

Template for DISCO action plans

Subsectors 'Certification organization', 'Civil society', 'Service providers & knowledge institutes', and 'Government'

Instructions

To gather more quantitative insights in what individual signatories are contributing to the DISCO goals in the upcoming years and how the partnership is progressing jointly, the Steering Committee agreed that all signatories will develop and publish individual action plans. These action plans show how they are contributing to the DISCO goals in the upcoming 3 years (until end 2026), and:

- are based on the commitments from the DISCO declaration;
- have a strong link with the indicators from the ISCO Reporting Framework;
- explain how the principles on procurement practices as laid down in the DISCO procurement practices position paper, are being implemented by DISCO signatories.

You are asked to fill below template and submit it by <u>30 June 2024 the latest</u> to the DISCO Secretariat: Mark de Waard, <u>dewaard@idhtrade.org</u> and Lisa Graepel, <u>graepel@idhtrade.org</u>.

After submission, all DISCO action plans will be published on the DISCO website. The DISCO Secretariat will analyse and summarise the action plans. The outcomes of this analysis will be shared and discussed during the annual General Assembly at the end of 2024.

For more guidance on defining the actions around the three impact themes, it is recommended to consult the DISCO Roadmaps on <u>living income</u>, <u>deforestation and forest degradation</u>, and <u>child labour</u>. For more information on the quantitative targets, the definitions and usage of the indicators, please consult the ISCO Reporting Framework.

All action plans will cover the period 2024-2026. The quantitative targets **track progress cumulatively until the end of 2026**, **including what's already been achieved.** Progressive targets with intermediate milestones could also be included. It is also requested to give a brief qualitative description. Where needed, references to a more comprehensive description of the strategy could be included.

General information

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Plans on DISCO ambitions to enable living incomes

Contribution to closing living income gaps

Describe in max. 200 words what your organizations' plans are to contribute to the partnership's goals on closing living income gaps.

Fairtrade provides the **tools** for companies to fulfill the DISCO commitments in their supply chains.

Our core offer includes **Fairtrade certification**, embedding responsible procurement practices in our trader **standards** (incl. a minimum price guarantee) as a first step to improving farmer incomes and encompassing **locally-led programs and services** to strengthen farmers and their organizations.

Fairtrade's **Living Income Reference Prices**, accepted as the industry standard, are publicly available for Ghana and Côte d'Ivoire; We calculate LIRPs for other origins upon commercial request.

Fairtrade certification forms a solid foundation for company programs, such as Tony's Open Chain. The combination of **Fairtrade and Tony's Open Chain** is a strong step towards achieving the DISCO objectives.

Fairtrade will further standardize its LIRP setting and implementation procedures and explore the possibility of including LIRP as an add-on in our standards to externally verify and distinguish living income commitments by companies. Fairtrade **advocates for enabling living incomes** at multiple local, national and regional initiatives. We will continue to build our portfolio of **bespoke business services** including **Fairtrade's Shared Impact** model, a platform where commercial partners can join forces in collaboration with Fairtrade for customized projects that go beyond Fairtrade standard requirements, offering tailored interventions to jointly realize living incomes for smallholder farmers.

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Substantiate this by setting a quantitative target on (one of) the following indicators:

- Total # of publications (evaluations, analyses, studies, etc.) on effective approaches for living income gap closure in supply chains by the end of 2026
- Total # of partnerships/coalitions actively involved in around living income in cocoa producing countries by the end of 2026
- Total # of supply chain partners supported (technically, financially, or through pilots) in the implementation of living income strategies by the end of 2026
- Total # of policies around living income influenced by the end of 2026
 - LIRP review for CDI and Ghana in 2024
 - (Contribute to) 3 publications, including Living Income progress reports and/or household studies and programme impact studies in WA)
 - We will continue our partnerships/coalitions with Fairtrade cooperatives and collaborate for the establishment for a LIRP in Sierra Leone
 - We will continue to support all of our Fairtrade supply chain partners
 - We will continue to support and influence the transposition / implementation of CSDDD

Plans on DISCO ambitions to end deforestation and forest degradation

Contribution to end deforestation and forest degradation

Describe in max. 200 words what your organizations' plans are to contribute to the partnership's goals on ending deforestation and forest degradation.

