



“Multi Stakeholder Initiatives in Tropical Crops – A Journey”

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Outline of Presentation

- **Some elements of some Multi Stakeholder Initiatives (= MSI)**
- **Some characteristics for MSI success**
- **Potential future developments**

Multi Stakeholder Initiatives (MSIs) to be covered:

- **Better Cotton Initiative (BCI)**
- **Better Sugar Initiative (BONSUCRO)**
- **Roundtable on Responsible Soy
(RTRS)**
- **Roundtable on Sustainable Palm Oil
(RSPO)**

Range of Issues that could/should be covered by Roundtables

- **Resource Usage: Water, Pesticides,**
- **Use of Forest Reserves for Agriculture**
- **Loss of Biodiversity**
- **Generation of Greenhouse Gas in Production Process**
- **Land Tenure, Customary Land Rights**
- **Improved Productivity**
- **Market Transformation**
- **Supply Chain Efficiencies**
- **Labour/Decent Work Agenda**
- **Other Social & Environmental Impacts**
- **Etc, etc**

Outline of Presentation

- **Some key factors of other MSIs**
- **Some characteristics for success**
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Mission Statements of MSIs

- **BCI: Better Cotton is Better**
- **BONSUCO: Transform the Sugar Cane Industry**
- **RTRS: Promoting Responsible Soy Production and Trade**
- **RSPO: Transforming the Market Together**

Better Cotton Initiative (BCI)

- **Start date**
 - **Member number (pending)**
 - **Membership fee – proponent pays for 3y**
 - **P + C agreed**
 - **Certification underway**
 - **Certification Unit**
 - **Fee to MSI from trade**
 - **Potential Certified tonnage of lint**
 - **Global tonnage/%certified**
 - ***"Aims to improve mainstream (v niche) production practices for smallholders; is not about a premium price"***
- **2005**
 - **60 (0)**
 - **High**
 - **Yes**
 - **No**
 - **None**
 - **Not yet**
 - **250,000**
 - **N A**

Better Sugarcane Initiative (Bonsucro)

- Start date
 - Member number (pending)
 - Membership fee
 - P + C agreed
 - Certification underway
 - Certification unit
 - Fee to MSI from mill /end user for logo
 - Tonnage certified
 - Global cane production/%certified
 - *"End users now making commitment to buy certified, sustainable sugar"*
- 2003
 - 36 (0)
 - \$14,000
 - Yes
 - Yes
 - Mill
 - \$0.07/T each
 - +130,000T
 - 120mT/1%

Round Table on Responsible Soy

- **Start date**
 - **Member number (pending)**
 - **Membership fee**
 - **P + C agreed**
 - **Certification -- field testing underway**
 - **Certification Unit**
 - **Fee to MSI from trade**
 - **Tonnage Certified**
 - **Global production / %certified**
 - ***"Dutch buyers want 1.8mT sustainable soy by 2015"***
- **2006**
 - **150(6)**
 - **\$2,500**
 - **Yes**
 - **Yes**
 - **Mill**
 - **No**
 - **x**
 - **x**

Roundtable on Sustainable Palm Oil (RSPO)

- Start date
 - Member number (pending)
 - Membership fee
 - P+C agreed (in 2008)
 - Certification underway
 - Certification unit
 - Fee to MSI from trade in CSPO
 - Tonnage Certified
 - Global Production/%certified
 - *Registered trade mark now in use*
- **2003**
 - **723 (7)**
 - **€2000**
 - **Yes**
 - **Yes**
 - **Mill**
 - **\$1/T**
 - **5.2mT**
 - **46mT/11**

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Some Characteristics of Success for MSIs

- **Business to business initiatives can make rapid progress ie RSPO**
- **Government engagement adds complexity – but maybe necessary or even essential (ie BCI)**
- **Essential to involve all steps in supply chain**
- **Uniform, low annual membership fee probably helpful for broad level of engagement**

Some Characteristics of Success for MSIs -2

- **Minimize complexity for successful uptake of certified product**
- **Correct selection of unit of certification necessary**
- **Some revenue to Roundtable from trade in sustainable product necessary for long term viability**

Some Characteristics of Success for MSIs -3

- **Adherence to approved P and C (criteria) expected to give cost savings to producers; evidence being collected**
- **Operators should not assume receipt of price premium**
- **When market transformed, sustainable produce will become norm and likely to have no price premium**
- **No clear answers – this is a journey**

Outline of Presentation

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Potential Future Developments

- 1. Does cost of compliance outweigh cost savings in implementation**
- 2. Can approach work with crops with high % of smallholder production**
- 3. Need to increase uptake of certified produce**
- 4. RSPO remains only supply chain model that is self financing**

1. Cost of Compliance to RSPO P&C

- **Does cost of compliance to RSPO P&C outweigh cost savings after implementation?**
- **Is cost of compliance USD 2.00 or USD 7.00 (or more?) per tonne in first year? Does certification deliver business benefit in excess of this cost?**
- **Action: RSPO should research and publish a variety of Case Studies from a number of geographies -- to include benefits from adherence to Decent Work agenda**

2. Crops with a High Percentage of Smallholders

- Some crops are nearly all produced by smallholders (ie cocoa, cotton, coffee)**
- Progress with these likely to involve Government engagement**
- Such a need is likely to make slower progress and increase complexity of efforts**

2. Roundtable on Sustainable Cocoa Economy (RSCE)

- 95% of global cocoa production by smallholders (less than 5 ha cocoa)**
- Engagement with producer Governments therefore essential**
- During 2nd RSCE meeting, producer Governments declined to proceed**
- No progress since February 2009**

3. Need to increase uptake of certified products (RSPO)

- Use all means possible**
- Exercise caution to ensure self financing nature of RSPO supply chain model is not lost**
- RSPO to engage regularly with other MSI processes**

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Policy Advice



Thank you for your kind attention

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