

1. The UTZ Standards

1.1 Scope

The mission of UTZ is to make sustainable farming the norm. The UTZ standard for better farming is reflected in the UTZ Code of Conduct. This code sets out requirements for farmers in areas such as professional farm management, good agricultural practices, safe working conditions, and protection of natural habitat.

The UTZ program covers four products: coffee, tea, cocoa and hazelnuts. It applies to both smallholder groups and to estates. Currently, the program includes 908 farmer groups and 1012 estates. The scope is global, with 37 origin-countries in Africa, Asia, Central & South America and Europe (hazelnuts).

1.2 Sustainability outcomes

The UTZ Code of Conduct focuses on good agricultural practices, enabling farmers to strengthen their productivity, that is, producing a higher yield of a better quality, with respect for social and environmental conditions. The UTZ Code of Conduct addresses, among others, the following key issues:

- Resilience, productivity and profitability
- Soil fertility
- Integrated Pest Management
- Water use efficiency
- Child labor
- Working conditions
- Health and safety
- Living income / Living wage
- Gender equality
- Climate change
- Deforestation
- Ecological diversity

1.3 Justification

The UTZ program, including the standard setting and independent verification mechanism, has proven to be an efficient and effective instrument to promote and to upscale sustainable farming, providing better opportunities for farmers, their families and our planet. The UTZ program enables farmers to learn better farming methods, improve working conditions and take better care of their children and the environment.

Independent impact studies have shown that, overall, participation in the UTZ program contributes to:

- Better crop - Farmers with better crops have better prospects, which is what UTZ is about. Not only do the farmers produce more, they achieve better quality at lower costs. Hundreds of thousands of farmers around the world now have more opportunities because of the UTZ program.
- Better income - Through the UTZ program farmers are trained to also be good business people. This enables them to produce more at lower costs while producing better quality harvests. This way, farmers are able to invest in their families, a sound business, the people who work there and in their futures.
- Better environment - Farmers following the UTZ Code of Conduct work with respect for the environment and in better harmony with nature. Animals, plants and nature reserves are protected. Water, raw materials and natural resources are preserved and pollution is reduced.
- Better life - Thanks to the UTZ program more and more farmers and workers feel healthy, motivated and respected. They get more chances to achieve their ambitions and so do their families. Their children go to school.

UTZ Standard Setting

Public System Report | November 2016

Where local regulation on major sustainability topics is lacking or enforcement is failing, there remains a need for voluntary sustainability programs such as the UTZ program. Although the UTZ program has shown a remarkable growth in the past years, in 2014 the program comprised of over 575.000 farmers and 335.000 workers, there is still a lot of potential for including more farmers and serving more markets.

1.4 Performance level

The Code of Conduct four-year improvement process reflects the leading philosophy of UTZ to encourage 'continuous improvement' of agricultural businesses.

In the UTZ program, groups and group members need to comply with a number mandatory control points in order to become certified. Throughout the four years of the UTZ continuous improvement process, the number of mandatory control points increases, to encourage groups and group members to improve their practices. Even after four years in the UTZ program, the group and its members perpetuate the continuous improvement cycle by updating their risk assessment, and implementing a group management plan with necessary actions to address identified risks.

1.5 Adaptations

UTZ operates a network of field representatives in the origin-countries, with the purpose, among others, to facilitate local application of the UTZ Code of Conduct. Where appropriate, country or region specific guidance is developed.

UTZ recognizes there are major differences between smallholders and estates in terms of how best to include them into the program. Therefore, UTZ developed two different versions of the Code of Conduct: one for estates (or individual farms), and one for farmer groups. To mention some of the differences: the Code for individual farms is more detailed in the area of worker's rights. The Code for farmer groups attributes a major role to the Internal Management System.

UTZ is expanding its cooperation with local standards for more efficiency and to widen the scope of its program. An example is the cooperation agreement with the government of Minas Gerais, Brazil. The alliance, which relies on the alignment of the UTZ Code of Conduct and the Certifica Minas Café certification standard, benefits over 1,800 Minas Gerais' coffee-farming producers by facilitating them access to international markets through the UTZ network.

