Producing countries considerations to deforestation-free products: The state of play in cocoa, coffee and soy sectors

Executive Summary

Fighting against global deforestation and forest degradation at the international level has become a worldwide priority. The European Union and others are developing a proposal for a new regulation on "deforestation-free" products. The International Trade Centre (ITC), an agency of the United Nations based in Switzerland, is convening four rounds of private-public consultations and development of concrete plans of actions for "Deforestation-free Global Value Chains" in priority commodities sectors, such as soy, cocoa, and coffee.

The first roundtable investigated the state of play in producing countries to better understand the specific challenges and priorities around deforestation.

This document provides a summary of the key insights and messages from the first roundtable panel. The statements made are those of the panel and its speakers and do not represent views of ITC or the co-organisers.

The keynote speech from Mr. Jason Clay, offered provocation and practical approaches for success, to build on strong foundations of collaboration and traceability; to be aware that our future progress must learn from, but cannot expect to be based on our journey to date; and in order to achieve the scale of change that is needed, agreed definitions, metrics, innovation and messaging will be key.

What was clear from this first roundtable is that there exists a global awareness that deforestation needs to end. Key crops such as coffee, cocoa, soy, among others, and the societies that grown them are reliant on biodiverse and vibrant forests. It is also apparent that change needs to happen at both the landscape and producer levels.

There is a desire to find answers and solutions to support the implementation of proposed regulations and legislation. Indeed, there is vast experience and a number of solutions already implemented that can provide practical ways forward.

However, the first roundtable raised questions and identified challenges such as land access, income and poverty which require careful consideration and need to balanced expectations.

The panel offered the following key messages:

- **Business cannot continue as usual – there needs to be a business case for protecting forests**
- **Farmers need to receive a decent income – poverty is one of the biggest forest predators**
- **Do not miss the forest for the trees – traceability needs a landscape approach**
- **Change requires time and resources to work with the millions of farmers impacted**
- **Do not close local markets as a result of central legislation that cannot be implemented locally**
- **Build on what has been built – use the mechanisms we already have as part of the solution**
- **Define the "what" - we can achieve the "how"**
- **Ensure support is provided to achieve the change required**

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Producing countries considerations: Key messages for all stakeholders

Business cannot continue as usual.

The business case for protecting forests and the farmer must be at the centre. For crops such as cocoa, with $120B in value, only offering 5% to the country and then 2% to the farmers is untenable.[1] The price obtained by the producer is the key variable in the sustainability equation. And fluctuations in market prices must be limited to ensure that the producer receives a fair and equitable share. This is true for all crops and without which such farming will continue to be synonymous with poverty and decline. In many regions farmers are already walking away from the land.

The panel hopes that the EU's decisions will strike the right balance between incentive and constraint, through dialogue with the producer countries, rather than through unilateral action.

Make sure farmers receive a decent income.

A decent income is a basic human right and legislation must ensure decent income is the foundation for change. The requirements begin being asked of producers cannot be supported without increased incomes. **One of the biggest forest predators is poverty. Securing a decent income for farmers is a precondition for tackling social and environmental challenges**. Farmers need an income level that allows them to thrive, and which provides for their wider needs. One suggestion by a panellist involved including a "prosperity income" into the proposed legislation. When changes are requested of the producers, whether that be legislation or customer-driven, the changes must take the local realities into account and not present insurmountable barriers that force farmers out of key markets, thus exacerbating poverty.

Do not miss the forest by the trees, "literally"!

Look at traceability from an integrated landscape approach. This will allow a more coherent implementation of programs and management of local challenges. Further, with "great data comes great responsibility". Once the transparency, and the detailed awareness is realised, **it is incumbent on the buyers, across the whole value chain, to be part of the solution**. There is a need to work together to "raise the bottom" where necessary and not simply exit the region and remove the issue from the buyers' value chain.

Programs for change need time and resources to reach millions of farmers.

The need for speed is recognised, but a more gradual transition is proposed, to ensure that such changes can be made and maintained. Progress and support for the positive actions underway must be maintained but targets and timings need to be realistic. Time is a key concern for all regions. **Action is needed now, but programs, working with millions of farmers and other stakeholders, often in remote areas and with poor access to education and systems will take time and require resourcing**. These resources do not exist locally. Currently market forces are not aligned to support such changes. However, the market as a whole could provide the resources needed. Using the market to support the change would be useful to explore, but this too will take time to implement.

Some panelists advocated for a moratorium of at least 5 years before the EU regulations' requirements come into effect, accompanied by measures to support producing countries to adapt to the proposed regulation.

[1] Data from Alex Assanvo, Executive Secretary, Côte d'Ivoire – Ghana Cocoa Initiative.

