



International Coffee Organization
Organización Internacional del Café
Organização Internacional do Café
Organisation Internationale du Café

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Private Sector Consultative Board
27 September 2006
London, England

**Report of the three Rapporteurs
of the 4C initiative – September 2006**

Background

The attached report has been received from the Common Code for the Coffee Community.

Action

The PSCB is requested to note this report.



Report of the three Rapporteurs of the initiative (Mrs. Sue Longley, Dr. Diego Pizano, Mr. Roel Vaessen)

ICO Private Sector Consultative Board, September 27, 2006

Further to reports to the International Coffee Organization in Salvador da Bahia (PSCB 70/2005) and in London (PSCB 75/2006 and PSCB 83/2006) – The Common Code for the Coffee Community (4C) Steering Committee would like to inform the distinguished representatives at ICO PSCB on the current status of the initiative and its further developments.

The initiative builds on the observation that during the last decade the market's demand for coffee has changed. The continuous growth of the global demand for coffee has been accompanied by an increasing interest of consumers in most traditional coffee consuming markets to feel confidence in the social, environmental and economic conditions of the production process. The 4C initiative is corresponding to this development with its intention to fight poverty in the coffee producing areas, to enable decent living and working conditions of the actors along the chain and to protect the environment in the more than 60 coffee producing countries. Its objective is to enable higher efficiency, increase profitability of coffee production alongside social, environmental and economic improvements which will go towards a further positive development of the sector. Therefore the 4C is a voluntary business to business approach which appeals to the responsibility of the different actors involved in the coffee sector: coffee institutions, companies, producer organizations, research, civil society groups and supporting organizations.

In the past almost 3 1/2 years since the start of the 4C multi-stakeholder process the initiative has

- Established a participatory process which consists with representatives from producer organizations (from currently 12 countries), international roasting, trading and soluble manufacturing companies, civil society groups and supporting organizations like development banks and implementing agencies and international organizations. All decisions concerning the 4C have been taken in consensus by this stakeholder group. So far, the Steering Committee met seven times to discuss and guide the development and implementation of the 4C process;
- Elaborated a code of conduct as a guidance for producers and post-harvest processors to continuously improve the farming and processing practices with respect to social and environmental conditions;
- Elaborated Rules of Participation to outline the responsibility and commitment of business actors in the 4C for their participation as members;
- Conducted workshops and consultation events in (in alphabetic order) Bolivia, Brazil, Cameroon, Costa Rica, Colombia, Ecuador, Ethiopia, Guatemala, India, Indonesia, Nicaragua, Peru, Tanzania, Uganda, Vietnam and Zambia to inform producers and stakeholders on the initiative, to learn about their perspective of the initiative and to continuously optimize it according to the observations made by the stakeholders;
- Implemented testing projects and exercises all over the world to gain experience in sustainable farming and management practices;
- Designed a self-monitoring and verification process which provides a guidance for improvement processes and credible results as a basis for competition building on decent social, environmental and economic conditions;



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- Conducted trials to test the 4C verification scheme to enable improvements on production level in parallel to a credible monitoring system (in September 2006 in Zambia). The results have been encouraging and positive since producers especially appreciated the enabling concept to implement improvements according to the results of the verification process in order to optimize their overall farming performance;
- Developed a model to institutionalize the initiative as an independent membership organization.

In the remaining months of 2006 the stakeholder group represented in the 4C will

- intensify the consultation process with producers to collect feedback on the design of the concept and the impact of using the good agricultural and management practices of 4C;
- establish monitoring and evaluation mechanisms to gain credible information on the use of the code of conduct in order to evaluate and – where necessary - modify its principles;
- encourage the establishment of 4C Forums in producing countries which are stakeholder groups to reflect the local conditions of the sector in the sustainability concept of the initiative;
- apply the indicators of the code of conduct with reference to local circumstances in coffee production and post-harvest processing;
- introduce the concept and its further development in coffee events all over the world;
- run further testing exercises of the self-monitoring and verification process;
- finalize the governance concept of the future 4C associations to enable highest representativity of coffee stakeholders in the decision making process;
- install the services and support mechanisms to assist farmers in the application of good agricultural and management practices as well as financial tools;
- conduct meetings with supporting institutions and organizations;
- start identification and training of local verifiers;
- collect the financial resources necessary for the kick-off of the association;
- register the initiative as an independent membership organization.

Based on this guidance of the multi-stakeholder Steering Committee it is the aim of the initiative to be fully operational as an independent membership organization by the end of this project phase (Dec 2006).

Further detailed information is available at www.sustainable-coffee.net



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The objective of the eighth meeting of the Steering Committee of the Common Code for the Coffee Community (4C) Initiative in Montreux, Switzerland, October 4 – 6 is to take all decisions necessary to complete the operational system of 4C and to prepare the establishment of the 4C Association (including its first activities in 2007). Specifically the 8th Steering Committee will address:

- agreement on a Roadmap to institutionalize the 4C as an Association with a commitment of the three stakeholder groups of trade & industry, the producer organizations and civil society;
- official launching of the association;
- decide on location of the office and other practical staffing issues;
- dissemination activities to inform stakeholders on the association and its activities;
- membership acquisition;
- implementation of the operational system and the support services;
- conduct trainings and educational events for farmers and verification bodies;
- registration of 4C members and first verification processes;
- preparation and supervision of the actual trading of 4C compliant coffee, first in a trial environment and then on a larger scale;
- organization of the first meeting of the General Assembly and the Council of the future 4C association and its members.

The Common Code for the Coffee Community is an open, participatory and transparent initiative and members of the Steering Committee would like to stress that the 4C is a learning process. The group acknowledges that there exist doubts and concerns on the 4C sustainability concept and its implementation in the coffee sector and would like to discuss them thoroughly. Therefore, its processes and documents are open for discussion and the Steering Committee would like to emphasize that it welcomes every input, comment and recommendation on its current concept.

Furthermore, a feedback mechanism has been launched on the homepage of 4C which can be used after registration with email and where comments are most welcome.

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ECF 4C Group provides services for the 4C initiative on behalf of the European Coffee Federation (ECF).

Documents / information are available on the homepage www.sustainable-coffee.net