



The Rainforest Alliance

Creating a world where people and nature
thrive in harmony



VISION

Our vision is a world where people and nature thrive in harmony.

MISSION

We aim to create a better future for people and nature by making responsible business the new normal.



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3. Selected issues related to BCA priorities
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RA coffee program

Coffee programme reach



470,817

Area (hectare)

↑ 13%

Relative growth 2017-2018



231,581

of farmers

↑ 12%

Relative growth 2017-2018



369,087

of workers
(seasonal and
permanent)

623

of certificate
holders

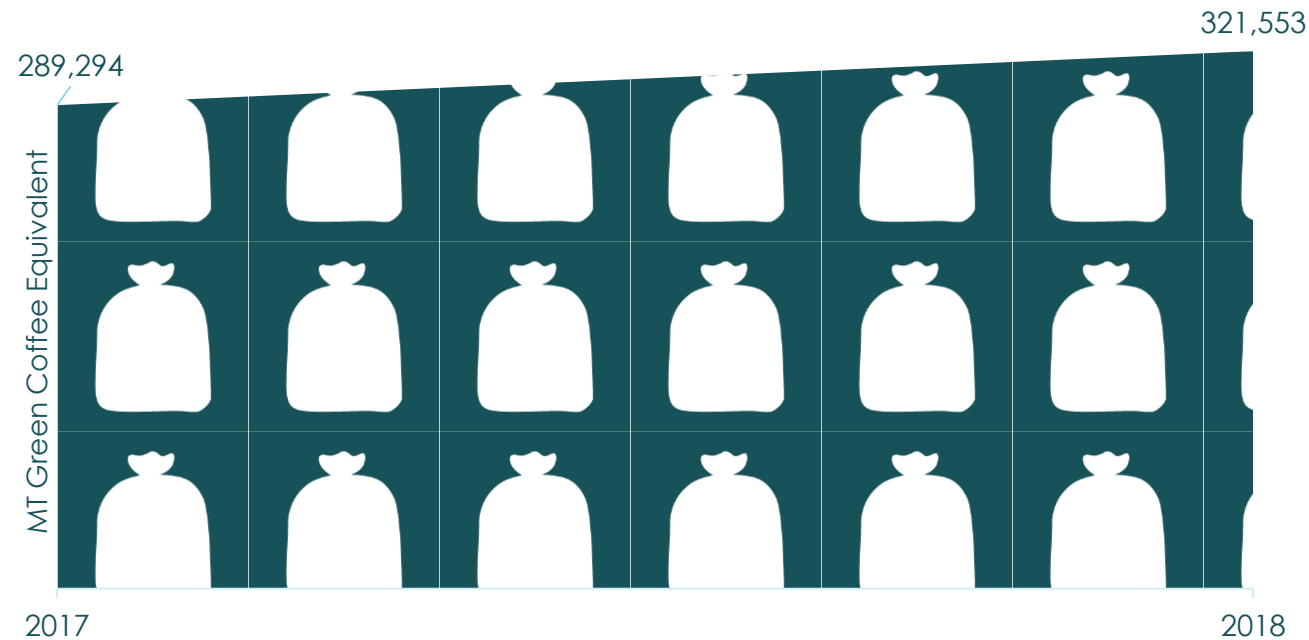