To achieve change, there is a need to change the conversation. Fundamentals such as poverty, land use ownership and cultural needs, must be addressed before successfully engaging and achieving progress. Regulation can provide benefits and a common approach, language, and methodology. This will help when engaging and referencing the work needed to be carried out. However, the regulations as proposed are unfortunately at odds with current implementation realities further up the supply chain and at farm level. Furthermore, these are not nuanced to meet local conditions and broader foundational issues such as local climate, culture, governance, and gender, among others.

Do not close local markets as a result of central legislation that cannot be implemented locally.

Programs for change must be flexible to account for farmers with limited ability to comply with the regulations. **The worry is that EU legislation might cause a barrier of entry into markets that cannot be overcome**. If the EU legislation is implemented, as it is expected to be, there is a major risk that many crops will not be able to enter the EU market. When regulation is proposed the consistent language and alignment with similar initiatives can support implementation. The regulations should be simple so that farmers can comprehend what is being asked of them. **Consultation on this must be extended with more clarity on what has been accepted and applied.**

Build on what has already been built.

Use the mechanisms we already have as part of the solution to ensure continued progress from co-operatives to validation schemes and demonstrate how local challenges can be overcome. Taking advantage of existing approaches such as the Soy Moratorium, REDD+, GlobalGAP certifications and other approaches will ensure continued engagement of all stakeholders in the value chain and ensure continued progress towards the goal of deforestation-free supply chains.

"Your role is the 'what', we can achieve the 'how'."

Due diligence is needed as purely voluntary sustainability initiatives have failed to live up to their promise. Unfortunately, **the current European and global debate is too centred on "how" to achieve sustainable production instead of ensuring that the producers, the farmers, have the necessary resources to achieve it** and how the trade in global commodities can help deliver sustainable production. Targets are necessary but we have the local awareness of what is practical to action and achieve the outcomes needed.

Ensure appropriate support is provided to achieve the change being asked.

The EU's goal is "deforestation-free" [2], but there is also a US Senate Bill for Forest Action focused on illegal deforestation and UK is also planning its own approach. The panel expressed a common view that **there needs to be a common, yet practical approach that can be delivered locally if appropriate resources are available.** It is incumbent on the legislators to take account of the local conditions and whilst targets can be set, they should not define the strategy, nor the innovations applied to implement it. The favoured approach by the panel is to manage the change locally with support (financial, technical, etc.) provided by the brands and international funders.

[2] EU Legislation Proposal for a regulation on deforestation-free products (europa.eu)
UK Legislation Environment Bill 2020 - GOV.UK (www.gov.uk)
US Legislation Text - S.2950 - 117th Congress (2021-2022): FOREST Act of 2021 | Congress.gov | Library of Congress

Keynote speech

Jason Clay opened the roundtable with some key messages, looking long term to where the world will be in the next 20 to 50 years. Many of Jason's ideas were later reinforced in the panel discussion.

Build on strong foundations of collaboration and traceability

Two key enablers underpin our only chance of success to help food production make a positive contribution in addressing climate change: collaboration and transparency. We can only act at speed and scale if we can all work together.

Collaboration works and there are many examples of such successes. However, competition law is often a brake on progress with perceptions of senior leaders and legal counsel that working together in a collaborative way is not acceptable.

Traceability is not a natural option for commodities markets which are predicated on all individual commodities being interchangeable, but now there is a need to know where and how materials are produced. Current solutions do not provide for this and plans to adopt mechanisms in order to measure and validate progress are often where the challenges for action arise. Traceability is needed, but there is also a need to consider the scope and granularity of traceability solutions when considering of local application.

Our future progress must learn from, but cannot be based on, our journey to date

If you don't know where you are going any road will get you there. It feels like, we are all currently "driving the car looking out of the rear-view mirror." To meet a goal of 1.5C, we need to understand how to manage food production better and in more appropriate places.

Food production is the biggest threat to all life on earth. It is one of the biggest contributors to climate change and a current driver of biodiversity loss, water use and much more.

There cannot be just relative improvements – there needs to be absolute reductions, and no food business has yet embraced this fact. The approach will need to consider where the world will be, not where it is today and to anticipate the climate change impacts rather than react to them. There are more climate change related challenges than we are currently prepared for:

- Climate change is driving steep production declines and having significant impacts on smallholder farmers. Tree crops will need to be replanted every 8 to 12 years. What farmers have access to capital to do that? What financial market support is there for that? What market mechanisms will allow the farmers to use the varietal options and genetics to address these challenges?
- These developments will lead to displacement globally. At least half of those affected will be farmers and farm workers. What will the impact of this be on society and the environment?
- Eight countries "fill the gaps" when food shortages or losses arise. There has been a reliance on these eight countries since the start of this century to export cereals and oil seeds. Of these, several have had lower production and so caused increased costs globally or are even importing grain.
- Key producing countries have not yet experienced major droughts, but if and when a drought should occur, devastating impacts on the global food supply would result.

