

RAINFOREST ALLIANCE: COCOA CERTIFICATION PROGRAM

ICCO Conference Douala

24 -27 June 2013

Christian Mensah, West Africa manager



RAINFOREST ALLIANCE COCOA CERTIFICATION

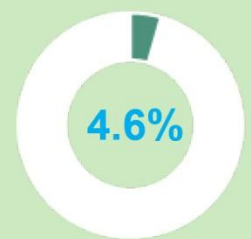
1. Rainforest Alliance and the Frog
2. Our work at origin with smallholders
3. Cost & Benefit
4. Technical innovations
5. Our commitment



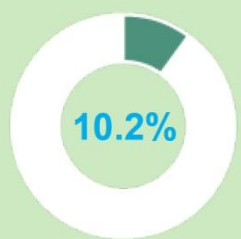


Rainforest Alliance
Worldwide

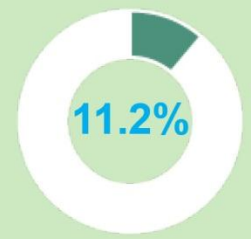
Marketshare of Rainforest Alliance Certified™ Products



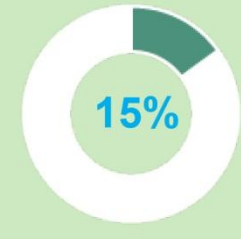
Of the world's
COFFEE



Of the world's
COCOA



Of the world's
TEA



Of the world's
BANANA export

11 million

Farmers, farm workers and their family directly **benefit** from the Rainforest Alliance certification program

75.8 million

Hectares of **land certified** by the Rainforest Alliance

40 million hectares in 2007

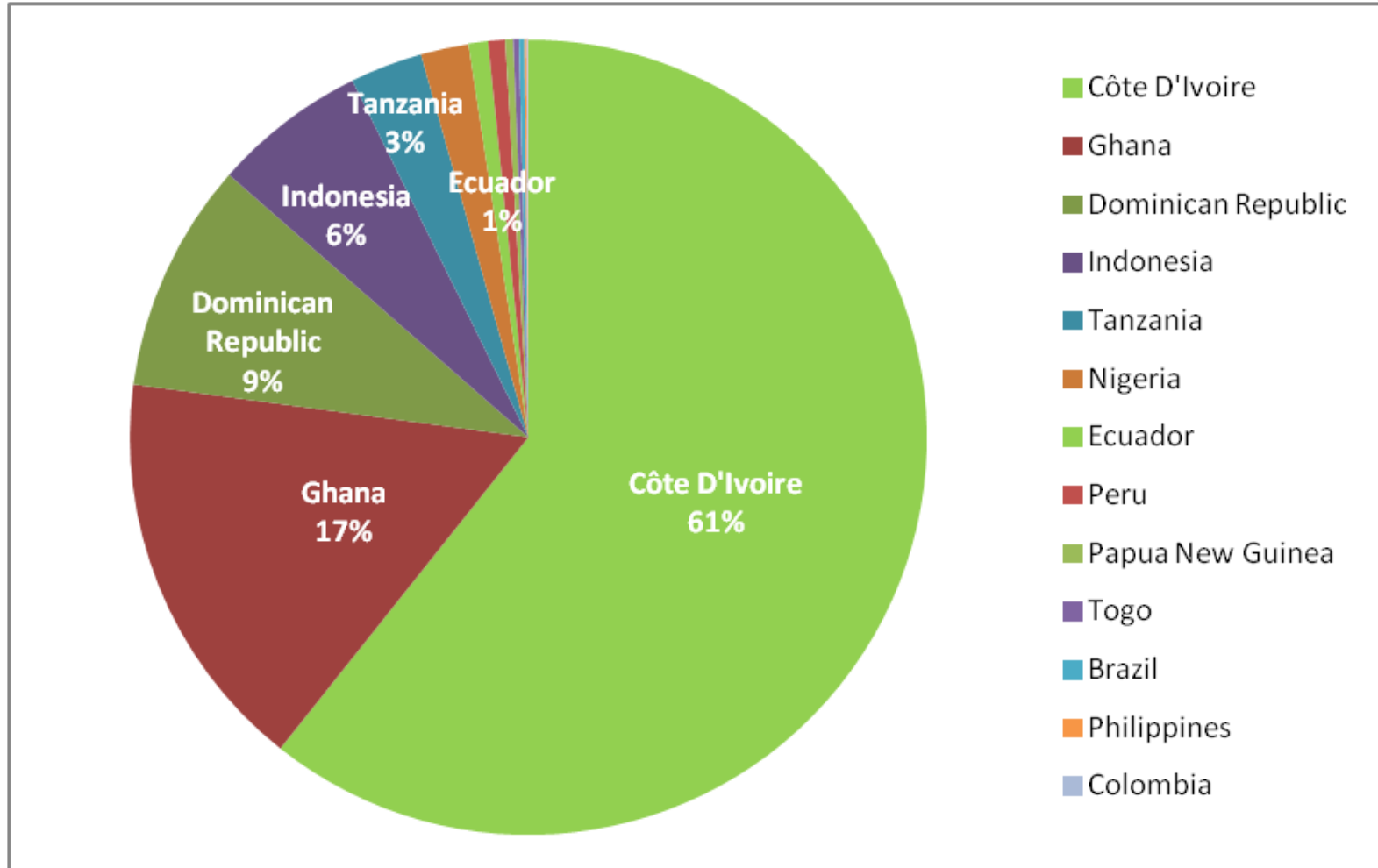
Offices worldwide: **29**
11 offices in 2007

