



Understanding the

# 4C Code of Conduct

An illustrated guide to the Unacceptable Practices and 4C Code Principles



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the Unacceptable Practices  
and 4C Code Principles



*Unacceptable Practices*  
UNACCEPTABLE PRACTICES



*Social Dimension*  
PRINCIPLES



*Environmental Dimension*  
PRINCIPLES



*Economic Dimension*  
PRINCIPLES

# Introduction

The 4C Code of Conduct is the core instrument of the 4C Association to promote the sustainable production, processing and trading of green coffee.

The Code includes ten Unacceptable Practices that all 4C Members must exclude before they join the association. The 4C Units<sup>1</sup> must exclude these practices before they pass 4C Verification.

Additionally, the Code sets out 28 principles that cover the three dimensions of sustainability: social, environmental and economic.

The purpose of this illustrated guide is to help 4C Units understand what the Unacceptable Practices and 4C Code Principles stand for. It also outlines the benefits of complying with those principles. This guide does not replace the 4C Code of Conduct, it is an aid to comply with it. The Code is available for download on the 4C website<sup>2</sup>.

The 4C Association hopes that this publication will be a helpful tool in your 4C sustainability journey.

- 1) A 4C Unit is the entity that is verified to supply 4C Compliant Coffee. It can be in any part of the supply chain in a country that grows coffee. It can be a group of farmers, an export organisation, a local trader, a mill or even a roaster.
- 2) The 4C Code of Conduct can be downloaded from: [www.4c-coffeeassociation.org/en/code-of-conduct.php](http://www.4c-coffeeassociation.org/en/code-of-conduct.php)

# 10

*Unacceptable Practices*

UNACCEPTABLE PRACTICES

The exclusion of these practices is a prerequisite to become a member of the 4C Association

Unacceptable Practice

# 01

**Worst forms of child labour**



Unacceptable Practice

# 02

**Bonded and forced labour**



**Unacceptable  
Practice**

**03**

**Trafficking of persons**



**Unacceptable  
Practice**

**05**

**Forced eviction without  
adequate compensation**



**Unacceptable  
Practice**

**04**

**Prohibiting membership of  
or representation by a trade  
union**



**Unacceptable  
Practice**

**06**

**Failure to provide adequate  
housing where required by  
workers**



**Unacceptable  
Practice**

**07**

**Failure to provide potable  
water to all workers**



**Unacceptable  
Practice**

**09**

**Use of banned pesticides**



**Unacceptable  
Practice**

**08**

**Cutting of primary forest or  
destruction of other forms of  
natural resources**



**Unacceptable  
Practice**

**10**

**Immoral transactions in  
business relations according  
to international covenants,  
national law and practices**



# 11

## Principles PRINCIPLES

# Social Dimension

## Social Dimension

### Principle

# 01

## FREEDOM OF BARGAINING

Workers and producers have the right to found, to belong to and to be represented by an independent organisation of their choice.



Workers and producers are denied the right to join or participate in independent organisations representing their interests.

### The problem

An independent organisation is allowed to represent workers' and producers' rights and interests within the 4C Unit.

### How to solve it

Workers organisations create effective communication channels between management, producers and workers. Through such channels, workers and producers provide feedback and are more engaged in the productive processes and activities of the 4C Unit.

### How you benefit



## Principle

# 02

## *Social Dimension*

### FREEDOM OF BARGAINING

Workers have the right to bargain collectively.



**The problem** Workers are unable to bargain collectively in the absence of a recognized union or workers organisation. This leads to growing worker discontent and/or inadequate working conditions.

**How to solve it** Management recognizes an independent union or organisation to represent workers interests within the 4C Unit. Wages are collectively bargained with worker representatives.

**How you benefit** Negotiations between unions and management on issues such as wages, health, safety and production can lead to mutually acceptable and beneficial agreements.

## *Social Dimension*

## Principle

# 03

### DISCRIMINATION

Equal rights with respect to gender, maternity, religion, ethnicity, physical conditions and political views are secured.



Discrimination is common in the workplace and leads to abuse, unequal working conditions and wages.

