





# **GISCO Roadmap**

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### Introduction

The German government, represented by the Federal Ministry for Economic Cooperation and Development (BMZ) and the Federal Ministry of Food and Agriculture (BMEL), the German confectionery industry, the German food trade and civil society have joined forces in the <u>German Initiative on Sustainable Cocoa</u>. Together, as a so-called multistakeholder initiative, they pursue the goal of improving the living conditions of cocoa farmers and their families, conserving natural resources, and increasing the cultivation and marketing of cocoa certified according to sustainability standards. To this end, the members of GISCO are committed to working closely with the governments of the cocoa-producing countries and other national platforms for sustainable cocoa in Europe.

In 2019, the German Initiative on Sustainable Cocoa adopted <u>12 new individual goals</u>, which were adjusted at the 2023 Special Members' Meeting due to changes in the framework conditions, particularly with regard to legislation at the German and European levels. In addition, a stronger goal on living incomes was adopted. To be able to measure progress regarding this objective and to support the members of GISCO in implementing the objectives, <u>recommendations for action to the members</u>, sorted according to member groups, have been developed in recent years, indicators for measuring the objectives have been developed and, finally, a new <u>monitoring system</u> has been established.

This GISCO Roadmap aims to present the various instruments of the German Initiative on Sustainable Cocoa to the members of the Forum in a clear and concise document and thus to accompany them on their way to a sustainable cocoa sector. The roadmap focuses on the key issues of "livelihoods", "deforestation and agroforestry", "child labor", "traceability" and "certified or independently verified cocoa".

The following is presented with these priority issues in mind and based on the tools already in place:

- What we, as the German Initiative on Sustainable Cocoa in cooperation with the other national platforms for sustainable cocoa in Europe, want to achieve regarding our focus topics (Our objective)
- Our path to these goals (Our targeted indicators)
- What we recommend and give our members to do their part (Our recommendations for action and further implementation aids)

#### The roadmaps of the other platforms for sustainable cocoa in Europe (ISCOs).

To support their members and overcome challenges together, other ISCOs have also created and published roadmaps:

SWISSCO Roadmap 2030



- Living Income
- <u>Deforestation and forest degradation</u>
- Child labor





#### Our definition of sustainability

By sustainable cocoa, we mean cocoa that is produced according to economic, environmental and social requirements, meaning that its production is economic, environmentally friendly and socially responsible without compromising the ability of future generations to meet their own needs.

We are working toward a sustainable cocoa sector in which

- future-oriented economic action by all actors along the value chain leads to cocoa farmers being able to earn a living wage,
- natural resources, especially forest resources with their biodiversity, are preserved,
- compliance with human rights in the value chain is ensured and, in particular, there is no abusive child labor.

#### Our objective



Improve the **living conditions of cocoa farmers and** their families and contribute to a **secure** livelihood,

Conserve and preserve **natural resources** and **biodiversity** in the growing countries.

Increase the cultivation and marketing of **sustainably produced cocoa**.

We concretize these main goals in <u>twelve individual</u> goals and focus on the topics of living income, productivity, diversification and agroforestry, deforestation, child labor and gender equality, human rights and environmental due diligence, and scertified cocoa. The progress of the members of GISCO regarding these 12 individual goals is regularly evaluated using indicators as part of the monitoring system.



#### Our targeted indicators

We have developed target indicators for individual goals 1, 4, 5, 6, 8 and 9 to specify and substantiate our objectives. The targeted indicators have also been integrated into the monitoring system and can be found <a href="here">here</a>. The relevant targeted indicators have been listed in this document under "How we will measure our progress".

# Monitoring system of the German Initiative on Sustainable Cocoa (GISCO)

GISCO regularly evaluates the results of its work and the sustainability efforts of its members. The evaluation is based on GISCO's objectives, measured against the twelve individual goals. Both are evaluated based on defined indicators. For each fiscal year, the Forum Sustainable Cocoa prepares a monitoring report.