2. Standard-Setting and Revision Process

2.1 Stakeholder categorization and geography

The Code of Conduct is developed in close collaboration with a wide range of stakeholders and updated every five years. Through a public consultation, input is sought from agricultural experts as well as representatives from NGOs, traders, and other organizations. Most importantly, farmers have an important role in setting these standards.

2.2 Summary of the revision process

The last review and revision of the UTZ Code of Conduct took place from 2012 till 2014. The revision process included an extensive online public consultation in two rounds, consultation workshops in origin countries to have a balanced input also from under-represented and disadvantaged stakeholders and a workshop in the Netherlands to engage, among others, industry, NGO's, academia and governments.

The revised Code of Conduct was released in July 2014 and followed by a one-year pilot period to test the standard in the field. This resulted in a Version 1.1 of the Code of Conduct, valid from 1 July 2015 and compulsory from 1 January 2016.

The revised Code of Conduct focuses on management practices and elaborates more on climate change adaptation. There is also greater emphasis on measures for preventing, monitoring and remediating child labor, increasing women's participation, and reaching more smallholders. The simpler language of the new structure - consisting of one core code and commodity specific modules – will allow more farmers to join the UTZ program.

The new code is both stronger and simpler. The focus is on good agricultural practices, enabling farmers to produce a higher yield of a better quality. Social and environmental factors such as working conditions, gender equality and ecological diversity are now addressed in more depth. The code includes measures designed to support farmers in dealing with the major challenges such as climate change.

2.3 Governance

UTZ has a multi-stakeholder governance structure in line with ISEAL requirements. The Supervisory Board has members drawn from the following groups: production, the supply chain (including brands, processors, trade, retailers), civil society/non-governmental organization and representative trade unions. The Supervisory Board meets a minimum of three times a year, oversees the Executive Team and, for a number of important matters, the Supervisory Board's approval is required before the Executive Team can pass resolutions.

The Standards Committee has the main task to adopt, on the basis of information and data provided by the stakeholders, both new and revised Codes of Conduct. The composition of the Standards Committee represents the various stakeholders involved in the different UTZ programs (i.e. coffee, tea, cocoa, rooibos, and hazelnut). In order to ensure a balanced representation, the members of the Standards Committee come from the following categories: Production, Industry, NGO, Certification Body and UTZ staff (non-voting member).

Lastly, the Product Advisory Committees (PACs) support and advise both the Supervisory Board and UTZ staff on the development, implementation and revision of product specific programs. Members of the PACs possess knowledge of the production, trade, retail, and/or development of a brand.

2.4 Decision-making process

The Standards Committee takes decisions where possible by consensus whereas consensus is defined as the absence of sustained opposition but does not require unanimity; where a consensus is not possible, decisions are taken by majority vote with any dissenting views noted if wished.

UTZ Standard Setting

Public System Report | November 2016

A quorum shall exist at any meeting of the Standards Committee if half plus one Standards Committee members are present in person or by proxy. Proxies may be given by any Standards Committee member to any other Standards Committee member present at the meeting.

The Standard Committee approves or rejects new and revised UTZ Codes of Conduct (Standards) and product specific modules. The final approval is then given by the Supervisory Board based on the careful and correct application of the Code Development Procedure.

2.5 Review and Revision process

UTZ applies the principle of continuous improvement also to its own products. UTZ welcomes suggestions and comments to its standards at all times and from any stakeholder at certification@utz.org. UTZ is constantly monitoring the impacts and the feasibility of its standards, not only for transparency, but also to learn from and to make improvements in future revisions.

UTZ reviews and revises its Code of Conduct at least every five years. The next review and revision will be finalized ultimately in 2019.

UTZ pursues to enable any person, company or organization that intends to file a grievance to do so. It is the intention of UTZ to deal with grievances in a sound and transparent, as well as efficient and effective way. UTZ welcomes feedback and grievances as an opportunity to continuously improve its services. The [feedback and grievance procedure](#) is to be found on the UTZ website.