

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

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Delta
Framework



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**

TABLE 1-1
Projected distance from reaching selected targets by 2030 (at current trends)

GOAL	WITHIN 5%	5-10%	>10%	NEGATIVE LONG-TERM TREND
 Goal 1		1.1. Eradicating extreme poverty	1.3. Social protection for all	
 Goal 2		2.3. Ending hunger (undernourishment)	2.2. Ending malnutrition (stunting) 2.5. Maintaining genetic diversity 2.a. Investment in agriculture*	2.2. Ending malnutrition (wasting)
 Goal 3	3.2. Under-5 mortality 3.7. Neonatal mortality		3.1. Maternal mortality 3.6. Preventable deaths from non-communicable diseases	
 Goal 4	4.1. Enrolment in primary education	4.6. Literacy among youth and adults	4.2. Early childhood development 4.3. Enrolment in secondary education 4.3. Enrolment in tertiary education	
 Goal 5			5.5. Women political participation	
 Goal 6		6.2. Access to safe sanitation (open defecation practices)	6.1. Access to safely managed drinking water 6.2. Access to safely managed sanitation services	
 Goal 7		7.3. Access to electricity	7.2. Share of renewable energy* 7.3. Energy intensity	
 Goal 8			8.7. Use of child labour	
 Goal 9		9.5. Enhancing scientific research (R&D expenditure)	9.5. Enhancing scientific research (number of researchers)	
 Goal 10			10.c. Resilience costs	Inequality in income*
 Goal 11			11.1. Urban population living in slums*	
 Goal 12				12.2. Absolute material footprint, and DMC*
 Goal 13				Global GHG emissions relative to Paris targets*
 Goal 14				14.1. Continued deterioration of coastal waters* 14.4. Overfishing*
 Goal 15				15.5. Biodiversity loss* 15.7. Wildlife poaching and trafficking*
 Goal 16			16.9 Universal birth registration **	

Inequality in income*

12.2. Absolute material footprint, and DMC*

Global GHG emissions relative to Paris targets*

14.1. Continued deterioration of coastal waters*

14.4. Overfishing*

15.5. Biodiversity loss*

15.7. Wildlife poaching and trafficking*

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**

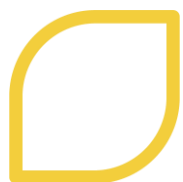


Part 1 - Sustainable development – entry points for transformation

■ Trade policies

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

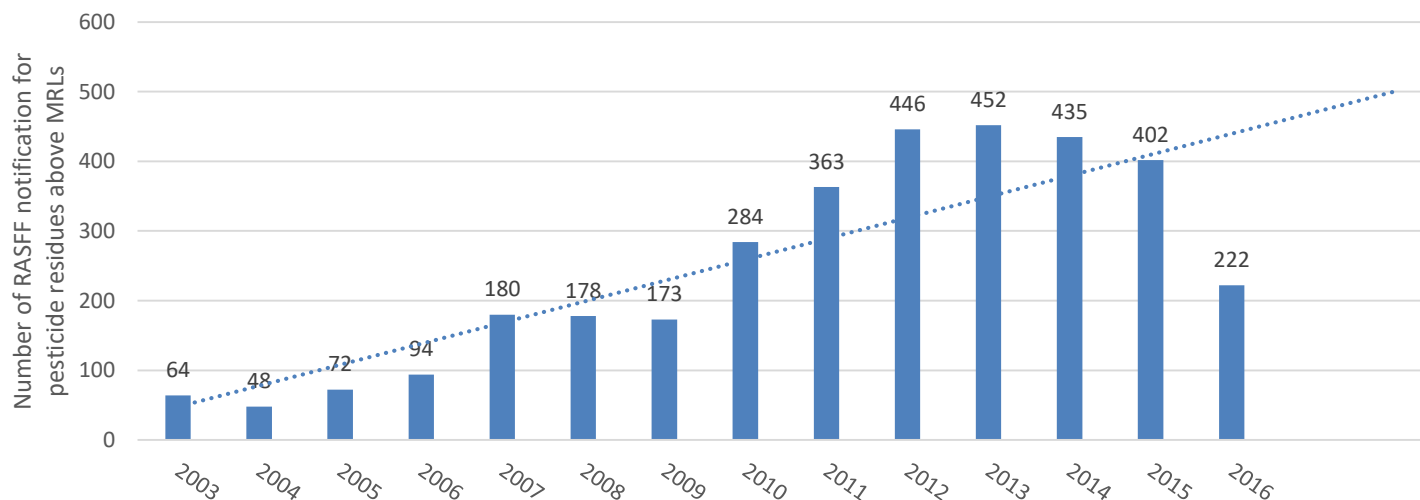
- Social justice
- Respect for human rights
- Decent work
- Environmental protection– climate change



Part 1 - Sustainable development – entry points for transformation

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

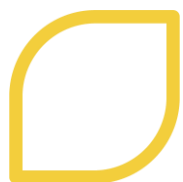
Forced and child labour: Since 2010, the European Parliament has asked for a legislative proposal on effective traceability mechanisms for goods produced through forced and child labour.