The monitoring system was developed in a participatory manner and is being improved in a processoriented manner. After piloting the <u>monitoring tool</u>, the first official member survey for 2020 was conducted jointly by GISCO and Beyond Chocolate between April 2021 and mid-June 2021. The resulting results for the members of the Forum Sustainable Cocoa were published in a monitoring report for the reporting year 2020 at the end of September 2021.

#### Recommendations for action to the members of the Sustainable Cocoa Forum

Based on the objective, we have developed <u>recommendations for action to our members</u> to help them contribute to the achievement of the objective according to their stakeholder group.

#### The ISCO Challenges

In recent years, national sustainable cocoa initiatives (ISCO) have emerged in Belgium (Beyond Chocolate), the Netherlands (DISCO), Germany (GISCO) and Switzerland (SWISSCO). In 2022 the French Initiative (FRISCO) also joined. These national initiatives are critical to achieving impact on a scale, and coordination among them is equally important. Therefore, the ISCOs have signed a

Memorandum of Understanding (MoU) documenting their collaboration and shared ambition to create a more sustainable cocoa sector. In this MoU, the ISCOs agreed on four key areas for action that represent the sector's greatest challenges. These are the four ISCO Challenges related to (i) transparency, (ii) living income (iii) deforestation/reforestation and (iv) the worst forms of child labor.



#### **Interconnectivity of elements**

The focal topics, associated goals, targeted indicators and recommendations for action should not be viewed in isolation. Rather, interactions between the different topics play an important role and indicators and recommendations for action that have been assigned to a specific goal in this roadmap are also relevant for the achievement of other goals. This shows that the objective of the Sustainable Cocoa Forum is a holistic approach in which elements should not be considered in isolation from each other.



### Living income

#### Our goals:



# German Initiative on Sustainable Cocoa: Specific goal 1

GISCO members commit to the work of the German Initiative on Sustainable Cocoa at all levels. We are jointly committed to

constantly improving the income situation of cocoa farming households in the producing countries, so that all households can earn a living income. We are jointly committed to enable at least 90% of households, whose main occupation is cocoa cultivation and who supply members of German Initiative on Sustainable Cocoa with cocoa that is sold or processed in Germany\*, to earn a living income by 2030. Together we develop strategies to achieve this goal.

\*including for export



# ISCO Challenge

ISCOs aim to contribute to a living wage for cocoa farmers and their families.

Other targets include other important elements for achieving living incomes, such as Target 4 on diversification.

## Our path to these goals:

From 2020, GISCO members report on the average USD of sustainability premiums/ton paid by them to suppliers and or farmers for the cocoa purchased/processed. The data is collected anonymously and the GISCO Secreteriat has signed confidentiality agreements with all participating companies.

Reporting on percentage of cocoa processed by members of GISCO in Germany or used in end consumer products for the German market for which a living income reference price was paid to cocoa producers.

By the end of 2022, members of GISCO with income-relevant projects/programmes shall include one or more indicators on living incomes and report transparently on the measures implemented. (expired)

By the end of 2023, members of GISCO with relevant projects/programmes will report on the development of net household income in relation to the living income benchmark.





#### Recommendations for action to our members:

To the Federal Government



- Lead policy dialogue with growing countries / strengthen local structures: revise **national pricing and marketing mechanisms in growing countries**, incl. premium payments to farmers and implement Living Income strategy and promote transparency to the cocoa, chocolate & confectionery industry.
- Harmonization and implementation of development cooperation projects: that
  provide sustainability targets, criteria and premiums to farmers and have a
  holistic Living Income strategy (promoting market-oriented crop and income
  diversification through the value chain approach; support for processing and
  marketing of alternative products for local and regional markets; promotion of
  business management training; contracted premium and minimum price
  models).
- Promotion of standard systems with a view to a sustainable cocoa sector: introduction of contractually agreed minimum prices and/or premiums within the framework of certification programs that enable a living wage for cocoa farmers.
- Offer support measures for the implementation of sustainability commitments in the private sector as well as for the further development of sustainability strategies and promotion of their implementation among private actors (industry, trade) and their impact measurement

To the Cocoa, Chocolate & Confectionery Industry



- Harmonization of sustainability programs and projects: Implement projects
  that provide sustainability targets, criteria and premiums to farmers and have a
  holistic Living Income strategy.
- Development of direct marketing relationships between cocoa farmer cooperatives and industry, with fair long-term marketing terms that provide price premiums for farmers
- Further development of standards with regards to a sustainable cocoa sector: Introduction of contractually agreed, guaranteed minimum prices and/or premiums within the framework of certification programs that enable a living wage for cocoa farmers.

