

JUNE 2022

# Newsletter | 05



## 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 Eric Nederhand from Olam Food Ingredients (ofi). The representative of the sub sector traders & processors:

*“When I joined the DISCO partnership one year ago, I was struck by the collective energy and drive to solve some of the complex challenges facing cocoa communities worldwide, from farmer poverty and deforestation to child labor. As a newly appointed Steering Committee member, I am more optimistic than ever that we can drive forward progress in these areas together.*

*This commitment to helping create a better future for cocoa is reflected in the values of my own company, **ofi**. As part of our sustainability ambition, Cocoa compass, and in partnership with our customers, we achieved our 2020 goals to roll out child labor monitoring in our managed sustainability programs and 100% deforestation monitoring in our direct supply chain across nine countries. But we know there is still a lot more to do, such as ensuring farmers earn enough to cover their basic needs. That’s why we’re aiming to support 150,000 cocoa farmers in our supply chain to achieve a living income by 2030.*



*To understand our true impact of our industry on the natural world, we believe that there is an urgent need to bridge the gap between sustainability and finance and we have been working to better understand, measure and manage the impact of our operations and direct capital towards nature-based solutions. By using natural capital as a measurement, we can not only reduce our impact on the cocoa communities we source from, but also in our cocoa processing. We’ll be sharing our latest worldwide sustainability achievements and emission reduction in our upcoming **ofi** impact report later this month.*

*As cocoa communities continue to struggle against the headwinds of the Covid pandemic, I’ve never been more certain of the importance of initiatives such as DISCO. By sharing learning based on our collective decades of sustainability experience, we can help deliver impact at scale and achieve more than the sum of our parts.”*

### **Eric Nederhand, Olam Food Ingredients**

As a reminder, the Steering Committee is comprised of the following members:

- Arjen Boekhold – Independent chair
- Eric Nederhand – Olam Food Ingredients (representative ‘traders/processors’)
- Roel Govers – Mars (representative ‘manufacturers/brands’)
- Laura Jungmann – Albert Heijn (representative ‘retailers’)
- Wieneke Vullings – Dutch Ministry of Foreign Affairs (representative ‘government’)
- Susanne Boetekees – Fairtrade Nederland (representative ‘certification organizations’)
- Boukje Theeuwes – Solidaridad (representative ‘civil society’)

*\*The subsector ‘service providers & knowledge institutes’ is represented by Susanne Boetekees and Boukje Theeuwes.*

## Save the dates: ISConference and DISCO General Assembly

### **ISConference 1 September 2022**

The National Initiatives on Sustainable Cocoa in Europe (ISCOs) are glad to announce a jointly organized in-person learning conference that will take place in Brussels on September 1st. In the past years, the ISCOs have increasingly aligned and bundled efforts for a more sustainable cocoa sector. In their Memorandum of Understanding, the ISCOs defined as one of their goals "to promote the exchange of information and knowledge amongst their members". The ISConference will contribute to this ambition, featuring panels and presentations by ISCO members and other high-level speakers on the

four common challenges of the ISCOs that are structured around traceability and transparency, living income, child labour and deforestation.

A detailed agenda and a link for registration will be send out soon. But in the meantime, we encourage all DISCO signatories to already mark this date in their calendar.

### **DISCO annual General Assembly 1 December 2022**

The DISCO partnership will convene in its third annual General Assembly on 1 December 2022. The agenda of this event is still under development, but it will certainly include a reflection on the results after 2 years DISCO, based on the reporting for the baseline and the first year. We will also look ahead to the annual plan 2023. More agenda items are being developed, but please mark this date in your calendar.

### **Extension of Arjen's term as Chair to the DISCO Steering Committee**

The Steering Committee has unanimous decided to ask Arjen Boekhold to extend his term as independent chairman of the Steering Committee towards June 2023.

Arjen became independent chairman in June 2021. This is a parttime position with as main responsibilities to chair the Steering Committee and internal DISCO meetings and representing DISCO externally.

In his first term, Arjen spent a lot of time and energy, besides the normal duties of preparing and chairing meetings, to align different signatories towards the common goals of DISCO, and to contribute to building trust between sub-sectors in order to come to action.