**The problem**

4C Members adopt and actively enforce antidiscrimination policies on issues such as gender, maternity, religion, ethnicity, physical conditions and political views.

**How to solve it**

Harmonious working relations lead to greater employee engagement and satisfaction.

**How you benefit**



# 04

## Principle

### RIGHT TO CHILDHOOD AND EDUCATION

Children have the right to childhood and education.



## Social Dimension

**The problem** The use of child labour is still widespread in many countries. This leads to low education levels and limits the child's personal development.

**How to solve it** School age children attend school regularly.

**How you benefit** Access to basic education enables children to develop skills and improve their employability, increasing their chances for a better future.

## Social Dimension

Working relationships are informal and workers do not know their rights and responsibilities.

Working conditions and wages are defined in a mutually agreed written contract between the employer and the worker. A copy of this contract is available to the worker upon request.

Mutually-agreed written contracts defining working conditions and wages can prevent misinterpretations or abuse. With a written contract, conflicts between workers and employers can be more easily arbitrated or resolved legally.

**The problem**

**How to solve it**

**How you benefit**

# 05a

## Principle

### WORKING CONDITIONS

Workers receive a labour contract.





Principle

# 05<sub>b</sub>

## WORKING CONDITIONS

Working hours comply with national laws, international conventions and/or collective bargaining and overtime work is remunerated.



*Social  
Dimension*

**The problem** Workers regularly work beyond their contracted hours without getting paid for it.

**How to solve it** Employees that work beyond their contracted hours are paid for it.

**How you benefit** Clear guidelines on working hours ease pressure on management and prevent misinterpretations or abuse. Stable, predictable working hours increase worker motivation and well-being.

*Social  
Dimension*

Workers are paid less than the minimum legal wage. **The problem**

Wages comply with national laws and sector agreements (whichever is higher). **How to solve it**

Adequate wages increase worker satisfaction, productivity and create a better overall work environment. They also contribute to improving the livelihoods of workers and their families. **How you benefit**

Principle

# 05<sub>c</sub>

## WORKING CONDITIONS

Wages comply with national laws or sector agreements.



Principle

# 05<sub>d</sub>

*Social  
Dimension*

## WORKING CONDITIONS

**Employer ensures proper occupational health and safety conditions.**



**The problem** Poor occupational health and safety conditions can lead to frequent accidents in the workplace and decrease workers' well-being.

**How to solve it** Safety and health management systems are established in the 4C Unit based on International Labour Organisation (ILO) guidelines.

**How you benefit** A safe and healthy work environment prevents work-related injuries and fosters workers' well-being. Fewer work-related injuries also help employers save significantly by reducing the need for costly compensation packages and/or treatment expenses.

*Social  
Dimension*

Principle

# 05<sub>e</sub>

## WORKING CONDITIONS

**Seasonal and piece rate workers are treated equally.**



Seasonal and piece rate workers often earn less than permanent workers for comparable work. Additionally, for these workers, minimum wage laws and/or sector agreements are not always respected.

**The problem**

Work is quantified and wage schemes are adapted to the reality of seasonal and piece rate workers. Proportional payment schemes are introduced for piece rate workers and minimum wage laws and/or sector agreements are respected.

**How to solve it**

Treatment equal to that accorded to permanent workers increases seasonal and piece workers' income, motivation and productivity.

**How you benefit**

# 06

## Principle

### CAPACITY AND SKILL DEVELOPMENT

Business partners and workers within the 4C Unit receive trainings to improve their skills and capacities.



## Social Dimension

**The problem** The lack of adequate farmers and workers training leads to poor product quality and low productivity.

**How to solve it** The 4C Unit identifies the training needs of farmers and workers. Based on this, the 4C Unit designs and offers adequate training programs.

**How you benefit** Well-trained farmers and workers are better positioned to meet production and quality targets. Training programs also allow them to develop new skills and advance professionally within the 4C Unit.

## Social Dimension

Poor living conditions and low education levels are persistent problems, reducing worker welfare and productivity.

