



Sustainable Coffee Challenge: Frequently Asked Questions (FAQ)

What is the Sustainable Coffee Challenge?

The Sustainable Coffee Challenge is a pre-competitive collaboration of partners working across the coffee sector, united in developing a shared framework for helping governments, businesses and other actors understand how they can contribute to making coffee the first sustainable agricultural product. It is focused on stimulating demand for sustainable coffee across the value chain.

JOINING THE CHALLENGE

Who can join the Challenge?

All industry players, governments and nonprofit organizations are welcome to join the Challenge. It is dedicated to finding industry-wide solutions recognizing the importance of everyone from farmers to consumers. Challenge participants include producers, retailers, traders, roasters, importers, industry associations, governments, donor agencies and other NGOs.

What are costs/time investment associated with participation in the Challenge?

There are no fees associated with joining the Challenge. All participants are encouraged to contribute by:

- Publicly making and reporting on commitments in the Commitments Hub: www.sustaincoffee.org
- Joining a working group to help shape the Challenge
- Participating in networks with others in the Challenge to share experience and spark additional action

Our company already has (achieved) clear commitments on sustainable coffee sourcing, why should we join?

The Challenge catalogs, tracks and shares experience to amplify results and inspire others to action. Joining the Challenge will enable you to showcase your efforts by adding commitments to the Hub and help guide other members' plans and investments.

How can I join the Challenge?

For more information please visit www.sustaincoffee.org or email us at SCC@conservation.org

PARTNERS

Who are the other partners currently involved?

Since its launch in December, the Sustainable Coffee Challenge has grown to include more than 48 organizations, including industry players — ranging from mainstream to specialty — as well as NGOs, universities, donor agencies and certification bodies. Though the Challenge is growing, partners currently include:



A Little Further South Coffee	Java Mountain Coffee
ACDI/VOCA	Keurig Green Mountain Inc.
Ahold	Lutheran World Relief
Allegro Coffee Company	Mercy Corps
Arizona State University	Mexico - Secretary of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA)
Balzac Brothers	Multilateral Investment Fund (MIF)
Ceres Coalition	Pelican Rouge Coffee Roasters B.V.
Co-Crear	Rainforest Alliance
Coffee Quality Institute	Rwanda - National Agricultural Export Development Board (NAEB)
Coffee Red	Rwanda Trading Company
Committee on Sustainability Assessment (COSA)	S&D Coffee & Tea
Compañía Cafetera La Meseta S.A	Solidaridad
Counter Culture Coffee	Specialty Coffee Association of America (SCAA)
ECOM Agroindustrial Corp. Ltd.	Starbucks Coffee Company
FairTrade America	Sucafina
Falcon Coffees	SupplyShift
Farmer Brothers	SustainAbility
Finance Alliance for Sustainable Trade (FAST)	Sustainable Commodity Assistance Network (SCAN)
Global Coffee Platform (GCP)	Sustainable Harvest
Humanist Institute for Co-operation with Developing Countries (HIVOS)	Tembo Coffee Company
IDH Sustainable Trade Initiative	The Sustainability Consortium
Intercontinental Coffee Trading (ICT)	Twin Coffee
International Institute for International Development (IISD)	USAID
International Women's Coffee Alliance (IWCA)	UTZ

How is the Sustainable Coffee Challenge funded?

The Sustainable Coffee Challenge is managed by Conservation International with initial funding and support from founding partner Starbucks.

SUSTAINABILITY FRAMEWORK

There are a lot of organizations working on sustainability for coffee, why is the Challenge necessary?

The Sustainable Coffee Challenge's sector-wide focus on demand is a new approach, aimed at demonstrating the many pathways to sustainability and understanding how they work together. It is dedicated to mapping commitments, actions and impacts in order to help



develop shared learnings and stimulate more ambitious commitments and investments over time.

The Challenge is unique because it focuses on showcasing demand for sustainability through markets, as well as commitments made by non-market actors such as governments, NGOs, donor agencies and others. Our approach to developing a common framework is inclusive and recognizes various paths to sustainability. As an open coalition, we partner with all sector players and interested organizations and offer our insights and framework as resources for others to use.