Business as usual will thus be more difficult as climate change erodes primary productivity by 10% to 15% on land and in water. In addition to overcoming this, the projected growth in consumption will also have to considered.

Definitions, metrics, innovation and messaging will be key

Common metrics and methodologies are a foundational need. The EU is looking to create one Life Cycle Analysis (LCA) by 2024 and even the Science Based Target Initiative (SBTi) has issues with LCAs and analysis based on global averages. SBTi is trying to develop regional averages to address this. However, there might be 10 to 100 times differences between producers of the same crop even in a region depending on the practices and production systems they use. Hopefully an agreed set of approaches and methodologies is achievable. Averages may be useful for companies to assess their overall exposure and risks, but they do not identify where the worst performers are or what incentives would be necessary to move them. Common definitions of impacts as well as metrics for them will allow all producers to improve. Moreover, common definitions could help create an escalator where all could learn from each other and improve at their own rate.

Concepts such as the Codex Planetarius[3] may help to solidify the focus on key impacts and how to measure them as well as what minimal performance should be for globally traded food commodities. For the first time, this would allow humans to start managing planetary renewable resources as a global good.

Climate loss is a key concept to build into our thinking for the future. A new waste metric now exists which accounts for food not produced due to the impact of climate change. This is pre-harvest loss as a result of stress on plants or animals from increased temperatures, delays in planting or fields that can't be planted at all, increased incidence in pests and pathogens, temperature increases in plant and animal production and extreme weather events (drought, flooding, frosts or freezes). Focusing on increased efficiency and productivity will be needed but will not support or much less allow for the transformational change needed.

Experience indicates that setting standards or defining the outcomes wanted works better than setting targets for compliance. Standard or outcome setting often results in over achievement and real innovations are developed that can be shared so that others can improve faster as well. Beyond this, the real opportunity to achieve change at scale is to "lift the bottom" of the sector more than push harder at the top. The bottom 25% of the producers create around 50% of the sustainability issues but only 10% of the product. This is where the greatest gains can be made and global averages raised.

As our legislation develops, it will be important to consider how these issues and ways of thinking might impact commitment and progress to our goals.

Climate change and food production is not about what to think but how. Science helps us realise more and more that the position is worse than current perception. We can all learn from the Covid-19 pandemic and apply similar approaches to report climate loss, climate displaced peoples, and the climate death rate. Then, normalise this and make it part of our daily conversations. Awareness leads to consensus and consensus is the cornerstone for informed strategic action.

There is no new money in government or elsewhere to transform global food systems. There is a need to pivot existing government funding to the point to where the action needs to take place. This requires innovation and creativity. Some examples of progress include:

- Long term (15 year) contracts for cocoa including base price and incentives for both social and environmental improvements. This could be the norm going forward. Long term contracts are effectively collateral to be borrowed against for changing markets;
- Financial markets are taking a more positive and transformative role. Increasingly financial institutions are using ESG (environmental, social and governance) screens that cover deforestation, illegality, and other key criteria to filter risks;

[3] Source: Codex Planetarius | Publications | WWF (worldwildlife.org)

- Animal protein companies and their feed companies are using ESG screens for feed ingredients to determine whether any of the hundreds of ingredients (and even more suppliers) are connected to deforestation, illegality or other ESG issues;
- Some traders have made a 2022 commitment for all soy from 25 of the municipalities most associated in Brazil, will be deforestation and conversion free.

Working together can send mutually reinforcing signals and help us all learn faster and take more effective actions faster and at lower costs. The backdrop for all this is that the global climate impacts already set in motion will be felt until the year 2500! This is not about our children or our grandchildren, it is about 21 generations into the future.

Panel Discussion

What are the challenges for those responsible for direct action?

All business actors, governments and consumers should make it their common priority to ensure deforestation-free supply chains for agricultural commodities. Those supply chain actors responsible for achieving this are usually found upstream with the farmer or smallholder bearing the brunt of costs to achieve the changes needed. Are the producers, however, really able to deliver the change and is it reasonable to ask them to take on that responsibility? Will these questions still be asked in 10 to 20 years' time?

The panel's view was that in general:

- Across regions, the numbers of farmers that need to be engaged range from hundreds of thousands to many millions;
- On farm family sizes range from 4 to 8 people;
- Farmers are on average between 40 and 60 years of age;
- Farmer level of education is low (very little formal education);
- Average farm size is between <1 and 5 hectares depending on the crop and location;
- Most farms are located in remote areas;
- Some regions are highly reliant on ethnic minorities to farm;
- Access to markets is often only available through local collectors who buy the produce;
- Access to technology and mobile connective is often limited;
- Land ownership and land use certificates are often unavailable from local governments, and where they do exist certificates are often held by banks as assets against loans.