Workers are regularly consulted on their living conditions. Feedback enables the development and implementation of targeted strategies to better respond to basic worker needs.

Enhanced worker welfare and living conditions improve the overall quality of life of workers and their families. It also increases worker satisfaction and productivity.

**The problem**

**How to solve it**

**How you benefit**

# 07

## Principle

### LIVING CONDITIONS AND EDUCATION

4C Units work towards improving living conditions and support the basic education of business partners and workers.



# 11

## Principles PRINCIPLES

# Environmental Dimension

## Environmental Dimension

# 01

### Principle

#### CONSERVATION OF BIODIVERSITY

Conservation of biodiversity, including protected or endangered native flora and fauna is supported.

The clearing of native species and forest cover often associated to coffee production can disrupt the ecological balance of the farm.

#### The problem

Forest cover and native species are maintained on several key areas of the farm.

#### How to solve it

The conservation of biodiversity helps maintain the ecological balance of the farm. Moreover, it can create favorable climate conditions for crops and prove effective in reducing diseases and pests.

#### How you benefit



## Principle

# 02<sub>a</sub>

### USE AND HANDLING OF CHEMICALS

Use of pesticides is minimized.



## Environmental Dimension

**The problem** Some of the pesticides widely used in coffee production have high environmental costs and can cause serious health problems.

**How to solve it** Closely monitor existing pests and diseases on the farm. Consult specialized staff to introduce environmentally-friendly Integrated Pest and Disease Management controls.

**How you benefit** Reduced pesticide use lowers production costs. It also protects the farm's environment and workers' health.

## Environmental Dimension

Improper use and storage of pesticides and other chemicals can cause serious health problems and environmental degradation.

Staff is properly trained and wears protective clothing when using pesticides and other chemicals. Products representing a threat to the environment are stored and disposed of adequately.

The adequate use and storage of pesticides and other chemicals protects workers' health and prevents environmental accidents.

## Principle

# 02<sub>b</sub>

### USE AND HANDLING OF CHEMICALS

Harmful effects of pesticides and other chemicals used on human health and the environment are minimized.



## Principle

# 03

### SOIL CONSERVATION

Soil conservation practices are in place.



## Environmental Dimension

**The problem** Topsoil erosion can cause productivity losses and threaten the sustainability of farmland.

**How to solve it** 4C Units apply soil conservation practices to reduce erosion. These can be contour planting, construction of terraces, permanent soil cover or others depending on local conditions.

**How you benefit** Preventing erosion means maintaining productivity, cleaner waterways and a more sustainable farm.

## Environmental Dimension

Coffee fields require the use of fertilizers to counterweigh soil depletion associated with production. Inadequate fertilizer use is however all too common: misguided or excessive fertilizer use results in high production costs and environmental degradation.

Application of fertilizers based on expected yields and on the results of soil and plant analyses.

Appropriate fertilization maintains or improves overall coffee productivity and therefore increases the chances of higher profits.

**The problem**

**How to solve it**

**How you benefit**

## Principle

# 04a

### SOIL FERTILITY AND NUTRIENT MANAGEMENT

Fertilizers are used appropriately.





## Principle

# 04<sub>b</sub>

### SOIL FERTILITY AND NUTRIENT MANAGEMENT

Organic matter management is in place.



## Environmental Dimension

**The problem** Soil organic matter greatly influences coffee yields. Poor soil management results in depleted yields and lower coffee productivity.

**How to solve it** Organic matter management strategies are in place. Such strategies include maintaining the ground cover vegetation during most of the year as well as recycling available organic matter and applying it to the soil.

**How you benefit** Maintaining organic matter in soils increases nutrient and water retention and improves the physical condition of the soil. This results in lower fertilization costs and enhanced yields.

## Environmental Dimension

Excessive or wasteful water use is all too common and can result in long-term supply problems.

Water conservation and preservation strategies, such as better irrigation systems and efficient wet milling, are implemented.

Water conservation and preservation means cleaner surface water and securing the long-term water supplies of underground aquifers. Both are key to the long-term sustainability of coffee production and processing.