373
Total **Staff**
138 staff in 2007

FY14 **Budget:**
53.2 million
\$21 million budget in 2007

WHERE WE WORK

COCOA ORIGINS FY13



WHAT IS RAINFOREST ALLIANCE CERTIFICATION ?



PEOPLE
PLANET
PROSPERITY

WHAT THE SEAL BRINGS ...

- Credible, independent, third party certification;
- SAN Standard: Comprehensive and balanced standard; part of a broader sustainability strategy;
- Traceability, segregation and continuity of supply;
- Building global demand for certified cocoa providing value to producers, businesses and consumers

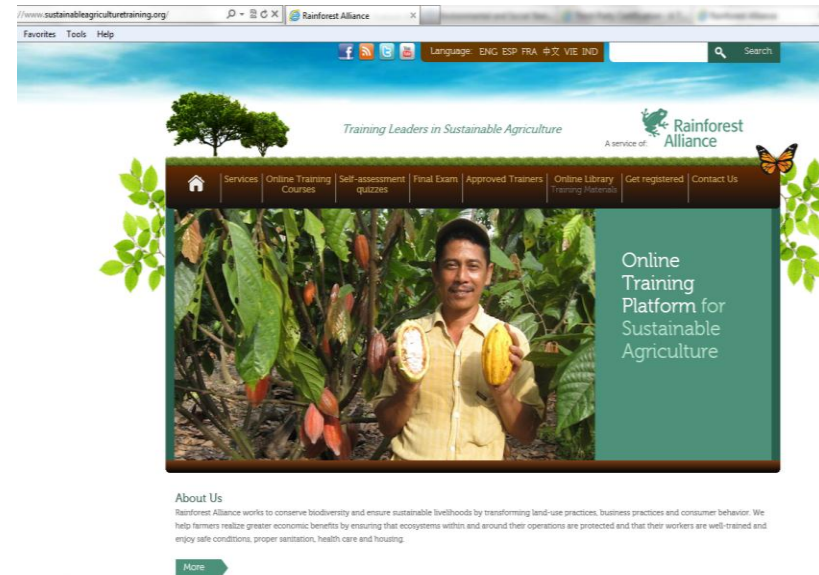


WHAT WE DO

TRAINING AND TECHNICAL ASSISTANCE

