



AGREEMENT OF WILLS
OF PUBLIC - PRIVATE ACTORS
 IN THE COFFEE VALUE CHAIN FOR ACTION AGAINST CLIMATE CHANGE
 AND FOREST CONSERVATION



1 COFFEE GROWING IN COLOMBIA

Coffee is one of the most widely traded agricultural products in the world. Colombia is the third largest coffee exporter in the world and the largest producer of mild coffee in the world¹, being the most representative agricultural product of the country. The coffee sub-sector is located throughout 22 departments and more than 600 municipalities, in the three Andean mountain ranges of our country, at altitudes ranging from 800 meters above sea level to 2200 meters above sea level.

The value of the Colombian coffee harvest was USD \$ 2,437 million in 2020. This corresponds to 20% of the Agricultural (not including animals) GDP, 11.2% of the Agricultural (including animals) GDP and 0.7% of the GDP of Colombia. Colombian coffee exports reached USD \$ 2,200 million, 15.2% of traditional exports and 5.8% of total exports. Coffee production is labor intensive in Colombia. It generates 720,000 direct jobs and represents an activity that stimulates consumption and investment in 602 municipalities (out of a total of 1,103), developing a multiplier effect on the economy of rural areas, promoting stability and peace.

The Colombian coffee region covers an area of 7.1 million hectares. It has a diverse and continuous landscape that integrates the ecosystems of natural high mountain forests with agricultural and forestry crops, livestock, human settlements, and infrastructure. Covers around 844,000 hectares (2020) of semi-perennial coffee plantations which have a protective effect against erosion on the slopes of rainy mountains and biodiversity preservation.

According to information from the National Federation of Coffee Growers - FNC (2019), and studies carried out by the UPRA (Rural Agricultural Planning Unit), it is estimated at first that, out of a total of 1,963,515 lots, it is identified that 1,732,739 lots are within the national agricultural frontier. In areas of legal exclusion there are 90,292 lots with an area of 51,071 ha and in areas with forests and other non-agricultural cover 140,484 lots with 74,272 ha.

As part of the productive ordering process within the agricultural frontier, the UPRA, in coordination with the FNC, is currently making progress in the identification of areas of high, medium and low aptitude for the development of the technified cultivation of coffee (*Coffea arabica* L.), for the national and international market. Initially, it is estimated that Colombia has 6,936,375 hectares suitable for growing coffee, that is, 17.7% of the national agricultural frontier. It is expected that once the validation of the aptitude analysis with the union is completed, this information will be available in the Information System for Rural Agricultural Planning (SIPRA <https://sipra.upra.gov.co/>)

The economic importance of coffee in Colombia is undeniable and transcends the agricultural sector. However, half of the 540,000 Colombian coffee growing families are economically vulnerable and put the long-term sustainability of the coffee sector at risk. According to the latest study conducted by the FNC's Economic Research Team, more than 270,000 families (51%) have less than 1 hectare planted with coffee and declare that coffee is their main source of family income. These households have a more significant proportion of older adults and women producers, their housing conditions are more precarious, their educational level is lower, and they perceive themselves as poor. In general terms, more than 31% of coffee growers declare that their income does not cover their minimum expenses.

¹ National Federation of Coffee Growers (2019)

Another challenge currently facing agri-food chains at a global level is climate change and its adverse effects. The global temperature increase will bring with it a considerable reduction in the area suitable for growing coffee, even up to 50% of the total by 2050². The lower areas tend to lose their aptitude for coffee and there is pressure to migrate to the higher areas, bringing the risk of degrading and deforesting the sub-Andean and Andean forests. The economic viability of producing coffee will be affected if strategies that make coffee growing communities and their crops more resilient to climate change are not implemented.

It should be noted that, to face many of the production challenges, Colombia has been a pioneer and leader in the implementation of sustainable programs and practices. One of the main practices has been the protection and planting of trees in coffee agroecosystems, as well as the conservation of forests and strategic ecosystems.

However, future efforts towards sustainability will require a holistic approach that integrates the necessary components to balance producers' income (cost of production + fair profitability), social development (quality of life) with a climate-resilient production and better preservation of natural capital in coffee regions.

2 BACKGROUND

The Sustainable Trade Platform (Plataforma de Comercio Sostenible – PCS, in Spanish) is a collaborative work initiative created by the most relevant actors of the coffee chain in Colombia, facilitated by Solidaridad, supported by international organizations such as the Global Coffee Platform, Sustainable Coffee Challenge, the Embassy of the Kingdom of the Netherlands and the Embassy of the Kingdom of Norway. Through this initiative, synergies that allow us to face many of the sustainability challenges are generated. One of the objectives set out in the last Declaration for a Sustainable Coffee Sector (2017-2020) of this platform is to *Promote initiatives for mitigation and adaptation to climate change in the different links of the coffee chain in Colombia*. The PCS is promoting the formation of a working group related to the issue of forests and Coffee.

This agreement recognizes the importance of public-private partnerships in sustainable and inclusive economic development and is committed to support the New York Declaration on Forests, the Bonn Challenge, the Paris Climate Agreement and the Sustainable Development Goals.