**The problem**

**How to solve it**

**How you benefit**

## Principle

# 05<sub>a</sub>

### WATER

Water resources are conserved.



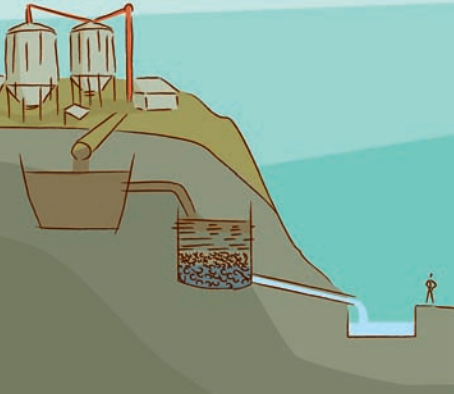


## Principle

# 05<sub>b</sub>

## WATER

Wastewater management is in place.



## Environmental Dimension

**The problem** Tainted wastewater resulting from coffee production and processing is a threat to both ecosystems and human health.

**How to solve it** Water resulting from both domestic use and from wet milling undergoes basic organic load reduction treatments such as biofiltration, septic or aerobic treatment systems.

**How you benefit** Wastewater management helps preserve existing water sources and a healthy environment.

## Environmental Dimension

Waste not disposed of properly, besides being an eyesore, can cause serious environmental damage if unchecked.

Waste is disposed of appropriately and organic matter is separated and composted.

Responsible waste management means a healthier on-farm environment and lower input costs through the smart reuse of residues.

**The problem**

**How to solve it**

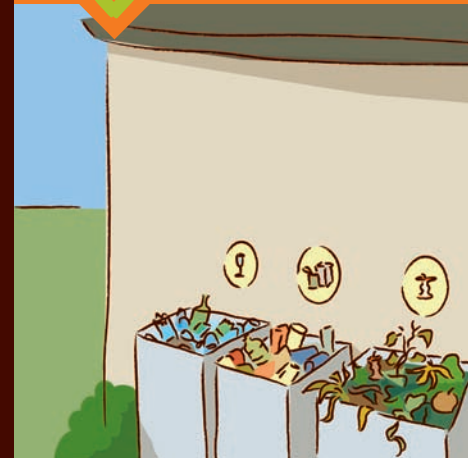
**How you benefit**

## Principle

# 06

## WASTE

Safe waste management strategies are implemented.



## Principle

# 07<sub>a</sub>

## ENERGY

**Preferential use of renewable energy.**



## Environmental Dimension

**The problem** The use of non-renewable sources of energy, such as oil and gas, is increasingly expensive. It is also a leading cause of air pollution and climate change.

**How to solve it** Alternative sources of energy, such as solar, wind, hydropower and biomass are tapped in 4C Units. Innovative machinery or equipment using renewable sources of energy, such as solar coffee driers, are used.

**How you benefit** Using alternative sources of energy means cleaner air and long-term savings on fuel. It is also a concrete contribution in the fight against climate change.

## Environmental Dimension

Inefficient energy use means higher operating costs and the depletion of natural resources.

Energy use is monitored throughout the 4C Unit. A conservation strategy is designed and proactive measures, such as using more efficient devices, are put in place.

Efficient energy use means immediate lower costs. It also contributes to long-term sustainability by reducing the use of off-farm energy sources.

**The problem**

**How to solve it**

**How you benefit**

## Principle

# 07<sub>b</sub>

## ENERGY

**Energy conservation.**



## 6

Principles  
PRINCIPLESEconomic  
DimensionEconomic  
Dimension

Farmers do not have access to the latest market data and premium coffee prices. As a result, these farmers do not receive the best prices available for their coffee.

**The  
problem**

Market data and prices are easily available to farmers. The information is up-to-date, objective and easy-to-understand.

**How to  
solve it**

Access to up-to-date market information enables farmers to receive better prices for their coffee. As a consequence, they increase their income and improve their living standards.

