Building consensus on sustainability goals and measurements across agricultural commodities: the case of cotton and coffee

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Part 1 - Sustainable development

History
Where are we
Entry points for transformation
Some examples
Part 1 - Sustainable development – history and evolution

- **Acknowledging in 1972: The concept** of sustainable development received its first major international acknowledgment at the UN Conference on the Human Environment held in Stockholm.

- **Defining and recognizing the need for action in 1987:** Our Common Future, World Commission on Environment and Development defines sustainable development as

  “development which meets the needs of the present whilst ensuring future generations can meet their own needs (Brundtland report)”
Part 1 - Sustainable development – history and evolution

- **Collaborating - Rio Summit in 1992**: Member States commit to cooperate together internationally on development issues
  - the United Nations Framework Convention on Climate Change (UNFCCC)
  - The Convention on Biological Diversity (CBD)

- **Sustainability dimensions in 1994**: *People, Planet and Profit*

- **Goals, Indicators and targets to measure progress from 2000**:
  - 8 Millennium Development Goals (MDGs) in 2000: 21 targets and measurable health and economic indicators
  - **17 Sustainable Development Goals (SDGs)** in 2015 as part of Agenda 2030: **169 targets and 232 indicators**
Were are we?

Despite the efforts and investments, the path is still long. Only a few targets are on time. The majority are delayed. Some significant ones, all relevant to commodity production, have negative trends:

- Malnutrition and overweight
- Equality and income
- GHG emissions
- Biodiversity

We can and need to do more much more!
Part 1 - Sustainable development – entry points for transformation

Sustainability not anymore only an ethical choice, but increasing a mandatory requirement.

Key entry points and driver of transformation are:

- Trade policies
- Finance
- Market
Part 1 - Sustainable development – entry points for transformation

Trade policies

The European Union (EU) law requires all relevant EU trade agreements to promote sustainable development:

• Social justice
• Respect for human rights
• Decent work
• Environmental protection – climate change
Example: Pesticide residues.

Since 2002, the European Food Safety Authority (EFSA) monitors pesticide residues. Residues detected above legal limits might result in border rejection of goods.
Part 1 - Sustainable development – entry points for transformation

Trade policies

**Forced and child labour:** Since 2010, the European Parliament has asked for a legislative proposal on effective traceability mechanisms for goods produced through forced and child labour.

- Some EU Member States have enacted legislation to prevent human rights violations in international supply chains.
- the EU-Vietnam free trade agreement

The focus is on trade preferences and on labelling

BRIEFING: Child Labour: A priority for EU human rights action:
file:///C:/Users/franc/OneDrive/Documents/BCI/Indicators/EU%20child%20labour.pdf
Part 1 - Sustainable development – entry points for transformation

Market: sustainability standard – compliant:

Area growth 2013-2017

Production in 2016

- 34% Coffee
- 29% Cocoa
- 14% Cotton

standard-compliant in 2016

49% growth rate from 2009 to 2016

Source: personal communication from IISD, data to be included in the forthcoming: Global Market Report: Cotton 2019 series

Part 1 - Sustainable development – entry points for transformation

Market: retailers and brands have ambitious sourcing targets for 2025/2050?

Part 1 - Sustainable development – entry points for transformation

Finance: shifts in capital allocation towards responsible investing:

• Environmental and Social Governance (ESG) investing estimated at over $20 trillion in 2018
  
  Source: Forbes, Jul 11, 2018

• Climate Finance Days (5th Day last week) are a sign of market leading financial institutions interest on green and climate finance

• New financial tools combining social and climate objectives e beginning to appear. E.g. 2017 – French bank adopt a Green Weighting Factor to approve financing transaction
Part 2 - Building consensus on sustainable development in the cotton and coffee sector

The Delta Project
Part 2 – Building consensus ...
the Delta Project

Project’s aim: to build consensus on measuring and reporting sustainability performance in cotton and coffee as an opportunity to:

- Act more collaboratively to accelerate mainstreaming of sustainable commodities, enhance contribution to SDGs
- Address greenwashing, enhance market communication and transparency, demonstrate real impact and increasing credibility
- Increased data efficiency: Collect only what matters, reduce the effort and cost of data collection while improving quality
- Better support farmers and producers: Data uses that support farmers: better decision making, improved services and access to finance
Part 2 – Building consensus ... the Delta Project

The project operates with an highly consultative approach:
Part 2 – Building consensus ... through a consultative process

Sustainability standards and donors
- Cotton 2040
- ISEAL members

UN agencies

Public organizations
Part 2 – Building consensus … through a consultative process

Sustainability areas for cotton and coffee farming
Part 2 – Building consensus ... through a consultative process

