

WORKING PAPER 3

Coffee Certification Comparison Matrix

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Certification Comparison Matrix

Certification	Organic	Fair Trade	Rainforest Alliance	Utz Kapeh	4 C
Who (Actors or organizations setting the standards)	International Federation of Organic Agriculture Movements(IFOAM) and affiliated associations	Fair Trade Labeling Organizations International (FLO) and associated Fair Trade Guarantee Organisations	Rainforest Alliance	Utz Kapeh Foundation	4 C Association
Who (are certified?)	Petani Kopi Organik Sumber Jaya (Lampung) dan Toraja	<ol style="list-style-type: none"> Asosiasi Petani Kopi Organik (APKO) Asosiasi Kopi Gayo Organik (ASKOGO) KSU Tirmijaya 	PT. Nedcoffee Indonesia Makmur Jaya	PT. Indo Cafco	PT. Indo Cafco
What***	Regulates growing methods, prohibiting GMO seeds and synthetic substances	Seeks to increase welfare for small farmers and communities	Emphasizes sustainability in social, environmental, economic and ethical areas	Assist farmers to effectively produce excellent coffee, supporting their families development and in this way giving society a good coffee from its origin	The platform that brings together stakeholders in the coffee sector to address sustainability issues in a pre-competitive manner to improve the economic, social and environmental conditions of those who make their living from coffee
Characteristics*	Accredited certification agencies monitor organic standards on production, processing and handling; formally, IFOAM basic standards make reference to issues of social justice, but do not set requirements	Minimum guaranteed price paid to registered small farmers' organizations that match standards on socioeconomic development; non-profit organizations set/monitor standards and mediate between registered producers and fair trade importers	Certified farms on the basis of sustainability standards; covers environmental protection, shade, basic labor and living conditions, and community relations	Code of conduct for growing sustainable coffee formulated on the basis of the 'good agricultural practices' of the European Retailer Group (EUREP); includes standards on environmental protection and	<p>**** 4C Code of Conduct covers the three dimensions of sustainability, based on the United Nations Millennium Development Goals:</p> <ul style="list-style-type: none"> Society: Decent working and living conditions for farmers and their families as well as employees.

				management, and labor and living conditions	<ul style="list-style-type: none"> • Environment: Protection of primary forest and conservation of natural resources such as water, soil, biodiversity and energy. • Economy: Economic viability is the basis for social welfare and sustainability. This includes reasonable earnings for all actors in the coffee chain, free market access and sustainable livelihoods.
Location of Certification	Sumber Jaya (Lampung), Tana Toraja North Sulawesi	<ol style="list-style-type: none"> 1. Gayo Highlands of the Bener Meriah region of Aceh (Sumatera) 2. Bener Meriah and Aceh Tengah (Sumatera) 3. Jamaluddin No. 75, Jongok Raya, Desa Janarata, Kec. Bandar Bener Meriah Aceh 	<ol style="list-style-type: none"> 1. Way Ilahan village and Tanjung Rejo village, subdistrict Pulau Panggung, district Tanggamus, Lampung province (Sumatera) 2. Kecamatan Sumberjaya, Gedung Surian, Way Tenong, dan Sekincau West Lampung (Sumatera) 	Kecamatan Sumberjaya, Gedung Surian, Way Tenong, dan Sekincau West Lampung (Sumatera)	Kecamatan Sumberjaya, Gedung Surian, Way Tenong, Gunung Batu, dan Sekincau West Lampung (Sumatera)
Objective ****	To perfect the quality of all aspects of agriculture and the environment, respecting the natural capacity of plants, animals, and the landscape. Organic agriculture aims to reduce the application of external	Encourage producers to constantly improve labor conditions and product quality, foster environmentally-friendly practices and invest in the organization and its associates. When producers fulfill the minimum requirements, the	Promotes and ensures improvements in agricultural practices to the benefit of local communities, workers on the properties, farmers, consumers and wildlife. The certification	To improve social, cultural, environmental, managerial and economic situation of the coffee producers.	Addressing the sustainability issues of the coffee sector in a pre-competitive manner which includes social, environmental and economic principles for the sustainable production, processing and trading of green coffee.