↓ 6%

Relative growth 2017-2018

Global Sales

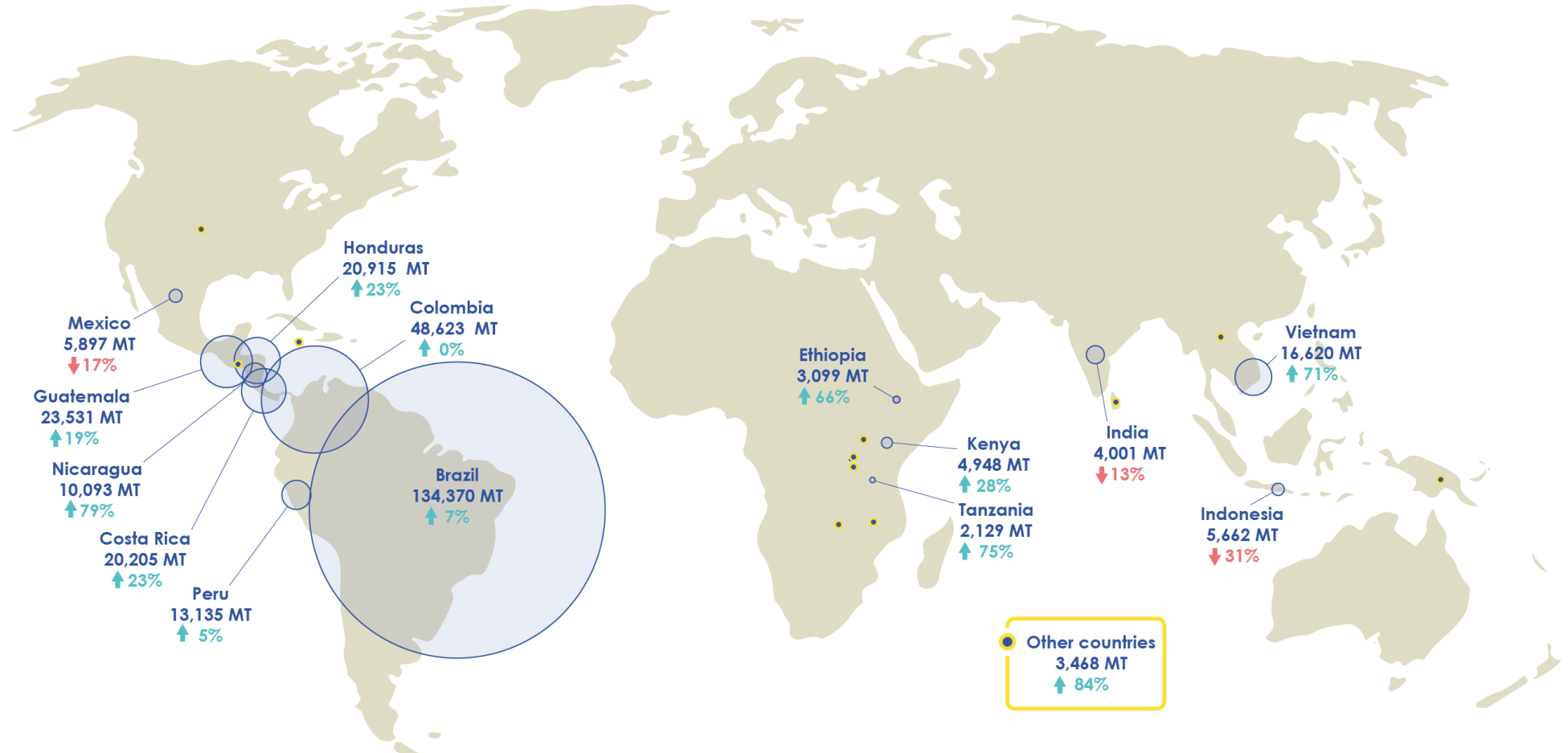
Global Producer coffee sales

The Rainforest Alliance Coffee sales from Certificate Holders increased by 9% from 2017 to 2018



Certificate Holders' sales are all the approved sales from a certified farm or producer group to their first client. Years are calendar years.

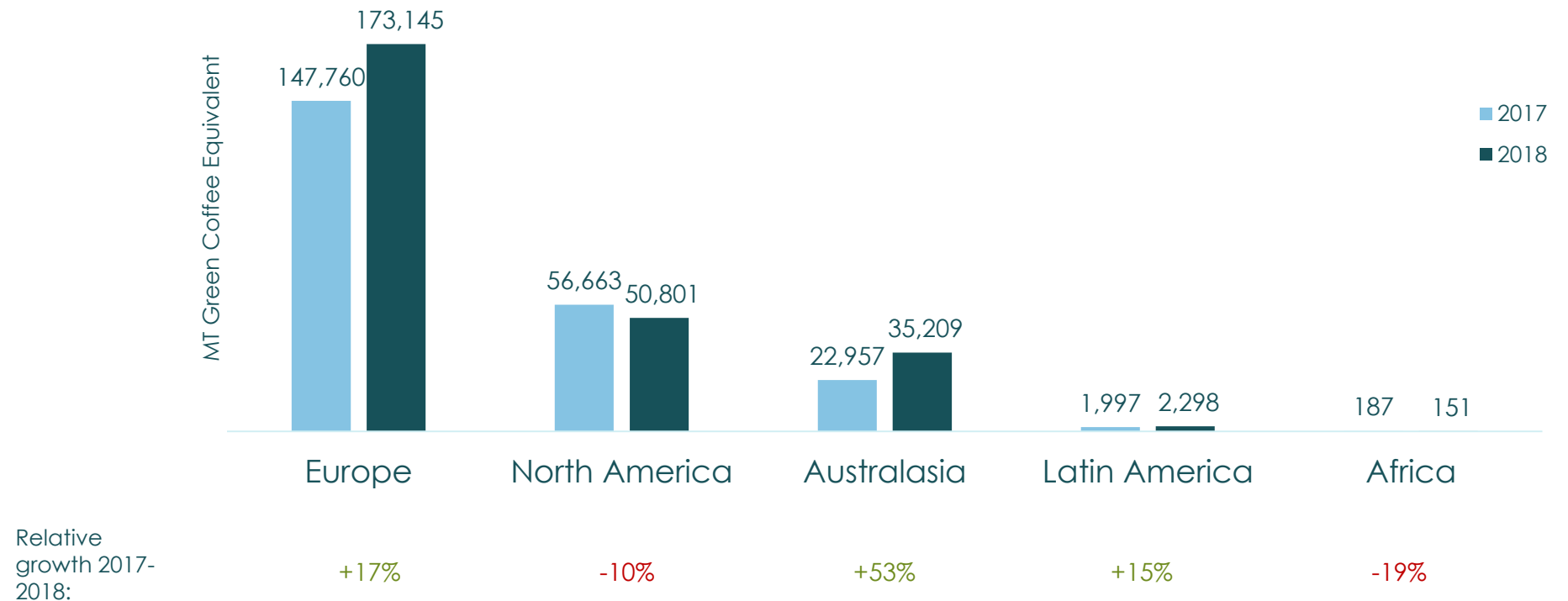
Global Producer coffee sales per origin



'Global sales' are all the confirmed sales from a certified producers' group or estate to the first buyer. Years are calendar years.

*'Other' includes : Uganda, Rwanda, Zambia, Papua New Guinea, Malawi, Laos, Burundi, Panama, Jamaica