It is acknowledged that the government of Colombia, with the support of Norway, Germany, and the United Kingdom signed in 2019, during the COP25 in Madrid, the Joint Declaration of Intent for the Reduction of Deforestation at a National Level that, promotes the Zero-Deforestation Agreements with production chains, as public policy milestones, since January 2017, as part of their adherence to the Tropical Forest Alliance TFA 2020.

Also, it is important to mention Resolution 261 of 2018 of the Ministry of Agriculture and Rural Development, through which the national agricultural frontier and the methodology for its general identification are defined. It is also highlighted that the country has the National Policy for the Comprehensive Management of Biodiversity and Ecosystem Services and the

² A Future without coffee? (¿Un futuro sin café?) <https://www.iadb.org/es/mejorandovidas/el-efecto-mas-impensado-del-cambio-climatico> (2020)

Comprehensive Strategy for Control of Deforestation and Forest Management (EICDGB) - Bosques Territorios de Vida (Forests Life Lands), led by the Ministry of Environment and Sustainable Development (Ministerio de Ambiente y Desarrollo Sostenible).

It is highlighted that the Ministry of Agriculture and Rural Development, the National Federation of Coffee Growers, the National Association of Colombian Coffee Exporters (ASOEXPORT) and the Colombian coffee chain in general have been working for several decades on a varied research portfolio and projects towards sustainable coffee growing in the coffee growing regions of the country, including large investments in agroforestry systems, conservation of natural forests, biological corridors and climate-smart coffee growing.

3 OBJECTIVE AND PRIORITY AREAS

We, the Government of Colombia, through the Ministry of Environment and Sustainable Development, the Ministry of Agriculture and Rural Development, joined with the National Federation of Coffee Growers, Solidaridad, Tropical Forest Alliance, Conservación Internacional, Rainforest Alliance, Asoexport, Cafexport, Tecnicafé, Supracafé, Caravela, Expocafé, Carcafé, LDC, Nestlé, Nespresso, RGC, Olam, Racafé, ECOM, Juan Valdez, SKN Caribe, S&D Sucden, we compromise with the objective of working together to mitigate and adapt coffee growing to climate change, and promote the protection and restoration of the forests in the coffee supply chain in Colombia, through this Agreement of Wills and Private - Public Actors:

The Agreement of Wills is structured around the following three priority areas:

- 1 Promotion of sustainable production and livelihoods of farmers, incentivizing sustainable³ intensification of coffee production systems** as a mechanism to improve farmers' livelihoods and income, and reduce pressure on natural forests.
- 2 Definition and implementation of actions to promote the **Adaptation, Mitigation and Resilience of coffee communities to climate change through sustainable production systems.****
- 3 Contribute to protection and restoration of the Forests of Colombia,** avoiding degradation and deforestation of forests in coffee systems according to environmental zoning and the definition of the agricultural frontier. Promoting the planting of trees on farms, as well as the increase of coffee agroforestry systems (under shade) according to the bioclimatic offer of the different areas of the country, as well as the conservation of natural forest ecosystems associated with coffee production systems.

³In suitable areas of the agricultural frontier, taking into account the aptitude maps prepared by UPRA with the FNC.

4 COMPROMISOS DE LOS FIRMANTES

Recognizing the vital role of the coffee sector in Colombia in: generating jobs and income for rural communities and its potential positive impact on the conservation of ecosystems and forests; considering the importance of the sector in the social and economic development of the country, its contribution in reducing rural poverty and accelerating the transition to sustainable livelihoods for small farmers; emphasizing the critical role of tropical rainforests, biodiversity and conservation in addressing global climate change, regulating local and regional climate and providing other critical ecosystem services that underpin the resilience of the coffee sector and local livelihoods; We PCS members and participants in this agreement will work collaboratively on:

- A** Promote the conservation and management of forests and reforestation areas as a strategy for sustainable coffee production based on the identification of ecosystem services, adaptation and mitigation of climate change that contributes the forestry component to the coffee production systems,
- B** Favor the planting of trees in coffee production systems (agroforestry) as a strategy to contribute to the resilience of crops against climate variability, increase GHG capture.
- C** Promote the productive restoration in coffee systems supporting the National Plan for Ecological Restoration, Rehabilitation and Recovery of Degraded Areas – PNR.
- D** Promote the preservation of strategic conservation areas for the nation: Protected Areas, System of National Natural Parks, forest reserve areas and areas of high value for conservation.
- E** Establish at the national level, as well as at the region or jurisdiction level, progressive quantitative goals for the short (2023), medium (2025) and long-term (2027). Including here goals in reducing forest degradation, coffee agroforestry systems, climate (adaptation, mitigation and resilience) and deforestation. Among the first tasks of the Agreement will be to agree on the mechanisms to define these goals, as well as the methodology for monitoring them. Additionally, companies, associations or cooperatives may develop differentiated goals within their region or jurisdictions of influence.
- F** Communicate to the markets the commitment of coffee producers to coffee production under sustainable production systems, Zero Deforestation.