To the food retail trade



- Support the development of direct marketing relationships (private label), within sustainability programs and projects between cocoa farmer cooperatives and industry, with fair long-term marketing conditions that provide price premiums for farmers
- Harmonization of sustainability programs and projects: Implement projects
  that provide sustainability targets, criteria and premiums to farmers and have
  a holistic Living Income strategy.
- Further development of standards with regards to a sustainable cocoa sector: Introduction of contractually agreed, guaranteed minimum prices and/or premiums within the framework of certification programs and/or projects that enable a living wage for cocoa farmers.



To civil society, incl. standardsetting organizations



 Further development of standards regarding a sustainable cocoa sector: Introduction of contractually agreed, guaranteed minimum prices and/or premiums within the framework of certification programs that enable a living wage for cocoa farmers.

#### Implementation tools for our members:



To calculate living incomes in cocoa growing areas in Côte d'Ivoire and Ghana, pilot studies based on the Anker & Anker methodology were conducted in 2018 on behalf of the Living Income Community of Practice (LI CoP). For this, the LI CoP collaborated with the University of Ghana and CIRES (Ivorian Center for Socio Economic Research).

- Results <u>Côte d'Ivoire</u>
- Results Ghana

Based on these results, two additional studies (2018) in collaboration with the Royal Tropical Institute (KIT) determined the **income gap between the calculated living wage and the actual income of** cocoa-producing households in Côte d'Ivoire and Ghana.

- Results <u>Côte d'Ivoire</u>
- Results Ghana

Options for calculating actual income have been listed by the Living Income Community of Practice (LI CoP) <a href="https://example.com/here">here</a>. A guidance document from the LI CoP and KIT and COSA on conducting household surveys to calculate and graph actual incomes can be found <a href="https://example.com/here">here</a>. The <a href="https://example.com/graph.com/graph.com/here</a>. The <a href="https://example.com/graph.com/here</a>. The <a href="https://example.com/here</a>. The <a href="https://example.com/he



#### **Concrete implementation aids**

- The Living Income Community of Practice:
- <u>ALIGN</u> Guide for Agri-Food Businesses; aims to reduce the complexity around living wage and living wage.
- Furthermore, standard-setting organizations provide information on Living Income in the cocoa sector and present proposed solutions:
  - o Fairtrade: Living Income Reference Prices for cocoa, Income Study
  - o Rainforest: The Living Income Module, the Living Income Monitoring Tool.

Further helpful studies and handouts on the topic of "livelihood income" are listed in the <u>link</u> <u>collection</u> on the topic, as well as in the <u>study overview</u> of GISCO.



## **Deforestation and agroforestry**

#### Our goals:



#### **GISCO: Specific objective 4**

Promoting the development and use of sustainable and diversified production systems, in particular agroforestry systems, which conserve natural resources as well as ending the application of hazardous and/or unauthorized pesticides

The Members of GISCO are committed to promoting the development and use of sustainable and diversified production systems, in particular agroforestry systems, which conserve natural resources as well as ending the application of hazardous and/or unauthorized pesticides\*

\*Hazardous pesticides as defined by GISCO (objective 4): Hazardous pesticides include as minimum requirement all substances which (1) are listed as "persistent organic pollutants (POPs)" in the Stockholm Convention within the Annex III of the Rotterdam Convention and/or the Montreal Protocol, (2) are classified by WHO as A1 or 1B, (3) are listed in the "Dirty Dozen" of PAN, or (4) are identified by UN-GHS as substances with "chronic toxicity". In addition, specifically for cocoa cultivation, they include pesticides that are not permitted for use in export goods to EU countries.



