Principles for a Sustainable Cocoa Economy

Paper RSCE 2/7

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Rationale and process
Framing sustainable cocoa
10 Principles
This RSCE-2
Rationale

• Initially raised at Accra meeting
• Reference to related commodity chains
• Priority issues in sustainable cocoa
• Tool for communication
• Framework for initiatives
• Proposal based on Accra agenda
Process

- Analysis of key issues Accra Agenda
- Principles related commodities: annex RSCE 2/7
- Expert Group: Mr Vernooij, Mr Holland, Ms Maharaj, Mr Quartey, Mr Enouga, Mr Streichert/Mr Schmitz-Hoffman, Mr Cueva, Mr Schnetzer
- Also Working Group RSCE-2
- Draft principles on web
- Abidjan meeting
- Adopt principles in Trinidad & Tobago
Framing sustainable cocoa

- All cocoa, entire chain & entire Accra agenda
- Common efforts by all stakeholders
- Interrelated, complex topics: need for clear statement
- 3 pillars: people, planet, profit, plus institutional aspects
- Address need for economic viability
1. Transparency

Promote priority actions:

- Information sharing (incl statistics)
- Governance
- Stakeholder cooperation
- Tracking and tracing
- Price development
- Information farmers ↔ consumers
2. Compliance with applicable law and regulations

- Full implementation of international and national laws & regulations
- In all related aspects of cocoa chain
- Option: also include adherence to voluntary codes of practise
3. Remunerative price for cocoa, quality and improved farmer’s income

- Production of high quality cocoa
- Efficiency in supply chain
- Marketing and transparency in markets
- New markets and promotion of consumption, including in producing countries
- Price development, proper/equitable remuneration, price risk management
4. Diversification of local economy

- Diversification within cocoa farming
- Promoting off-farm employment
- Broadening economic base in rural areas producing cocoa

Also:
- Additional sources of rural income
- Innovative financing
5. Access to markets & market information

- Market and trade information
- Trade rules
- Quality standards development, implementation and information sharing
- Cooperation with producers: changing regulations, market opportunities, changing consumer preferences
6. Decent working conditions

• Decent labour conditions for farmers & workers along cocoa chain
• Equal rights/opportunities for women
• Non-discrimination
• Protection & promotion of rights of child

Underlining:
• Develop, implement & enforce rules decent labour
• Eliminate worst forms of child labour and forced adult labour
7. Support for farmer and worker organizations

- Rights & opportunities of farmers and workers to organize themselves into alliances
- Benefit from freedom of expression

Also:
- Educational activities and training through extension services
8. Clear land use planning, secure access to land and proper infrastructure

- Include cocoa in agricultural & land use planning
- Access to land for cocoa farmers
- Appropriate land (use) rights
- Prior informed consent as regards development of new cocoa areas
- Proper infrastructure
9. Natural resource management

• On farms and along supply chain
• Good agricultural practise
• Efficient use of resources in transport, processing, manufacturing, retailing
• Sound management of soil, water and air
10. Conservation and wise-use of biodiversity

- Prevent negative impacts on conservation areas, and on plant & animal species
- Broad genetic basis needed for cocoa improvement

Also opportunities for cocoa farming:
- Contribute to ecological zoning
- Financial compensation for ecological services (e.g. climate, water)
Proposed principles for sustainable cocoa

1. Transparency
2. Compliance with applicable laws and regulations
3. Remunerative price for cocoa, quality and improved farmer’s income
4. Diversification of the local economy
5. Access to markets and market information
6. Decent working conditions
7. Support for farmer and worker organizations
8. Clear land use planning, secure access to land and proper infrastructure
9. Natural resource management
10. Conservation and wise-use of biodiversity
This RSCE: (1)

- Discuss draft principles
- Make changes deemed necessary
- Conclude upon principles
- Reconfirm link of principles with Accra Agenda
- Also: conclude upon Guidelines Best practices
- Both annexed to Trinidad & Tobago declaration
This RSCE: (2)

Possible declaration language on principles:
• apply principles in developing/implementing policies, programmes and activities
• encourage others to do so as well
• use principles for communication: underline common elements sustainable cocoa economy
• take time to gain experience with the principles
• report on a voluntary basis on efforts in realizing sustainable cocoa economy
Furthermore this RSCE:

- Discuss whether to elaborate principles into criteria?
  - indicators?
- Discuss whether principles should also be directed towards certification processes, or whether certification is left to the market (or both)
- Take into account risks that principles lead to certification impede export opportunities producing countries