What is the sustainability framework?

The Sustainable Coffee Challenge is developing a sustainability framework to better understand how the investments and actions being made to spark greater demand for sustainability within the coffee sector contribute to a common set of outcomes - the prosperity and well-being of producers, the conservation of nature and the long-term supply of coffee.

Having a common framework will enable the Challenge to more effectively communicate about the efforts, to track progress, identify what else is needed, and inspire new partnerships and actions that stimulate demand and promote consumption of sustainable coffee and transitions the entire coffee sector to sustainable production.

What do you mean by “building demand for sustainability”?

Demand has traditionally been viewed as something that has to come from market actors – consumers, retailers, roasters, traders and financiers. While these actors can and should stimulate demand for sustainability through market-based mechanisms, governments, NGOs and other actors can also send strong signals that they care about the sustainability of the sector and want to support the transition of coffee to becoming a sustainable product. For instance, a producer government can demonstrate its commitment through policies that reward sustainable production, sending strong demand signals to the coffee growers in the country. These signals are complementary to those sent via traditional market channels and serve to amplify them.

What should a shared definition of sustainability include? Why don’t we have one already?

The Challenge’s shared definition of sustainability is based on three “North Star” elements that drive all actions: farmer prosperity and well-being; conservation of forests, soil and water; and a sustained supply of coffee. Participants in the Challenge focus their efforts based on where they can have the most impact, within a framework that allows the Challenge to assess how collectively we are tracking against these elements.

Defining sustainability as a threshold to reach has been very effective for some parts of the value chain, but broadening the definition can help all actors in the value chain understand the roles they can play – especially in supporting producers on the journey toward more sustainable coffee production over time.

Why coffee? Why now?

The coming years are critical as climate change impacts intensify and world demand for coffee continues to grow. Currently, nearly every major coffee-producing region of the



world is under stress. Warming temperatures, drought and changing weather patterns are affecting coffee production. Other factors also compound this stress: market volatility has significantly lowered prices paid to farmers, aging coffee trees are declining in productivity and the next generation of coffee farmers is seeking economic alternatives for their livelihoods.

Despite these critical issues, coffee is the closest of all agricultural commodities to achieving sustainability. The sector has made significant progress over the past decades, through efforts like forest restoration, farmer training programs in sustainable coffee growing and reduced agrochemical use. Every individual, business and organization involved in the coffee sector has a role to play and can contribute to transitioning coffee to sustainable production.

How will you know when coffee has become the first sustainable product?

Based on the common goals we have set forth, the sector will be better able to track results and know if the Challenge's collective commitments, actions and investments are resulting in prosperity and well-being of farmers, forest soil and water conservation and a sustained supply of coffee. While there are still trade-offs among these three elements, we know that we are not yet there. When they are all tracking in a positive direction we know we are on course. When producers are able to prosper and meet demand for coffee while conserving forests, freshwater and other natural resources, we will know that we have arrived.

Will the Sustainable Coffee Challenge replace existing standards (certification/verification)?

The Challenge is not seeking to replace existing standards, which are valuable tools in helping some in the coffee sector meet sustainability goals. Rather, the challenge works to better understand the non-certification commitments that are being made by the sector and how these contribute to the transformation of the coffee sector.

How will the Challenge contribute to the implementation of the Sustainable Development Goals (SDGs)?

The Challenge has aligned our goals with the SDGs to ensure the commitments and investments being implemented also make progress towards the SDGs. By broadening the definition of sustainability, it is easier for countries to understand how sustainability commitments contribute to meeting the SDGs. For example, a commitment to support improved productivity and increased producer incomes could also contribute to the no poverty, zero hunger, good health and well-being, quality education and gender equality SDGs.

COMMITMENTS

What is the purpose of the Commitments Hub?

In launching the Commitments Hub, the Sustainable Coffee Challenge is providing a common space for understanding the numerous sustainability commitments and initiatives underway across the coffee sector. Participants publicly state and report on their sustainability commitments in an online, open-source Commitments Hub:

www.sustaincoffee.org.



