

# COOPERATIVA CAFE TIMOR (CCT) EAST TIMOR



*"I know the Fairtrade income that my colleagues and I generate through our sales of fresh, organic Arabica cherries is used to buy medicine for the Cooperativa Cafe Timor's primary healthcare clinics. For that I am very grateful, as the clinic's staff saved my wife's life during the recent birth of my child."*

Alfonso Sarmiento, CCT member



Farmer delivering coffee on horseback, CCT, East Timor, Courtesy FLO International

**East Timor's coffee production is small in the global coffee context, producing less than one percent of the international total. Nevertheless, coffee is crucial to the country's overall economy. It is currently the most important source of foreign exchange for East Timor and it serves as the primary source of income for about one-fourth of the country's population, or some 44,000 families.**

**CCT is a cooperative organisation of the organic coffee farmers of East Timor, representing 23,000 farmer members.**

The total Fairtrade Premium paid to CCT between 2004/8 by Australian and New Zealand Fairtrade businesses was AU\$170,351. At CCT the Fairtrade Premium supports a number of projects democratically chosen by the members of the cooperatives:

- A health program (see box)
- A business skills development program that provides members with training in bookkeeping, management, English language, and computer skills.
- A wholesale purchasing co-op that benefits the local community by providing consumer goods at reasonable prices to small retail outlets in rural areas.

**FLO ID:** 930

**Fairtrade Certified since:** 2001

**Fairtrade Certified products:** Coffee

**Number of members:** 23,000 farmer members

**Total volume purchased for the ANZ market between 2004/8:** 830,940 kg of Organic washed Arabica coffee

## Fairtrade at Work: Fairtrade and Healthcare — Clinic Cafe Timor

The Clinic Cafe Timor initiative, a development program within CCT, demonstrates the benefits to disadvantaged communities from Fairtrade practices.

In response to the lack of available and affordable healthcare services in rural East Timor, CCT has allocated a substantial part of its Fairtrade Premium fund to Healthcare.

Clinic Cafe Timor offers primary level health services to the coffee farmers and their families in the remote mountain coffee growing districts of East Timor. The program currently reaches 115,000 people in rural and coastal Timor. Historically, these families have been poorly serviced or isolated from mainstream health services.

"With the Fairtrade premium, the co-op has invested in a health care program that handles more than 18,000 cases each month. Its facilities include 10 fixed clinics and 24 mobile clinics that provide free services to coffee farmers and their families." Sam Filiaci, advisor to CCT, East Timor.

Clinic Cafe Timor is the largest provider of rural health care in the country.

Clinic Cafe Timor, CCT, East Timor, Courtesy FLO International



## The Cooperativa Cafe Timor (CCT) Story

In 2000, a group of farmers united to form CCT after East Timor's independence referendum in 1999 and the destruction that followed. Today, the organisation has 23,000 members from 16 base cooperatives and 494 small-scale farmer groups. Positive results from these collective efforts are already being seen in the countryside. Cafe Timor is the only independent producer of wet-milled coffee, which significantly increases its quality and market value.

Revenue from the Fairtrade Premium has been invested to improve the working and living conditions of farmers and their families and invested in the diversification of local income earning opportunities.

CCT is a large cooperative that faces many challenges, one of the most difficult challenges being its size. As CCT's Fairtrade sales increase so will its ability to provide more farmers with the benefits of Fairtrade. CCT is working towards all of its members enjoying the benefits of Fairtrade.



Clinic Cafe Timor, CCT, East Timor, Courtesy FLO International

### COUNTRY PROFILE: EAST TIMOR

The people of the first new nation of the century suffered some of the worst atrocities of modern times. An independent report has said at least 100,000 Timorese died as a result of Indonesia's 25-year occupation, which ended in 1999.

East Timor is one of Asia's poorest nations. The infrastructure is poor and the country is drought-prone.

The country is particularly vulnerable to market fluctuations as it is heavily reliant on imports, with 90% of essential goods originating from overseas.

#### Country Statistics (2008)

**HDI rank:** 150 out of 177 countries placing East Timor in the bottom 20%. The Human Development Index (HDI) measures the average achievements in a country in three basic dimensions of human development: a long and healthy life, knowledge and a decent standard of living.

**Life expectancy at birth:** 66.9 years  
48% of children under 5 years old are underweight.

**GDP per capita:** US\$2500  
Gross Domestic Product (GDP) per capita is obtained by dividing the annual GDP, at current market prices, by the population of a country. GDP is the total value of all goods and services produced in a particular economy.

**Unemployment rate:** 20% in rural areas rising to 40% in urban areas.

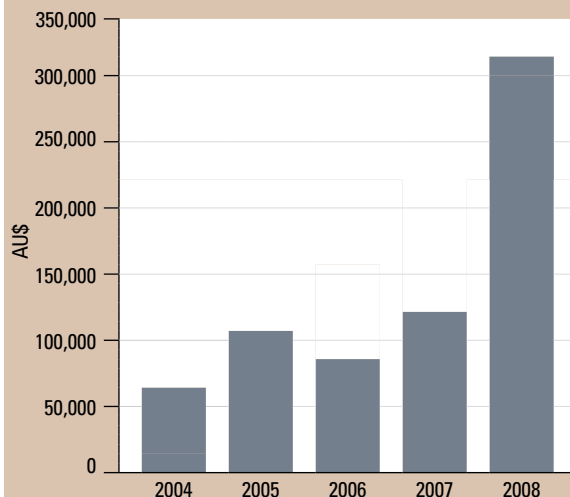
**Export commodities:** coffee, sandalwood, marble.



CCT branded coffee sack, CCT, East Timor, Courtesy FLO International

Australia and New Zealand have been buying Fairtrade coffee from CCT since 2004. Sales to the Australian and New Zealand market have increased dramatically since 2007 and are set to continue increasing in 2009.

CCT'S FAIRTRADE ECONOMIC BENEFIT FROM FAIRTRADE COFFEE IMPORTS TO AUSTRALIA AND NEW ZEALAND BETWEEN 2004 AND 2008



The Fairtrade Economic Benefit is equal to the sum of the Fairtrade Price Benefit, the Organic Price Differential and the Fairtrade Premium. For an explanation of these terms please refer to our report *Tackling Poverty Through Trade* at [www.fairtrade.com.au/Producersandimpacts](http://www.fairtrade.com.au/Producersandimpacts)

### REFERENCES

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<http://hdrstats.undp.org>  
[www.jaspercoffee.com](http://www.jaspercoffee.com)  
[www.fairtrade.net](http://www.fairtrade.net)  
[www.fairtrade.com.au](http://www.fairtrade.com.au)

**Exchange rates:** A single average was calculated for the period 2004 to 2008 using monthly averages from the New Zealand Reserve Bank.

AU\$1 = US\$0.79

[www.rba.gov.au/](http://www.rba.gov.au/)

This report has been produced by Fairtrade Labelling Australia & New Zealand (FLANZ) and Oxfam Australia. Analysis has covered the period of Australian and New Zealand Fairtrade purchases and sales from 1 January 2004 to 31 December 2008.

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To read the report *Tackling Poverty Through Trade* and more Producer profiles visit [www.fairtrade.com.au/Producersandimpacts](http://www.fairtrade.com.au/Producersandimpacts) or [www.oxfam.org.au/coffee](http://www.oxfam.org.au/coffee). For fact sheets on Fairtrade Certification and Fees visit [www.fairtrade.com.au/Producersandimpacts](http://www.fairtrade.com.au/Producersandimpacts).

