Input for discussion: The public sector perspective on the cocoa supply chain

Oxfam International
Port of Spain, March 2009
Oxfam International

• Make trade fair
• Mapping the cocoa chain
  – Where lies the power?
  – Where is the possibility to bring about change?
Oxfam International

Input from

• Pre- NGO-meeting Côte d’Ivoire 25 NGOs and farmers from 8 countries

• Pre-NGO meeting in Trinidad with 25 NGOs/Unions/farmers from 15 countries

• ‘Towards a sustainable cocoa economy’ (Oxfam International)

• ‘Cocoa Barometer’ (Tropical Commodity Coalition)
Towards a Sustainable Cocoa Chain

Power and possibilities within the cocoa and chocolate sector

This report contributes in various ways to the debate on a sustainable cocoa economy. A sustainable cocoa economy is where each person investing time or money into the supply chain would be able to earn a decent income for themselves and their family, work in good conditions, and in a manner which did not harm the environment. It provides an overview of the various stakeholders in the cocoa and the wider chocolate supply chain. It identifies the concentration and purchasing power of companies as well as the trends in the supply chain. Finally, it makes a series of recommendations to the various stakeholders in the supply chain.
NGO-meeting Côte d’Ivoire
February 2009
NGO-meeting Trinidad

March 2009
Towards a sustainable cocoa chain

All parties in chain: responsibility

Governments:
- Producing countries
- Consuming countries
- Governmental organizations
Role of governments

Principle 1: Transparency

To add
Reinvestment of government income in cocoa farmers
Role of governments

Principle 1: **Transparency**

**Role**
- Map and monitor activities in internal cocoa sector
- Keep the chain short
- Establish an internal tracking system
- Push for transparency on futures markets
Role of governments

Principle 2: 
**Compliance with applicable laws and regulations**

To add
Encourage implementation en follow up ratification
Role of governments

Principle 2:
Compliance with applicable laws and regulations

Role
-Ensure proper law enforcement (ratify, implement, follow up)
Role of governments

Principle 3:
Remuneration for quality cocoa and improved farmers income

To add
Include social, environmental and economic remuneration
Role of governments

Principle 3: Remuneration for quality cocoa and improved farmers income

Role
- Explore other forms of remuneration e.g. through climate change/biodiversity mechanisms
Role of governments

Principle 4: 
**Access to credit and rural development services**

Role
Provide institutional support mechanisms
- infrastructure
- input subsidies
- micro credits, micro-insurance
Role of governments

Principle 5: *Access to markets and market information*

To add
Define what access to market means
Role of governments

Principle 5: 
**Access to markets and market information**

**Role**
- Take up a regulatory role
- Ensure infrastructure to spread market information
- Support research and development
Role of governments

Principle 6: 
**Decent working conditions**

**Role**
- Enforcement of the principle
- Provide a safety system for farmers (security wages, pension)
- Conduct research
Role of governments

Principle 7:
Support of farmers and workers organizations

Role
- Define responsibility for organisations and farmer groups
- Ensure right to organise is effected
- Facilitate representation on international level
Role of governments

Principle 8: Clear land use planning, secure access to land and proper infrastructure

To add Long-term agreements, recognition of traditional structures and practice
Role of governments

Principle 8:
Clear land use planning, secure access to land and proper infrastructure

Role
- Ensure fair land tenure systems and litigation processes.
- Ease process to have land titles
- Consider gender issues and indigenous people
Role of governments

Principle 9:
Natural resource management

Role
- Provide training and extension service
Role of governments

Principle 10: Conservation and wise-use of biodiversity

To add
Conservation areas should be “NO GO”
Role of governments

Principle 10: 
**Conservation and wise-use of biodiversity**

**Role**
- Mandate compliance and demarcate conservation areas
VIEWS OF NGOs AND FARMERS
FROM AFRICA, ASIA AND LATIN AMERICA AND EUROPE
ON THE PRINCIPLES FOR A SUSTAINABLE COCOA ECONOMY
FOR THE 2RSCE

Conclusions: All the issues, the NGOs put on the table in Accra are taken into consideration. The principles have the potential to be adopted in Trinidad and to be put forward into action. The table shows what has to be added to the present principles and what are the different roles of stakeholders.

<table>
<thead>
<tr>
<th>Principles for a sustainable cocoa economy</th>
<th>What has to be added to the Principles for a sustainable cocoa economy</th>
<th>Role of government</th>
<th>Role of Industry</th>
<th>Role of NGOs</th>
<th>Role of Farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency</td>
<td>maintaining the commitment to minimal costs of the cocoa sector</td>
<td>Transparency</td>
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<tr>
<td>Complianc with applicable laws and regulations</td>
<td>Ensure legal implementation, follow-up and certification</td>
<td>Advocacy</td>
<td>Advocacy</td>
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<td>Advocacy</td>
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<tr>
<td>Environmental and social conditions</td>
<td>Ensure good working conditions, safety, health, and education</td>
<td>Facilitation</td>
<td>Facilitation</td>
<td>Facilitation</td>
<td>Facilitation</td>
</tr>
<tr>
<td>Access to markets and market information</td>
<td>Institutional support mechanisms and information sharing</td>
<td>Regulatory role</td>
<td>Regulatory role</td>
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<td>Regulatory role</td>
</tr>
<tr>
<td>Support of farmers and workers organizations</td>
<td>Enable access to markets and information</td>
<td>Market information</td>
<td>Market information</td>
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<td>Market information</td>
</tr>
<tr>
<td>Land use planning and land use management</td>
<td>Ensure fair and sustainable land use and management</td>
<td>Land use planning</td>
<td>Land use planning</td>
<td>Land use planning</td>
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</tr>
<tr>
<td>Natural resource management</td>
<td>Protect natural resources and biodiversity</td>
<td>Natural resource management</td>
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<td>Natural resource management</td>
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</tr>
<tr>
<td>Conservation and sustainable cocoa futures</td>
<td>Conservation practices should be &quot;no go&quot;</td>
<td>Conservation</td>
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</tr>
</tbody>
</table>

Red are very important additions Orange are important additions

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