Fairtrade certification means that deforestation is automatically addressed*:

- The Fairtrade minimum price and premium addresses poverty, the root cause of deforestation.
- Fairtrade cocoa standards mandate no deforestation after the 31st of December 2018. All cocoa produced and sold on Fairtrade terms must comply with this requirement, effective 1st of January 2024.
- Fairtrade standards require cooperatives to monitor the risk of deforestation, and degradation in primary or secondary forests, protected areas and areas of High Conservation Value or High Carbon Storage, when conducting human rights and environmental risk assessment.
- Results of human rights/environmental risk assessment and risk monitoring of deforestation are used to create a plan to prevent and mitigate any deforestation and degradation of forest, in order to conserve and restore forest and vegetation.
- Geolocation data is available for 100% of the cooperative members cultivating cocoa.
- Satellite monitoring of forested areas and farms of all cocoa producers

Fairtrade will continue its partnership with Satelligence to scale up satellite monitoring of forested areas and farms to all certified cocoa producer organisations globally. The initiative aims to connect Fairtrade cooperatives with data on their members' farms and their deforestation risks, so the cooperatives can share these data with their commercial partners and better protect forest landscapes.

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* Certification is an important tool to check that the Fairtrade Standards are met, which include that producer organisations and their members follow laws, including on deforestation. However, certification does not warrant nor guarantee this.

Substantiate this by setting a quantitative target on (one of) the following indicators:

- Total # of publications (evaluations, analyses, studies, etc.) on effective approaches for forest protection in supply chains by the end of 2026
- Total # of partnerships/coalitions actively involved in around forest protection in cocoa producing countries by the end of 2026
- Total # of supply chain partners supported (technically, financially, or through pilots) in the implementation of forest protection strategies by the end of 2026
- Total # of policies around forest protection influenced by the end of 2026
 - (Contribute to) 2 publications
 - We will continue our partnerships/coalitions with Fairtrade cooperatives and Satelligence
 - We will continue to support all of our Fairtrade supply chain partners
 - We will continue to support and influence the implementation of EUDR

Plans on DISCO ambitions to end child labour

Contribution to end child labour

Describe in max. 200 words what your organizations' plans are to contribute to the partnership's goals on ending child labour.

Fairtrade prohibits child labour as it is defined by the International Labour Organisation (ILO) and pertains to a minimum age and the worst forms of child labour conventions. **The root cause of child labour, poverty, is addressed by providing farmers better prices** through the mandatory Fairtrade minimum price and premium and the voluntary LIRP. Specific requirements against child labour are integrated in our **Standards**.

Fairtrade will continue to implement its **Child Labour and Forced Labour Prevention and Remediation Programme** for further prevention and remediation of child labour. This programme provides an avenue for cocoa exporters, importers, manufacturers, brands and retailers in Fairtrade cocoa supply chains (which are obliged under the Fairtrade cocoa standard) to support producer organisations to address and remediate child labour and forced labour. The programme will disburse funds to successful Fairtrade certified applicants (cocoa cooperatives) for initiatives that focus on essential but often underfunded elements of strengthening children's rights and ending harmful practices.

Fairtrade has a strong team on the ground that works directly with the cooperatives to support them in becoming strong and professional organisations. Examples of support given are building skills, technical advice and running special programmes as well as conducting risk assessments and developing related action plans. Democratic and well-managed cooperatives are the best way to ensure farmers have the knowledge and resources to address human and environmental rights issues in their communities.

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Substantiate this by setting a quantitative target on (one of) the following indicators:

- Total # of publications (evaluations, analyses, studies, etc.) on effective approaches for ending child labour in supply chains by the end of 2026
- Total # of partnerships/coalitions actively involved in around ending child labour in cocoa producing countries by the end of 2026
- Total # of supply chain partners supported (technically, financially, or through pilots) in the implementation of ending child labour strategies by the end of 2026
- Total # of policies around child labour influenced by the end of 2026
 - (Contribute to) 2 publications
 - 3 partnerships/coalitions continued and/or established
 - All Fairtrade supply chain partners supported