### **GISCO: Specific objective 5**

The members of GISCO are committed to ending deforestation and contributing to forest conservation, biodiversity and reforestation.



### **ISCO Challenge**

ISCOs aim to stop cocoa-related deforestation and promote sustainable reforestation and biodiversity.

Other goals include other important elements to end deforestation and promote forest conservation and biodiversity, e.g. <u>Target 8</u> on compliance with environmentally relevant aspects in the cocoa supply chain. Furthermore, especially the topic "traceability", which is the 4th focus topic of this document, is an important element in the fight against deforestation.



#### Our path to these goals:

<u>From 2025 onwards</u>, 100% of cocoa and chocolate products\* imported into the EU by members of GISCO will be deforestation-free.

\*Chocolate products according to Annex 1 of the EU Regulation on Deforestation Free products.

**By the end of 2025,** 30% of the total cultivated area of projects/programmes of GISCO will be managed as agroforestry systems.

All indicators for measuring progress of the ISCO Members regarding deforestation and agroforestry can be found <a href="https://example.com/here">here</a>



### Recommendations for action to our members:

To the Federal Government



- Development of regulations and incentives: joining or supporting the **Cocoa & Forests Initiative.**
- Promotion of reforestation measures in cocoa-growing countries
- Promote market-oriented diversification of crops and incomes through the value chain approach, as well as processing and marketing of alternative products for local and regional markets, thus counteracting overproduction
- Implementation of Integrated Pest Management projects
- Promotion of standard systems in regard to a sustainable cocoa sector: implementation of incentive systems for farmers not to expand their production into forest areas
- Offer support measures for the implementation of sustainability commitments in the private sector as well as for the further development of sustainability strategies and promotion of their implementation among private actors (industry, trade) and their impact measurement

To the Cocoa, Chocolate & Confectionery Industry

- Harmonization of sustainability programs and projects: Implement incentive systems for farmers to avoid expanding their production into forest areas and promote reforestation measures.
- Promote market-oriented diversification of crops (including agroforestry systems) and incomes through the value chain approach and support the





processing as well as marketing of alternative products for local markets, thus counteracting overproduction.

- Implement sustainability commitments to avoid deforestation and support the Cocoa & Forests Initiative.
- Further development of standards with regard to a sustainable cocoa sector: implementation of incentive systems for farmers to avoid expanding their production into forest areas

To the food retail trade



- Consider sustainability commitments to avoid deforestation and support the Cocoa & Forests Initiative.
- Harmonization of sustainability programs and projects: Implement incentive systems for farmers to avoid expanding their production into forest areas and promote reforestation measures.
- Promote market-oriented diversification of crops (including agroforestry systems) and incomes through the value chain approach and support the processing as well as marketing of alternative products for local markets, thus counteracting overproduction.
- Further development of standards with regard to a sustainable cocoa sector: implementation of incentive systems (within the framework of certification programs) for farmers not to expand their production into forest areas

To civil society, incl. standardsetting organizations



- Raise awareness of cooperatives on the new forest law in Côte d'Ivoire and implement Integrated Pest Management projects: promote awareness among all actors along the supply chain.
- Raise awareness and provide training on the use of crop protection products, dangerous tools and other activities that fall under the category of the worst forms of child labor. Evaluate the situation and develop measures to prevent the worst forms of child labor.
- Further development of standards with regard to a sustainable cocoa sector: implementation of incentive systems for farmers to avoid expanding their production into forest areas



#### Implementation tools for our members:



#### Cocoa & Forest Initiative (Ghana & Côte d'Ivoire)

The governments of Côte d'Ivoire and Ghana and 35 leading cocoa and chocolate companies have joined forces in the <a href="Cocoa & Forests Initiative">Cocoa & Forests Initiative</a> to end deforestation and restore forest areas. Companies sourcing cocoa from Côte d'Ivoire and Ghana are invited to contact the World Cocoa Foundation (WCF) for more information on how they can sign the Framework for Action and contribute to the Cocoa & Forests Initiative.

