

SEPTEMBER 2021

Newsletter | 02

A word from the DISCO Steering Committee

In each DISCO newsletter, a Steering Committee member will share some words with the partnership. In this newsletter, the word is given to Arjen Boekhold. The (independent) chair of the DISCO Steering Committee:

“Since I started as Chair of the DISCO partnership earlier this year, I’ve experienced (again) the commitment there is on individual level and by many different parties participating in DISCO. This is translated, for example, in the just approved Roadmaps made by the 3 Working Groups. Thank you for all this extensive work!

To experience this commitment is really encouraging, certainly after the complexities experienced in the start-up phase of the partnership. The personal commitments, experience at the table and power of the parties represented within DISCO, make me convinced that we have great opportunities to get into real & concrete action towards our shared ambitions within this partnership.

To make this happen, we do need active participation of all signatories. All partners must come into action. Therefore, during our annual meeting on November 30th, we will present an overview of all planned actions by the individual signatories of DISCO. And, most importantly, show & identify opportunities for collaboration wherever possible.

Personally, I will work on more European alignment and collaboration in the coming period, in order to prevent duplication of efforts and to scale up opportunities for impact both in Europe and, most importantly, in mutual partnerships with all cocoa producing regions involved.

Finally, do not hesitate to contact me, or the secretariat, if you see opportunities and we can support you to make concrete action happen!”



Development of action plans by all DISCO signatories

Submission of action plans by DISCO signatories

During their last meeting on 2 September, the DISCO Steering Committee discussed the next steps for the DISCO partnership towards developing, formulating, and implementing action plans on the main DISCO ambitions. The Steering Committee agreed that the Roadmaps developed by the Working Groups provide a sufficient basis for DISCO signatories to start working towards the DISCO ambitions on living income, deforestation and forest degradation, and child labour.

As the Roadmaps are validated, the next steps towards implementation in the form of action plans can now be defined by all DISCO signatories, and to be presented during the General Assembly on 30 November. With the finalization of the action plans, the partnership will move into the implementation phase and move towards taking the necessary actions on the joint commitments made. In parallel, the defined action plans will provide a clear overview on the general challenges, where the needs are and how these can be addressed by the partnership.

Therefore, all DISCO signatories are asked to fill a template describing their action plans that is attached to this newsletter. Everyone is requested to submit this **by 31 October 2021 the latest** to the DISCO Secretariat (dewaard@idhtrade.org).

Roadmaps developed by Working Groups

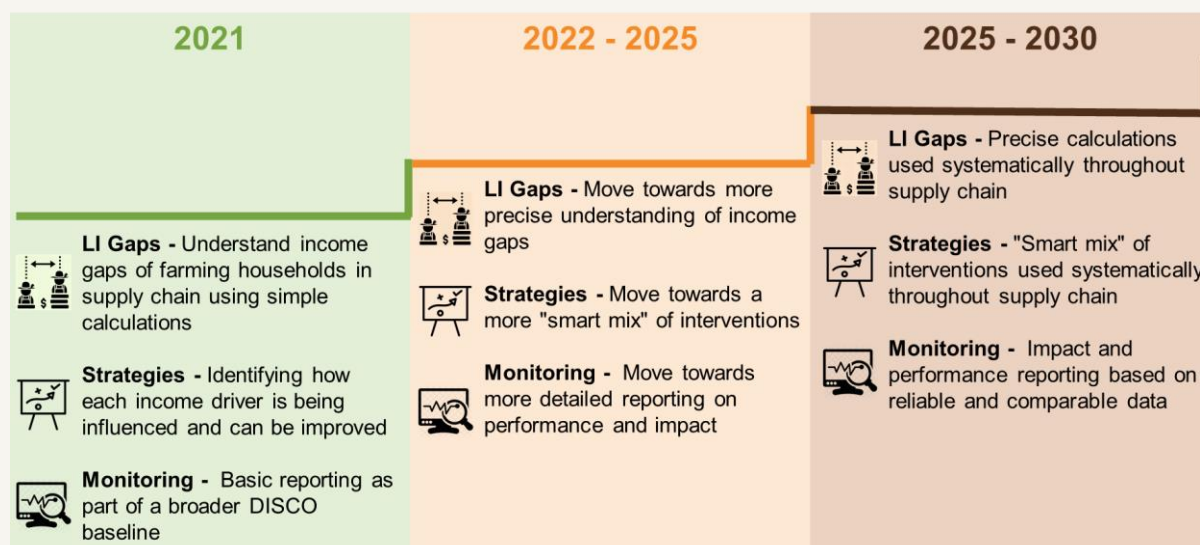
Since the start of the year, three Working Groups with representatives from different DISCO signatories have developed initial roadmaps on how to live up to the sustainability commitments in DISCO on living income, deforestation and forest degradation and child labour.