Ms. Carolina Castañeda - Federación Nacional de Cafeteros de Colombia B.V.

Coffee is a synonym of peace, stability and environmental protection for Colombia. Research shows that due to climate change, the total suitable area for coffee cultivation worldwide will be reduced by 50% by 2050 and due to warmer weather the growth phase for coffee beans will change. Colombian coffee is known for its high quality and with such changes, the delicious coffee being drunk today simply may not be the same in the future.

Environmental protection is a top priority for the Colombian Coffee Growers Federation and the future of all growers is at stake. The Colombian coffee sector is a net re-forester in Colombia.

While there is support for further action globally towards de-forestation free supply chains, local considerations must be accounted for in the process.

Mr. Alex Assanvo - Cote d'Ivoire - Ghana Cocoa Initiative

From the producing country point of view, the three challenges (environmental, social, and economic) are interlinked. One of the root causes of deforestation in Africa is poverty; and to tackle deforestation it must be understood that not tackling the root causes may create more problems. First and foremost, one must consider the farmers' human right to earn a decent living. If farmers cannot sustain and provide for their families, expecting them to meet environmental and social obligations is unrealistic.

Mr. Hien Le - Former Project Manager GREENcoffee Project in Vietnam, Owner of "Le Cafe beyond profit"

The main concern for coffee production in Vietnam is the sustainability of cultivation, quality of the green coffee bean and access of poor farmers to high value markets for their high-quality green beans.

Our "green coffee" project, attempted to support coffee farmers to access more sustainable cultivation practices and markets through a mobile phone App, web and SMS technology. According to a survey conducted in early 2021, nearly 90% of coffee farmers have access to mobile phone services. There is an opportunity for applying mobile Apps as tools to support coffee farmers in capacity building and accessing the market.

Coffee farmers, cooperatives and local collectors play key roles in the traceability process but have challenges:

- Less access to high value markets and financial systems due to difficulties in transportation;
- No power to determine of market price;
- Vulnerable livelihoods (weak social, financial, and transport assets).

Mr. André Nassar - ABIOVE – Brazilian Association of Vegetable Oil Industries

Soy is a bulk product, with several trans-shipments (farm to truck, truck to silos, silos to truck, truck to railway, railway to warehouse in the port terminal, port terminal to vessel, etc.).

Our challenges include:

- Eliminating deforestation in soy supply chains without excluding suppliers (farmers);
- Implementing a workable traceability system without interrupting or losing efficiency on logistics operations. As soy is a bulk product this is hard and very much aligned with the challenges Jason identified in the keynote address;
- How traders communicate to suppliers (farmers) that certain markets want zero deforestation soy goes beyond Brazilian laws.

Since 2008, Brazil's Soy Moratorium is in place. Controlling/monitoring deforestation in soy supply chain is a long-term strategy for Brazilian soy industry. This is a foundational approach and helps to demonstrate protection for Amazon Biome but also for the Cerrado.[4] Brazil is the largest soy producer in the world with 40M hectares of soybean and half of that is in the Cerrado biome. This has been monitored through a robust, highly technically enabled solution.

[4] A biome, also called major life zone, the largest geographic biotic unit, a major community of plants and animals with similar life forms and environmental conditions. (biome | Definition, Map, Types, Examples, & Facts | Britannica) The Cerrado is a vast tropical biome in the highlands of Central Brazil composed of savannas and grasslands amid humid and dry forests.

Ms. Carmela Quintanilla - National Forest and Wildlife Service of Peru (SERFOR)

Peru's territory represents the second largest part of the Amazon. Peru is committed to the forest for the environment, for nature and for the people. As part of its environmental agenda, Peru assumes the international commitment to reduce the emission of greenhouse gases (GHG) in the Amazon region with mechanisms related to land use and land use change; and the need to promote sustainable agriculture free of deforestation, to achieve a sustained increase in the income and livelihoods of rural producers, prioritizing family farming, the sustainable use of natural resources and contributing to food security in the country.

Peru promotes a sustainable culture with the public and private sectors and civil society in four dimensions: Social, economic, environmental, and institutional in the achievement of objectives and part of a multi-stakeholder platforms for sustainable cocoa. There is a clear set of commitments that need to be included as part of solutions proposed (see Appendix).

The National Forestry and Wildlife Service is a public institution and is the national authority for forestry and wildlife in Peru, responsible for managing and promoting the sustainable use, restoration of degraded landscapes, conservation and protection of these resources through:

- Public policies and enforcement procedures support the fight against climate change and deforestation, with a focus on low-carbon sustainable development in all types of forests. Laws and regulation;
- Aspects in producing countries due to informality and illegal activities on deforested lands, limit ensuring the legal origin of commodities in value chains;
- Information and data systems are used for transparency: GEOBOSQUES, GEOSERFOR, and INFORCARBONO.

