For a Better Coffee World:- A better coffee world with a thriving and sustainable coffee sector for generations to come ................................. 2
FOR A BETTER COFFEE WORLD: - A better coffee world with a thriving and sustainable coffee sector for generations to come

Despite considerable improvements over the past decades, the social, economic and environmental conditions in coffee supply chains are in many cases still unfavourable. Mainstream coffee production is not optimised: many of the approximately 25 million producers worldwide are challenged by difficult working conditions; an inadequate and resource-scarce economic environment; inadequate market access; limited or no access to knowledge transfer and lack both aggregation and organization.

Coffee value chain stakeholders generally are more and more aware of this and actively promote sustainability throughout the chain. The objective of the 4C association is that, in time, all types of coffee, all coffee producers and therefore all coffee production will achieve a baseline level of social, environmental and economic sustainability, meaning that producers have excluded the worst practices and in so doing have arrived at an average starting level of sustainability. This fundamental change in the entire coffee sector and its systems needs the active support of all stakeholders who will be able to work more closely together and build longer term relationships through the 4C Association (Code of Conduct, Rules of Participation). One of the key drivers here is the increasing demand for coffee that as a minimum meets this baseline level of sustainability.

Realizing the very ambitious goal of moving the entire global coffee sector will require the cooperation of all actors involved who have a vital interest in contributing to a healthy coffee market that benefits all participants – today and in the future.

The 4C Association as the global platform for sustainable coffee takes a 3 prong strategy to address this by:
1. Providing an accessible baseline standard (Code of Conduct) for sustainable production and processing that members commit to and a credible verification system.
2. Actively promoting and partnering with sustainability standards and initiatives in the market to create supply and demand of verified and certified coffee.
3. Addressing overarching, critical issues that threaten the sustainability of the coffee sector as a whole.

With the above strategy, change is expected through:

<table>
<thead>
<tr>
<th>Credibility through meaningful Code of Conduct: The requirements of the code help farmers prioritise in addressing issues affecting the sustainability of their operations over time. Effort is also put to ensure trained people are available to assure compliance with the baseline code. Licensing has to be efficient so that those who comply have their coffee available to be taken up by buying members seeking it.</th>
<th>Capacity: Committed members then concentrate on the production, having resources that train and support farmers to overcome worst practices. Producers strive to comply with the code and improve, which leads to adoption of better farming practices, improving yield and quality. Over time, better use of resources, better workers’ welfare, efficient use of inputs and avoided pollution are achieved.</th>
<th>Commitment: Stakeholders commit resources to ensure more coffee meets the requirements of the 4C Code or other standards as per the 4C Rules of Participation. Increase in membership ensures that more businesses commit to relationships that ensure the coffee chains produce more compliant coffee, thus contributing to change in lives of farmers and workers.</th>
<th>Change will be achieved through general application of the 4C Code, resulting in improved levels of sustainability and more cooperation amongst stakeholders generally in terms of advancing to more stringent requirements. The ultimate impact contributed to will be improved quality of life through higher incomes amongst producers and an ecosystem that sustains coffee’s livelihood.</th>
</tr>
</thead>
</table>

