



UNCTAD Workshop (Vanuatu, November 2017)
Session II: VSS relevant to Vanuatu coconuts and cocoa

Why are we talking about Sustainability Standards?



FAIRTRADE

Fair Trade
International



GLOBALG.A.P.

Forest
Stewardship
Council



FSC

Organic
Certified
Labels



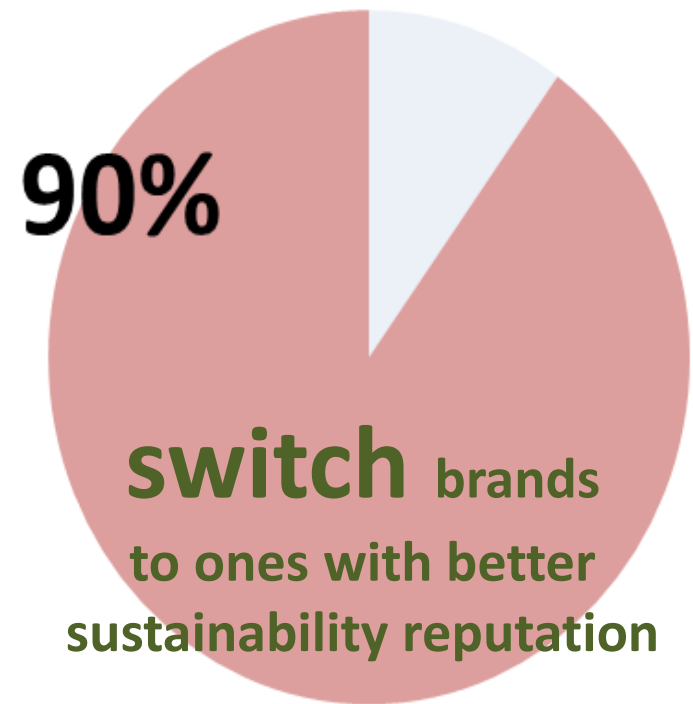
Global GAP



Rainforest
Alliance

Because of growing **market opportunities**

Market research on global consumers shows...



They look for goods with Voluntary Sustainability Standards (VSS)



They look for goods with Voluntary Sustainability Standards (VSS)



- Goods with VSS = they are *certified* that they were produced with sustainable practices
- VSS metrics include:
 - Reduced chemicals
 - No deforestation
 - Fair wages, high labor standards
- Around 500 VSS worldwide
- Apply to many agro-forestry products



creamy coconut

Our triple milled soap is precisely formulated to be gentle on skin, while maintaining your skin's natural moisture. Unlike the conventional soaps that use animal tallow or synthetic detergents, it's made only with naturally derived ingredients, including fair trade virgin coconut oil and Rainforest Alliance Certified™ palm oil. Dermatologist tested.

INGREDIENTS: sodium palmate¹, sodium cocoate or sodium palm kernelate, water, glycerin, natural fragrance, sodium gluconate, *Cocos nucifera* (coconut) oil², sodium chloride.