Challenges to account for include:

- Organization of small vulnerable producers;
- Support of the government to minimize impacts of the new regulation and rules of the game (incentives);
- Higher costs (fuels and fertilizers, certifications);
- Short-term closing of markets for small producers until they can comply with the new regulation.

Mr. Rommel Betancourt Herrera - Phytosanitary and Zoosanitary Regulation and Control Agency, Ecuador (AGROCALIDAD)

In 2020 there were over 1.5 million hectares of planted crops in Ecuador and with 200,000 families managing 39.25% of these crops. The average age of an Ecuadorian farmer is 57 and 62 % of producers have only completed primary education with land ownership of 87% owned cocoa plantation and only 2.6% are tenants.

Ecuador is the largest cocoa flour exporter globally and the EU represents 23% of Ecuador's cocoa exports.

As a producer of palm, cocoa and coffee, Agrocalidad has concerns with the proposed European legislation. A major barrier to small holders is how geolocation requirements will be applied, as this could exclude up to 99% of cocoa and coffee exports and 44% of palm oil exports in some countries. Options for geolocation to mill rather than direct geolocation to the farm would be more reasonable to achieve.

Time is key - Is Deforestation a commodity specific challenge? [5]

The issue is urgent, action must be taken. Yet, many mechanisms are in place today that can be used as a starting point for legislation. Change requires a landscape approach. Whilst deforestation is not a commodity specific challenge, the experiences show that buyers/traders are capable of monitoring deforestation in specific commodities, and these are key parts of an overall solution.

Producing countries are already developing measures to create a better enabling environment (traceability systems, mapping, coordination, reforestation/forest protection/REDD+ programs, etc.) to address deforestation. At the same time there is a critical need to re-focus efforts on tackling poverty which is a root cause of deforestation. Certifications or thresholds at very specific farm levels tend to pose entry barriers to smaller coffee growers. Therefore, in the case of non-certified coffees, an option would be to select regions, instead of specific area sizes like half a hectare.

Experiences in implementing FLEGT indicates that time to action is very much longer than planned. There is much internal procedure and governance to account for:

- Government negotiations are lengthy;
- Ensuring that small farmers can easily follow the regulations, especially ethnic minority groups engaged in farming.

Coffee cooperatives can offer practical solutions that could work as they can offer assistance with:

- Engaging exporting agencies;
- Quality control;
- Guiding members of cooperatives in complying production process that compliant with exports and import regulations;
- Dealing with inputs suppliers, including finance.

Peru has been implementing cocoa and coffee renewal plans, sectoral agreements, action plans, and Reducing Emissions from Deforestation and Forest Degradation (REDD+), all aimed at sustainable production with a jurisdictional/ territorial and landscape approach. A number of such initiatives are already in place in Peru:

- The National Cocoa-Chocolate Plan sets out a joint vision towards cocoa differentiated in quality and sustainability to generate the conditions for growth, based on its recognition as a country producing fine, sustainable, certified, and traceable cocoa, mainly as organic with good social and environmental practices that must be reinforced;
    - Peru shares the vision of the whole Amazon Region through OTCA - Amazon Cooperation Treaty Organization, the Leticia Pact for the Amazon, and work on the Amazon Cooperation Strategic Agenda (AECA);
- Peru has been implementing the "Cocoa Forests and Diversity Agreement" and its Action Plan within the strategic framework of the Coalition for Sustainable Production. This multi-stakeholder platform promotes global leadership in tropical agriculture and in territories to guarantee deforestation-free and low-emission production.

In Peru, collaboration is helping achieve success, working with producers and other partners, including the Ministry of Environment. On Amazonian commitment, the National Forestry and Wildlife Service have developed a GAP certification with a voluntary module which references deforestation-free production. It is a recognised solution that could be endorsed by the EU and other legislation proposals.

[5] This section provides a summary of the discussion among the panel.

Is the responsibility and accountability for action clear?

New legislative proposals as well as value chain stakeholders have requested additional production standards.[6] While reasonable, the intent and request can seem to some stakeholders as more of a transfer of responsibilities than a shared value model. These requests, and any proposed legislation, should support a shared approach that enable collaboration to achieve the desired results.

It is not realistic to expect quick change given the sheer number of farmers affected by the changes required. For example, there are approximately over 18 million transactions of Colombian coffee per year. Multiple buyers of Colombian coffee export worldwide. Therefore, even if the initial destination is not the EU, those roasters and traders will most probably start requesting all the applicable reporting for all the coffee sold.