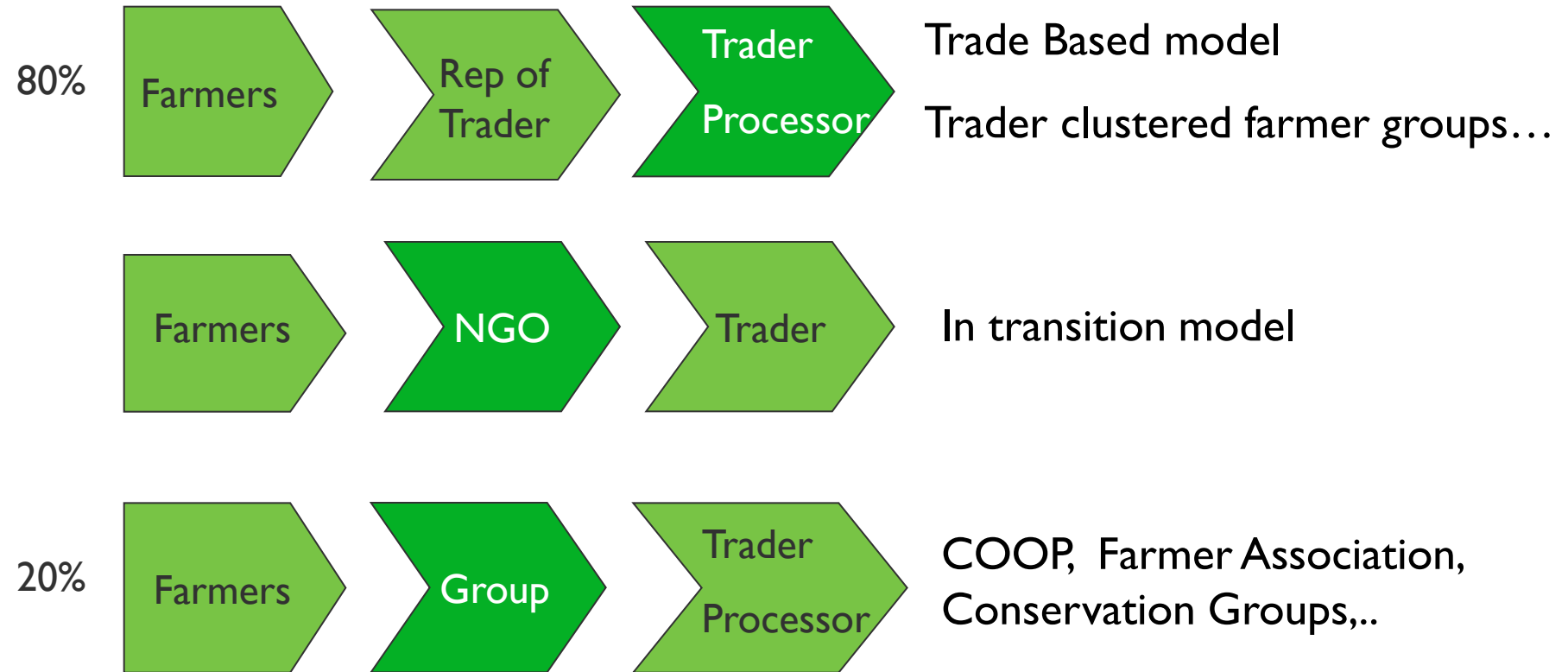
Build capacity in SAN Standards:

- Core team of accredited lead trainers in country
<http://www.sustainableagriculturetraining.org/trainers>
- Network of partners (NGOs, Consultancies)
- Trainers from private sector, government, institutions
- Group administrator and Lead farmers in each certified group
- International RA program staff based in London, training manager based in Costa Rica
- Coordinated planning with SVC and Certification Bodies



SAN: A FLEXIBLE AND INCLUSIVE MODEL

- Step-wise (towards farmers ownership)
- Engagement (allowing direct private sector investment)