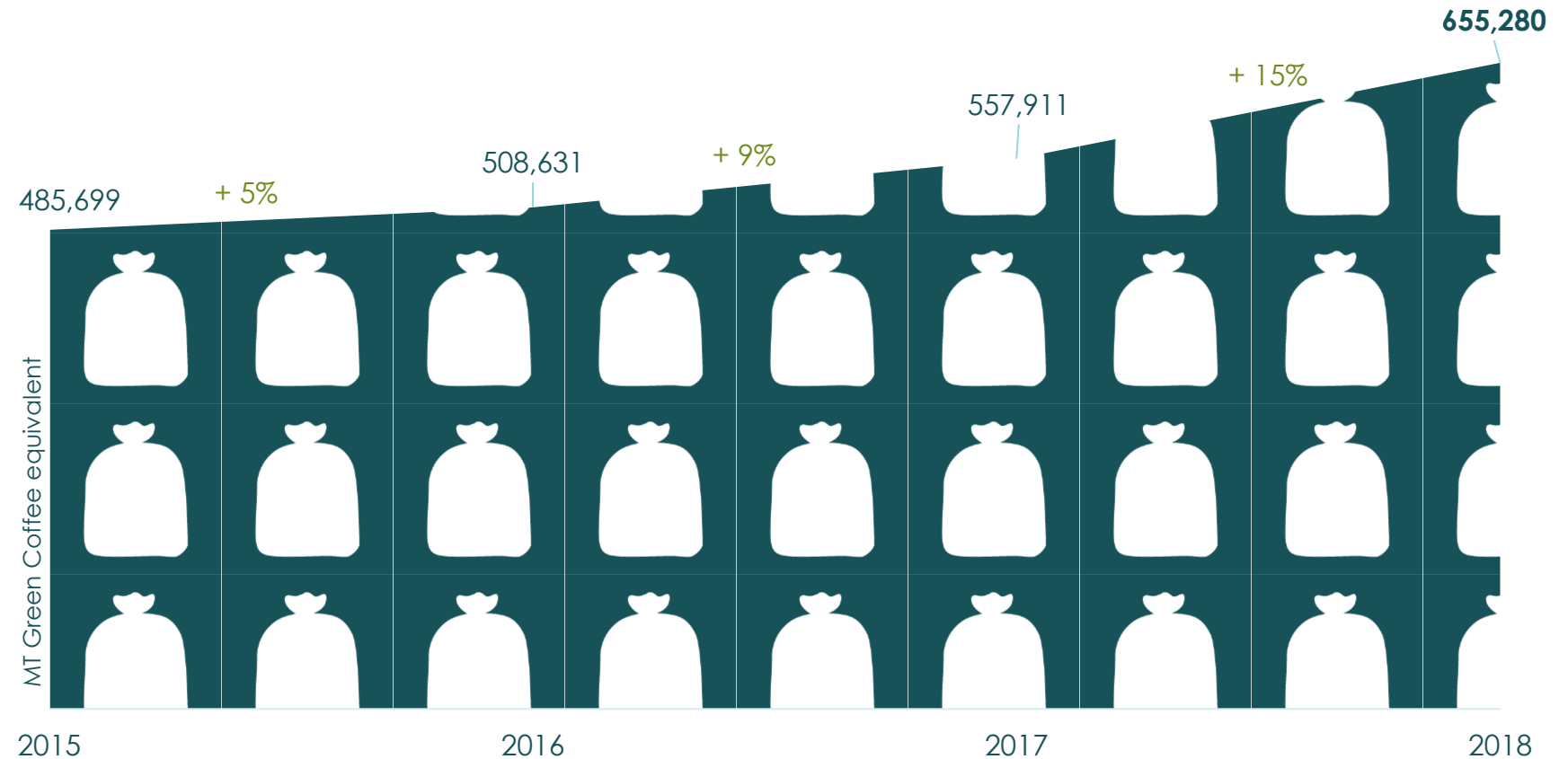
Volumes imported by region



Volume imported are based on the location of the importing company but does not necessarily reflect consumption region.