There is a need for a huge investment in traceability and infrastructure. Accountability and responsibility for this is not clear. Prevention is perhaps the better way to spend these funds. Let's consider incentives to drive that.

To change behaviour, there is a need to change the conversation. If the right support is not provided, negatives consequences will be felt at the industry, farmer and GDP levels. The conversation has to engage at all these levels.

Local considerations are key:

- Size of farms differ by country and the same regulations cannot be equally applied in significantly different contexts. For example, compliance to legislation in countries with smaller farms has the potential to drive up the cost of the product, thereby reducing farmer competitiveness and increasing poverty rates.
- While a given country may be high risk at a macro level, a specific sector in that country may operate at a lower risk, thereby creating an unfair competitive playing field for those producers.

Income is key: The biggest threat to the environment is poverty. From a human rights perspective, farmers deserve a fair income, not just a living income but an income that allows for prosperity.

For some, the decision to convert forest into productive area is in the hands of the landowner but several market forces push that conversion. Buyers (such as traders) are not always capable of convincing farmers to reject the option of expanding through conversion.

[6] This section provides a summary of the discussion among the panel.

Appendices

Appendix 1: Reference Materials

Coffee Production in Colombia

One banana harvested in country A, is one banana consumed by consumer C. The same does not apply to coffee. For a high quality washed arabica coffee, the process starts with the cherries from the tree, depulping them (removing the skin), washing them and drying them to get parchment. Parchment coffee has a silver skin or a thick paper layer. Farmers can sell the coffee wet or in parchment to the cooperative's purchasing point or to another buyer. If the coffee is wet, it has to be dried. Dry coffee has to be milled to remove the parchment on via an automated process to reduce labour costs, save energy and select the right quality for each buyer.

Parchment coffee cannot be roasted since the paper layer can start a fire. That is why it needs to be milled. Some buyers want the large beans, some others medium and others small. This implies milling coffee from hundreds of farmers to be able to select the required volume by bean size, colour, and quality for every customer. The result is green coffee.

Therefore, due to consistency, homogeneity, cost reduction and scale economies, most coffees are the result of consolidation of the supply chain from hundreds of small farmers as is the case of Colombia.

Since there are 540,000 Colombian coffee farmers and significant seasonality in the harvest, farmers sell coffee on average six times per year. Given the complexity of coffee's process from production, wet milling, drying, milling and exporting, there are over 18 million transactions per year for the exported volume. Most probably, the largest traders and roasters who have operations worldwide will request compliance of the regulation for all the coffee they buy independently of the destination market. This is due to the fact that they sometimes need to change destinations from other markets to the EU.

Most Colombian coffee exports to the EU are in the form of green coffee. The final step is roasting it or transforming it to instant coffee which is normally done in the buying markets.

Due to the supply chains and roasters' infrastructure, tracing back a cup of coffee in the EU could mean identifying over 1,500 coffee growers (taking into consideration roasters who make blends from four different origins).

Provided by: **Ms. Carolina Castañeda**, Director Europe, Federación Nacional de Cafeteros de Colombia B.V.

Peru's commitments on sustainability challenges

As part of its environmental agenda, Peru makes the international commitment to reduce the emission of Greenhouse Gases (GHG) in the Amazon region with mechanisms related to land use and land use change; and the need to promote sustainable agriculture free of deforestation, in order to achieve a sustained increase in the income and livelihoods of rural producers, prioritizing family farming, the sustainable use of natural resources and contributing to food security in the country.

Peru promotes a sustainable culture with the public and private sectors and civil society in four dimensions: social, economic, environmental and institutional in the achievement of its objectives.

Peru has been implementing cocoa and coffee renewal plans, sectoral agreements, action plans, and Reducing Emissions from Deforestation and Forest Degradation (REDD+) aimed at sustainable production with a jurisdictional/ territorial and landscape approach.

The National Cocoa-Chocolate Plan sets out a joint vision towards cocoa differentiated in quality and sustainability to generate the conditions for growth, based on its recognition as a country producing fine, sustainable, certified, and traceable cocoa, mainly as organic with good social and environmental practices that must be reinforced.

Peru has been implementing the "Cocoa Forests and Diversity Agreement" and its Action Plan within the framework of a strategy of the Coalition for Sustainable Production, the multi-stakeholder platform that promotes global leadership in tropical agriculture and in territories that guarantee deforestation-free and low-emission production.