• Contact: Ethan Budiansky, ethan.budiansky@worldcocoa.org

#### Cocoa, Forests & Peace Initiative (Colombia)

Cocoa, Forests & Peace (CB&P) is a public-private initiative that aims to promote deforestation-free cocoa production models that protect and restore forests in the cocoa value chain, improve the livelihoods of producers, and contribute to the consolidation of the peace process in Colombia. Companies sourcing cocoa from Colombia are invited to contact Alisos for more information on how they can sign the Framework for Action and contribute to the Cocoa, Forests and Peace initiative.

Contact: Wendy Arenas, <u>wendy.arenas@alisos.net</u>

#### **Plant for the Planet**

Plant-for-the-Planet is a global movement to restore forest ecosystems to tackle the climate crisis and biodiversity loss. To do so, we empower young people, restore ecosystems, conduct restoration research, provide free software tools and restoration advice for organizations around the world.

- Tree Mapper: The free data collection app for forest restoration, monitoring, and analysis <a href="https://www.plant-for-the-planet.org/de/treemapper/">https://www.plant-for-the-planet.org/de/treemapper/</a>
- FireAlert: Free alerts when likely fires are detected by NASA's satellites. <a href="https://www.plant-for-the-planet.org/de/firealert/">https://www.plant-for-the-planet.org/de/firealert/</a>
- Open source and commission-free platform to transparently showcase their work, monitor their restoration impact and raise funds. As well useful for agroforestry projects. Useful information for interested organizations: <a href="https://www.plant-for-the-planet.org/de/restoration-organizations/">https://www.plant-for-the-planet.org/de/restoration-organizations/</a>
- Free Restoration Advice to address challenges in your restoration project <a href="https://www.plant-for-the-planet.org/de/advice/">https://www.plant-for-the-planet.org/de/advice/</a>



<u>Note:</u> Plant-for-the-Planet offers cost free restoration advice to address challenges in your restoration project. Plant-for-the-Planet works as well on other solutions (e.g. seed manager), which could be useful for protection of the restoration projects and the EUDR regulation.

• contact. Plant for the planet: gisela.petzold@plant-for-the-planet.org

#### Roadmap for deforestation-free cocoa (Cameroon)

The <u>Roadmap for Deforestation-Free Cocoa</u> is a public, private and civil society partnership aimed at ending deforestation of cocoa in Cameroon. Companies sourcing cocoa from Cameroon are invited to contact IDH for more information on how they can sign the Framework for Action and contribute to the Roadmap for Deforestation-Free Cocoa.

Contact: Elvis Ngwa, ngwa@idhtrade.org

For the **German government's guidelines** on promoting deforestation-free agricultural commodity supply chains, see <a href="here">here</a>.

Further helpful studies and handouts on deforestation and agroforestry are summarized in the <u>background paper</u> on the topic, as well as in the <u>study overview</u> of GISCO.



#### **Child labor**

#### **Our goals:**



# GISCO: Specific objective 6

The members of GISCO are committed to abolishing prohibited child labour\*, forced labour, slavery and human trafficking in cocoa production.

\*Prohibited child labour is understood to mean child labour as defined in ILO Conventions 138 and 182. According to the ILO, child labour in employment includes formal or informal work by persons under 18 years of age, in the private or public sector, with or without pay. If this violates legal standards (e.g. age restrictions or maximum duration of work), it falls under child labour

# ISCO Challenge

ISCOs aim to end child labor and forced labor in the cocoa value chain.

Other targets include other important elements to eliminate abusive child labor in cocoa production, such as Target 1, which includes income-generating activities, and Target 4, which aims to end the application of hazardous or unauthorized pesticides.



### Our path to these goals:

By the end of 2025, 100% of households in the supply chains of GISCO members are covered by a strategy or system to prevent, control, monitor and remedy of every form of prohibited child labour.

All indicators measuring the progress of the ISCO members regarding child labor can be found here.



