of the contributions that small producers make for a healthier planet, an economy more inclusive and a more democratic society.

With the growing SPP market we found that small producers, companies and consumers, together can create today sustainable products for the market that allow a worthy income that protects us against abuses and false promises of sustainability.

We are very pleased that we have achieved with the SPP a greater participation in the markets and a stronger voice in discussions on public policies and regulations. In the last year we have been invited by instances like IFOAM and the World Association of Special Coffees, SCA, to provide our approach to international discussions, being an authentic representation of the international sector of small organic producers.

The efforts of the SPP in the defense of the rights and towards the promotion of positive contributions of small producers has been recognized by our own producers as well as other small producers' guilds.

In the SPP we feel stronger every day and courageous to continue the course of strengthening and unifying the smallholder sector in alliance with the peasants, indigenous movement, organic production, responsible consumption, fair trade, cooperatives, solidarity economy and corporate social responsibility.

We appeal to consumers, producers, businesses, movements of young conscious people to join the network of SPP small producers for a true sustainability, integral and real.

With the strength of this alliance we can achieve a different reality, today, to respond to the problem that we live millions of families of small producers today.

On behalf of the VIII SPP Global General Assembly

On July 30th, 2019

Nelson Melo Maya

Chair, SPP Global