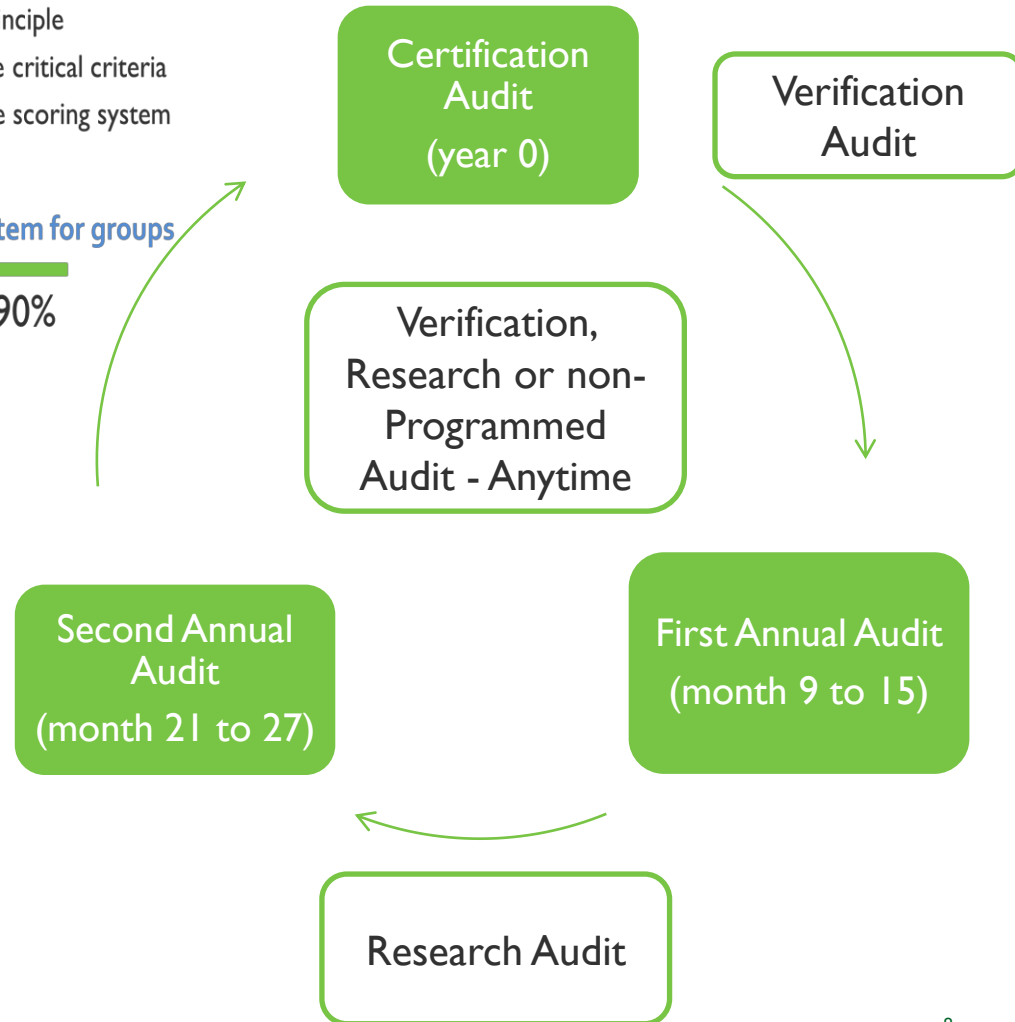
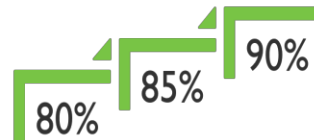
THE CERTIFICATION PROCESS



What are the certification requirements?

- Get an overall score of at least 80%
- Score at least 50% per principle
- Comply with all applicable critical criteria
- Comply with the stepwise scoring system for group administrators

The stepwise scoring system for groups



CERTIFICATION COST ALONG THE SUPPLY CHAIN

Who is certified	Producer cost	Buyer/Trader/Processor cost	Retail cost
<p>✓ Producer groups or Farmer Association</p>	<p>Annual farm audits costs - paid by the Producer group or Projects or trader.</p>	<p>Participation Royalty levied on volumes of Rainforest Alliance certified beans purchased</p> <p>It is charged only once in the supply chain.</p>	<p>No licensing fees is charged to retailers.</p>
<p>✓ Trader-Producer grouping</p>	<p>Audit costs, determined by the CB, independent inspection bodies</p>	<p>Annual audit cost for CoC compliance</p>	
<p>✓ Estates or Plantations</p>	<p>Audit cost ranged from US\$0.50 to \$3.61 per hectare</p>	<p>The cocoa participation royalty is US\$0.015 kg (US\$15/MT) of cocoa bean sold to the first buyer;</p>	
<p>✓ Chain of Custody (CoC) Operators</p>	<p>NB: Annual audit cost for CoC may apply if in the scope.</p>	<p>Payment of Market-based Price Premium</p> <p>NB: RA does not set premiums</p>	