**How you  
benefit**

## Principle

## 01

## MARKET INFORMATION

**Market information is accessible within the 4C Unit.**



# 02

## Principle

### MARKET ACCESS

**4C Unit improves the ability of producers to gain adequate market access, including market information, financial credit, supply of inputs, etc.**



## Economic Dimension

**The problem** Farmers often lack access to basic extension services, financing and inputs. As a result, overall performance levels are weaker than what they should be.

**How to solve it** A basic analysis of farmer needs is completed. Based on the results, targeted extension services, including the adequate provision of inputs and financing, are offered to farmers and workers.

**How you benefit** Access to basic extension services, financing and inputs allow farmers to maximize their productive potential, boosting their incomes as a result.

## Economic Dimension

Coffee farmers do not always take into account the quality and sustainability attributes of their product at the time of sale. This lack of product awareness results in lower prices for farmers.

Coffee quality is regularly assessed, based on different market attributes such as moisture, defects, flavor, aroma, or acidity as well as sustainability attributes. These reports are made available to the farmers.

Access to regular coffee quality assessments enables farmers to better estimate the value of their crop. This enables them to negotiate better terms for their coffee, including higher prices. Access to coffee quality assessments also encourages farmers to improve quality and explore sustainable production practices.

**The problem**

**How to solve it**

**How you benefit**

# 03

## Principle

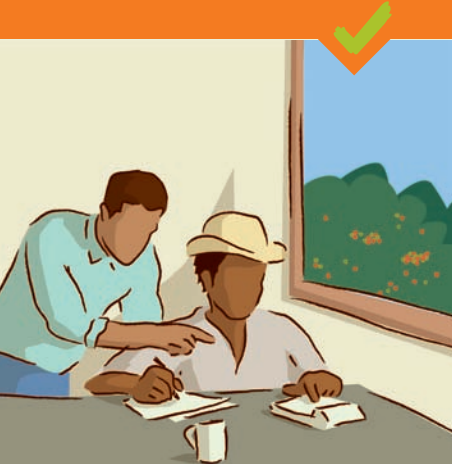
### QUALITY

**Coffee quality is monitored within the 4C Unit.**



## RECORD KEEPING

Record keeping used to monitor production efficiency leads to improved farm performance.



**The problem** Farmers ignore the details of their farm's technical and financial results. As a consequence, these farmers lack insight into their farms' strengths, weaknesses and areas for improvement. This results in poor productive and economic performance.

**How to solve it** Farmers have access to an easy-to-use system allowing them to enter key technical and financial data, such as yield, cost of labour, inputs and price of sale.

**How you benefit** With all the relevant technical and financial data in hand, farmers gain insight into their farms' performance. As a result, they are in a better position to make improvements and increase their income.

## COMMERCE

Transparent pricing mechanisms are available to reflect coffee quality and sustainable production practices.



Few farmers know and understand how coffee prices are determined. They are unaware on how factors such as costs along the supply chain, quality and sustainability attributes influence the end price.

Farmers are provided information on a regular basis on how coffee prices are determined. This includes data on market prices, a breakdown of some of the main costs of the supply chain as well as information on coffee quality and sustainability attributes.

Farmers know and understand the real market value of their coffee. This encourages farmers to explore new strategies, such as improving quality, to further increase the value added of their coffee.

**The problem**

**How to solve it**

**How you benefit**

# 06

## Principle

### TRACEABILITY

Internal traceability mechanisms are in place.



## Economic Dimension

**The problem** Coffee of different quality and/or origin is blended. This means lower overall coffee prices and poorer supply-chain transparency.

**How to solve it** Coffee can be traced along the supply-chain, ideally all the way from the farm to the end-product retailer. Coffee of different quality and/or origin produced within the 4C Unit is identified and separated.

**How you benefit** Greater traceability enables buyers to value coffee based on its unique origin attributes and better reward individual farmers producing high quality coffee.

## 4C code of conduct

10 Unacceptable Practices  
UNACCEPTABLE PRACTICES

28 Principles  
PRINCIPLES

1 Approach to Sustainability  
APPROACH TO SUSTAINABILITY

# notes

## notes

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