

Project Assignment Fairtrade Standard for Coffee Limited Review (2023)

This project assignment contains the most important information about the project. For additional information on the project, please contact the project manager (contact details below). The project will be carried out according to the Standard Operating Procedures for the Development of Fairtrade Standards/Minimum Prices and Premiums. More information on these procedures can be found on the website: <http://www.fairtrade.net/standards/setting-the-standards.html>

Rationale for and justification of need for the project:

Fairtrade defines protection of the environment as one of its main strategic objectives, together with social and economic sustainability. In light of the climate crisis, the maintenance of forest areas has become a key global ambition including for Fairtrade too. For instance, in recent years the European Union (EU) has passed on regulations as part of its broader plan of actions to ensure that products that EU citizens consume (i.e., coffee) do not contribute to deforestation or forest degradation globally. One such key regulation is the EU deforestation regulation which came into effect in April 2023.

Following enactment of the EU deforestation regulation, the need to protect the environment through deforestation free agricultural production practices has become mandatory for farmers that want to export these products to the EU, and it is anticipated to become mandatory also in other countries, such as the UK and the U.S.

Furthermore, different multistakeholder organization such as the Worldwide Fund (WWF) or the Global Coffee Platform (GCP), of which Fairtrade International is a member, have also identified deforestation as a critical issue and have established specific indicators for promoting responsible sourcing. Therefore, several sector platforms and partners are now requiring proof from producers, that their agricultural practices do not cause deforestation and forest degradation and have further introduced cut off dates from which on, farmers should be able to demonstrate via satellite imagery that to produce their coffee, no forests were cut.

Given these demands, Fairtrade traders and other commercial partners look at Fairtrade to support them to be compliant with these regulation and expectations that multistakeholder platforms are demanding and ask urgently that the Fairtrade standards should include a cut-off date in their requirements as proof of compliance. Currently the standard already provides that producers conduct environmental risk assessments like mapping farming activities with negative environmental impacts such as deforestation.

This review therefore aims to bring the requirements in the coffee standard to alignment with international benchmarks as well as ensuring compliance with the April 2023 new EU deforestation regulation and with possible future legislation regarding deforestation in other countries.

The objectives are:

- Make geolocation data available for 100% of farms, and gradually introduce farm polygons.
- Introduce reporting indicators which are to be shared with Fairtrade International annually, to enable aggregated and anonymized reporting to the public or to stakeholders upon request.

Once this project is finished, it is expected that the revised Fairtrade International coffee standard will include

stringent measures to prevent deforestation and degradation of natural forests and ecosystems. These measures will align with international benchmarks such as WWF and GCP in ensuring that certified coffee meets the deforestation-free criteria, making Fairtrade an eligible partner in topics of Due Diligence for its commercial partners.

Risk assessment:

The following risks could affect the success of the project:

a) Low participation in the consultation process

Mitigation: Work hand in hand with Producer Networks and NFOs to motivate participation of certified producers and other actors in the coffee value chain.

b) Stakeholders, with different degrees of engagement with Fairtrade coffee, may expect that their input will lead to a specific standard revision, while not all suggested proposals for revisions from stakeholder are appropriate in a global context.

Mitigation: Stakeholders will be provided with synopsis of all input received in the most transparent way possible, so that they can understand how all input is weighed and solutions are devised for the best possible outcome needed for a generic and global standard. This also holds for the input received from stakeholders with limited engagement with Fairtrade which should not undermine the input from stakeholders actively engaged in the Fairtrade system (SPOs, traders, roasters, PNs and NFOs).

c) Overburdening SPOs in terms of new requirements in the standard and lack of funding for new measures to be implemented by SPOs.

Mitigation: During research and consultation, checks on what kind of changes can be implemented by SPOs and what is not realistic to implement and/or would require additional sources of income will need to be carried out.

<p>Project Start Event: Publication of final project assignment</p>	<p>Project Start Date: 4 July, 2023</p>
<p>Project End Event: Publication of revised Coffee Standard</p>	<p>Project End Date: 23 December, 2023</p>

Project Goal and Objectives:

Goal:

1. Include requirements to address deforestation risk in coffee producer organizations
2. Comply with the EU regulation regarding deforestation free commodities
3. Support producers in finding resources to comply with the EU regulation
4. Align with international benchmarking regarding deforestation risk in coffee producer organizations

Objectives:

1. Add new requirements to prevent deforestation in Fairtrade coffee producer organizations
2. Add new requirements to monitor deforestation in Fairtrade coffee producer organizations
3. Set a cut-off date to monitor deforestation in Fairtrade coffee producer organizations

Connection with Theory of Change (ToC):

This project contributes to the goals of Fairtrade International which is to ensure sustainable production, make trade fair, empower small producers and foster sustainable livelihoods. In particular, it aims to enable resilient and viable producer business, strong and inclusive coffee SPOs, and enhanced benefits for small producers and their communities. For more information on the ToC visit this [link](#).

Project scope:

This project covers both Arabica and Robusta coffee.

The geographical scope is global.

This review will be limited to the topics in the Fairtrade Coffee Standard related to Deforestation.

The Fairtrade Standard for Coffee is complementary to the Fairtrade Standard for small-scale producer organizations (Fairtrade Standard for SPOs), and the standard for traders (Trader Standard). So, it applies to both producers and traders.

For more information on Fairtrade Standards click this [link](#).

Out of scope:

Full review of the Coffee Standard and the SPO Standard

Review of the current Fairtrade Minimum Price and Premium

Review of Hazardous Materials List

Project timelines and information on opportunities to contribute:

Scoping: July 2023

Research: July 2023

Consultation*: August 2023

Drafting Final proposal: October 2023

SC decision: 28-30 November 2023

Publication: December 2023

Implementation: Q1 2024

* More information will be provided closer to the consultation period on our [website](#). If you are identified as key stakeholders, you will receive an invitation to participate.

Decision making process:

The final decision will be taken by the Standards Committee (SC), a body made up of stakeholder representatives. The SC will aim at making a decision based on consensus. They may reword the final proposal if needed to reach consensus. If consensus cannot be reached, the SC will resort to voting.

Project Owner (Unit):

Eleonora Gutwein, Head of Standards

Project Manager (contact point for the project):

Ernesto González

(egonzalez@fairtrade.net)

+49 228 94923 291

Project Team (Unit):

Pablo Urbina (GPPP)
Amanda Fuller (Global Impact)
Juan Pablo Solis (CoE E&C)
Johannes Wolpert (FLOCERT)
João Mattos (CLAC)
Hagung Hendrawan (NAPP)
Michael Kitetu (FTA)
Julie Francoeur (Fairtrade Canada)
Anna Kaiser (Fairtrade Germany) tbc

**Project Environment
(stakeholder groups
not part of the project team):**

Red Café / CLAC
FTA
NAPP
NFOs
SPOs
Traders, brokers and roasters
Coffee Help Desk