INDIRECT COST OF CERTIFICATION

COST OF IMPROVEMENT

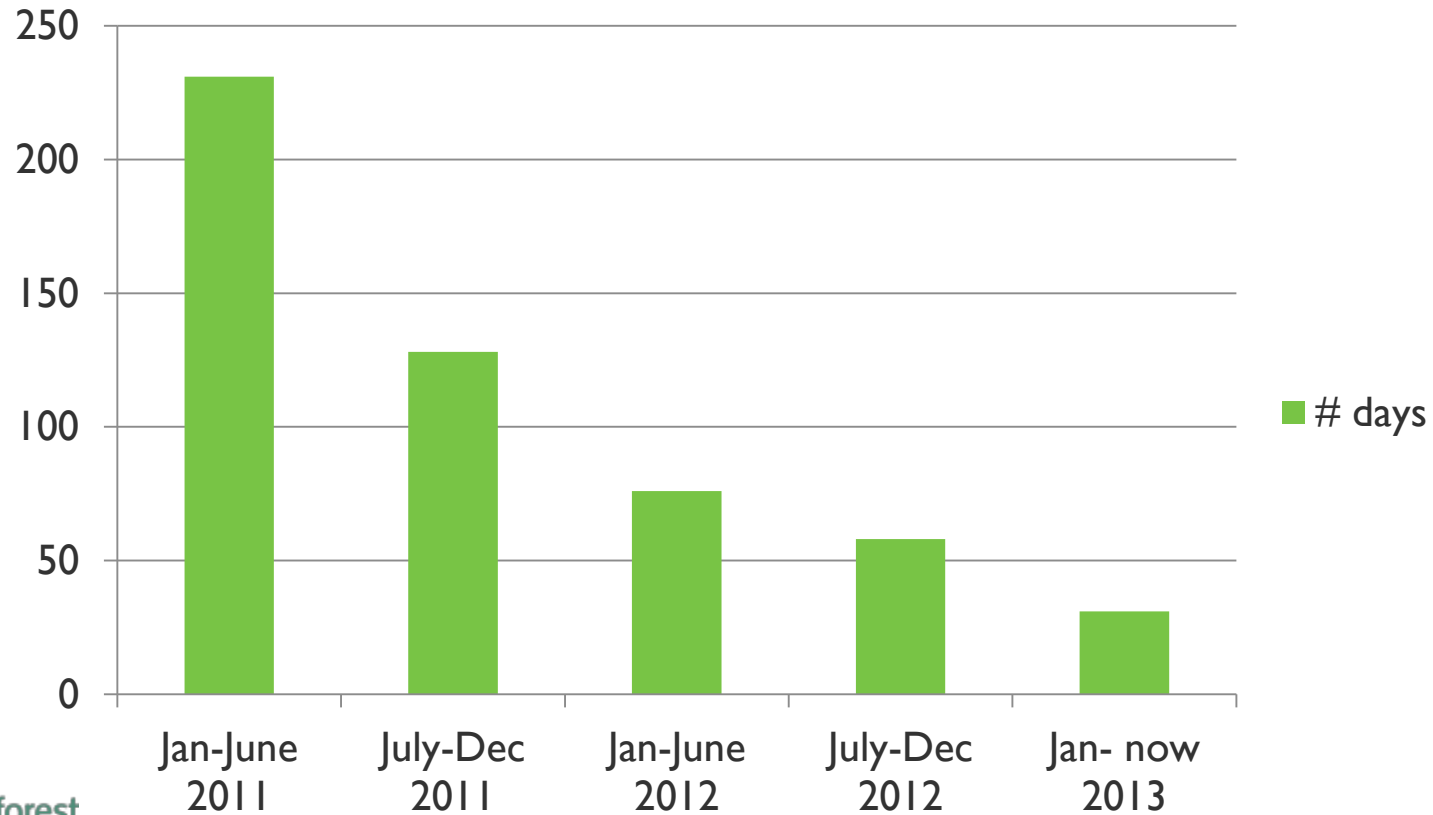
- a. Investment into human and institutional strengthening (Training and capacity building, etc.)

- b. Investments in infrastructure
 - a. Office accommodation & Equipment
 - b. Documentation
 - c. Resources for staff of the Management System
 - d. Compliance related infrastructure like PPEs, shade trees, farmer tools etc.

