



Frequently asked questions on 4C

In December 2006, the 4C Association was established on the coffee market. Inside and outside the coffee world there is a big interest in the concept. The following document shall provide answers to some questions which often come up in conversations and discussions.

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1. Mainstream – Multistakeholder – Membership? - What’s this all about?

Everybody loves coffee. And more and more people love coffee which does not only satisfy their desire for a hot and stimulating refreshment but also their demand for responsibility and respect for the production of this product. Consumers know that many of the 25 million coffee producers worldwide are challenged by difficult labour conditions, and an inefficient and insufficient economic situation – and want to contribute to make a difference.

Fortunately many different initiatives have evolved during the last decades, aiming at changing coffee producers’ lives for the better by implementing certain standards. They are having enormous success, but due to various reasons the amount of coffee they sell on the market is still relatively small compared to the big amounts of coffee available.

A baseline standard for the mainstream market.

The Common Code for the Coffee Community addresses these amounts of coffee, which are usually referred to as “mainstream coffee”. The objective is to achieve a baseline level of social, ecological and economic sustainability for **all** types of coffee, **all** coffee production systems and **all** coffee producers. Baseline level means, that producers exclude worst practices and achieve an average level of sustainability as a start. Once being on that path, producers commit to improving their practices. This “continuous improvement” is one of the basic elements for 4C and makes the system comparatively easy for producers to enter.

The criteria of the 4C Code help producers to analyze their social, ecological and economic practices and to identify the most urgent needs for improvement.



A multi-stakeholder partnership

Many different actors participate along the coffee supply chain. To make a difference for the whole sector, all actors have to be included. Within 4C, producer organizations, coffee trade and industry and civil society organisations join their forces with coffee experts and donor organizations for the improvement of the coffee sector. Such an initiative integrating representatives of all relevant groups is usually referred to as “**multi-stakeholder**” approach.

4C Membership

4C is an open membership association. Members are coffee producers, trade and industry, civil society organisations, public institutions, research organisations and individuals. Through membership, the participants demonstrate their support for the concept.

Decision making body of 4C are the members themselves, who gather in a General Assembly and elect the 4C Council. Both General Assembly and the Council are composed by the respective groups: producer organizations, coffee trade and industry as well as NGOs and Unions. Producers traditionally enjoy the strongest representation.

The German and Swiss development cooperation are convinced of this democratic and participatory approach and decided to finance the initiative. Their funding was mainly used to build up mechanisms to support producers and to cover travel costs of producer organizations and civil society groups to enable their participation in the relevant meetings. The trade and industry through the European Coffee Federation also contributed to the financing of the initiative. Now 4C is mainly financed by membership fees.

2. How does 4C support producers?

The aim of 4C is to improve:

- The economic situation of coffee producers by providing guidance for improved efficiency through good agricultural and management practices.
- The social situation of producers through assisting in the implementation of social rights and gradually improving the labour practices.
- The environment the producers live in by providing guidance for improving the quality of soil and water, conserving wildlife and trees and reducing reliance on harmful agrochemicals.
- The overall market situation for more sustainably produced coffee.

4C provides a framework for the implementation of more sustainable practices and does not interfere itself with coffee production. The producers themselves know best their situation and interests. Therefore, 4C offers better access to existing information, tools, practices, assistance



and brings together the different actors to exchange their experiences. Like this, it improves the functioning of the supply chain where all actors are part of and mutually depend upon. Part of the membership fees of the buying members of the 4C Association are dedicated to supporting activities, such as trainings and capacity buildings for producers.

3. Is 4C a competition to standard initiatives like Rainforest Alliance, Utz Kapeh or Fairtrade?

No. The common aim of all standard initiatives is to improve the sustainability of the producer business. However, each of them has a specific focus and approach how to achieve this. It makes a lot of sense to join forces and not to work against each other approaches. The tools provided through 4C help producers to achieve a certain level of sustainability. This results in a better access to other standards and as a consequence complements existing approaches.

For the benefit of producers, 4C aims at a benchmarking process with existing standards. 4C avoids that a lot of different companies set up their own standards, which would make it a lot more difficult for producers.

Utz Kapeh and Rainforest Alliance have been participating at the development process and have kindly provided their expertise.

4. Does 4C work with a guaranteed premium or a fixed minimum price?

No. Coffee prices are usually referring to a combination of factors: the sensory and intrinsic quality, the relationship between buyer and seller as well as the region or country where the coffee was grown.