The Theory of Change (ToC) maps out how we get from the strategies we employ as an organization to what we want to achieve i.e. our sustainability goals. It defines the intended social and environmental and economic change 4C Association aims to create with the code of conduct and the other strategies. The ToC then forms the basis for developing the M&E system. – In simple terms – it is a theory of how the world will be different because of what 4C Association does and contributes to.
<table>
<thead>
<tr>
<th>Aspect (Farm level)</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Farm management</td>
<td>1. Coffee yield change over time</td>
</tr>
<tr>
<td></td>
<td>2. Perceived production costs, and change in costs</td>
</tr>
<tr>
<td>2. Economic empowerment</td>
<td>3. Information regarding coffee market</td>
</tr>
<tr>
<td></td>
<td>4. Perceived negotiation capacity or stability relations of farmers/ 4C Unit and traders</td>
</tr>
<tr>
<td>3. Income</td>
<td>5. Perceived changes in income/salaries</td>
</tr>
<tr>
<td></td>
<td>6. Price differential</td>
</tr>
<tr>
<td>4. Health and safety</td>
<td>7. Occupational health e.g. number of workplace accidents that required first aid or medical assistance, use of safety equipment when applying pesticides</td>
</tr>
<tr>
<td></td>
<td>8. Housing conditions</td>
</tr>
<tr>
<td></td>
<td>9. Food availability</td>
</tr>
<tr>
<td>5. Education/child labour</td>
<td>10. School access / attendance and the occurrence of child labour during school time</td>
</tr>
<tr>
<td>6. Social empowerment</td>
<td>11. Active participation in organization</td>
</tr>
<tr>
<td></td>
<td>12. Work contract</td>
</tr>
<tr>
<td>7. Natural resources</td>
<td>13. Perceived quality of natural resources</td>
</tr>
<tr>
<td>8. Land use</td>
<td>14. Erosion</td>
</tr>
<tr>
<td>9. Pollution</td>
<td>15. Pesticides use change and toxicity</td>
</tr>
<tr>
<td></td>
<td>16. Garbage, waste disposal practice</td>
</tr>
</tbody>
</table>
We have grouped our important issues that we create indicators for in 7 different classes

<table>
<thead>
<tr>
<th>Class</th>
<th>Issue</th>
<th>Indicators e.g., - we can create many indicators for one issue, depending on what we want to look at</th>
</tr>
</thead>
</table>
| Basic reach data (potential  | - Farmers
- Location
- Production
- Workers                                    | - Farmer Condition
- Certification experience
- Land size
- Sales
- % change over time
- Actual count
- % comparison against (x) factors                                      |
| Impact): counts, demographics, Vital statistics |                                                                      |                                                                                                                   |
| Operations and strategy       | - 4C Association Internal Revenue
- 4C Association Internal costs
- 4C Association Staff utilization and performance
- 4C Association client servicing                                  | - % change over time
- Actual count
- % comparison against (x) factors                                    |
| Outputs: training, new members | - Training and support
- Implementers
- Verifiers
- Licensed units                                                   | - Member numbers
- Standards benchmark
- Forums facilitated or involved
- Solutions to issues provided
- % change over time
- Actual count
- % comparison against (x) Factors                                    |
| Outcomes: short               | - Total produce under license (Supply)
- Total sale under license (demand)
- Wages and contracts
- Implementation of soil conservation practices
- Implementation of water conservation practices                      | - Hazardous chemical usage
- Fertilizer use and organic matter
- Waste management
- Energy conservation
- Health and safety and use of protective clothing
- Available training and information toolkit for farmer
- Total applying a practice, # practices applied, % change from pre-verification to post-verification |
| Outcomes: Medium              | - On farm soil quality
- Water usage
- Coffee Yield
- Change in product quality
- Producer turnover rate in 4C Unit
- Perceived level of trust in producer organization
- Average daily wage of temporary workers
- Number of accidents and work-related illnesses in last year
- Employees with contract and benefits
- Trade and industry supported units
- Cost of compliance
- Children school attendance
- Amount of pesticide use per toxicity class
- Fertilizer use per hectare and type
- Equity in treatment and access                                       | - % change from pre-certification to post-certification
- Total area, % of total farm area, % change in total area last year, % change from pre-verification to post-verification
- % of total production that was sold (total sales, not only verified) |
| Impact                        | - Perceived quality of natural resources and pollution
- Perceived changes in Income and Salary
- Perceived negotiation capacity of farmers or 4C unit
- Perceived production cost
- Children level of education access                                   | - % change from pre-verification to post-verification
- Comparison to national or regional average.
- Comparison with control group                                          |
|                               | - Food security
- Poverty level of Farmer and worker
- Disinvestment in natural or productive assets
- Capital investment in natural or productive assets
- Value of investment in community services                             | - Comparison to national or regional average.
- Comparison with control group                                          |
We have grouped our metrics in different classes:

<table>
<thead>
<tr>
<th>Class</th>
<th>Metrics – what do we need to measure or to capture in order to be able to report against a set of indicators</th>
<th>Indicators, we can create many different indicators from a single metric, depending on what we want to look at</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation/Strategy</td>
<td>Amount of revenues and costs in Euro Staff evaluation score Number of hired temporary workers Total Land area Coffee cultivation area Volume of production Volume of production sold as licensed Number / list of other sustainability certifications Number of farmers who own their productive land</td>
<td>Revenues/Cost &gt; x and Cost/Revenues &lt; x Revenues (20XX +1)/ Revenues 20XX &gt; 1,05 average staff evaluation score equals x</td>
</tr>
<tr>
<td>Basic Reach data (potential Impact): counts, demographics, Vital statistics</td>
<td>Geographic identifier Number of certificate holders Number of countries and farm location Number of producers Number of producers in stepwise programme Number of small holder Number of female / male heads of producer Number of full and part-time employees</td>
<td>% change over time Actual count % comparison against (x) Factors Count, % change in last year, as % total volume produced under standard Market for 4C Compliant Coffee as % of available supply (4C Compliant Coffee bought in 20XX / verified 4C Compliant Coffee in 20XX)</td>
</tr>
<tr>
<td>Outputs:</td>
<td># of farmers trained through standard system in last year # of implementers trained # of verifiers trained # of verified units # of members committing to 4C principles</td>
<td>Total, by type of training, by gender % change in number pre to post cert, % providing each type A verification/ implementer capacity of x providers is available in y many regions The number of members increased by x% The number of relevant members leaving the 4C Association is kept below x%</td>
</tr>
<tr>
<td>Outcomes: short</td>
<td># farmers applying water conservation or water use reduction practices # farmers applying water quality protection practices # farmers applying erosion reduction and soil conservation practices # farmers applying soil quality improvement practices # farmers hazardous chemicals # farms requiring use of and providing protective gear when applying chemicals Wages paid by farmers and number of workers with contracts Litres of hazardous chemical used</td>
<td>Total applying a practice, # practices applied, % change from pre-certification to post-certification Total %, avg % by group, change in avg % by group pre to post cert % with contract and benefits</td>
</tr>
<tr>
<td>Outcomes: Medium</td>
<td>Quality produced in grade or other quality parameter like screen size dependent on country Yield in bags per HA Number of farms restricting chemical use children Average daily wage excluding benefits) of temporary workers Transparency of wage calculation Number of accidents and work-related illnesses in last year Number of farms using highly hazardous pesticides Transparency in payment Number of members supporting a topic</td>
<td>% change from pre-certification to post-certification Total area, % of total farm area, % change in total area last year, % change from pre-certification to post-certification Total By product and region, by smallholder / other Total, by product, by region Total, by product, by region, by gender Total, by product, by region, by smallholder org</td>
</tr>
<tr>
<td>Outcomes: medium &amp; long</td>
<td>Number of enterprises and producers in transition or step-up programme</td>
<td>Total Number and % increase over x time % enterprises/ producers/operators with multiple certification (current and at time first covered by standard), % with different combinations of certifications % investing, Total % value, as % of gross revenue % disinvesting in last year % of farm, % change pre to post cert % that invested, USD value of investment Count, % change in last year Count, % change in last year, avg % change by certification holder Market for sustainable coffee as % of total market (sustainable coffee bought in 20XX / total amount of coffee in 20XX)</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Disinvestment in natural or productive assets in last year % of farm planted in food crops Number of units stepping up to more demanding standards Number / list of sustainability certifications/verifications Capital investment in natural or productive assets in last year Value of investment in community services and infrastructure, Total production costs ($ / year) of product produced according to standard Total annual gross revenue from sale of product produced according to standard (total sales, not just sold as verified) ($/year) Annual gross revenue from sale of product as verified ($/year) Total annual net revenue from sale of product produced according to standard (total sales, not just sold as certified) ($/year) Annual gross revenue of operation ($/year)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact</td>
<td>Perception that income is sufficient to meet daily household needs Perception of change in quality of natural resources on which household depends Control and choice in production decisions Control over future Trouble meeting food needs Household hunger score</td>
<td>Perceived change in quality of life Household income (or PPI) Influence over household decisions</td>
</tr>
</tbody>
</table>

If you have any comments on the above please contact the M&E manager on george.watene(A)4c-coffeassociation.org