Members of the group:

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1 Working towards sustainability

- Status quo in many commodities is not sustainable
- Solutions exist => coordination, action plan, implementation

- RSCE provides a platform for a joint effort:
  - Stakeholder engagement
  - Knowledge base

- Next steps:
  - Defining objectives and how to reach them
  - Agreement on the role for RSCE in this process
2-1 **Challenges** and incentives

1. Perceived **economic benefits** for stakeholders
2. Involving **smallholders**
3. Lack of **ownership** for initiative
4. Multitude of **certificates and labels**
5. High **cost of certification**
6. Evidence of **impact on sustainability**
7. **Support** for the adoption of a scheme
2-2 Challenges and incentives

Incentives and disincentives for the adoption of a scheme

1. For producers / farmers
2. For governments of commodity producing countries
3. For trade and industry
4. For governments of commodity consuming countries
5. For consumers
3-1 Challenges and constraints – for an initiative

“engaging stakeholders and striking a balance between applicability, credibility and marketability”

Strategic decisions:

• **Level of sustainability**: baseline / minimum, high-level, or continuous improvement
• **Contents**: economic, environmental and social aspects along the supply chain (and BMPs)
• **Marketing channels**: Business to Business (B2B) or Business to Consumers (B2C)
• **Auditing tools**: Self-assessment, certification, verification and impact assessment (and smallholder Group Certification)
3-2 Achieving sustainability – requirements

- **Sustainability schemes:**
  Formulation of standards and criteria /
  Definition of monitoring process /
  Level of verification

- **Certification Systems:**
  Local guidelines /
  Training for local auditors /
  System of accreditation /
  Performance monitoring

- **Stakeholders:**
  Knowledge among stakeholders /
  Access to quality measurements /
  Level of organization and management skills /
  Implementation of an internal control system
3-3 Achieving sustainability – some examples

Certifying initiatives **with consumer labels**

- Better Sugarcane Initiative (BSI)
- FLO/Fairtrade
- Forest Stewardship Council (FSC)
- IFOAM Organic
- Rainforest Alliance
- Roundtable for Responsible Palm Oil (RSPO)
- Utz Certified

Certifying initiatives **without consumer labels**

- Common Code for the Coffee Community (4C)
- Global GAP
RSCE2/4: Sustainability Initiatives and the Challenge of Compliance

4-1 Lessons to be learned

A. Focus on the entire market and supply chain
B. Provide tangible benefits for participating stakeholders
C. Offer comprehensive support mechanism for producers
D. Encourage participation, engagement and ownership
E. Obtain written commitment by members of an initiative to support objectives
4-2 Lessons to be learned

F. Require transparency and clarity in processes and decision making
G. Demand credibility of the compliance
H. Ensure a robust traceability and tracking system along the entire supply chain;
I. Measure the impacts against baseline
J. Develop mechanisms for hearing complaints and resolving conflict
RSCE2/4: Sustainability Initiatives and the Challenge of Compliance

Revision of document after the RSCE2

More comments or questions to Simon Schnetzer

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Thank you for your attention