Guaranteed price premiums or fixed prices do not reflect the market mechanism of supply and demand in the global mainstream market. A “price guarantee” model may be applicable in limited parts of the market, but it is not applicable to mainstream green coffee production. The majority of coffee consumers expects good and sustainable practices in coffee production as a fundamental product feature. Therefore, the willingness to spend extra money on coffee premiums is often limited to specific market segments. Apart from that, anti-trust regulations do not allow an Association comprising the majority of coffee trade and industry to talk about prices.

Even though the 4C system does not build on a minimum price, it offers economic benefits for producers: 4C defines a new understanding of quality, addressing the quality of the product and the quality of sound social and environmental production methods. This better quality should receive a better price, freely negotiated between the individual buyer and seller. However, in the calculation of producer’s income, prices are only one determining factor, besides costs, efficiency



and productivity. These aspects are addressed by access to good agricultural and management practices provided by 4C. In addition, producers will benefit from a more efficient supply chain.

5. Is there going to be a 4C label on coffee packs?

No, 4C does not use a product label. A product label or seal usually serves as a guarantee for a certain set of criteria towards consumers. Coffee in a labelled package communicates that it has been sustainably produced, using certification to ensure the correctness of this claim. Label-based initiatives have their coffee and farms “certified”. They precisely check whether all the coffee in the pack meets the criteria the label stands for.

4C as a baseline standard is different. The basic idea behind it is the improvement process. Therefore 4C works with independent verification to verify that its members have implemented mechanisms to measure this improvement process and to assure that the baseline level of sustainability is met. On coffee packs consumers might merely read that the roaster supports the 4C approach.

6. You are talking about verification and certification: what exactly is the difference?

With a certification, an independent third-party certifier checks producer’s performance against a certain set of criteria. Compliance with these criteria is shown through a certificate. Usually, producers have to pay themselves for a yearly certification and can expect to be rewarded for their efforts by a premium.

With verification according to the understanding of 4C, an independent local verifier checks the process behind a certain performance. It checks whether the producers themselves have reliable systems in place which monitor and control their sustainability performance.

Technically, it looks like this: 4C starts with a self assessment which has to be completed by the producer itself. The subsequent independent verification is repeated every three years. It is paid by the 4C Secretariat with resources coming out of the membership fee of trade & industry. Local verifiers check the internal monitoring system on the level of a “4C Unit”, which is a group of producers who has registered with 4C and who fills at least 1 container of coffee (approx. 20 tons or 330 bags à 60kg of green coffee). In addition the verifiers conduct random field checks (50% of the square root of all individual producers belong to this specific 4C Unit). Such a system builds on control and trust, but also provides an enabling effect since the producers get valuable feedback to engage in further improvements. This concept of verification is reflected in the claim to the consumer, only allowing a membership statement instead of a logo or label on the coffee packs.



7. Is 4C a transparent process?

Yes, absolutely. There are mechanisms to ensure a transparent and participatory process within the 4C. On the 4C webpage all interested actors can download all structural documents, latest news, workshop reports, presentations, press reports etc. in various languages. The Secretariat circulates a newsletter on the developments of 4C on a regular basis. The International Coffee Organisation, as central intergovernmental body on coffee, is regularly informed through update reports provided to the Private Sector Consultative Board in detail about the initiative.

Dissemination workshops in more than 15 producing countries took place during the testing phase (2005-2006). All representatives of the national/ regional coffee sector, public or private or civil society were invited to discuss the approach and express their feedback. Many vital inputs for the development of 4C have been obtained from these workshops and helped to further refine the concept over time. In addition, the members of 4C do provide their respective countries and organisations with information.

8. Addressing the whole coffee sector: doesn't that result in a huge bureaucracy?

Nobody would like to create new bureaucracies. Many existing structures are absolutely suitable for cooperation with and decentralization of 4C. The activities of the 4C Association is coordinated by a Secretariat. Joining forces and learning from collaborating initiatives helps 4C to efficiently use human resources. The 4C Secretariat closely cooperates with the relevant actors in the coffee producing countries to establish a decentralized system with local contact persons and local forums. Close cooperation with existing structures strengthens local capacities and institutions.

9. How can one get involved in 4C? How does membership look like?

Every interested actor of the coffee chain can become a member, and pay a respective membership fee. The contributions for the buying members (industry and trade) do include a contribution to support activities, whereas producers and organizations from the civil society pay a smaller amount. In order to become a member, please contact the Secretariat or download all relevant information on our homepage www.sustainable-coffee.net.

If this paper doesn't answer all your questions, please contact the Secretariat any time!

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