- 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, on labelling practices and imposing horizontal import prohibitions.

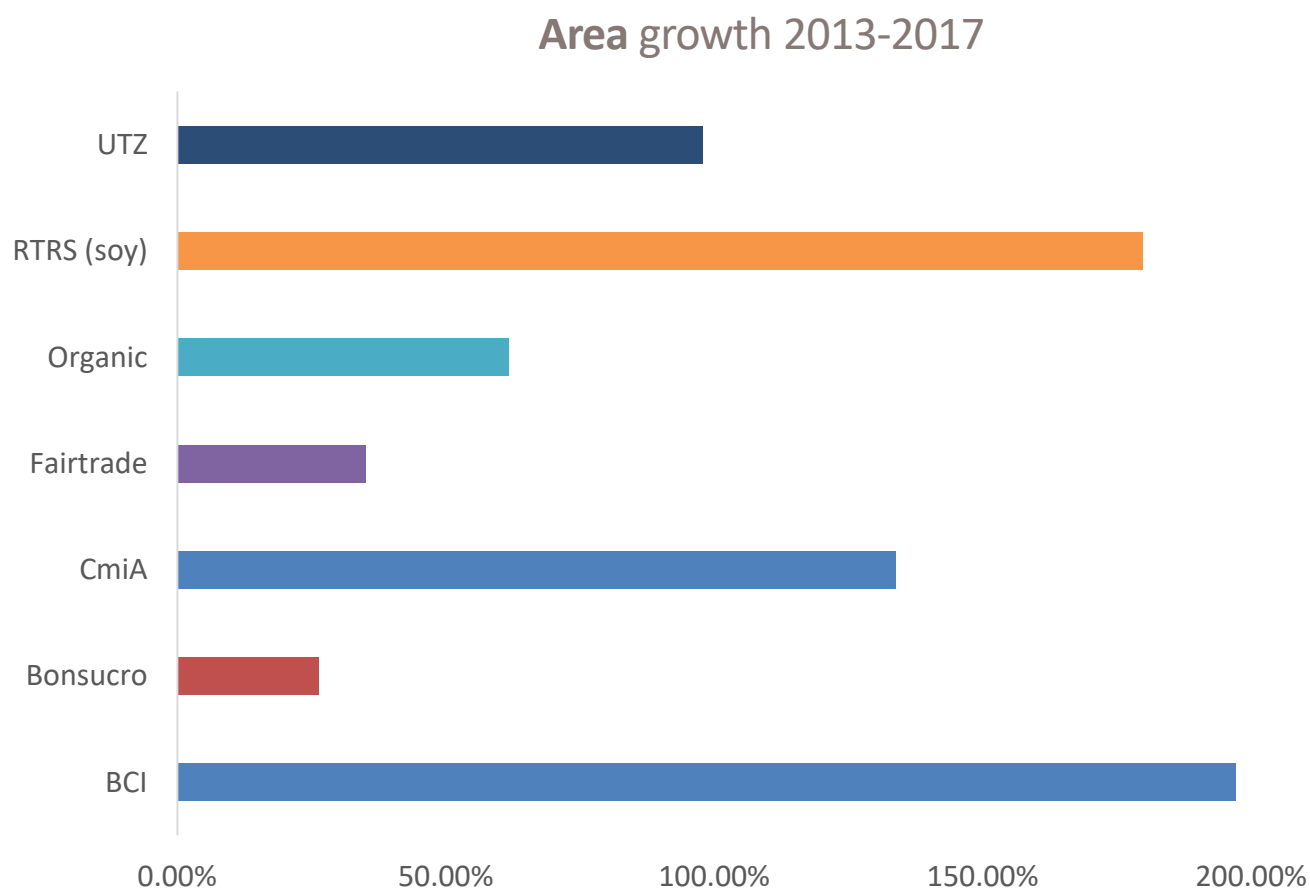
BRIEFING: Child Labour: A priority for EU human rights action:

<file:///C:/Users/franc/OneDrive/Documents/BCI/Indicators/EU%20child%20labour.pdf>






Part 1 - Sustainable development – entry points for transformation

Market: sustainability standard – compliant:

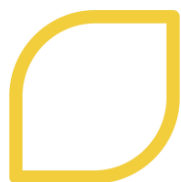


Production in 2016

 34% Coffee
 29% Cocoa
 14 % Cotton
standard-compliant in 2016

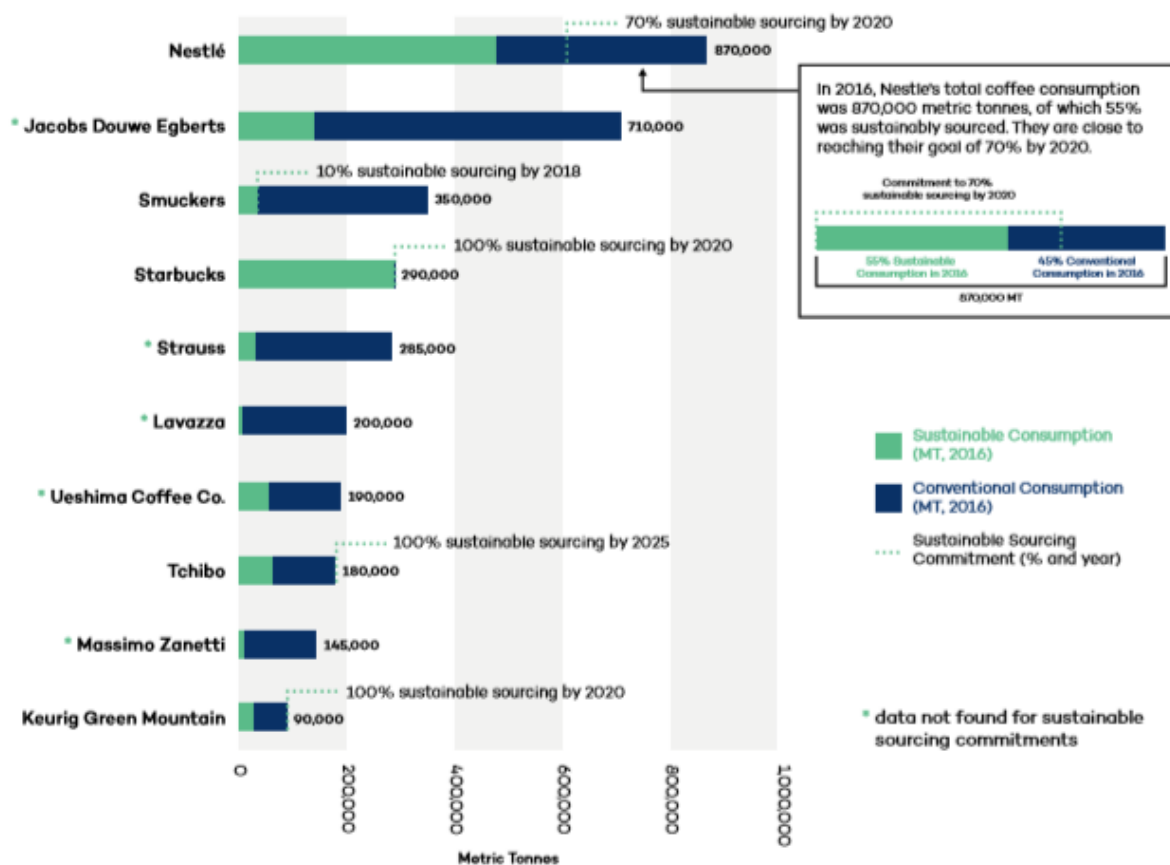
 49% growth rate
from 2009 to 2016

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

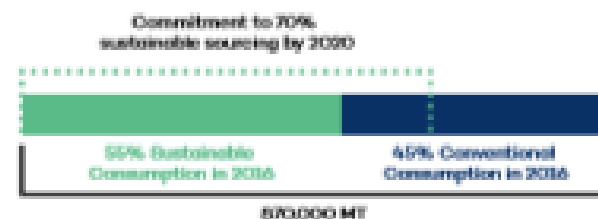


Part 1 - Sustainable development – entry points for transformation

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



In 2016, Nestlé's total coffee consumption was 870,000 metric tonnes, of which 55% was sustainably sourced. They are close to reaching their goal of 70% by 2020.