¹Rainforest Alliance Certified™

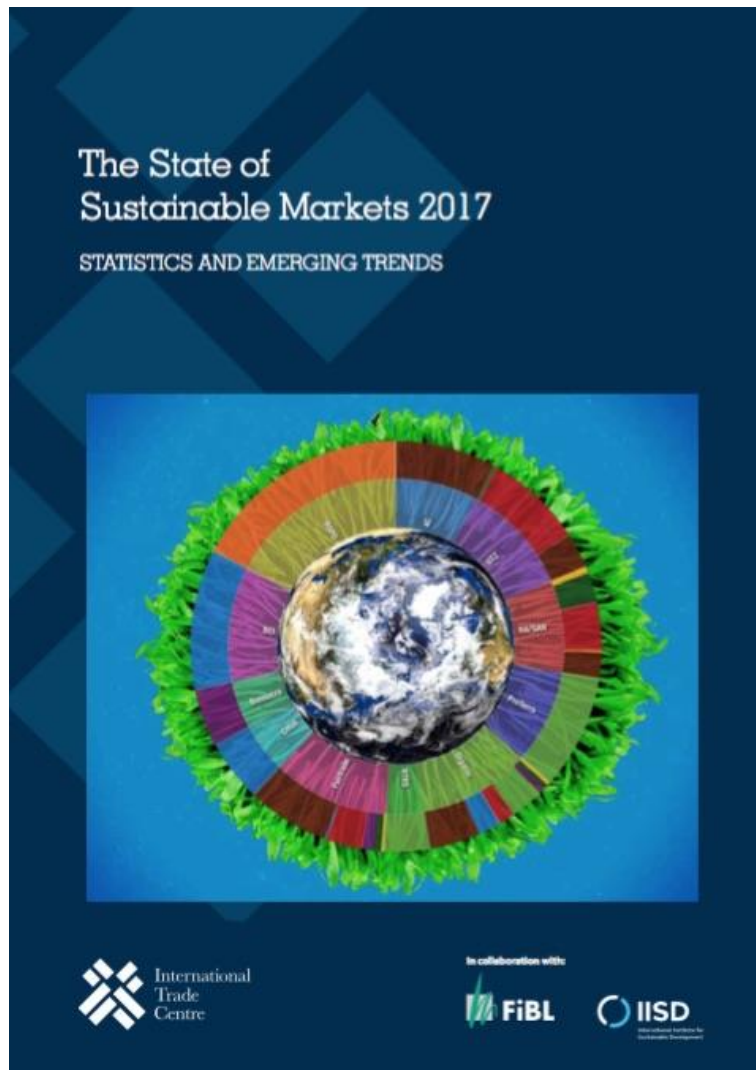


Palm Oil





VSS certification → Increasing rapidly



- “Voluntary sustainability standards are no longer a novelty serving niche markets. They have found their way into mainstream markets.”
- Organic is the biggest sustainability standard:
 - In 2015, more than 1.1% of agricultural land worldwide were certified as organic .
- For cocoa, certified cocoa area of four VSS (Fairtrade International, Organic, RA/SAN and UTZ) = between 16-29% of the global cocoa area

VSS can **benefit** rural smallholders and MSMEs

- Price premium
- Stable access to profitable markets or global value chains
- Reduce social, health or environmental harm from production
- Upgraded production methods, improved productivity, increased product quality
- Better access to technical assistance
- Better access to credit
- Pride & optimistic for future



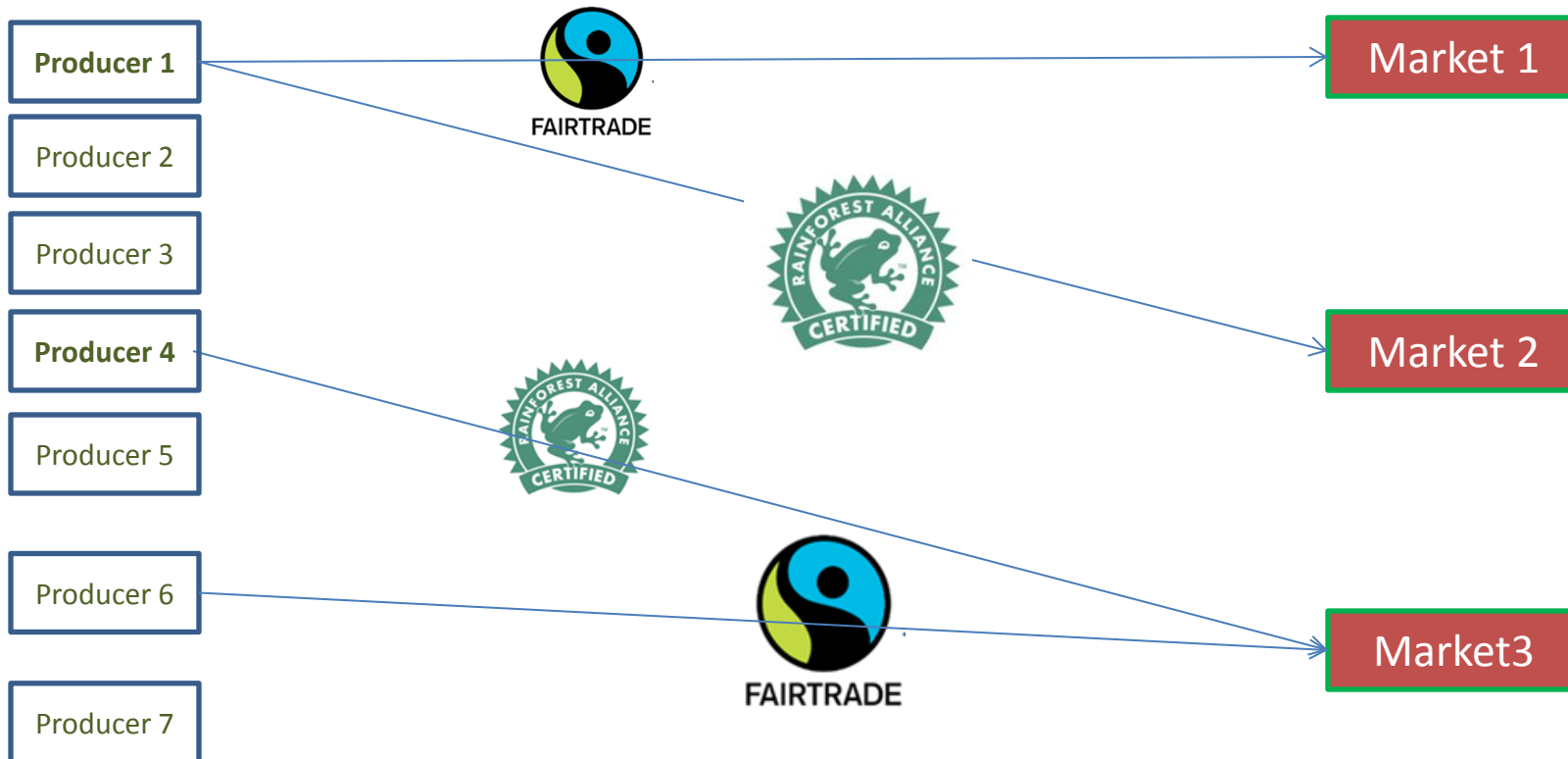
VSS can **challenge** small farmers and MSMEs

