

Intervention:	Common Code for the Coffee Community (4C)
Country:	Global
Date:	2002 – 2006
Challenge:	In recent years, the increasing volatility of the global coffee market has caused dramatic negative impacts on the livelihoods of the 25 million coffee farmers worldwide. At the same time, consumers in major coffee markets increasingly demand adherence to higher social and environmental standards in production, processing and trade of coffee. Existing standard initiatives that aim to provide coffee growers in specific locations with reliable access to high value niche markets for sustainably produced coffee have not yet been able to include the vast majority of small scale coffee farmers.
Objectives:	<ul style="list-style-type: none"> - Develop a code of conduct for the coffee value chain which covers basic social, environmental and economic requirements and applies to conditions in the mainstream coffee markets - Continuously improve the social and economic situation of the 25 millions coffee farmers, of which almost all are small-scale producers, and thus contribute to poverty reduction in all coffee producing countries (of which 16 are Least Developed Countries.)
Approach of the Intervention:	<ul style="list-style-type: none"> <input type="checkbox"/> Create a multistakeholder platform for negotiation of the building blocks of a baseline code of conduct among major stakeholders in the global coffee supply chain <input type="checkbox"/> Repartition of responsibilities: Commitment by all stakeholders to contribute to the continuous improvement of the social, a environmental and economic practices in the supply chain <input type="checkbox"/> A Business Code, representing a unique commitment of coffee trade and industry to corporate social responsibility through contribution to capacity building for producers and commitment to buy increasing amounts of 4C coffee over time <input type="checkbox"/> Develop a comprehensive code of conduct for mainstream coffee market conditions based on existing standards for niche markets <input type="checkbox"/> Test the applicability of code criteria in different coffee-growing regions in public-private partnership projects with coffee trade and industry <input type="checkbox"/> Provide a low entry level for all organizational forms of coffee producers, like small-scale farmers, plantations and cooperatives to the system combined with incentives for continuous improvements. <input type="checkbox"/> Foundation of the Common Code for the Coffee Community Association as membership organization, open to coffee producers, coffee trade and industry and civil society groups <input type="checkbox"/> Local rolling out through creation of “Local 4C Forums” <input type="checkbox"/> Provision of support services for producers e.g. access to good agricultural and management practices <input type="checkbox"/> Benchmarking of 4C code with requirements of other standards to reduce costs of certification for producers
Benefits and Impacts:	<ul style="list-style-type: none"> ▪ Increased efficiency and improved quality in coffee production leading to rural poverty reduction and improved protection of the environment ▪ Increased access for small-scale farmers to the market , providing more direct business links to global players in coffee trade and industry

	<ul style="list-style-type: none"> ▪ Transparency throughout the coffee chain regarding value of sustainability criteria ▪ Increased level of traceability in the coffee supply chain ▪ Organization of small scale producers ▪ Low entry requirements provide farmers with options to easily fulfill higher standards prevailing in high value niche markets ▪ Alignment of donor support to coffee sector
Lessons learned:	<ul style="list-style-type: none"> □ Multistakeholder approach and inclusion of trade and industry in standard initiatives is the appropriate way to approach mainstream markets □ Early and intensive involvement of producers in code development and adoption to local circumstances is of highest importance in order to have the ownership of producers □ Process verification done by local institutions and paid by the system increase the acceptance on producers side □ Access to information about good agricultural practices can lead to significant product quality improvement
Wider application:	<ul style="list-style-type: none"> □ Multistakeholder approach targeting mainstream markets aiming at a baseline level of sustainability and building on continuous improvement is a model that might be applicable for other commodity markets as well.
Implementing agency & partners	<ul style="list-style-type: none"> □ GTZ (on behalf of BMZ and SECO), European Coffee Federation □ Partners in the Steering Committee: about 40 representatives of coffee trade and industry, coffee producer organisations, civil society, international organisations
Contact person:	<p>Carsten Schmitz-Hoffmann, coffee@gtz.de, Melanie Rutten, mrutten@coffee-associations.org www.sustainable-coffee.net</p>