Within the Agreement of Will it is possible to work collaboratively in:

- i.** Exchange experiences and generate knowledge related to the management of trees within coffee production systems, forests conservation, the development of strategies that promote the reduction of deforestation in coffee growing areas, the implementation of practices related to the reduction of the carbon footprint and the adaptation of communities to climate change.
- ii.** Develop educational tools and methodological strategies that facilitate the training of the coffee-growing families on issues of: the establishment and management of trees within coffee production systems, the reduction of deforestation in coffee-growing areas, forest

conservation, comprehensive management of hydrographic basins and the implementation of practices related to the reduction of the carbon footprint and the adaptation of communities to climate change.

- iii. Promote discussion and creation processes that allow participant organizations to develop projects and effective implementation plans which promote tree planting, sustainable forest management and the reduction of deforestation in coffee growing areas.
- iv. Establish at the corporate level, coffee supply policies that ensure that producers and intermediaries promote practices aimed at forest conservation, adaptation and mitigation of climate change
- v. Disseminate the concept of sustainable coffee production systems in the national and international market and sensitize the different actors of the chain, regarding the relevance and impact of forest conservation, the provision of environmental services, the quality of life of the producers, the climate resilience of the coffee sector and its access to markets.
- vi. Promote the structuring of financial mechanisms, instruments and tools to manage resources from various sources for the implementation of mitigation strategies against climate change and forest conservation within the coffee sector.
- vii. Voluntarily manage resources of various kinds for the proper functioning and implementation of the Agreement, the monitoring and verification system.
- viii. Formulate, implement and periodically update a public communication and information strategy about the management of the Agreement, in conjunction with the communication strategy of the TFA2020 Colombia Alliance..

5 GOVERNANCE

For the development of this Agreement, a rotating Technical Secretariat will be established. During its first year, it will be in charge of Solidaridad as the facilitating organization of the Tropical Forest Alliance. This Technical Secretariat will have the function of promoting the joint actions of the parties and coordinating the progress of the results of the Agreement and making an annual report on its implementation. To fulfill this function, it will convene the attached members to jointly develop an annual action plan for the implementation of the Agreement, based on a proposal from the Technical Secretariat, identifying the priority actions to be implemented by the members and the emerging working groups for its development. In the first plenary meeting, the Technical Secretariat will propose a governance structure for the Agreement and the design of an operating manual for it; that must be approved by consensus among the attending members.

The agreement will remain open for the coffee companies signature, coffee buyers, government institutions and producers and civil society's organizations linked to the chain. The linking of public and private institutions, new national or international actors from the chain will be defined

in the framework of the plenary meetings of members convened by the Technical Secretariat that will be held at least twice a year. Any interested party must send the Technical Secretariat a written notification of their interest in joining the agreement and the reasons that motivate it. Members may also withdraw from the agreement by notifying the executive level of the respective entity, to the Technical Secretariat of the Agreement.

6 **MONITORING**

Measuring and monitoring the progress of the agreement at the national level, as well as monitoring at the landscape level will be essential to ensure accountability, transparency and promote learning and adjustments in the implementation of the Agreement. A transparent, credible and scientifically supported process will be developed to measure and monitor the progress of the agreement, including the goals proposed by the Agreement of Will and compliance with the Action Plans, with the respective indicators defined by the parties.

For landscape-scale monitoring and conservation agreements, official forest surface and deforestation monitoring data generated by the Ideam Forest and Carbon Monitoring System will be used in together with local information from the signatory companies of the Agreement.

With the leadership of the SMByC, a baseline of the forest area and annual monitoring of deforestation associated with coffee cultivation will be generated. With this cartographic information, the geographic areas where natural forest areas and deforestation areas are identified from January 1, 2011 to December 31, 2019, with annual updates, thereafter, will be determined. As far as possible, this report will include maps of degraded areas and areas of coffee plantations with shade. The signatories will be able to prioritize some coffee zones according to consensus.

The consortium (CIAT, Conservation Internacional, Sustainability Consortium and Rainforest Alliance) will verify the report and the inputs with contributions from their mapping of forest cover and coffee systems and in line with the protocols and methodologies developed. IDEAM's SMByC will also assess the conservation potential (through conservation or restoration agreements), taking into account possible implementation costs.

For monitoring and using the official historical geospatial information, the study work that included the agricultural border carried out by the MADR through the UPRA with the IDEAM and the FNC in 2019 should be considered, which includes the homologation of the database of areas under coffee cultivation (2010 data) related to the official natural forest area.

Additionally, with the inputs generated by IDEAM, and if applicable, the four (4) entities (CIAT, Conservation Internacional, Sustainability Consortium and Rainforest Alliance) will collaborate in the analysis of deforestation / forest degradation in critical sites (eg Agricultural border areas and areas with deforestation - Caquetá, Huila, Sierra Nevada de Santa Marta and others) with more detailed information and field data, in any case articulated to the methodological protocols developed by the SMByC of IDEAM.

From now on, the legal guidelines through which the entities provide the necessary information for the effective development of the monitoring system will be defined through multilateral agreements.

This Joint Action Framework Agreement is signed in Bogotá, Colombia, on August 10, 2021