- Small producers lack info on VSS
- VSS certification is costly to individual farmers
- Production costs (fixed and variable) may temporarily increase
- Productivity may temporarily decrease
- Premium may not be high enough to cover increased costs





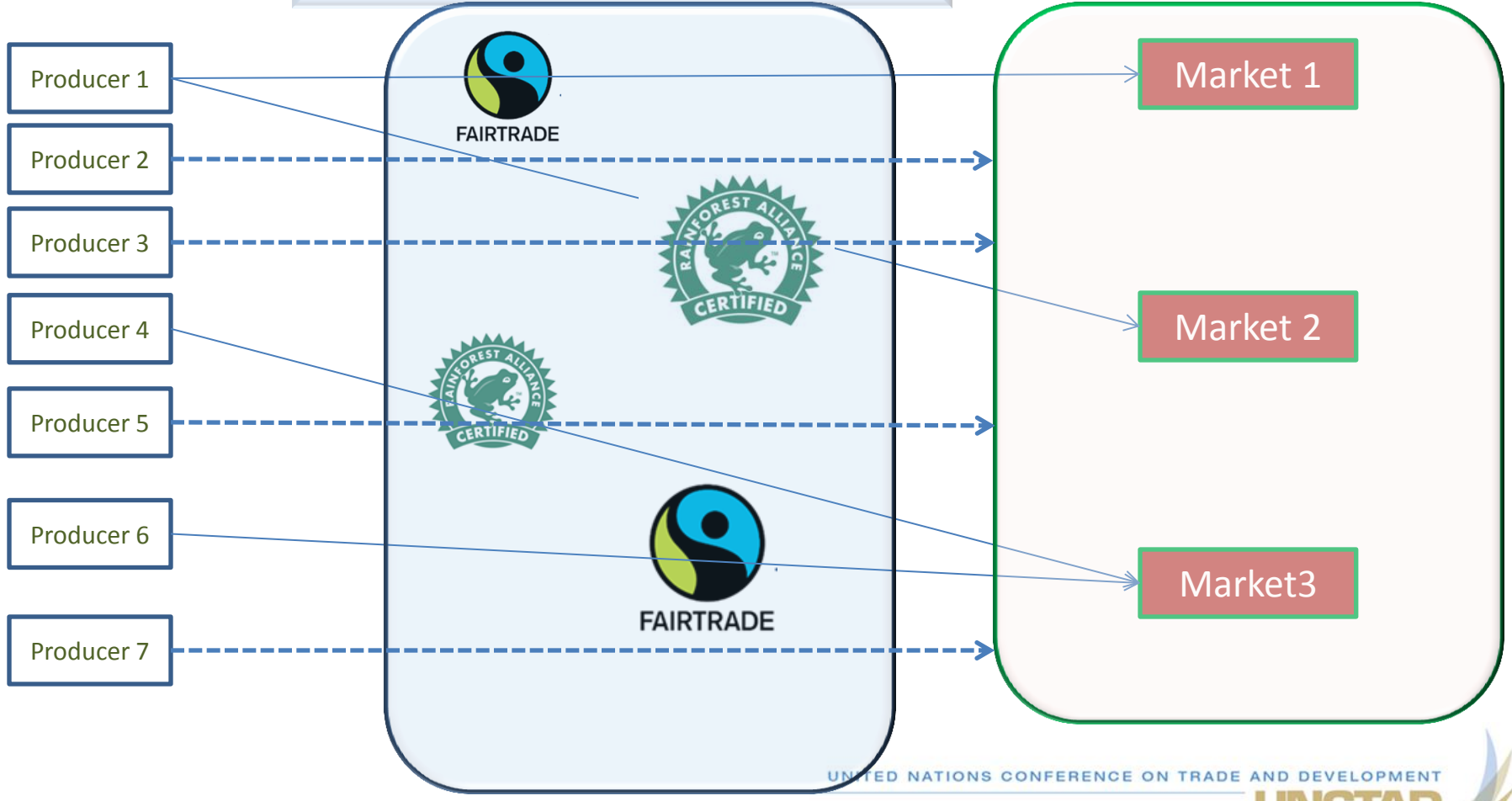
VSS - Current situation in Vanuatu





Vanuatu National "Green" Brand?

National Sustainability Principles





VSS - a strategy for Vanuatu?

Strength:

- Production is *de facto* organic and sustainable
- Vanuatu 2030 set the principle
- Positive image already exist

Weakness:

- Regulatory frameworks for sustainability standards under-developed
- Smallholders lack information on market requirement



UNCTAD is a member of
United Nations Forum on Sustainability Standards



*A Platform of International Dialogue
on Voluntary Sustainability Standards*



www.unfss.org