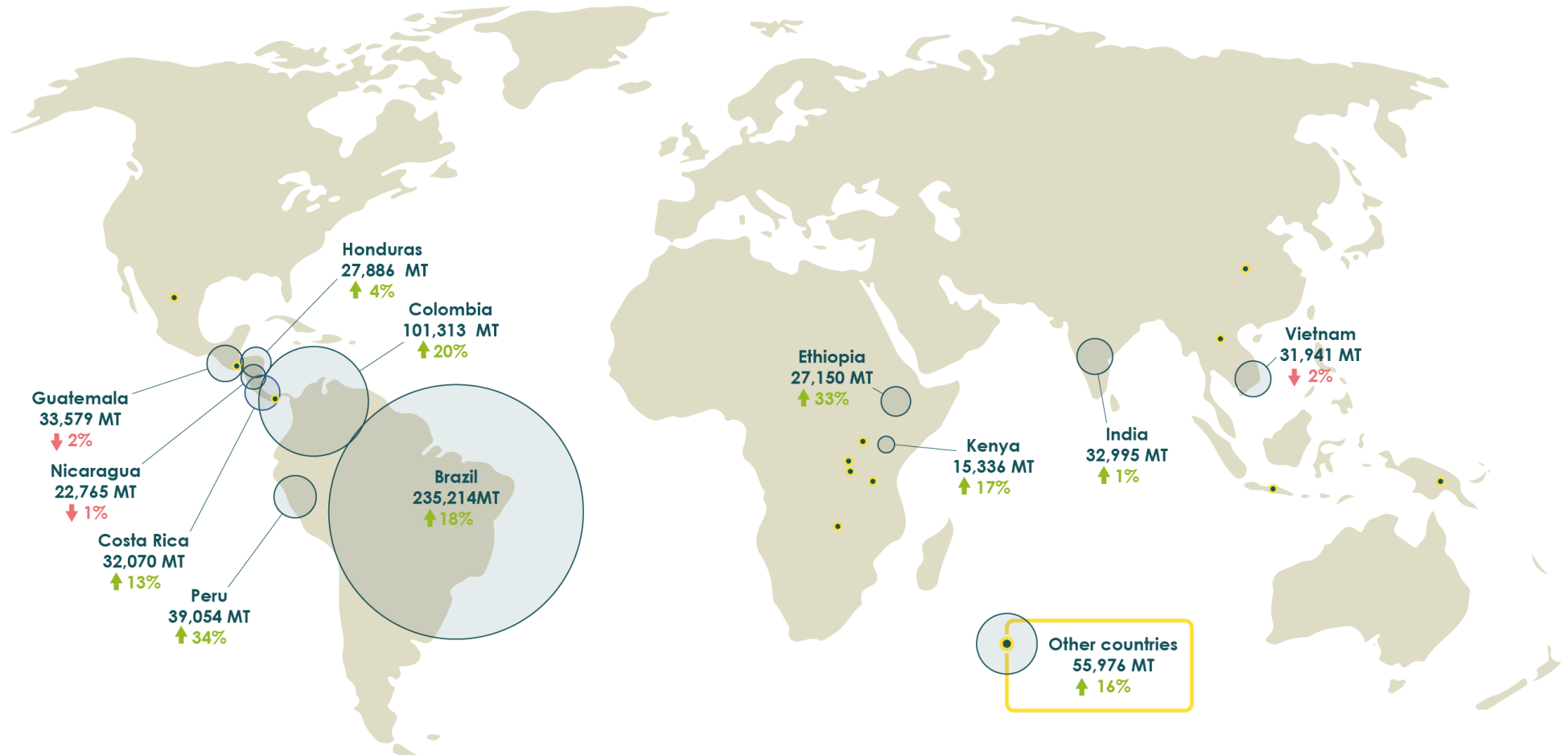
Estimated Production

Estimated production



Estimated production is based on certificate information from certificates valid on December 31st 2018

Estimated production per origin



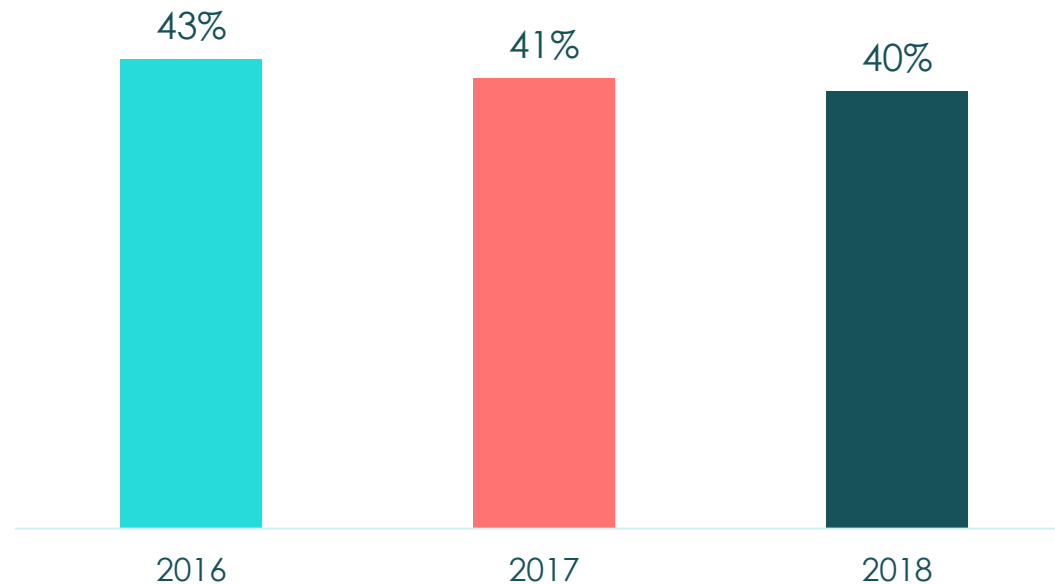
Estimated production is based on certificate information from certificates valid on December 31st 2018

*Other includes: Papua New Guinea, Zambia, Indonesia, El Salvador, Mexico, Uganda, Tanzania, Rwanda, Malawi, Laos, United States, Burundi, Jamaica, Ecuador, Panama and China

Supply – Demand trend

Supply & Demand trend – Market reach

Volumes exported represent, on average, 40% of the estimated Rainforest Alliance Certified™ Coffee production.



% of estimated production vs exported or processed at origin

*Volumes are based on Approved Transaction Certificates. Volume exported also includes volumes processed at origin.
Estimated production is based on the Certification information as indicated by Certification Bodies for Certificates valid on December 31st 2018.
This ratio indicates a trend but not an absolute number.*

Multi-certification

Multi-certification



57%

of the RA producers' groups and estates were certified for at least one other standard

7.4% Fairtrade

22.3% UTZ

9.8% Organic

13.8% Other

- In 2018, 332 Rainforest Alliance producers' groups and estates were certified for at least another standard
- Double-certification UTZ and Rainforest Alliance is the predominant combination

Multi-certified represents the number of Rainforest Alliance coffee certificate holders that were also certified for one or more of the following schemes: UTZ; Fairtrade; Organic are included in the analysis.