#### Recommendations for action to our members:

# To the Federal Government



- Conduct policy dialogue with growing countries / strengthen local structures:
   Implement national standards in growing countries that prevent abusive child labor in the cocoa sector. Include specific requirements for combating child labor in the development and implementation of the African sustainability standard on cocoa (West Africa).
- Policy dialogue on the implementation of human rights due diligence obligations that prevent abusive child labor in the cocoa sector.
- Strengthening political dialogue with the governments of cocoa-producing countries on the issue of combating child labor, especially Côte d'Ivoire and Ghana.
- Address issue of child labor in government negotiations and offer support
- Addressing child labor across sectors and countries to prevent the problem from shifting to other sectors
- Strengthen national (and local) governments and their capacity to coordinate processes, strengthen coherence, e.g., to integrate industry-sponsored initiatives into the national system to combat child labor
- Support the development of a **comprehensive and broad-based national system** to identify risks, prevent, and address child labor (e.g., CLMRS).
- On the ground, support a long-term holistic approach to an enabling environment consisting of a "smart mix" of legislation, policies, and various implementation measures that include poverty reduction, education, health, and gender equality measures.
- Develop regulations and incentives: support the EU's legislative initiative on human rights due diligence in the cocoa value chain as part of a "smart mix" of measures;
- Harmonization and implementation of development cooperation projects:
   Promotion of community-based approaches as well as coordination and integration of governmental, private as well as civil society approaches.
   This includes, for example, the creation and formalization of local focal points that can ensure an exchange and harmonized approach between different community-based institutions, e.g. between cooperatives, the school system, traditional community leadership, state child protection and systems promoted by NGOs/donors/private sector.
- Strengthening primary and secondary education systems.
- Integration of **Child Labor Monitoring and Remediation Systems** at all certified cooperatives.
- Offer support measures for the implementation of sustainability commitments in the private sector as well as for the further development of sustainability strategies and promotion of their implementation among private actors (industry, trade) and their impact measurement



#### To the Cocoa, Chocolate & Confectionery Industry



- Implement projects that provide sustainability goals, criteria, and premiums to farmers and have a **holistic living income strategy**
- Integration of **Child Labor Monitoring and Remediation Systems** in Sustainability Programs and Projects.
- **Development of direct marketing relationships**: between cocoa farmer cooperatives and industry, with fair long-term marketing conditions that include price premiums for farmers
- Ensuring and controlling traceability in the supply chain
- Implementation of human rights due diligence obligations in accordance with the UN Guiding Principles for Business and Human Rights (UNGP's).
   Implementation of the 5 core principles of the OECD Guiding Principles, to which the German government's National Action Plan for Human Rights (NAP) also refers.
- Greater focus on **environmentally sound cultivation** (e.g., organic cocoa) that avoids the misuse of pesticides
- Raise awareness and provide training on the use of pesticides, dangerous tools and other activities that fall under the category of the worst forms of child labor. Evaluate the situation and develop measures to prevent the worst forms of child labor.
- Integration of Child Labor Monitoring and Remediation Systems at all certified cooperatives.

# To the food retail trade



- Implementation of **communication strategies** to educate consumers: (e.g. on effects at the level of farmers) Raising awareness among consumers
- Create transparency about what food retailers can and cannot do
- Ensuring traceability in the supply chain
- Implementation of human rights due diligence obligations: in accordance
  with the UN Guiding Principles for Business and Human Rights (UNGP's).
  Implementation of the 5 core principles of the OECD Guiding Principles, to
  which the German government's National Action Plan for Human Rights (NAP)
  also refers.
- Raise awareness and provide training on the use of pesticides, dangerous
  tools and other activities that fall under the category of the worst forms of child
  labor. Evaluate the situation and develop measures to prevent the worst forms
  of child labor.
- Implement projects that provide sustainability goals, criteria, and premiums to farmers and have a holistic living income strategy
- Promote market-oriented diversification of crops (including agroforestry systems) and incomes through the value chain approach, and support the processing and marketing of alternative products for local markets, thus counteracting overproduction.
- Integration of **Child Labor Monitoring and Remediation Systems** in Sustainability Programs and Projects.
- Implement pilot projects that go beyond CLMRS.