These roadmaps include a guidance on a recommended (range of) actions, how to implement these actions, a set of indicators for monitoring and reporting, and recommendations for follow up actions by the partnership. These Roadmaps have now been validated by the Steering Committee and are publicly available to use as a basis for defining the action plans.

Roadmap on living income

The [Roadmap on 'Living income for cocoa farming families'](#) includes guidance on how to understand income gaps of farming households in the supply chain using basic calculations, while moving towards more precise understanding of income gaps, and scaling precise calculations systematically throughout the supply chain.

It also provides guidance to develop living income strategies by identifying how each income driver is being influenced and can be improved, while moving towards more "smart mix" of interventions, and scaling "smart mix" of interventions systematically throughout the supply chain.



Roadmap on deforestation and forest degradation

The [Roadmap on 'Ending deforestation and forest degradation'](#) includes guidance on how companies can carry out due diligence assessments in line with the OECD Guidelines for Multinational Enterprises on the cocoa entering their supply chain.

It also explains how companies can underwrite, support and promote, national initiatives in cocoa producing countries aiming to end cocoa-related deforestation (e.g. Cocoa & Forests Initiative in Côte d'Ivoire and Ghana).

Additionally, it describes the commitment on increased traceability in direct and indirect supply chains and how additional recommendations will be developed through an ISCO Working Group.

Finally, it describes the next steps to be taken to define collaborative responsibilities on implementation and financing mechanisms in protecting forests and restoring natural forests degraded by cocoa production, including the identification, mapping, monitoring and protection of remaining forest remnants and implement restoration plans, while promoting the establishment of agroforestry systems.

Collaborative efforts

Deforestation initiatives

Companies start underwriting national initiatives aiming to end cocoa-related deforestation in the countries where they source from or support their suppliers in taking the necessary actions within these initiatives.

Define finance and implementing mechanisms

Companies will define collaborative responsibilities on implementation and financing mechanisms in protecting forests and restoring natural forests degraded by cocoa production. This is done by defining potential routes (e.g. landscape finance vs. fund establishment) and define collaborative and individual targets.



Protection and restoration



Signatories will directly or indirectly engage and contribute to identify, map, monitor and protect remaining forest remnants and implement restoration plans, and promoting agroforestry systems, through a collaborative and participatory approach.

Supply chain transparency

Due diligence

Companies start carrying out due diligence assessments in line with the OECD Guidelines for Multinational Enterprises on the cocoa entering their supply chain