Impacts of Rainforest Alliance Certification

Coffee studies from our 2018 Impact Report

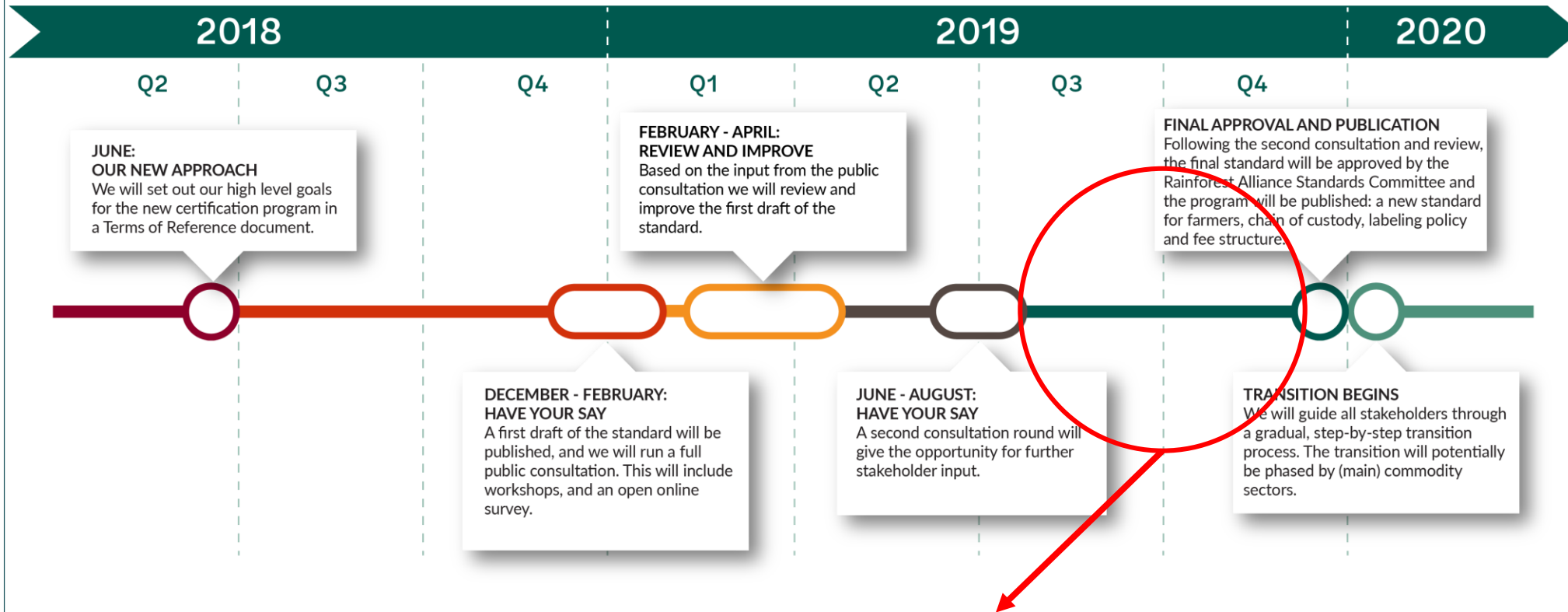
- **Poverty incidence was significantly lower** on RA/UTZ/4C certified coffee farms than non-certified coffee farms in Uganda. Total **household income, per-capita income, coffee income, coffee yield and labour productivity were all higher**¹
- Significantly **higher profits and economic returns** of certified vs uncertified coffee farms in Ethiopia, attributed to the premium paid rather than higher yields²
- Studies of coffee farms in Brazil³, Peru⁴, Colombia⁵ & Nicaragua⁶ found **higher productivity** on Rainforest Alliance Certified farms than non-certified farms. These studies typically attributed productivity gains to **yield boosting agronomic practices**, such as optimal fertilisation, soil conservation measures, integrated pest management, effective pruning techniques and the revitalisation of older plant stock
- In coffee growing regions of Colombia, the children of certified farmers had significantly **more years of schooling** than those of non-certified farmers⁷
- Several scientific studies have found that Rainforest Alliance Certified farms have **lower deforestation rates and higher tree cover** than non-certified farms in coffee growing regions of Ethiopia⁸, Brazil⁹ & Colombia¹⁰



2020 Certification Programme update

Farm standard

Standard Revision Timeline



- Sector specific Premium development
- Further engagement on Agrochemicals

2020 Farm standard - Some key changes

Premium: a change from the current Rainforest Alliance program is the introduction of a mandatory premium for Rainforest Alliance Certified tea, coffee, cocoa and bananas.

Gender equality: is more emphasized in the new standard, with explicit criteria on empowerment of women.

Assess and Address: with regards to discrimination, child labor, forced labor and all forms of workplace harassment and violence, evidence is building up that due diligence approaches and remediation have a higher impact than a prohibition. In the new standard the Rainforest Alliance has therefore introduced an Assess and Address approach.

Farm and Group Management: The Rainforest Alliances acknowledges the importance of good farm and group management to achieve long term impact on the implementation of sustainable practices. Therefore, the new standard has strong requirements for farm and group management. This will promote the use of assessments and data gathering as input for management plans and will contribute to continuous improvement and learning. The introduction of the smart meter approach for improvement criteria will further drive this learning and improvement as an alternative approach to the binary pass/fail criteria. More detail on these changes and more can be found in the introduction to the Sustainable Agriculture Standard.

Farm standard revision

- Plenty of up to date information on the standard on our website here:

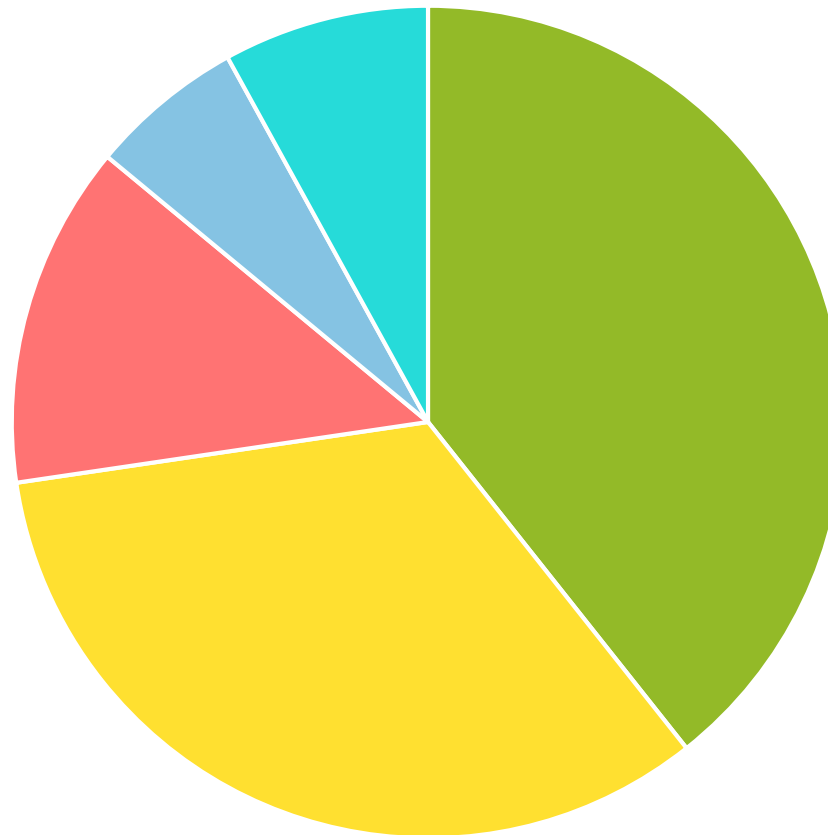
<https://www.rainforest-alliance.org/business/solutions/certification/agriculture/2020-certification-program/>