	materials and the use of synthetic chemical fertilizers, pesticides, pharmaceuticals or other products. Instead, it relies on biodiversity to increase agricultural yields and to resist diseases.	FLO ensures a “fair” price for their products.	standards cover all aspects of production, including environmental protection, human well-being, and economic vitality		
Mission**	Create a verified sustainable agriculture system that produces food in harmony with nature, supports biodiversity and enhances soil health.	Support a better life for farming families in the developing world through fair prices, direct trade, community development and environmental stewardship.	Integrate biodiversity conservation, community development, workers’ rights and productive agricultural practices to ensure comprehensive sustainable farm management.	UTZ CERTIFIED’s mission is to achieve sustainable agricultural supply chains, where: Producers are professionals implementing good practices which enable better businesses, livelihoods and environments; The Food industry takes responsibility by demanding and rewarding sustainably grown products; Consumers buy products which meet their standard for social and environmental responsibility.	Achieve global leadership as the baseline initiative that enhances economic, social and environmental production, processing and trading conditions to all who make a living in the coffee sector.
Principles, Requirements and Expected Benefits***	<p>1. Environmental</p> <ul style="list-style-type: none"> - Compatibility with natural cycles and living systems. Recognition of the wider social and ecological impact of and within the organic production and processing system. 	<p>1. Environmental</p> <ul style="list-style-type: none"> - Environment protection: Producers are expected to protect the natural environment through implementation of an Integrated Crop Management (ICM) system. 	<p>1. Environmental</p> <ul style="list-style-type: none"> - Ecosystem conservation: Farmers promote the conservation and recuperation of ecosystems - Wildlife conservation: Concrete and 	<p>1. Environmental</p> <ul style="list-style-type: none"> - Responsible use and record keeping of applications of agrochemicals like pesticides and fertilizers - Minimization of water pollution, erosion, use of energy and waste 	<p>1. Environmental ****</p> <ul style="list-style-type: none"> - Conservation of biodiversity, including protected or endangered native flora and fauna is supported. - Use and handling of chemicals (pesticides is minimized) - Soil fertility and

