

## Concept: European Working Group Traceability

2021-02-12

### Background

At the meeting of GISCO`s working group “Sustainability” on Oct. 27<sup>th</sup> 2020, the idea of forming a “European” working group on traceability was created as one of the group discussion outcomes during the meeting, in which also Christine Müller from SWISSCO participated.

The mentioned discussion group was led by Patrick Stoop from C-Lever.org who presented a proposed definition of traceability for the common monitoring system, and also raised questions for further discussion as to how traceability could and should be further improved in the cocoa sector.

C-Lever.org is currently conducting a study on traceability, commissioned by IDH and co-financed by GISCO, which will provide an overview of existing traceability practices and provide recommendations for increasing cocoa sector traceability, based on in-depth stakeholder interviews. The idea of the joint working group to be established between DISCO, SWISSCO, Beyond Chocolate and GISCO entailed that the working group should also provide feedback on recommendations coming out of this study.

### Aim and goals

The working group`s overall aim is to support the signatories/members of the different ISCOs **in reaching traceability and transparency of origin and sustainability characteristics for all cocoa sourced**, as this is a precondition for ensuring that cocoa is not sourced from deforested areas nor leads to deforestation, as well as to ensuring that cocoa producing households earn a living income and are covered by systems on child protection/ HRDD systems that prevent and address child labor. These goals are part of the four key challenges that the platforms agreed to prioritize in their Memorandum of Understanding signed in June 2020.

In order to contribute to this aim, the working group`s goals are to:

- Foster a **common understanding of traceability** and transparency of origin and sustainability characteristics for the cocoa sector
- Agree on **common** definitions and **indicators** (and measurement thereof) of traceability and transparency, as part of the joint monitoring system
- **Advance traceability and transparency of origin and sustainability in the cocoa sector** by:
  - o helping analyze current trends and challenges
  - o making recommendations on how to address the challenges (e.g. development of tools/systems/methodologies to increase traceability and transparency) and increase the level of traceability and transparency
  - o supporting implementation of the recommendations, which could include, e.g. providing technical support, advocating for solutions to be implemented by partners, etc. regarding, for instance the mass balance approach to traceability and how this could be improved
  - o engaging in international policy making e.g. through the EU cocoa talks.

## Activities

In order to work towards the above objectives, the working group`s activities shall include:

- Learn from the traceability study results as to gain an understanding of where the sector stands regarding traceability, and what the current trends and challenges are
- Provide feedback on the ongoing traceability study developed by C-Lever.org: definition and recommendations for measures and actions as to how supply chain actors in the cocoa sector could advance their traceability and origin/sustainability transparency, taking into consideration needs and obstacles
- Advise on existing and new tools/methodologies that could advance traceability and origin/sustainability transparency
- Provide recommendations on definition(s), and indicators for the joint monitoring system, on traceability and origin/sustainability transparency
- Prepare a learning event for all ISCO members for 2021
- Develop a roadmap with strategies to increase the current level of traceability towards (ideally) 100% traceability
  - o Build on existing efforts
  - o Clarify the role of different stakeholder groups, such as retailers and standard setting organizations, in the effort of increasing traceability and transparency, and how they could support each other
  - o Develop recommendations on how the mass balance approach could be improved
- Create inputs for the European Union cocoa talks.

## Starting of the working group

The working group will start with a kick-off meeting in March, with a presentation by C-Lever.org on a) an overview of existing practices informed by case studies, b) the suggested definitions for traceability and origin transparency (as held at GISCO`s last sustainability working group meeting on Oct. 27<sup>th</sup> 2020) and c) possible recommendations to include in the traceability study.

## Tentative timeline

<p>4.3. 11 – 13 <u>2021</u></p>	<p><u>Kick-off Meeting of the WG Traceability</u></p> <ul style="list-style-type: none"> <li>• Presentation and feedback on recommendations from the first results of the traceability study carried out by C-Lever</li> <li>• Identification of the main challenges towards traceability and development of specific recommendations and measures for action</li> <li>• Discussion of the concept for the working group</li> <li>• Gathering of inputs for the EU Cocoa Talks, especially for 16 and 17 March 2021</li> </ul>
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<p><u>16 March 2021 and 17 March 2021</u></p>	<p>EU Cocoa Talks: Traceability transparency and accountability with regards to child labour (meeting 3a) and deforestation (3b)</p> <ul style="list-style-type: none"> <li>Objectives: Discussions and preliminary conclusions on the role of monitoring and enforcement mechanisms, traceability systems and innovative technologies in the new framework for sustainable cocoa production</li> </ul>
<p><u>May 2021</u></p>	<p>Second Meeting of the WG Traceability</p> <ul style="list-style-type: none"> <li>The EU overview of available technologies and digital solutions will be reviewed and completed</li> <li>Recommendations and means for actions will be finetuned, taking into account recommendations from February Meeting, EU Cocoa Talks, and Traceability Study by C-Lever</li> <li>Indicative timeline with goals and milestones for a Roadmap will be developed</li> </ul>
<p><u>October 2021</u></p>	<p>Third Meeting of the WG Traceability</p> <ul style="list-style-type: none"> <li>Full package of recommendation for ISCO Members are finalised.</li> <li>A Roadmap for companies to reach 100% traceability will be finalised</li> </ul>
<p><u>November 2021</u></p>	<p>Learning Event on Traceability by all ISCO's</p> <ul style="list-style-type: none"> <li>with finalised definition, indicators, overview of tools available and a roadmap for companies to reach 100% traceability will be presented to ISCO Members</li> </ul>
<p><u>Mid-February</u></p>	<p>Fourth Meeting of the WG Traceability:</p> <ul style="list-style-type: none"> <li>Review of the 1-year progress with regards to traceability</li> </ul>

## Participants

The working group shall consist of a balanced group of members from all four platforms. Participants need to have prior expertise in the topics of traceability and transparency in the cocoa sector.

### **ISCO Members**

Agroforce Commodities

Alfred Ritter

Association of the German Confectionary Industry (BDSI)

ALISOS

Barry Callebaut

Bayer AG

Bern University of Applied Sciences

Bos+

CABOZ

Cocoasource

Cocobod  
Commerce Equitable France  
Cooko GmbH  
Datafastlane  
Earthword Foundation  
ECOM trading  
EDEKA  
EFI  
Envirium Life Sciences  
Eos Entrepreneur Foundation  
Equipoise  
Fairfood International  
Fairtrade  
farmerconnect  
Farmstrong Foundation  
Federal Ministry of Food and Agriculture (BMEL)  
Fuchs & Hoffmann  
Halba  
Hamburger Stiftung für Wirtschaftsethik  
Hofer / Aldi Süd  
ICI  
IDH  
Inades Formation Côte d'Ivoire  
INKOTA Netzwerk  
JB Cocoa  
Koa Switzerland  
Koltiva  
Lindt & Sprüngli  
Luneca Marzioan  
Maestrani  
Maxhavelaar / Representing Fairtrade for all ISCOs)  
Mondelez  
Natra  
NCH  
Nexus Management  
Olam  
ONCC  
ONG IDEF  
Rainforest Alliance  
Réseau Ivoirien du Commerce Equitable  
Schoeki  
SECO  
Stollwerck  
Südwind-Institut



Swiss Contact

Trase

WWF

Starbucks

Läderach

### **ISCO Partners & Others**

Association des PCA des coopératives de café cacao

C-Lever.org

Conseil Cafe Cacao

GIZ

PRO-PLANTEURS