•	Integration	of	Child	Labor	Monitoring	and	Remediation	Systems	at	all
	certified cod	ope	eratives	6.						

To civil society, incl. standardsetting organizations



- Implement campaigns to educate and mobilize consumers (e.g. on impacts at the farmer level and on the purchase and use of cocoa-containing end products from sustainable cultivation) Create transparency, including on what is already being done to combat child labor.
- Raise awareness of cooperatives on the new forest law in Côte d'Ivoire and implement Integrated Pest Management projects: promote awareness among all actors along the supply chain.
- Raise awareness and provide training on the use of pesticides, dangerous
  tools and other activities that fall under the category of the worst forms of child
  labor. Evaluate the situation and develop measures to prevent the worst forms
  of child labor.
- Integration of Child Labor Monitoring and Remediation Systems at all certified cooperatives.
- Introduction of contractually agreed, guaranteed minimum prices and/or premiums within the framework of certification programs that enable a **livelihood-securing income for** male and female cocoa farmers
- Anchor approaches in standards and integrate mandatory criteria to avoid child labor
- Increase transparency regarding one's approach (and clarify whether a supply chain or community-based approach is being taken)

## Implementation tools for our members:



2021, the Swiss Platform for Sustainable Cocoa, in coordination with the other national initiatives for sustainable cocoa in Europe, conducted a **benchmark study** on the definition and measurability of Child Labor Monitoring and Remediation Systems (CLMRS)and other comparable systems to end child labor.

Based on this analysis, an operational definition of CLMRS systems was formulated: A CLMRS for child labor must be able to successfully implement the following core activities:



- Raise awareness among farmers, children, and the broader community about child labor and the harms it causes.
- **Identify** children in child labor through active, regular, and repetitive monitoring using standardized data collection tools.
- **Provide support** (prevention and remediation) to children in child labor and other vulnerable children and document the support provided.
- Follow up on children identified as child laborers and regularly monitor their status until they have ended child labor and have satisfactory alternatives.

Furthermore, the International Cocoa Initiative (ICI) has published a <u>study on the effectiveness</u> of <u>CLMRS</u>, this contains numerous recommendations for effective design of CLMR systems.

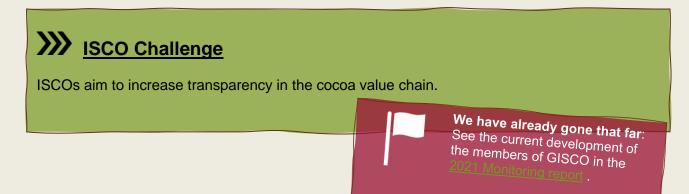
More documents, studies and data regarding children in cocoa growing regions have been published by the International Cocoa Initiative (ICI) in the **Knowledge Hub** since 2007.

Further helpful studies and handouts on the topic of "child labor" are listed in the <u>background</u> <u>paper</u> on the topic, as well as in the <u>study overview</u> of the Forum Nachhaltiger Kakao e.V..



### **Traceability**

### Our goal:



## Our path to this goal:

From 2025 onwards, members of GISCO guarantee full traceability back to the producer in the supply chain\* (traceability from the plot to retailers in line with the EU regulation\*\*)

\*Full traceability must be clarified with upstream suppliers; this is not direct sourcing

\*\*The EU regulation on deforestation-free products requires geolocation by point coordinates for parcels of up to 4 ha, and by polygon coordinates for parcels of 4 ha or more.