	<ul style="list-style-type: none"> - Maintenance and increase of long-term fertility and biological activity of soils. - To maintain biodiversity and conserve genetic diversity. - Promotion of the responsible use and conservation of water. - The use, as far as possible, of renewable resources and avoid pollution and waste. - To foster local and regional production and distribution. - Utilization of biodegradable and recyclable packaging materials. <p>2. Social and Economic</p> <ul style="list-style-type: none"> - Provision of everyone involved in organic farming and processing with adequate quality of life - Support of the establishment of an entire production, processing and distribution chain which is both socially just and ecologically responsible. - Recognition of the importance of indigenous knowledge 	<p>2. Social</p> <ul style="list-style-type: none"> - Fairtrade adds development Potential: Fairtrade should make a difference in development for certified producers. - Members need to be Small Producers - Promotion of Democracy, Participation and Transparency. - Abolishment of Discrimination. <p>3. Economic</p> <ul style="list-style-type: none"> - Guarantee of a Fairtrade Premium - The producers must have access to the logistical, administrative and technical means to bring a quality product to the market. - Economic Strengthening of the Organisation <p>4. Standards on Labour Conditions</p> <ul style="list-style-type: none"> - Abolishment of Forced Labour and Child Labour. - Freedom of Association and Collective Bargaining - All employees must work under fair conditions of employment. - Prevention of accidents through applying ILO Convention 155. 	<p>constant measures are taken to protect biodiversity.</p> <ul style="list-style-type: none"> - Integrated crop management: Farmers must employ Integrated Pest Management and strictly control the use of any agrochemicals. - Complete, integrated management of wastes - Conservation of water resources: All pollution and contamination must be controlled; waterways must be protected with vegetative barriers. - Soil conservation: Erosion must be controlled, and soil health and fertility should be maintained. <p>2. Social and Economic</p> <ul style="list-style-type: none"> - Fair treatment and good conditions for workers: Agriculture should improve the well-being and standard of living for farmers, workers 	<p>2. Social and cultural</p> <ul style="list-style-type: none"> - Workers are paid and protected according to national laws. - Training about safe handling of chemicals in the workers' own language - Health care for the workers and their families - Education for the children - Clean drinking water for everyone - Decent housing, showers and latrines - Appropriate work clothing <p>3. Economic</p> <ul style="list-style-type: none"> - Business processes are monitored and managed as efficiently and effectively as possible - Employees are schooled and trained properly - Hygiene rules and practices are implemented and respected 	<p>nutrient management.</p> <ul style="list-style-type: none"> - Water resources are conserved. - Wastewater management is in place. - Safe waste management strategies are implemented. - Preferential use of renewable energy & energy conservation. <p>2. Social Dimension</p> <ul style="list-style-type: none"> - Workers and producers have the right to found, to belong to and to be represented by an independent organization of their choice. - Workers have the right to bargain collectively - Equal rights with respect to gender, maternity, religion, ethnicity, physical conditions and political views are secured. - Children have the right to childhood and education. - Working conditions, labour contract, working hours, wages comply with national laws or sector agreements, health and
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	<p>and traditional farming systems.</p>		<p>and families.</p> <ul style="list-style-type: none"> - Community relations: Farms must be “good neighbors” to nearby communities. - Planning and monitoring: Agriculture activities should be planned, monitored and evaluated, considering economic, social and environmental aspects 		<p>safety conditions, seasonal and piece rate workers are treated equally.</p> <ul style="list-style-type: none"> - Business partners and workers within the 4C Unit receive trainings to improve their skills and capacities. - 4C Units work towards improving living conditions and support the basic education of business partners and workers. <p>3. Economy</p> <ul style="list-style-type: none"> - Market information is accessible within the 4C Unit. - 4C Unit improves the ability of producers to gain adequate market access, including market information, financial credit, supply of inputs, etc. - Coffee quality is monitored within the 4C Unit. - Transparent pricing mechanisms are available to reflect coffee quality and sustainable production practices. - Internal traceability
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					mechanisms are in place.
Market Focus**	All markets	All markets	Global, with special emphasis on N. America, Europe, Japan, and Australia	Mainstream and Specialty	Mainstream market (ambition: vast majority of coffee market)
History and Development**	Trace back to 19th century practices formulated in England, India, and the US. First certification 1967. Developed into internationally recognized system with production throughout the world. * The organic coffee sector represented nearly 3 percent of the total U.S. green coffee imports in 2007*	Began as Max Havelaar in the Netherlands in the 1970s. Now the German-based Fairtrade Labelling Organizations International (FLO) collaborates with more than twenty national branches throughout the world, including TransFair USA. TransFair USA has been administering the Fair Trade Certified label since 1998.	Begun in 1992 by Rainforest Alliance and a coalition of Latin American NGOs, the Sustainable Agriculture Network (SAN). First coffee farm certification in 1996. The Rainforest Alliance Certified program requires that farms meet comprehensive standards covering all aspects of production, the protection of the environment, and the rights and welfare of farm families and their local communities.	Begun in 1997 as initiative from industry and producers in Guatemala; Utz Kapeh became an independent NGO in 2000. First certified farms in 2001. In 2008, Utz Kapeh changed its name to Utz Certified – Good Inside to encompass more diverse agricultural commodities including cocoa, tea, soy, and palm oil.	Begun in 2003 as public private partnership project by the coffee industry and the German development cooperation to initiate a multistakeholder dialogue for defining a mainstream code of conduct for sustainability: The 4C Association was founded as an international membership association in December 2006. Operational in market since coffee year 07/08
Scope of the Program**	Organic Farming and processing practices.	Economic and environmental sustainability for farmers and their communities. Minimum price and social premium to cover costs of production and community-elected development programs. Organic premium for organic coffees. The model empowers small farmers organized into democratically-run cooperatives to compete on a global scale.	Sustainable farm management in most holistic sense – social, environmental, economic, and ethical improvements are the corner stones of the program.	Sustainability: Economic performance through productivity and farm professionalism; environmental standards to preserve flora fauna shade, buffer zones; Worker Health and Safety	Exclude worst practices and continuously increase the sustainability of coffee production and processing in the economic, social and environmental dimension.