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



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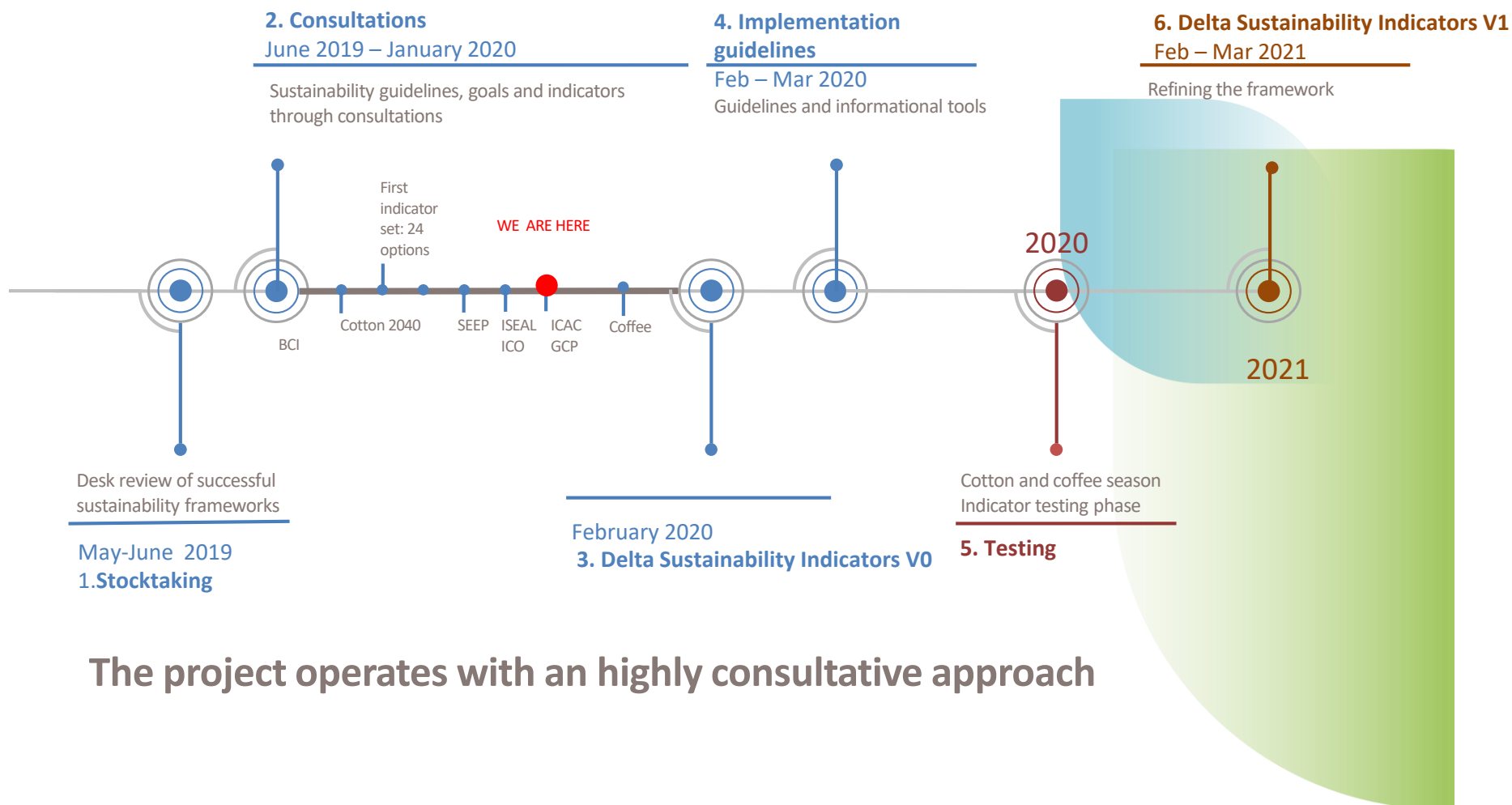
Part 2 – Building consensus ... the Delta Project