Sustainability Goals for the cotton sector

<table>
<thead>
<tr>
<th>Headline impact areas</th>
<th>Environmentally sustainable agricultural practices (SDGs 3,6,12,13,14, 15)</th>
<th>Decent livelihoods/poverty reduction (SDGs 1, 8, 10)</th>
<th>promote social equality &amp; empowerment (SDGs 2, 3, 6, 8, 10, 16)</th>
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</thead>
<tbody>
<tr>
<td>Common goals</td>
<td>Sustainable cotton farming minimise contamination of natural resources</td>
<td>Cotton farmers and workers earn a ‘decent’ income</td>
<td>Human rights are respected on cotton farms, with no forced and child labour</td>
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<td>Sustainable cotton farming protects and regenerates ecosystem services</td>
<td>Sustainable cotton farming is economically viable and farmers are economically resilient</td>
<td>Healthy &amp; safe working conditions are present for all farmers and workers</td>
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<td>Sustainable cotton farming reduces greenhouse gas emissions and builds resilience to climate change</td>
<td>Sustainable cotton farming alleviates poverty</td>
<td>Sustainable cotton farming delivers equality and empowerment, including gender equality, for cotton farmers and workers</td>
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Delta Framework Sustainability Indicators

1. Use of highly hazardous pesticides
   - Unit: kg active ingredient (a.i.) per ha of cultivated land

2. Pesticide composite risk indicator
   - Alternative: pesticide use by active ingredient kg per ha

3. Quantity of water used for irrigation
   - Only for irrigated farms
   - Unit: mega litres per ha
   - Alternative: Water use efficiency in %

4. Water crop productivity
   - Unit: mega litres per ton of cotton lint or GBE

5. Top soil carbon content and moisture content
   - Unit: grams of organic carbon per kg of soil
   - Alternative: Extent of implementation of practices for the prevention of soil degradation, erosion and loss of fertility

6. Fertilizer use by type
   - Unit: kg a.i. per ha of cultivated land
   - In future: Nitrogen Use Efficiency

7. Forest, wetland and grassland converted for cotton or coffee production
   - Unit: ha of forest, wetland or grassland converted to cotton or coffee production

8. Greenhouse gas emissions
   - Unit: kg CO2e per kg cotton lint or GBE

9. Yield (average)
   - Unit: kg cotton lint or GBE per ha

10. Net average income from cotton and coffee production
    - Unit: USD per ha cotton lint or GBE

11. Price (at farmgate)
    - Only for premium-based standards
    - Unit: USD per ton of cotton lint per kg of GBE

12. Proportion of workers earning a legal minimum wage
    - Unit: Daily average earnings for farm labor compared to (fund) minimum wage in USD or Local Currency

13. Incidence of the worst forms of child labour
    - Unit: number of children aged 6-12 years engaged in child labour by sex and age

14. Incidence of forced labour
    - Unit: number of people engaged in forced labour by sex and age

15. Women in leadership roles and other relevant decision-making influence
    - Under development

16. Number of fatalities and non-fatalities on the farm
    - Unit: number of incidences per 1 million people
Thank you!
Questions?

- Join the consultations!
- Speaker corner in the Hall

www.deltaframework.org
<table>
<thead>
<tr>
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<th>Initiative</th>
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<tbody>
<tr>
<td>1</td>
<td>4C Association</td>
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<td>2</td>
<td>Better Cotton Initiative (BCI)</td>
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<td>3</td>
<td>Committee on Sustainability Assessment (COSA)</td>
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<td>4</td>
<td>Cotton Connect / REEL code</td>
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<td>5</td>
<td>Cotton LEADS</td>
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<td>6</td>
<td>Cotton Made in Africa (CmiA)</td>
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<td>7</td>
<td>Fairtrade Foundation (Certified Cotton Mark)</td>
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<td>8</td>
<td>Fairtrade Standard for Small scale Producer</td>
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<td>9</td>
<td>Global Coffee Platform/ Coffee Data Standard</td>
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<td>10</td>
<td>Global Organic Textile Standard (GOTS)</td>
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<td>11</td>
<td>HERproject™ - empowered women</td>
</tr>
<tr>
<td>12</td>
<td>IFOAM Organic 3.0</td>
</tr>
<tr>
<td>13</td>
<td>ISEAL Common Core Indicators</td>
</tr>
<tr>
<td>14</td>
<td>Living Income Community of Practice</td>
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<tr>
<td>15</td>
<td>My Best Management Practices (MyBMP)</td>
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<td>16</td>
<td>Organic Cotton Accelerator</td>
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<td>17</td>
<td>Organimark</td>
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<td>18</td>
<td>Rainforest Alliance – UTZ</td>
</tr>
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<td>19</td>
<td>Responsible Brazilian Cotton (ABR)</td>
</tr>
<tr>
<td>20</td>
<td>Responsible Sourcing Network (RSN)'s YESS</td>
</tr>
<tr>
<td>21</td>
<td>Sedex and Sustainable Agriculture Initiative (SAI) Collaboration</td>
</tr>
<tr>
<td>22</td>
<td>ICAC SEEP Expert Panel</td>
</tr>
<tr>
<td>23</td>
<td>Sustainable Agriculture Network (SAN) project on forced labour alignment</td>
</tr>
<tr>
<td>24</td>
<td>Sustainable Development Goals (SDGs)</td>
</tr>
<tr>
<td>25</td>
<td>Sustainable Coffee Challenge (SCC)</td>
</tr>
<tr>
<td>26</td>
<td>Textile Exchange - Organic Content Standards (OCS)</td>
</tr>
<tr>
<td>27</td>
<td>World Fair Trade Organization (Asia)</td>
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