Traceability

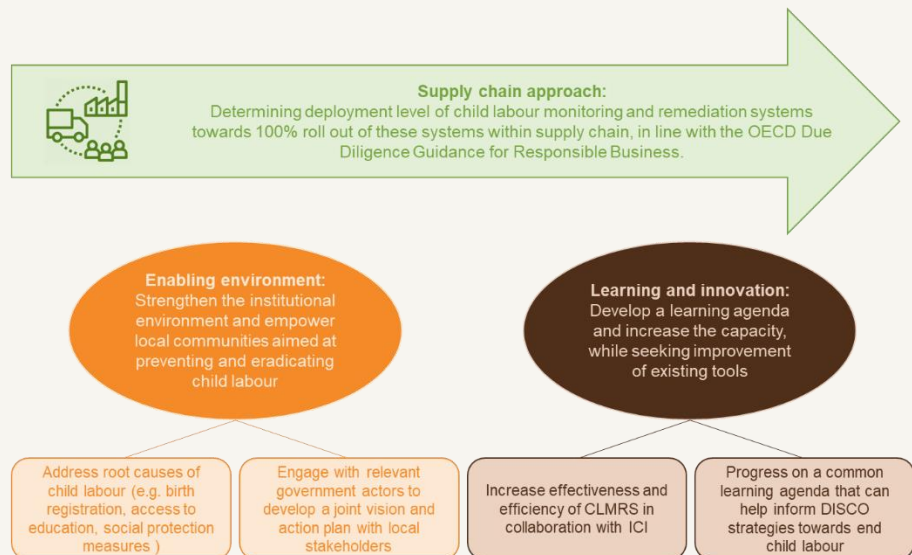
Companies start increasing the amount of traceable cocoa in their direct and indirect supply chain by engaging with producer organizations and building on recommendations developed in the European working group on traceability

Roadmap on child labour

The [Roadmap on 'Ending all forms of child labour'](#) provides guidance how to determine the current deployment level of child labour prevention, monitoring and remediation systems in the supply chains, linked with the defined minimum requirements of the systems based on a benchmarking study conducted by the International Cocoa Initiative (ICI).

It also provides a guidance how to develop and implement strategies to roll out child labour prevention, monitoring and remediation systems in the supply chains and how to link this with the OECD Due Diligence Guidance for Responsible Business.

Finally, it describes how DISCO signatories can engage with national and local governments and civil society in the sourcing/production countries on joint efforts to strengthen the institutional environment and empower local communities aimed at preventing and eradicating child labour.



Baseline reporting in harmonization with other ISCOs in 2022 reporting cycle

The DISCO partnership agreed in the DISCO declaration that a baseline for the situation in 2020 would be conducted. The Secretariat (IDH), in collaboration with the Working Groups and other key experts (including those from other National Initiatives on Sustainable Cocoa in Europe (ISCOs)) have developed a Baseline Reporting Framework. Initially, the data collection from DISCO signatories for

this baseline was scheduled for September and October 2021. However, many DISCO signatories expressed a strong need to harmonize the reporting for DISCO with the timeline, tool, indicators and related questionnaires used by the other ISCOs.

To better harmonize the reporting with the other ISCOs and to prevent the reporting shouldn't create a barrier for signatories towards developing their action plans, the Steering Committee decided to postpone the data collection for reporting to 2022. This means the reporting for both the baseline (data from 2020) and the first annual progress report (data from 2021) by all DISCO signatories will happen in April/May 2022 through the same tool used by the other ISCOs.

Save the date: DISCO annual General Assembly on 30 November 2021

After a year that marked the establishment of its governance structure, the development of Roadmaps by the Working Groups and intensified collaboration with other National Initiatives on Sustainable Cocoa in Europe (ISCOs), the DISCO partnership will convene in its second annual General Assembly on 30 November 2021. During this General Assembly, the presentation of the plans and strategies that are defined by the DISCO signatories will be the central theme for discussion. Also, other topics such as the annual plan for 2022 and a potential joint financing structure will be discussed.

The development of the program is ongoing. The possibilities for a (partially) physical event are also explored. Therefore, the exact details on timing, agenda and location will follow later on.

Fund against Child Labour (FBK) now open for quick scans!

Are you a company, a NGO or a knowledge institute active in the cocoa sector? And do you have suspicions of child labour in your production chain? Then you can get support from the Fund against Child Labour (FBK). The fund is until 16th of September open for quick scans (mandatory). Full proposals can be submitted until 28th of October. You can find more information here: <https://english.rvo.nl/subsidies-programmes/fbk>.