Premium

Feedback in round 1 of consultation showed majority in favor of some intervention on price.

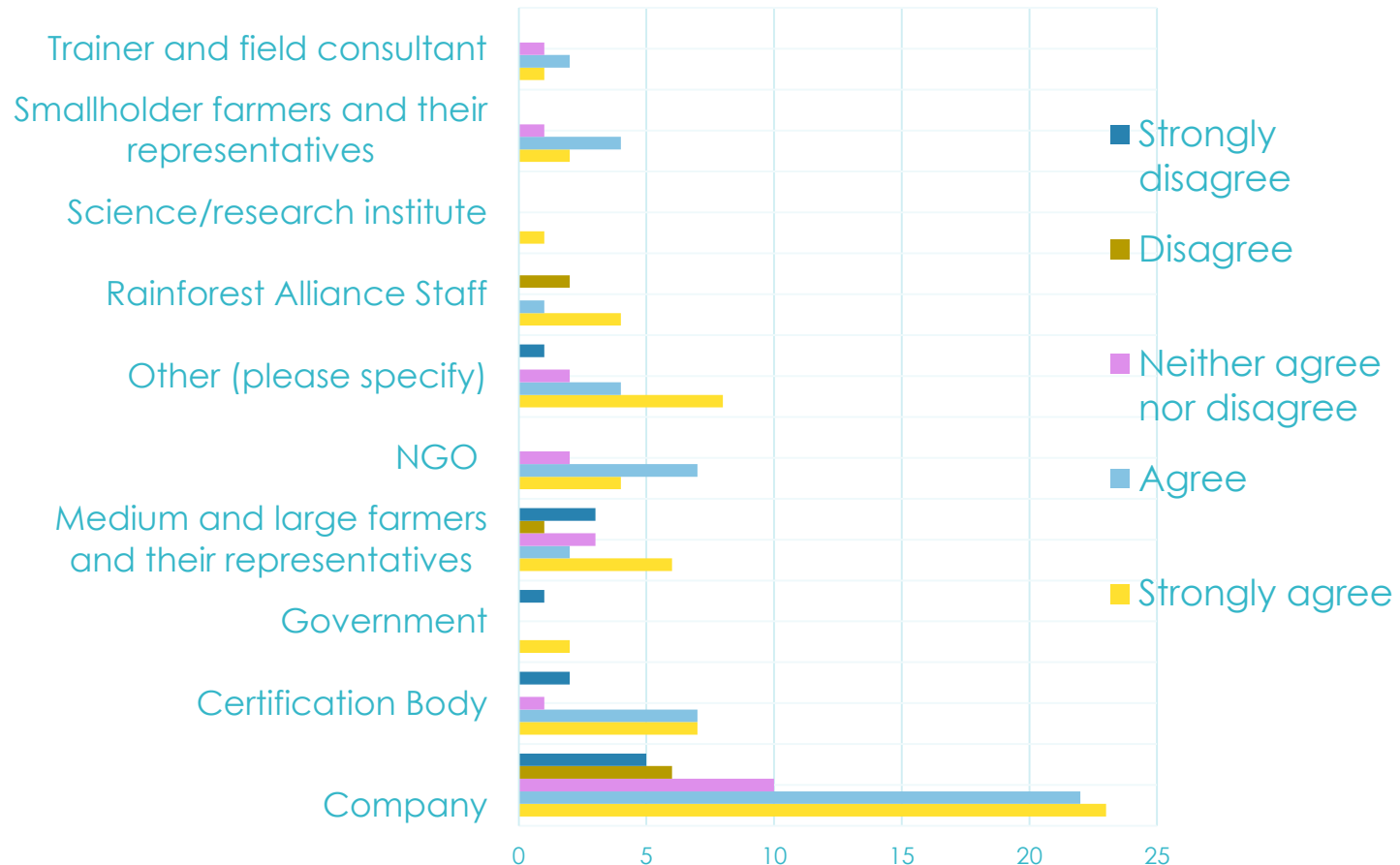
Should RA intervene in pricing?



■ Strongly agree ■ Agree ■ Neither agree or disagree ■ Disagree ■ Strongly disagree

Premium/Farm economics Consultation- results :

Should Rainforest Alliance work on developing tools or approaches on pricing?



73% of respondents in online standard consultation agree/strongly agree that RA should do this

- Cost of sustainable production should be covered
- Economic viability is required for farmers to work on improvements as required in the standard
- Power asymmetry has to be addressed.