*As Arjen states "with signing the DISCO declaration, parties not only commit to common goals, but moreover oblige themselves towards additional and impactful actions. DISCO is a multistakeholder partnership, where all have to take more responsibility pro-actively, and move into action. I see my first term as the kick off for action by the parties involved, and I'm happy to see the development of various activities now. But also, I seriously expect to see more concrete action and cooperation from all signatories towards the goals of DISCO in the coming period. Therefore, as per contract, there will be an interim evaluation of progress and action within the partnership in the end of 2022, before a final decision on continuation of Arjen's term into 2023 shall be made. But I am convinced this won't be necessary due to increased action and cooperation within the partnership. I am looking forward to working on this together!"*

### **DISCO retailers initiated the development of an approach to bring DISCO cocoa to the market**

As part of their implementation strategy towards the DISCO ambitions, retailers initiated the development of a DISCO 'Basket of Standards/Programs' approach within the partnership. Through this approach, the retailers are being assisted to take a leading role towards the DISCO ambitions, based on their role and position in the cocoa supply chain by bringing DISCO cocoa to the market.

This approach, that is still under development, will be partly based on the best practices of other multistakeholder initiatives such as the Floriculture Sustainability Initiative (FSI) and the Global Sustainable Seafood Initiative (GSSI). It aims to help retailers in organizing their cocoa purchasing practices in line with the DISCO commitments. Also, it will help analyzing the gaps between the existing standards and programs and the DISCO commitments as a starting point to identify the opportunities to jointly address these gaps. It also creates an additional market driven incentive for standards and programs to progress towards achieving DISCO commitments.

The retailers, with the assistance of the Secretariat and in close cooperation with other stakeholders, are still working on this approach. An in-person information session will be organized on Monday 4 July 13.00 – 16.00 in Utrecht, aiming to share how FSI and GSSI are implementing this approach and to discuss how such an approach could look like for DISCO. All DISCO signatories are welcome to participate and co-design this approach. You can indicate your availability [here](#).

## Steering Committee approves proposal for organizing a working session on price as part of the living income agenda

Amongst all sector wide commitments across Europe, the DISCO partnership leads by example, clearly recognizing the role of farm gate prices as part of a wider mix of interventions as defined within the [DISCO declaration](#). To fast-track and scale impact, the civil society organizations within DISCO suggested to have a working session on price. The session aims to explore what is possible within the boundaries of competition law (possibly together with a lawyer), and discuss the options, constraints, what support is needed and how jointly the partnership can take next steps in achieving its ambitions..

This proposal will be further developed, and a separate invitation will follow when the working session is further defined. If anyone is interested in co-developing or providing input to this session, they can reach out to Susanne Boetekees ([Susanne@fairtradenederland.nl](mailto:Susanne@fairtradenederland.nl)) and Boukje Theeuwes ([boukje.theeuwes@solidaridadnetwork.org](mailto:boukje.theeuwes@solidaridadnetwork.org)).

### Working group on consumer communication

As part of the DISCO declaration, the partnership agreed that the *“Dutch consumers will be informed on the main sustainability challenges in the cocoa sector, the ongoing initiatives and the effects of the joint efforts. Raising awareness about sustainability and the improvements implemented in the cocoa sector is an integral part of the partnership’s communication strategy.”* To concretize this, the subsector manufacturers/brands proposed to form a Working Group on consumer communication in Q3 of this year. The Working Group will develop a joint central and uniform DISCO communication strategy.

Any signatories that are already interested to help developing of the Terms of Reference of this Working Group or participate in the Working Group can reach out to Roel Govers ([roel.govers@effem.com](mailto:roel.govers@effem.com)) and Mark de Waard ([deWaard@idhtrade.org](mailto:deWaard@idhtrade.org)).

### Launch Working Group on ICE Futures Market

In our latest newsletter, we announced that the Working Group on the ICE Futures Market would be launched in Q2 of this year. It turned out to be challenging to find experts or relevant stakeholders on the topic and therefore the start of the Working Group is delayed. The DISCO Steering Committee emphasized the importance of the topic and will take additional efforts to find members who can contribute to the group, aiming to finally kick off in July. In case anyone is interested to participate in the Working Groups or knows interested candidates, you can reach out to the DISCO Secretariat (Mark de Waard, [deWaard@idhtrade.org](mailto:deWaard@idhtrade.org)).