This will enable the challenge, as a community, to better understand what stakeholders are individually and collectively doing to promote sustainability and to facilitate sharing of experiences and lessons learned. All of which will allow challenge partners to scale up results more efficiently and achieve the vision of a sustainable sector that ensures the prosperity and well-being of producers, the conservation of nature and the long-term supply of coffee.

Who is eligible to state a commitment?

Any company, NGO, government, or other actor working on sustainability in the coffee sector that has registered and created an account at www.sustaincoffee.org can enter the Commitments Hub and state their commitment.

What is the benefit of stating a commitment via the Sustainable Coffee Challenge?

The Sustainable Coffee Challenge is a neutral, third party space for publicly stating and reporting on commitments alongside others in the industry. By using the Commitments Hub, coffee sector stakeholders demonstrate a commitment to transparency. Apart from being able to clearly track individual commitments, stakeholders will have the ability to show how their commitments contribute to increased sustainability in the sector and identify a peer group with similar types of commitments and form a commitments network to share experience, lessons learned and find partners for scaling commitments further or establishing new commitments!

What can be considered a commitment?

Commitments generally take the form of investments and actions that are undertaken to achieve specific targets or outcomes. Within the Sustainable Coffee Challenge, partners have agreed that the following principles should guide commitments:

- 1. New or active commitment:** Every commitment that is stated via the Sustainable Coffee Challenge should be either a new commitment or an existing commitment that has yet to be achieved.
- 2. Incorporates SMART objectives:** Commitments should be specific in what they set out to achieve, incorporate measurable targets, be ambitious in nature, relevant for the industry, organization or supply chain that it is targeting, and time-bound.
- 3. Aim for impact:** Commitments should consider the contribution to one or more of the North Star elements - prosperity & well-being of producers; forest, water and soil conservation; and sustained supply of coffee.
- 4. Can be reported on at set intervals:** Organizations should enter commitments that can be reported on in the system on an annual or semi-annual basis with 1st, 2nd or 3rd party data.

Is there a vetting process for commitments? Are they subject to formal approval or acceptance?

There is no formal approval needed for a commitment. The Challenge is developing principles for participants to consider when making a commitment, but it recognizes that each participant is at a different stage in their movement to sustainable coffee.



Fundamentally, the Challenge seeks to encourage action and investments that incentivize sustainable production. Through dialogue within the network, participants can encourage each other to be more ambitious in their thinking.

Where participants are looking for guidance, assistance, feedback and advice on the commitments they are considering, the Challenge can bring together groups considering and/or implementing similar commitments. As a community, the Challenge, is committed to inspiring others to action, but also provide space to try new things.

What information is made public?

The following items will show up on the www.sustaincoffee.org website:

1. Name of the stakeholder
2. Type of actor
3. Commitment
4. Target year
5. Target countries
6. Partners.
7. Other data entered would only be presented in an aggregated form (ex: total value of industry investments in technical assistance).

Is my commitment immediately available for public viewing?

Yes, once you save and submit your commitment it will be published on the www.sustaincoffee.org website.

What type of questions will I be asked when stating my commitment?

You will be asked to provide responses to 14 questions. The questions with an asterisk next to them are mandatory.

1. Name of organization*
2. Type of actor*
3. What is your commitment?*
4. What is the critical issue you are trying to address?*
5. How are you addressing the issue?*
6. When was the commitment made?*
7. What is your goal / target?*
8. When will it be reached?*
9. How much will you invest?
10. What countries are you targeting?*
11. What types of metrics will you use to monitor progress?
12. Is this commitment in partnership with others?
13. Who are your partners?
14. Which partner will be responsible for reporting?

My organization works with partners on a specific initiative. Who should report the commitment?



This is up to you and your partners to determine depending on the type of partnership and the actors involved. The Sustainable Coffee Challenge asks that you clearly state the partners you are working with for this reason. The Challenge suggest that you look at the commitment to determine whether it should be reported against in a comprehensive manner or if there are different components that naturally make sense for individual partners to state and report against progress. You could also consider breaking the commitment up into several based on target focus to facilitate and clarify reporting roles.

