



Fairtrade Standard for Cocoa

Version 27.09.2023_2.2

Guidance Document Product Tracing Solutions

This checklist will help you as Producer Organization (PO) to select a product tracing solution to comply with requirement 2.1.4 from the Fairtrade Standard for Cocoa¹. This checklist will not explain how to implement traceability.

Cocoa Requirement 2.1.4 Core, Year 3

You deploy digital solutions that support your organization to trace the cocoa beans sold by your organization back to your members' farms or fields.

Guidance: Solutions can include third-party software applications, data management tools or national traceability systems when available. The digital solution you deploy can be the same tool your organisation uses for the Internal Management System.

Traceability means that you as PO can **trace back cocoa to the farm of the member** who produced it.

Digital solution means using a **computerized method**. In general, there are three types of digital solutions:

1. Using Microsoft Office **database program software** like Excel or Access or something similar, in which data needs to be entered manually. The system can be an Excel or Access database.
2. **Using a data collection tool to capture data that is being transported into a Microsoft Office database program.** For example, field officers can record the number of bags for each member at different points in the value chain using a mobile device. The data is sent to the secretariat where it is uploaded in a database program. Any manipulation of the data in the database is done manually.
3. **Using third-party software for data management.** Also, this type of software will work with a data collection tool. The data will be transferred to the secretariat where it is automatically linked to other data in the system. On the dashboard, data is automatically aggregated and visualized in graphs, charts, and/or key performance indicators that provide an overview of the current situation. For example, as PO you can see exactly how many bags were sold to the PO so far. Some software also has more sophisticated features, such as digitally generating barcodes to tag and track cocoa bags which means that the PO can follow all bags at any time.

To select which option you as PO would like to use, there are a few things you need to take into consideration:

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1. The costs involved.
2. The current situation at your PO and plans for the future.

1. The costs involved

There are always costs involved when using software. Some online software might appear for free, but it probably means that not all features are accessible, or the number of entries is limited to a very small number. There are several types of costs involved so it is good to list them all to have an insight in the total costs.

- **Cost for the purchase and use of the software.** Excel and Access are part of the standard Microsoft Office package and will not have any additional costs for software. When buying third-party software, you often pay a purchase price and a yearly subscription fee. Sometimes there are extra costs involved for extra users and/or a costs per entry.
- **Cost for staff.** You will need staff to collect data in the field, to enter data (in the case of using Excel or Access), and to manage the software.
- **Cost for equipment.** For the use of Excel and Access you will need a relatively simple laptop or desktop computer. For the use of third-party software, it depends on the software you are using what you will need. You might need a laptop or desktop computer with a larger internal memory, mobile devices to collect data and/or scan barcodes, and (high speed) internet.
- **Other costs involved.** In case you will not use any third-party software, you will collect data using paper forms, ledgers, or questionnaires. This will involve costs for photocopies, transport of the forms to the field, and transport of completed forms back to the secretariat. When using third-party software, there might also be extra costs involved for training of staff, adding, or changing data collection forms, etc. Make sure to get a breakdown of all costs from the supplier so you will not get any surprises when you purchase software.

2. The current situation at your PO and plans for the future.

To decide which option suits your PO best, you should look at the current situation of your PO but also look at the future.

- **The need of the PO.** It is possible to implement a traceability system with Excel or Access, but because the majority of the work is still using paper forms and ledgers, it is subject to errors and mistakes. However, it might serve its purpose for the time being. If you deal with different buyers and/or different certification standards, a more sophisticated traceability system with third party software is required. Also, if as PO you want to become more professional and/or look for new buyers, a system with more features might satisfy your needs.
- **Available capacity within the PO to use the solution.** Although some third-party systems take away a lot of work in the field, the system needs to be managed by someone and field staff need to be able to use mobile devices to capture data and/or generate codes and scan bags. If your PO does not have the capacity available to work with a more complicated software, you need to decide



if you want to select a simpler software, invest in building the capacity of your staff, or hire (additional) staff.

- **The demand of your current and future buyer(s).** Traceability is becoming increasingly important for end buyers and demands for PO to implement traceability are getting higher. As PO you want to avoid losing buyers because you cannot guarantee or prove traceability. Having a sophisticated digital traceability in place can satisfied demands of current buyers and even attract new buyers.

When deciding to use **third-party software**, there are several suppliers available. You should consider the following when selecting a supplier:

- **Select reliable software and supplier with a track record.** New suppliers that have developed their own software pop up regularly. Because software needs thorough testing in the field, it is advised to select software that has proven its functionality in your country in circumstances similar to your PO. You can contact other POs in your country about their experience with software they use.
- **Check what services are included when purchasing and using the software.** Services can include installing the software, training staff, technical assistance for a certain period, transferring data from a previous database into the software, adding or changing data collection forms, etc.
- **Check if the supplier is present in your country** to avoid that you have to deal with a call center in another part of the world with people who do not understand the circumstances of your PO.
- **Check what is possible with the software and what not.** It helps to have a product flow with traceability steps indicated (see also Cocoa Requirement 2.1.3 Documenting the Product Traceability Procedure) so you can check together with the supplier what the software can do (and not) during all steps.
- **Check if the software can work offline.** Most do but it is better to be sure.
- **Check that the software is available in your language.** Most software is developed in English and might not be available in French or Spanish.
- **Insist on a trial period to test the software.** A demonstration is nice, but it will not show the challenges you will face in the field. In addition, you will only see and understand the features of the software, the moment you will start working with it. Therefore, it is good to have a trial period of a few weeks or months in which you can test the software before committing yourself for a longer period. If you know another PO who is using software you might consider, ask if you can join them in the field to see first-hand how the software works.

In the Annex you will find an overview of available software. Keep in mind that this list is not exhaustive because new software and suppliers enter the market regularly.

Note: In some countries, like Cote d'Ivoire, the government has plans to distribute barcodes that need to be put on every cocoa bag. Although this allows the government to trace bags, it does not take away the



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responsibility of the PO for traceability. Very likely, you as PO will not have access to the data of the government which means that you still need to have your own system in place.