All indicators measuring the progress of the members of GISCO regarding traceability will be found <a href="here">here</a>



#### Recommendations for action to our members:

To the Federal Government



- Leading policy dialogue with growing countries / strengthening local structures: developing a government-monitored traceability system for cocoa, as well as supporting the implementation of the Forest Code in growing countries and incentive schemes for farmers to avoid expanding their production into forest areas.
- Promote standard systems that provide for traceability systems.
- Offer support measures for the implementation of sustainability commitments in the private sector as well as for the further development of sustainability strategies and promotion of their implementation among private actors (industry, trade) and their impact measurement

To the Cocoa, Chocolate & Confectionery Industry



- Ensuring and controlling traceability in the supply chain
- Promotion of standards that provide for traceability systems

To the food retail trade



- Ensuring **traceability** in the supply chain
- Promotion of standards that provide for traceability systems

To civil society, incl. standardsetting organizations



Promotion of standards that provide for traceability systems



#### Umsetzungshilfen für unsere Mitglieder:



2021, IDH and the Sustainable Cocoa Forum have published a "<u>Technical Brief</u>" on cocoa traceability. This aims to contribute to partnerships and the global debate on cocoa traceability by providing clarity on the definition of traceability, what it can achieve, and how traceability and transparency can be further improved in the cocoa sector.

This Technical Brief is complemented by case studies that examine in more detail how companies and certifiers are implementing traceability in their operations.

- Cocoa Traceability Case Study Mondelez International
- Cocoa Traceability Case Study Barry Callebaut
- Cocoa Traceability Case Study Cargill
- Cocoa Traceability Case Study Fairtrade International

Further helpful studies and handouts on traceability and transparency can be found in the study overview of GISCO.



### Certified or independently verified cocoa

#### Our goal:



# **Symples** GISCO: Specific goal 11

The members of GISCO are committed to ensuring that, by 2025, at least 85% of the cocoa in the cocoa-containing end products sold by our producing members in Germany has been certified\* according to sustainability standards or has been independently\*\* verified as equivalent.

\*Fairtrade, Rainforest Alliance, Utz Certified, Bio, e.g. Naturland Fair

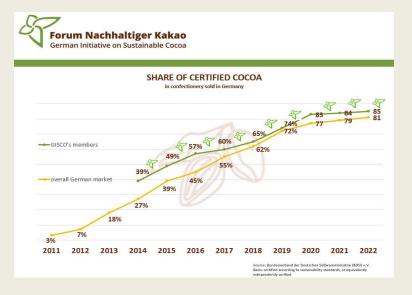
\*\*The term 'independently verified' will be defined and substantiated with criteria. The Executive Board will decide to define and verify corporate programmes. Any changes to the targets in individual goal 11 as a result of this will be agreed at the General Meeting in 2024.

#### Our path to this goal so far:

While the share was still 84% in 2021 (79% in the overall German market), it climbs to around 85% in 2022 (81% in the overall German market).

Of the total 85%, in 2022, Rainforest Alliance certification (incl. UTZ) accounts for 54%, Fairtrade for 19%, and other certification and corporate programs for 27%.

> We have already gone that far: See the current development of the members of GISCO in the





#### Recommendations for action to our members:

# To the Federal Government



- Creation of binding targets for public procurement of sustainable cocoa
- Implementation of **communication strategies** to educate consumers (e.g. on effects at the level of farmers).
- Offer support measures for the implementation of sustainability commitments in the private sector as well as for the further development of sustainability strategies and promotion of their implementation among private actors (industry, trade) and their impact measurement

#### To the Cocoa, Chocolate & Confectionery Industry



• **Increase the proportion of** cocoa-containing end products certified according to sustainability standards, or equivalent independently verified.

# To the food retail trade



- Implementation of **communication strategies** to educate consumers (e.g. on effects at the level of farmers).
- Creating awareness among consumers
- Create transparency about what food retailers can and cannot do
- Increase the proportion of cocoa-containing end products certified according to sustainability standards, or equivalent independently verified.

# To civil society, incl. standardsetting organizations



 Implement campaigns to educate and mobilize consumers (e.g. on impacts at farmer level and on the purchase and use of cocoa-containing end products from sustainable cultivation): Create transparency, including on what is already being done to combat child labor;



# Implementation tools for our members:1



- Fairtrade: <u>The roadmap to Fairtrade certification</u>
- Rainforest Alliance: 2020 certification program

Further helpful studies and handouts on the topic of certification can be found in the <u>study</u> <u>overview</u> of GISCO.

<sup>&</sup>lt;sup>1</sup> Results of the benchmark process with ITC may be added at a later date.