As a reminder, the aim of this Working Group is to identify what support can be offered to DISCO signatories in reaching the ambitions of DISCO on the cocoa that is sourced through the ICE Futures Market.

### Latest developments in Europe: updates from other ISCOs

The National Initiatives on Sustainable Cocoa (ISCOs) have kicked off the first meetings of their joint thematic working groups. The Working Groups (WG) on Forests & Agroforestry, Monitoring, Child Labour, Traceability and Living Income have already convened.

On March 31, the first meeting of the ISCO WG Child Labour provided the opportunity of a fruitful exchange around the challenges around the topic of CLMRS. Elizabeth Akanbombire, the head of Ghana’s child labour unit, made the participants reflect, speaking of her country’s proposal of Child Labour Free Zones that go beyond our supply chain and even beyond cocoa. On April 19, the first meeting of the ISCO WG Living Income developed the outlines for a joint learning agenda complementary to existing initiatives such as ALICO and LICOP.

### Update on Beyond Chocolate

During the month of May, Beyond Chocolate partners have reported on their progress in an online monitoring tool jointly developed with GISCO and DISCO. The Beyond Chocolate secretariat will now analyze the data and will co-construct the 2021 annual report together with partners. The annual report will be published and presented on September 30th during the partnership's General Assembly. During the GA, the secretariat will also present priorities for the following year.

### Update on the German Initiative on Sustainable Cocoa (GISCO)

More than 90 members and guests of GISCO came together physically and virtually in Berlin on 04 May 2022 on the occasion of their tenth general meeting on the topic of Human Rights Due Diligence in the Cocoa Sector: Working Together to Ensure Better Living Conditions for Cocoa Farmers. Dr Bärbel Kofler, Parliamentary State Secretary at the Federal Ministry for Economic Cooperation and Development (BMZ) opened the General Meeting together with the Minister for Food and Agriculture Cem Özdemir. The event centered around the new EU Directive proposal on corporate due diligence for sustainability in the cocoa sector and the associated opportunities and challenges. Presentations on the topic were given by Zoé Druilhe, Policy Officer at the European Commission's Directorate-General for International Partnerships (INTPA), H.E.M. Aly Touré, Permanent Representative Spokesperson of Cocoa Producing Countries at the International Cocoa Organization (ICCO), and Michel Arrion, Executive Director of the ICCO. During the General Meeting, the representatives from civil society, industry, trade and the federal government also approved the important proposals to partake in a joint monitoring process with the Belgian and Dutch Sustainable Cocoa Initiatives, Beyond Chocolate and DISCO, and to develop individual roadmaps on the priority issues of traceability, certification, deforestation/agroforestry and child labour.

### Update on the Swiss Platform for Sustainable Cocoa (SWISSCO)

In February and March, SWISSCO members have been busy collecting and reporting data on the diverse value chain projects, cocoa imports, and the SWISSCO member survey which aims to set the baseline for the SWISSCO Roadmap 2030. This data will feed into the annual report which will be presented at this year's Annual General Meeting on 27 June 2022 (in Bern). The date coincides with the launch of the SWISSCO initiative five years ago which happened at the margins of the ISEAL conference in Zürich on 27 June 2017. The AGM will allow SWISSCO to jointly take stock of the achievements so far and the challenges laying ahead.

## 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.

<b>4 July 2022</b> <b>13.00 – 16.00</b>	Information session DISCO Basket of Standards/Programs, Utrecht
<b>8 July 2022</b>	Steering Committee meeting
<b>1 September 2022</b> <b>10.00 – 16.00</b>	ISConference in Brussels, Belgium (exact details TBC)
<b>September 2022</b>	Steering Committee meeting
<b>November 2022</b>	Steering Committee meeting
<b>1 December 2022</b>	General Assembly DISCO (exact details and time to be confirmed)

An overview of ISCO Working Group meetings and learning events can be found in the [overview of 2022 ISCO activities](#).



**DISCO**

DUTCH INITIATIVE ON  
SUSTAINABLE COCOA