Provided by: **Ms. Carmela Quintanilla**, Specialist in Financing and Projects, National Forest and Wildlife Service of Peru (SERFOR)

Appendix 2: Speaker Profiles

WELCOME ADDRESS

Mr. Joseph Wozniak
Head Trade for Sustainable Development Programme
International Trade Centre (ITC)

Joseph Wozniak has over 20 years' experience in international trade and development. He heads the Trade for Sustainable Development Programme (T4SD) at ITC where he is responsible for Value chain transparency and traceability solutions benefitting 60,000+ MSME suppliers through private-sector partnerships. Joseph also leads the development and dissemination of the Standards Map platform. Prior to ITC he worked for KPMG LLP and as a Senior Economist with the Overseas Private Investment Corporation (OPIC) in Washington, D.C. where he was responsible for the monitoring and evaluation of the Agency's portfolio and the development of analytical tools for the impact assessment of OPIC's emerging markets investment projects in sectors such as agriculture, manufacturing, and consumer products. He is a graduate of the Johns Hopkins University School of Advanced International Studies (SAIS).

KEYNOTE ADDRESS

Dr. Jason Clay
Senior Vice President Executive Director, Markets Institute
World Wildlife Fund

Jason gets things done on a global scale. His ideas are changing the way governments, companies, foundations, researchers, and NGOs identify and address risks and opportunities for their work. His work currently focusses on creating awareness of issues that will become more important to the production of food and soft commodities as well as building consensus about what can be done to address them.

He has also brought people together to improve environmental performance in food production and supply chains. Jason has helped create global standards for producing and using raw materials. He has convened platforms of retailers, buyers, producers, and environmentalists to reduce the key impacts of producing soy, cotton, sugarcane, salmon, shrimp, molluscs, catfish and tilapia as well as to understand where GHG emissions are the most significant and how they can be reduced.

Jason ran a family farm, taught at Harvard and Yale, worked at the US Department of Agriculture, and worked with human rights and environmental organizations before joining WWF in 1998. His favourite flavour of ice cream is Ben & Jerry's Rainforest Crunch, which he helped create—with sustainably harvested ingredients—after meeting "Ben" at a fundraiser featuring the Grateful Dead.
Source: www.worldwildlife.org/experts/jason-clay

MODERATION

Mr. Adrian Greet
Director & Owner - A. Greet Co. Limited
Senior Advisor - Cambridge Institute for Sustainability Leadership

Adrian is a sustainability practitioner who recognises that true success for sustainability is achieved through collaboration, transparency, and innovation. Currently supporting a range of organisations as they develop and progress their own key business and sustainability challenges. Working to support Cambridge Institute for Sustainability Leadership (CISL) as a Senior Advisor, Adrian is providing support to CISL's Business and Nature portfolio objectives including the Business and Nature Leadership Group, "Investing in Nature" projects with We Mean Business and UKRI CGRF Trade, Development and the Environment Hub (Trade-Hub).

As a member of the Executive Committee for over 7 years and then as President, Adrian led the work on SAI Platform's Vision, Mission and Strategies. In the role of Director General, Adrian drove these strategies and developed the organisation in support of member value and growth, and towards a sustainable future for agriculture on a global scale.

During a career of over 33 years with Mars Incorporated, Adrian has led positive change across various areas and in many roles: most recently as one of the leading architects of the Mars Sustainable in a Generation Plan. He is an experienced public speaker and a highly experienced manager, who takes a value-driven approach to creating a culture, ethos and team that thrive on improvement and empowerment. Adrian holds a BSc. Honours degree from London University in Mathematics and Physics. He has worked as a member of the board of governors for the Dairy Sustainability Framework, the Advisory Board for the Quantis Geofootprint Tool and remains an active support to the Surrey University Practitioner Doctorate in Sustainability.

PANEL

Ms. Carolina Castañeda
Director Europe
Federación Nacional de Cafeteros de Colombia B.V.

Carolina belongs to the fourth generation dedicated to activities related to Colombian coffee. She has worked in coffee during 15 out of her 17 years of experience. She has experience in sustainability, international trade, risk management and project design and implementation in Colombian rural areas. Carolina has a bachelor's degree in physics and one in Economics from the University of Los Andes in Colombia. She has a master's in Economics from the same university and a Master's in Mathematics in Finance from New York University. Her life purpose is improving the living conditions of Colombian coffee growers and designing projects that would help build long lasting peace in Colombia. Her hobbies are drinking delicious Colombian coffee and visiting the magnificent Colombian coffee fields.

Mr. Alex Arnaud Assanvo
Executive Secretary
Cote d'Ivoire - Ghana Cocoa Initiative

Alex has more than a decade of professional experience in international development and agricultural programs. Before taking up the Executive Secretary role, he was the Director Corporate Affairs, Cocoa, Mars Wrigley (MW). Alex was responsible for overseeing all government relations and international institutional activities relevant to MW in Europe and across Africa. Alex joined Mars in 2013, as Global Programs lead, where he developed advocacy and engagement strategies to support Mars Sustainability objectives, including through leadership of the company relationships with key global NGOs such as Oxfam and Greenpeace, and through support of Mars' engagement in forums such as the United Nations. He later served as Director, International Government Relations. In this role, Alex helped design a framework for the development of strategies to guide Mars' engagement with international organizations, such as the WHO, IFAD, and World Bank and others. Earlier in his career, Alex worked at Mondelez International, Fairtrade Labelling Organization and the German Organization for Technical Cooperation (GIZ). Alex was born in Côte d'Ivoire and grew up in Cote d'Ivoire and France.