- c. Adapting storage and handling procedures to traceability system requirement

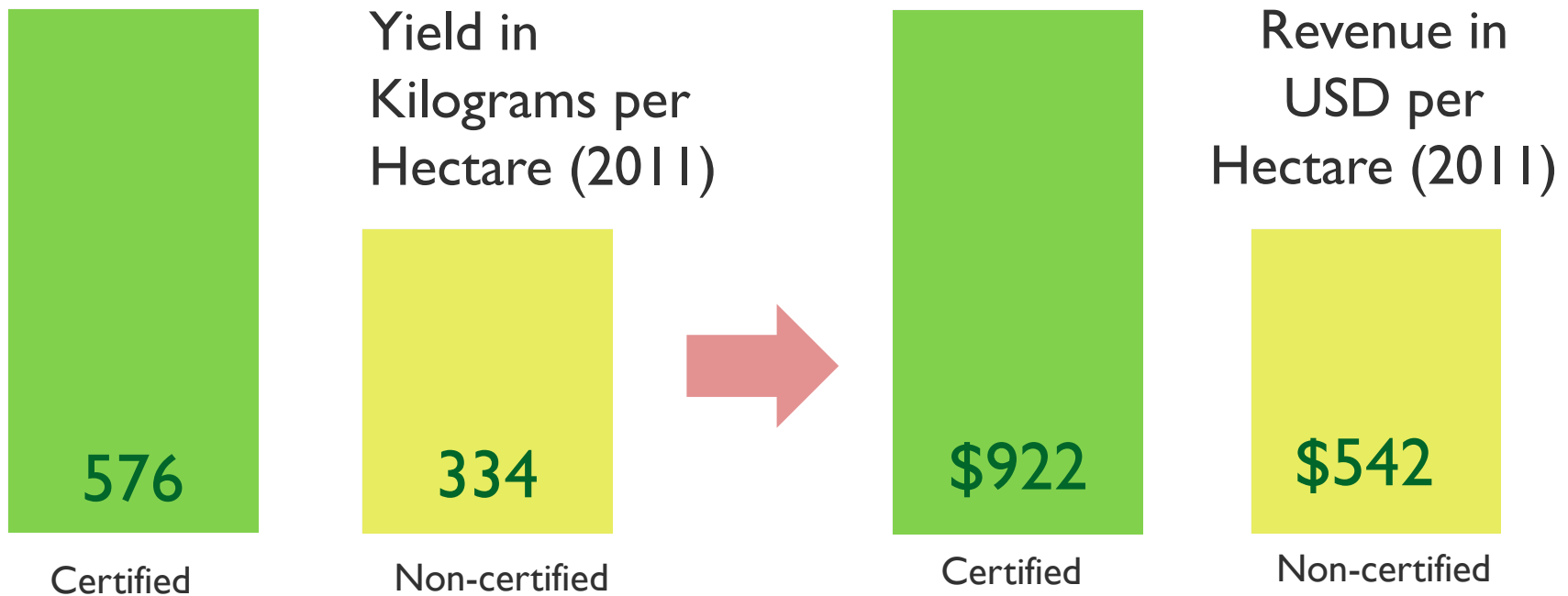
IMPROVING AUDIT TIMELINESS: 2011-2013

Audit Fieldwork to Decision (# days)
SAN Audits Africa Region



PRELIMINARY RESULTS

FINDINGS: PRODUCTION—*NOT PRICE*—DRIVING REVENUE



Based on a survey of 117 RA-certified cocoa farms and 135 control farms

* Difference is significant with 95% confidence

BENEFIT OF CERTIFICATION TO FARMERS

COSA found that nearly two-thirds of certified farmers had replanted or renewed their cocoa farms in 2011, compared with only 27 percent of non-certified farms



About 350,000 shade trees have been planted across Ghana on 142,000ha certified landscape in last 3-yrs



Farmers plan and innovate on farms: a sustainable cocoa production while adapting to the changing climate

COSA STUDY shows that certification is associated with farm households in which children are more likely to attend school on a regular basis



RAINFOREST ALLIANCE: TECHNICAL INNOVATION

Building from the SAN
Standard:

Sustainable Yield

Climate Cocoa

Cocoa landscape
conservation

Sustainable Cocoa Yield

Best Practices for long term productivity and
sustainable land use management



MARS



FOCUS ON TRANSFORMING LANDSCAPES COTE D'IVOIRE

PROJECT TAI NATIONAL PARK

Provide long term solutions for preventing further degradation close to the Park and improve definition and broader use of sustainable agriculture specifically working on sustainable productivity and biodiversity conservation