14% of respondents disagree/strongly disagree

- Controlling prices is an illusion, RA should not make promises it cannot fulfill

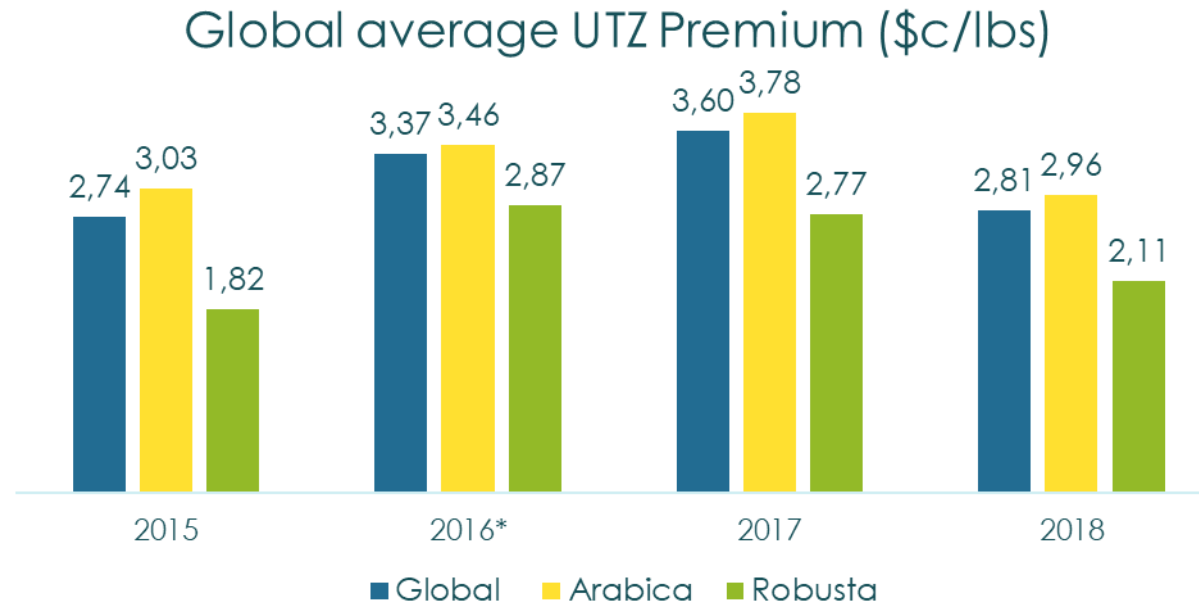
RA standard - Premium

Core to the successful impact of certification is the assumption that the market will **incentivize** producers (with a better price) to **implement sustainable practices**.

If sustainable practices are to become the norm adequate investment is needed, and that **cost needs to be shared throughout the supply chain**.

UTZ Premium

UTZ average coffee cash premium decreased to 2.81 \$c/lbs

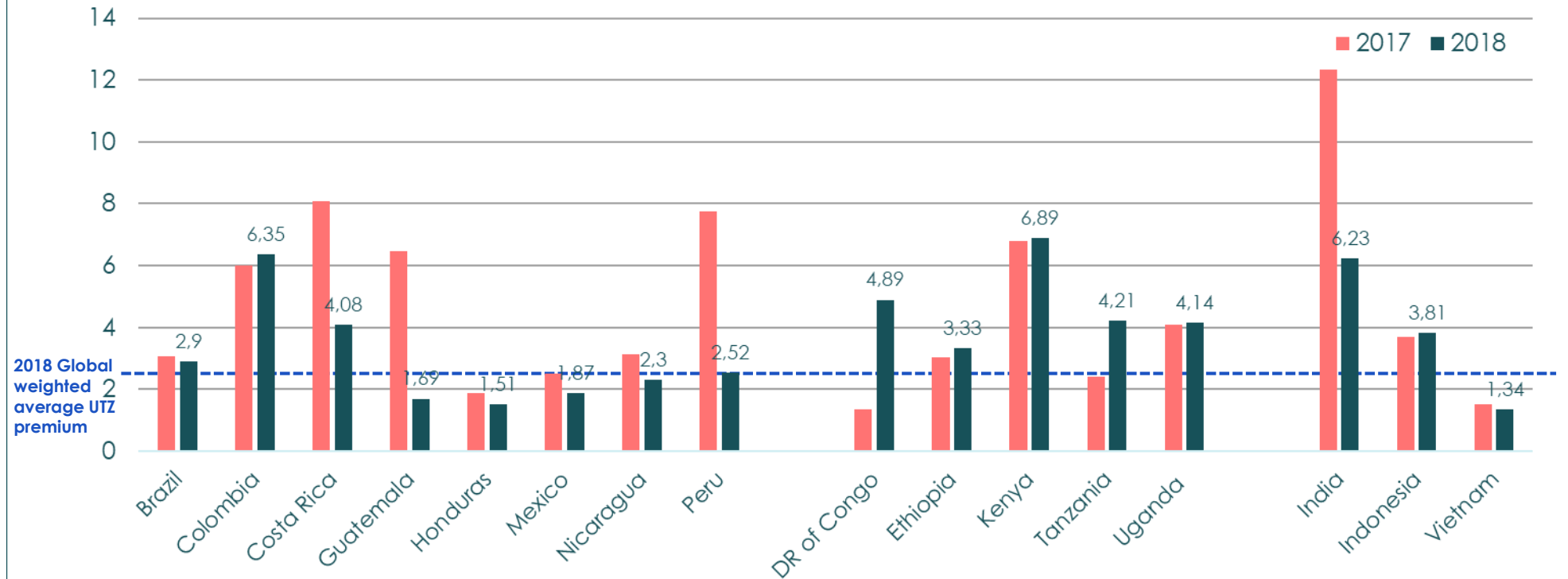


- The UTZ Premium is an additional cash amount paid above the market price for a similar conventional (non-certified/non-verified) product. It is mandatory and agreed upon between the certified group or producer and the first buyer
- Highest premium is paid for Arabica as in previous years.