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



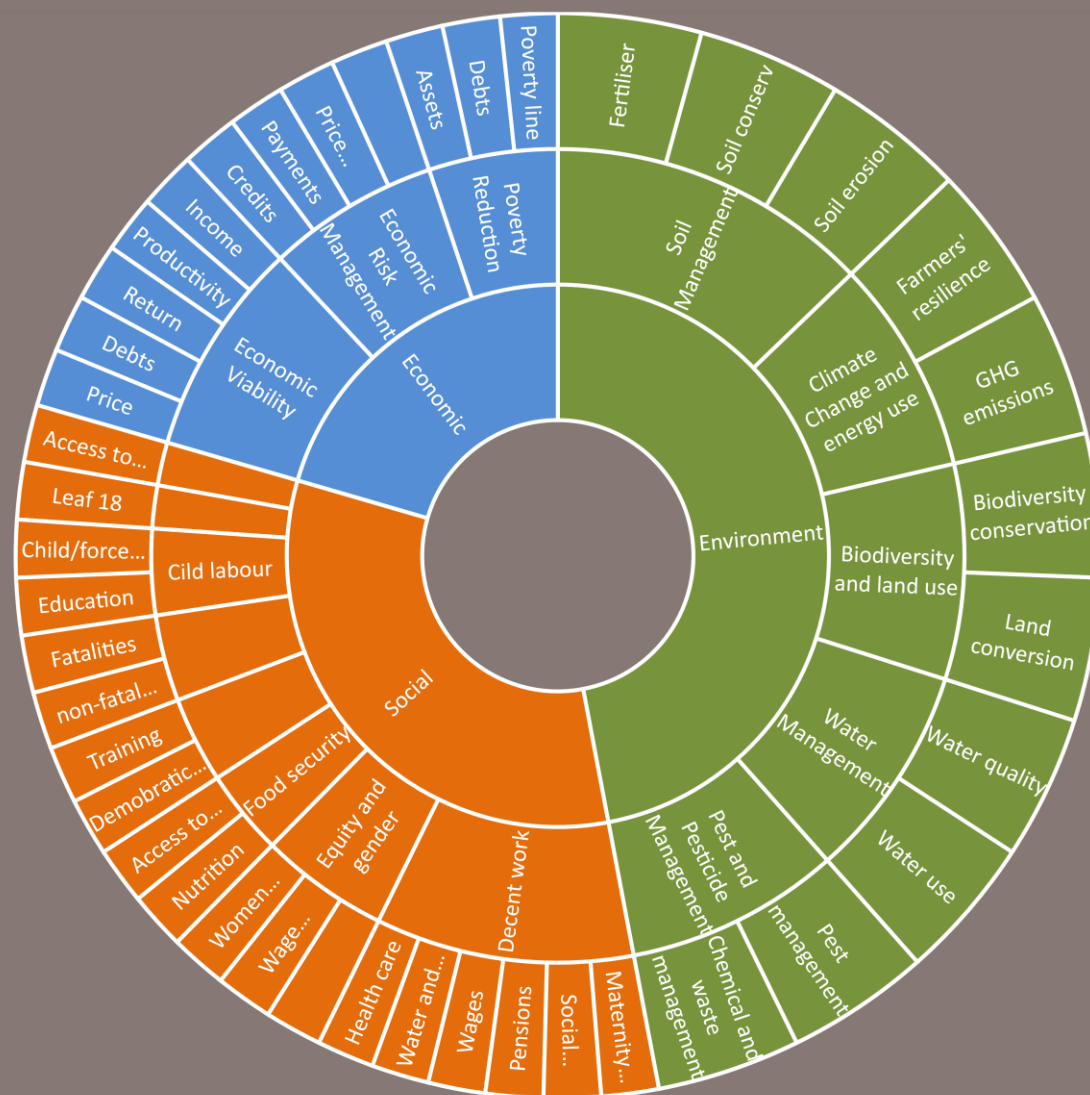
Public organizations

UN agencies



Part 2 – Building consensus ... through a consultative process

Sustainability areas for cotton and coffee farming



Sustainability areas
for cotton and
coffee farming



Part 2 – Building consensus ... through a consultative process

Sustainability Goals for the cotton sector

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



Part 2 – Building consensus ...

How to measure, monitor and report progress towards the common goals?

→ 15 indicators under development



Delta Framework Sustainability Indicators



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



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



3. Water management

3.1. Quantity of water used for irrigation
Unit: mega litres per ha of harvested land



3.2. Water use efficiency – irrigated farms
Unit: percentage %

3.3. Water crop productivity
Unit: mega litres per tonnes of cotton lint or Green Bean Equivalent

4. Top soil carbon content
Unit: grams of organic carbon per kg of soil



5. Fertilizer use by type
Unit: kg a.i. per ha of harvested land
In future: Nitrogen Use Efficiency



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



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



8. Yield “average”
Unit: kg cotton lint or GBE per ha



9. Net coverage returns from cotton and coffee production
Unit: USD per ha seed cotton or GBE
In future: Living Income



10. Price (at farmgate)
Only for premium based standards
Unit: local currency / tonne of seed cotton per kg of GBE



11. Proportion of workers earning a legal minimum wage
Unit: daily average earnings for farm labor compared to (rural) minimum wage in USD or local currency.



12. Incidence of the worst forms of child labour
Unit: number of children aged 5-17 years engaged in child labour, by sex and age



13. Incidence of forced labour
Unit: number of people engaged in forced labour, by sex and age



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



15. 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



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List of initiatives reviewed

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