# UTZ Certified and Improving smallholders' livelihoods

Reaction to the KPMG study commissioned by Susaineo, September 2013



UTZ Certified congratulates Sustaineo on the KPMG report 'Improving smallholder livelihoods: Effectiveness of certification in coffee, cocoa and cotton'. We appreciate having been given the opportunity to assess the findings preceding its publication. We acknowledge many of the findings and welcome the learning that we can reap from it.

### Important achievements

With the report, we recognize better access to training for farmers, increased productivity and product quality of their farms resulting in better net income, better access to education for their children as well as improved working conditions for themselves and their workers as important achievements of certification in general and the UTZ program in particular. Indeed, it is the combination of training and certification that brings about change. It is for this reason that training of trainers and equipping a strong trainers' network with high quality training materials, combined with certification against the UTZ Code of Conduct, forms the foundation of the UTZ program.

#### Insights lead to increased impact

We also recognize several of the challenges mentioned in the report. It is part and parcel of our program to continually fine-tune and improve our programs based on the lessons learnt from practice, data analysis and studies commissioned by UTZ and others. It is only by integrating such insights that we can work towards a world where sustainability becomes the norm rather than the exception.

#### On our way to further inclusion

For instance, with the report, we conclude that the inclusion of less organized farms in certain regions and for certain commodities is a key challenge for certification for the coming years. The UTZ multi-stakeholder model is geared to benefit larger estates and cooperatives as well as smallholder farms. We are fostering strong partnerships to reach our ambitious goal to reach out even more proactively to the less organized producers. We are also developing additional services that will enhance our outreach and added value in doing so. This is an ambitious objective that will require strong collaboration with both the industry and civil society. We are pleased to encounter great commitment in our extended network to set this in motion.

# Cooperation with other standard systems

We recognize that multi-certification, apart from giving access to a variety of markets, also presents challenges to farmers. We are therefore open and committed to constructive cooperation with likeminded systems, with the objective to bring down barriers to certification and increase positive impact for farmers. For example, UTZ Certified sees joint auditing as a good tool to reduce costs of certification and thereby bring greater benefit to certified farms.

## Scaling up demand

UTZ Certified believes firmly in a certification model that links sustainability programs with market demand to achieve scale and foster positive impact on the lives of smallholders. By constantly proving and improving our program and verifying its effectiveness by independent third party auditors and scientific researchers, we work hard to demonstrate the validity of the UTZ model day by day. But it is only by the large uptake of our partners that ultimately we can bring about the impact we seek. The current steep growth trends in volumes for UTZ certified coffee, cocoa, tea and rooibos are positive developments but just milestones on our road towards our ambition for 2020 whereby 50% of the world's total coffee, cocoa and tea production should be produced sustainably in the next decade.