UTZ premium calculations are based on transactions data recorded in the UTZ traceability system. Previous years values above 20 \$c/lbs were excluded from the analysis. In 2017 and 2018 values above 30 \$c/lbs are excluded. This change will improve our analysis and understanding of the UTZ premium

UTZ Premium per country – per continent

Average UTZ Premium (\$c/lbs)



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Agrochemicals

Agrochemicals

- Separate process: Agrochemicals approach was neither updated nor consulted on first consultation.
- In expert panel meeting Rainforest Alliance was asked to put further steps towards limiting use of toxic substances. We want to do this in parallel with strengthening IPM/farming practices.
 - Coffee, Dr. Edson Pozza, Federal University of Lavras, Brazil
- Process to be worked out further based on the feedback. We will be in touch!

Other elements of the 2020 certification programme

Other elements of the 2020 certification programme

- Chain of custody
- Assurance
- Traceability
- Mutual recognition
- Development of a new seal.

Selected sustainability issues in coffee farming

Economic viability of coffee farming

Economic viability of farming

Addressed in our new standard:

- Premium
- Farm management (Chapter 1)
- Farm practises (Chapter 2)
- Leverage data and technology; reimagined certification
- Exploring ways to understand cost of production



Economic viability of coffee farming – Advocacy approach

Advocacy is influencing decisions taken by others.

We do this by:

- Amplifying the needs of farmers and producers
- Strengthening policy and market incentives
- Build multi-stakeholder consensus and action to ensure all public and private-sector actors are doing their part.



Low coffee prices – Advocacy and Alliance



← THE FROG BUSINESS BLOG

Rainforest Alliance Statement on Current Low Coffee Prices

Published on October 12, 2018
Filed Under: [Uncategorized](#) | Tagged: [Coffee](#)



At the beginning of June, the Global Coffee Platform called for urgent global collective action to overcome the current price crisis which is threatening the lives of millions of smallholder coffee farmers, the environment and the coffee industry itself. The Call to Action was driven by the GCP Board and launched at a number of important coffee sustainability events around the world and other channels.

Climate change resilience

Climate Smart Agriculture

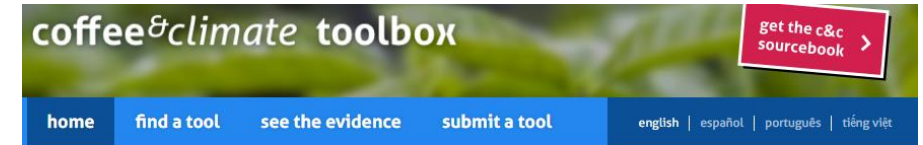
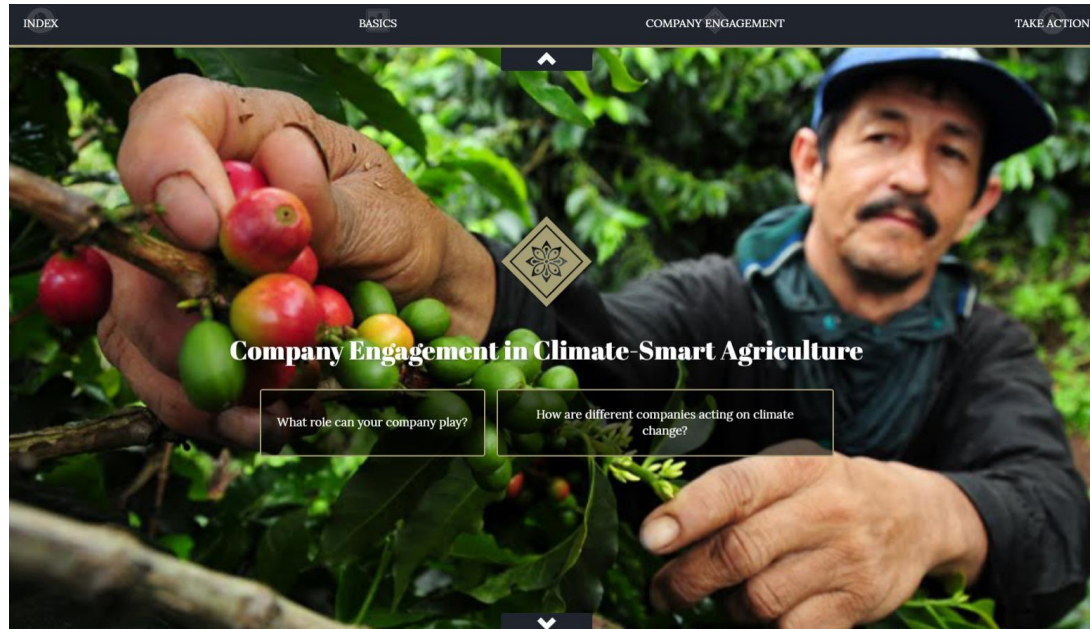
Addressed through our standard:

- **WATER CONSERVATION**
- **COMPOSTING**
- **PULLING WEEDS BY HAND**
- **ORGANIC FERTILIZERS**
- **SOIL CONSERVATION**
- **INTEGRATED PEST MANAGEMENT**
- **AGROFORESTRY**



New: Climate Smart Coffee website and tools

<https://climatesmartcoffee.csa.guide/>



welcome to the c&c toolbox

In response to the needs of coffee farmers, the c&c toolbox was developed as an open online platform to effectively tackle climate change. The c&c toolbox is a compilation of tools, climate maps, case studies, guidelines and further training materials that equip farmers and farming communities with valuable information. It provides a platform to exchange knowledge on known and innovative adaptation practices which we develop alongside some of the world's leading climate experts and bridge the gap between science and farmer know-how.

discover the c&c toolbox and start taking action now.





Q+A

<https://www.rainforest-alliance.org/sites/default/files/2019-09/AR18.pdf>



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