<p>Technical Assistance and Capacity Building**</p>	<p>Part of many certifiers' role. Organic research federally and privately funded by non-profits and NGOs. SCAN perhaps the most well-known Technical Assistance and Capacity provider network – for all systems, not just organic.</p>	<p>Provided by TransFair USA for specific projects through its Global Producer Services department, and by FLO (Fair Trade Labelling Organizations International) worldwide through its Producer Business Unit. FLO Liaison officers located in most of the countries to support producer organizations. Technical assistance and audit are kept separately)</p>	<p>Provided by local NGO partners (Sustainable Agriculture Network), extensionists trained by the program, and by collaborating institutions. (TA and auditing are kept separate.)</p>	<p>Provided by the program at very low cost to producers in alliance with other initiatives like the Coffee Support Network (CSN). Technical assistance providers are trained by Utz Certified and are available worldwide.</p>	<p>Support to 4C Units, members and other interested stakeholders through training-of-trainer workshops, educational sessions and access to tools & manuals; project facilitation; cooperation with other national and international organizations and between members of the 4C Association. Regional Offices in mayor coffee regions.</p>
<p>Addresses All Actors in the Chain**</p>	<p>Yes, except handlers who do not further process and retailers.</p>	<p>Yes, in fact all major actors must be registered with the program.</p>	<p>Yes, engages all actors in supply chain, from producer to retailer. Rules/regulations for participation for actors along the chain include mandatory transaction certificates, license agreements, and seal approvals by Seal Approval Committee.</p>	<p>Yes, rules for participation and chain of custody</p>	<p>Yes, membership association with rules of participation</p>
<p>Price Differential to Farmers**</p>	<p>Yes. Premiums versus non organic certified coffees are paid to farmers.</p>	<p>Yes, this is the heart of the program. All purchases must be at or above the Fair trade Minimum Price as set by FLO (price varies by coffee type and origin). If the market price is higher than the Fairtrade Minimum Price, buyers shall pay the market price. Additionally, buyers must pay a social premium of USD\$0.10¢ per pound and, when applicable, a minimum</p>	<p>Yes. Differential is negotiated between buyer and seller.</p>	<p>Yes. Differential set by the markets. Feedback on market information of differentials and demand per quality provided to members.</p>	<p>No influence on mainstream market price mechanisms: Free negotiation between 4C members. Price should reflect coffee quality and sustainable production practices.</p>

		Organic Differential of USD\$0.20¢ per pound.			
Fees to Producers**	Vary by certifier. Inspection costs drive up costs but are being reduced and increased coverage provided by regional in-country certifiers.	Cost of auditing, re-inspection Fees	Cost of auditing plus an annual fee based on farm size. Group certification options improve access for smallholders. Auditing fees often paid for by buyers.	Zero from UTZ, auditing fees only	Yearly membership fees for all actors along the chain according to size and position in chain: producer's fee is smallest. Free verification and trainings
Fees to Buyers**	Certification costs vary by certifier. Fees ranging from \$700 to \$3000/year.	Importers are not charged a licensing fee, but they must pay at least the Fair Trade Minimum and provide up to 60% of pre-harvest financing when requested by cooperatives. Licensed roasters pay TransFair USA USD\$0.10¢ per pound to cover the cost of audits, consumer awareness campaigns and FLO affiliation.	Currently, no fees charged to buyers of Rainforest Alliance Certified coffee. Many buyers support the participating farms (see above).	USD\$0.012 per pound to "first buyer", passed on through supply chain to final buyer	Yearly membership fees for all actors along the chain according to size and position in chain: roaster's fees are the highest.
Inspection Frequency and Accreditation**	Annual inspections for certified entities. USDA accreditation required for certifiers of organic product sold in US.	Annual inspections by independent and annually trained Fair Trade inspectors.	At least annual audits by teams of biologists, agronomists, sociologists and other specialists trained, authorized and monitored by the Rainforest Alliance	Independent auditors accredited to ISO 65 standard. 10 % shadow/surprise audits. Audits done annually.	Independent auditors accredited to ISO 65 standards and trained by 4C. Free tri-annual verifications for "4C Units"; free addendum verifications possible. Annual Self Assessment.
Communication and Promotion**	Business to consumer. Backed by Federal Governments. Consumer groups, suppliers, and some certifiers communicate benefits to consumers.	Strong promotional efforts to consumers and businesses through awareness campaigns, media and on-product labeling.	Business to business and consumer marketing, communications, and media outreach undertaken by RA staff. Business to business, on-product labeling and off-	Business to business and on-product labeling	Business to business. No product claim, seal or on-product labeling. Membership statement on pack possible.

			product promotion backed by the Rainforest Alliance.		
Scope of the Code**	Federal standard with practices for producers and handlers applies to all organic product sold in US. Similar but unique standards are applied internationally.	Baseline and progress criteria. Continuous improvement required through Progress Requirements. Applies to democratically organized cooperatives formed by small-scale farmers.	More than 200 criteria (checkpoints); Field tested indicators. Applies to farms and coops of all sizes. Continuous improvement required.	Baseline criteria with field-tested indicators and independent, third party auditing. Applies to farms and coops of all sizes. All countries possible. Continuous improvement required.	10 Unacceptable Practices and 30 Baseline criteria with 90 field-tested indicators; Participation possible with “average yellow”, continuous improvement towards “green” required. Applies to farms and to production structures of all sizes. Minimum capacity of “4C Unit” = 1 container of green coffee. Every country. “Stepping stone function” to provide easier access to certification/marketing schemes for producers.

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