For example, a roasting company that purchases from multiple traders, all of which have sustainability programs in place with suppliers in a value chain based on roaster financing, might make the following commitment: "By 2020, company X is sourcing 100% of its coffee through a comprehensive sustainability program that ensures adoption of best practices in addition to providing technical assistance to improve productivity."

If one of the traders within the value chain also wanted to state a commitment, they may consider stating a larger commitment that extends beyond that of the roaster referred to above. For example, the trader commitment could read "By 2020, 75% of our suppliers in country X are participating in a technical assistance program focused on increasing productivity by 25% over a five year period."

The roasting company would report on volume metrics sourced via the program, while the trader would report on suppliers receiving technical assistance and the average increase in yield over time.

What do I do if my organization has multiple commitments?

You should state each commitment separately in the Commitments Hub. A good way to determine if a commitment should be listed separately is if it has a different target date and/or goals.

What happens once I state my commitment?

The commitment will show up on the <http://www.sustaincoffee.org> website and you will be asked to report progress against that commitment on an annual basis. Reporting fields will be added to the system and a version 2 will be released in June 2017.

Can I edit/change my commitment once it is registered in the Hub?

If you need to edit or change your commitment, you may do so by sending a request to the Sustainable Coffee Challenge team at scc@conservation.org. A member of our team will then contact you to understand the reason for the change and assist you in making the change.

Can multiple people from my company or organization access the Commitments Hub?

Yes, a unique log-in is created for each individual who requests access to the Hub. This means that multiple members from one organization can log-in to state a commitment. Please note that the various accounts from the same company or organization are not grouped by the system. Therefore, we suggest that there is internal coordination prior to submission of commitments.



Is there a seal of approval that I will receive from stating and report against my commitment?

No, the Sustainable Coffee Challenge does not provide verification of commitments or judgment or ranking of commitments entered in the Hub. Stakeholders can use the Sustainable Challenge logo to show that they are partners and contributors to the Challenge but this does not represent an endorsement of the commitments made via the Hub.

Have these commitments been verified?

Once stakeholders begin reporting results in 2017, they will be required to state if their results have been 1st, 2nd or 3rd party verified. In turn, they will be asked to upload any documentation related to that verification. The type of verification category will be made public alongside the commitment.

Do you have examples of other commitments?

You can check out the commitments section of the www.sustaincoffee.org website to see a list of commitments that have already been stated.

Is this just for the private sector?

No, the Sustainable Coffee Challenge believes that all stakeholders have a role to play in driving demand for sustainable coffee and transitioning the sector to sustainable production. As such, commitments to a sustainable sector may come from governments, NGOs, producers and trade associations in addition to traditional market players.

How will the Sustainable Coffee Challenge lead to additional and more ambitious commitments?

The initial phase of capturing commitments will create a better understanding of the types and breadth of sustainability initiatives currently underway (e.g. who is doing what). The hub will also facilitate identification of priority themes or origins where those commitments are focused. Once stakeholders begin to report results against the commitments, the Challenge will serve as a resource that provides an understanding of the state of sustainability and the impacts that investments are making. This knowledge should enable the Challenge to drive additional investment in successful programs to more efficiently scale and replicate them.

Is data entered in the Commitments Hub secure?

The Sustainable Coffee Challenge has partnered with SupplyShift to develop, host and manage the Commitments Hub. SupplyShift is a fully secure cloud-based network, that understands that data security is of paramount importance, and have implemented very strict security protocols for data access and management. All data are encrypted to bank-level standards (TLS 1.2) and all servers are hardened against both physical and electronic attack. Service providers continually manage risk and undergo recurring assessments to ensure compliance with industry standards. SupplyShift data center operations have been accredited under:

ISO 27001

SOC 1 and SOC 2/SSAE 16/ISAE 3402 (Previously SAS 70 Type II)

PCI Level 1

FISMA Moderate



Sarbanes-Oxley (SOX)