- 5 coops 2,000+ farmers

2012- 2014

GEF

OIPR

Rainforest Alliance

CEFCA

BARRY

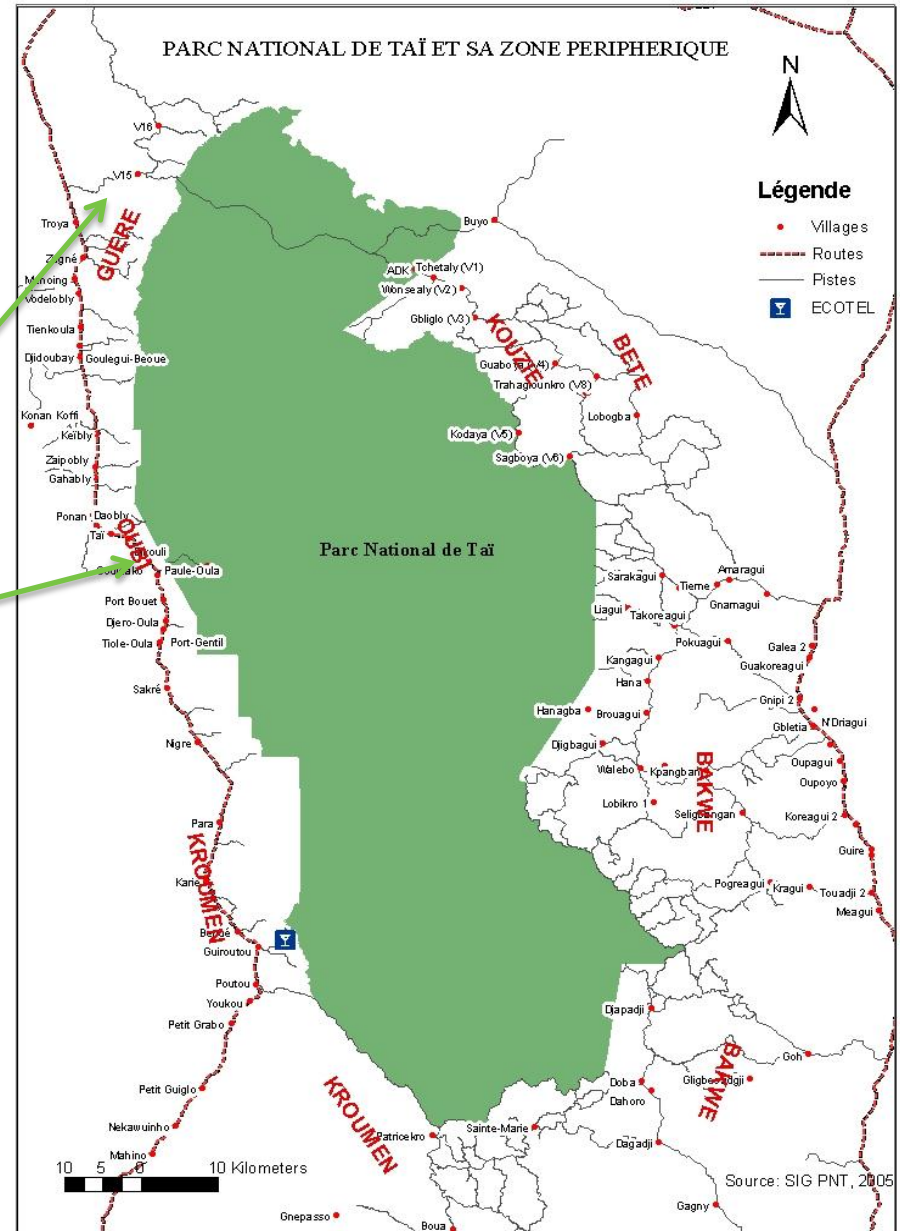
CALLEBAUT

WCF

GiZ

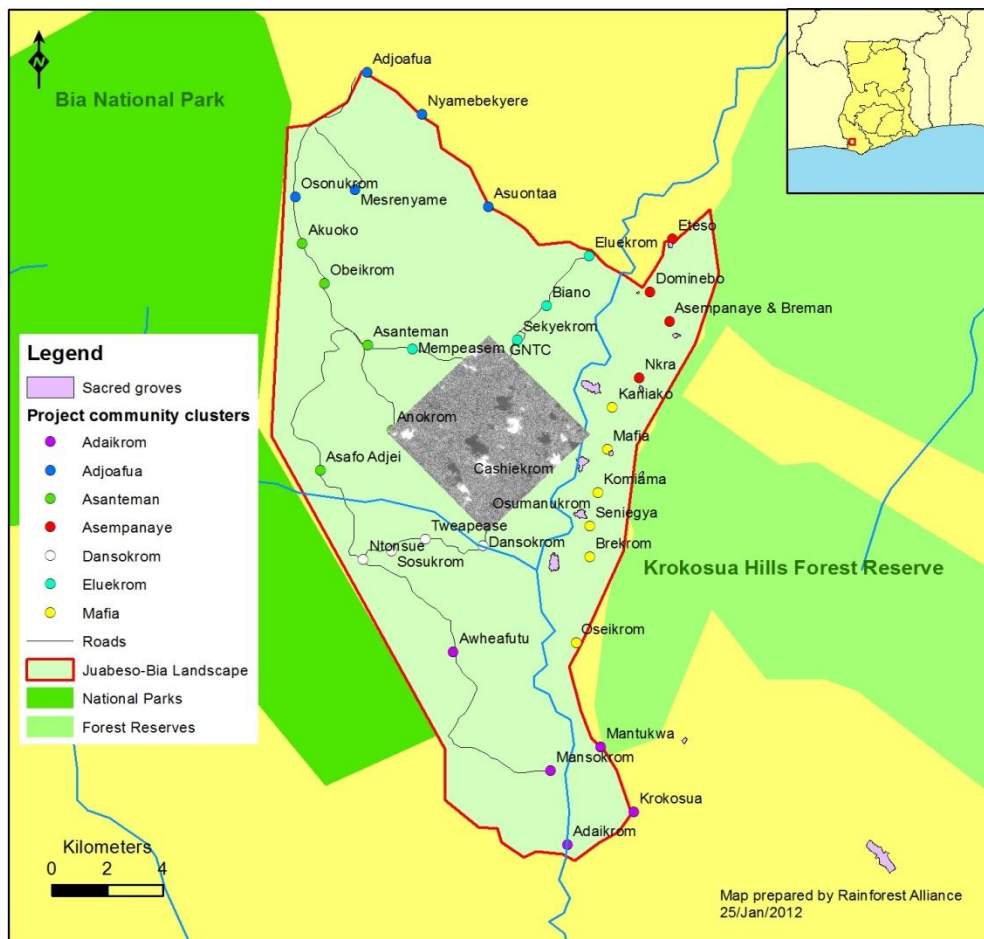


1972-2012:
Serving People
and the Planet



MEASURE BIODIVERSITY CONTRIBUTIONS & METHODOLOGY DEVELOPMENT FOR CLIMAT-SMART COCOA GHANA PROJECT *BIA-JUABESO*

2010-2014 : FCCA, OLAM and GEF/UNEP Greening the Cocoa Industry



- Land use management for sustainable forestry, protected areas, and cocoa agro-forestry in 34 communities
- Gather an understanding of land cover dynamics over time by mapping land-use characteristics and building capacity to monitor changes over time.
- Train Farmers on SAN climate module

3,000+ farmers



1972-2012:
Serving People
and the Planet



WE KEEP IMPROVING SERVICES FOR FARMERS

**The certificate is just a step in the
process of change ...**

- Working with unorganized farmers
- Strengthening producer groups
- Launching farmer finance
- Piloting farmer communications



RA's COMMITMENT TO ITS CERTIFICATION SYSTEM



- We will redouble its efforts to enhance and protect the value of its certification system and the investments of the many stakeholders made in partnership in order to continue to deliver positive impacts on conservation and peoples' livelihoods
 - a. We will **demonstrate** the intrinsic value of our certification system, especially to the producer and within his/her productive landscape
 - b. We will **document** its measurable advantages to add value for both livelihoods and landscapes,
 - c. We will increase the recognition of the RA brand by industry and consumers as one representing **real and credible improvements** in sustainable cocoa agriculture

A close-up photograph of coffee cherries and leaves. The cherries are in various stages of ripeness, showing shades of red, orange, and yellow. The leaves are green with some yellowing at the edges. The text "SAN Standard Review 2013-2014" is overlaid in white on the top half of the image.

SAN Standard Review 2013-2014

The SAN is running the most extensive public consultation process in its history to improve its certification standards.

Consists of two 60-day public consultation rounds and 25 local public consultation workshops in 20 countries.

Focus on:

- Productivity and product quality
- SAN living wage and living income
- Food security and gender equity
- Adaptation to climate change
- Elimination of invasive species
- New lists of banned and to be phased-out pesticides based on technical parameters
- New crops: rice



Rainforest
Alliance

Thank You!

COCOA

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