Mr André Nassar
Executive President
ABIOVE – Brazilian Association of Vegetable Oil Industries

André is the executive president of ABIOVE, the Brazilian Association of Vegetable Oil Industries, since 2018. ABIOVE represents 15 companies operating in Brazil, producing, and exporting meal, vegetable oils and biodiesel. André served as Secretary of Agricultural Policy at the Brazilian Ministry of Agriculture, Livestock and Supply and as president of the board of directors at Embrapa both in 2015 and 16. Andre is co-founder of Agroicone, company on which he worked for several agribusiness sectors in Brazil and international organizations, coordinating studies, assessments, and consulting projects. He holds a doctoral degree in Business and Administration from University of Sao Paulo (USP) and a degree in Agronomic Engineer from "Luiz de Queiroz" School of Agronomics (ESALQ) from USP.

Ms Carmela Quintanilla
Specialist in Financing and Projects
National Forest and Wildlife Service of Peru (SERFOR)

Economist at the National Forestry and Wildlife Service (SERFOR), an entity attached to the Ministry of Agrarian Development and Irrigation of Peru (MIDAGRI). Specialist in Financing and Projects of the General Directorate of Forest and Wildlife Policy and Competitiveness, focusing on climate financing and financial mechanisms. Ms Quintanilla worked in the preparation of the "Forest Program for the Amazon Basin and Region of the Amazon Cooperation Treaty Organization (OTCA)" 2021 for Peru, as well as in the execution of the "Action Plan of the Leticia Pact for the Amazon". She is a representative of Latin America's producing countries for the ITTO, helping to draft the "ITTO Strategic Action Plan 2022-2026". She has also been a consultant for the FAO, USAID, and the World Bank as an expert in agricultural development programs. She participated in the preparation of The Value Chain Competitiveness Study (cocoa and chocolate, coffee) and accompanying Action Plans for the Inter-American Development Bank. In this case, she was the Director of the Lima Products Exchange's Round.

Mr. Hien Le
Former Project Manager GREENcoffee Project in Vietnam
Owner of "Le Cafe beyond profit"

Hien has more than 20 years working in the social development area focusing on sustainable livelihood for farmers. For over 15 years, he was working as program manager and 10 years he was working as country presentative of the International Cocoa Organisation (ICCO) in Vietnam. He also has more than 10 years' experience in the coffee sector in Vietnam and is the founder and owner of a small coffee business brand name "Le Cafe Beyond Profile". The business provides both B2B and B2C services. He has a background in Agronomy and holds a master's degree in Social Development

Mr. Rommel Anibal Betancourt Herrera
General Coordinator of Food Safety
Phytosanitary and Zoosanitary Regulation and Control Agency, Ecuador (AGROCALIDAD)

Among its main milestones he has been working to manage the regulation, control, and certification processes inherent to Food Safety and Organic production related to the GAP and Organic Certification to guarantee sustainability and food safety, which is currently required by the consumer. Additionally providing support to producers in order to comply with international standards regarding food contaminants as they are produced under social, environmental, and animal welfare criteria.

• Phytosanitary and Zoosanitary Regulation and Control Agency – AGROCALIDAD. – Executive Director in Charge (From August 2021 to October 2021)
• Associated Professor at the Postgraduate School, Master's Degree in Agroindustry with mention in Food Quality and Safety, Universidad de las Américas – UDLA, Quito (2016 – 2019)
• President of the Inter-American Commission on Organic Agriculture – ICOA (2016-2019) (2019- 2023) President of the Joint FAO/WHO Committee for Latin America and the Caribbean – CCLAC (Codex Alimentarius) (October 2019, to -to the date)
• President / Vice president of the Codex Alimentarius National Committee various periods from 2012-to date)
• President of the Electronic Working Group, within the Codex Committee on Contaminants in Foods – CCCF regarding the standard for maximum levels for cadmium in various categories of chocolates on a dry matter basis. (2014-2017) (2018-to the date)
• Co-author of various scientific paper in association with the Equinoctial Technological University – Quito, Ecuador (2017 – to date)

He is a certified specialist in International Trade Negotiations from the Catholic University of Ecuador and holds a master's degree in Animal Husbandry Engineering from the University of Warmia and Mazury, Poland.