Other DISCO signatories have already been supported by the Fund against Child Labour. You can find [a short video](#) from ETG/Beyond Beans in collaboration with Oxfam Novib on their 'EnRoute' project that aims to fight child labour by finding ways to increase incomes for cocoa farmers in their supply chains.

DISCO welcomes the International Cocoa Initiative to the partnership

The International Cocoa Initiative (ICI) is a non-profit foundation that works to ensure a better future for children in cocoa-growing communities. It is a multi-stakeholder partnership advancing the elimination of child labour and forced labour, by uniting the forces of the cocoa and chocolate industry, civil society, farming communities, governments, international organizations and donors.



ICI has been working in cocoa-growing communities in Côte d'Ivoire and Ghana for over 13 years and within that time has helped advance quantified progress in the fight against child labour in cocoa. ICI will through its experience and expertise bring added value to the DISCO partnership.

Latest developments in Europe: updates from other ISCOs

The National Initiatives on Sustainable Cocoa in Europe (ISCOs) are proud to announce advancements in our alignment & harmonization process.

In the past months, the ISCO secretariats have regularly convened to discuss a common vision and governance. The ISCO secretariats share the opinion to make several of the initiative-specific working groups common, thus decreasing the workload of partners while bringing knowledge exchange to a higher level. Currently an ISCO working group on monitoring and one on traceability are in place. A further harmonization of working groups is being discussed. Similarly, the secretariats have discussed to organize at least two joint learning events per year and to open up initiative-specific events to members of the other platforms. Lastly, the ISCOs have together agreed on common indicators to

monitor and report on the four main challenges in the cocoa sector. This common monitoring framework was translated into an online monitoring tool by GISCO and Beyond Chocolate and used for a first time in May 2021.

The ISCO secretariats are meeting on a monthly basis to discuss their common activities and twice a year for strategic discussions. Moreover, the chairs of the boards and steering committees of the individual initiatives will come together once a year for further strategic discussions.

Update on Beyond Chocolate

Beyond Chocolate is happy to announce the publication of its 2020 annual report during its General Assembly on September 30th. The report will reveal the progress made by partners vis-à-vis the ISCOs four common challenges and will present next steps towards achieving a more sustainable Belgian chocolate sector.

Update on the German Initiative on Sustainable Cocoa (GISCO)

GISCO's members have committed themselves to implementing their due diligence obligations in accordance with the UN Guiding Principles on Business and Human Rights by 2025. The guide elaborated in close cooperation with GISCO now has been published by the SÜDWIND Institute and addresses an important core element of the implementation of due diligence. It is intended to support small and medium-sized enterprises in carrying out risk analyses for the cocoa-growing countries they work with. Click [here](#) for more information.

Update on the Swiss Platform for Sustainable Cocoa (SWISSCO)

SWISSCO has published its 2020 [annual report](#) in July 2021. The Swiss Platform for Sustainable Cocoa continues to make progress in promoting sustainability in the Swiss cocoa value chain and deepens its engagement in projects and international cooperation. In 2020, the imports of sustainably produced cocoa into Switzerland increased by 19 percentage points to 74%, an important step towards achieving the interim target of 80% by 2025.

DISCO timeline

For the upcoming period, the following meetings, events and milestones within DISCO are scheduled. Additional meetings will be planned and therefore this overview will be updated within each newsletter.

31 October 2021	Deadline for submitting DISCO action plans by signatories to IDH
4 November 2021	Steering Committee meeting – Preparation of General Assembly, joint financing structure and 2022 planning
30 November 2021	Annual General Assembly – Presentation of action plans by DISCO signatories
April/May 2022	Data collection from signatories for baseline reporting on 2020 data and annual progress reporting on 2021 data



DISCO

DUTCH INITIATIVE ON
SUSTAINABLE COCOA