

## 2 - How to Organize Private Standards for Production



# What you need to know I

- Barry Callebaut, the largest chocolate producer in the world, has its headquarters in Zurich
- +70% of Swiss Chocolate is exported
- 1875 Swiss food pioneers invented milk chocolate and 1879 the process called 'conching'.

## Swiss chocolate

10.5 KILOG PER CAPITA CONSUMPTION  
OF CHOCOLATE IN SWITZERLAND IN 2017

18 CHOCOLATE MANUFACTURERS  
BELONG TO CHOCOSuisse



MAIN CONSUMERS OF SWISS CHOCOLATE:

GERMANY 17%

UNITED KINGDOM 13%

FRANCE 10%



127'923

CHOCOLATE EXPORTS FROM  
SWITZERLAND IN 2017



42'784

TONNES OF COCOA BEANS  
IMPORTED BY SWITZERLAND IN 2017

# What you need to know III

- The dairy sector creates about 23% of total agricultural production value and employs  $\pm 72'000$  people on farms
- The average farm produces 177'000 kg of milk per year
- 40% of the milk is processed into cheese
- $\pm 40\%$  of Swiss Cheese is exported, mainly to the EU but also to the USA and other countries



# But Switzerland...

- ... is by far not the only country transforming cocoa to chocolate;
- ... is in terms of market share in the global dairy market (almost) non-existent;
- ... is very expensive for any industry;
- ... subsidizes agriculture heavily;
- ... is still moving forward, improving value chains of cocoa and milk.





# Speaker

■ **Stefan Kohler**



# **BRANCHENORGANISATION MILCH**

**BO MILCH - IP LAIT - IP LATTE**

## **A national Standard for Sustainable Milk**



**Dr. Stefan Kohler**  
**Director**  
**Swiss Milk Board**  
**IFAJ-Congress Interlaken**  
**August 15 2024**



# Swissmilk Green – A private standard for the milk sector

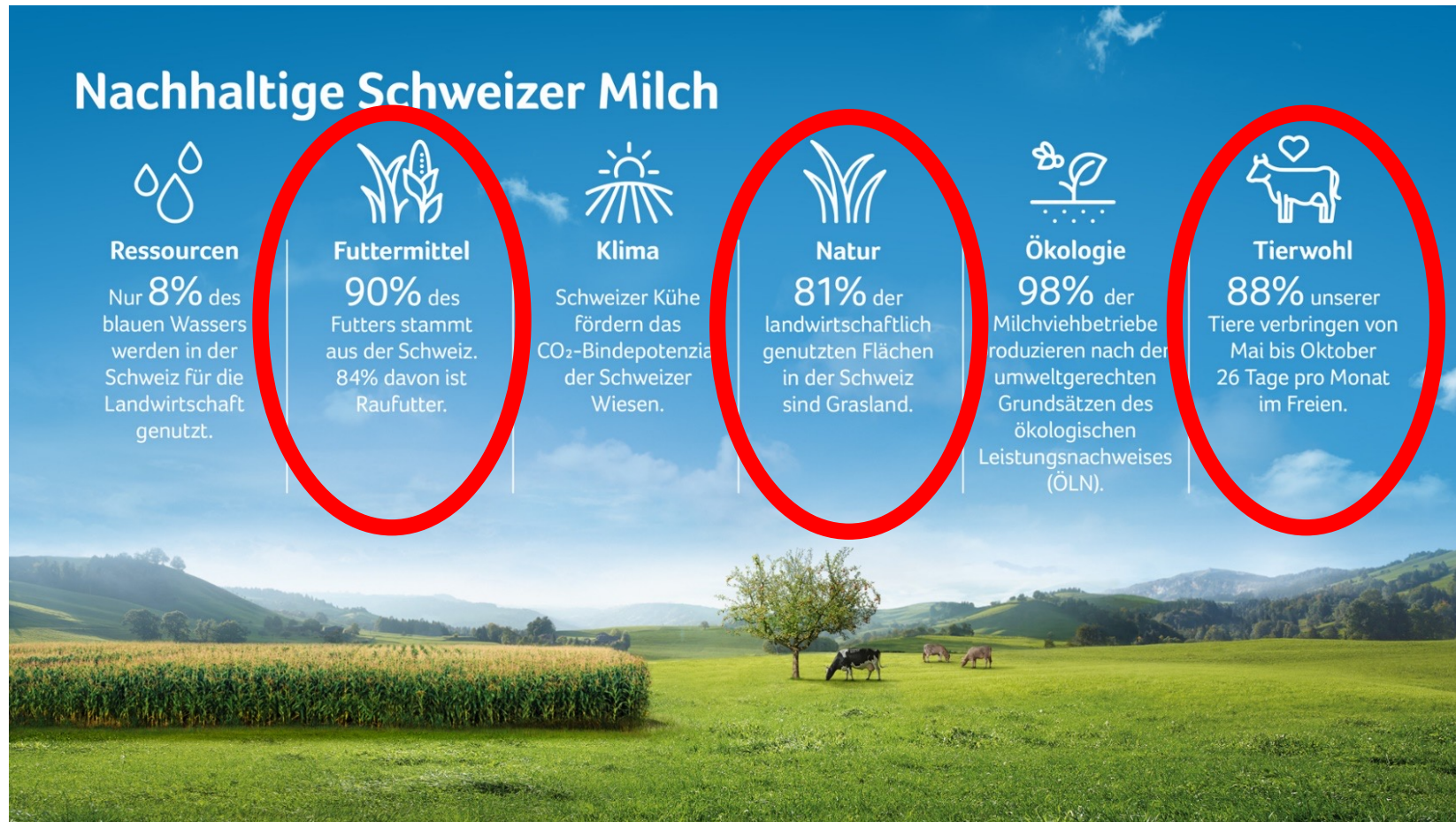
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## Content

1. What did we do?
2. Why did we do it?
3. How did we do it?
4. Who did it?
5. Lessons to learn?



## Added Values in sustainability of Swiss Milk





What did we do

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**Introducing a new standard by 2019**

**The main characteristics of our standard:**

# **Animal welfare and sustainable feeding**

**The 10 basic requirements are ...**



# The 10 basic requirements (1)

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## Free-ranging cows

Swiss dairy farmers are attentive to the well-being of their cows. Switzerland's animal protection legislation is one of the strictest worldwide. It sets the minimum in terms of livestock rearing conditions. However, most dairy farmers comply with more stringent animal husbandry requirements. For example, they participate in the Federal animal welfare programme "RAUS" (regular open-air grazing) and "BTS" (particularly animal-friendly livestock housing), which stipulate stricter guidelines for animal farming.

For dairy cows as well, movement and social contact are important. Nearly 90% of cows already benefit from the RAUS programme and enjoy regular access to pasture or spend entire days in an exercise yard. The RAUS programme guarantees that animals have access to pasture 26 days per month in summer and 13 days per month in winter. Moreover, over half of the cows live in free-stalls that are BTS-compliant. Such stalls are characterised by daylight and littered resting areas that



## The 10 basic requirements (02 / 03)



### Every cow has a name

In Switzerland, the social dimension inside the herd is a matter of course. Animal welfare and caring for our cows are the primary concerns for our dairy farmers. Average herd size in Switzerland is just 26 cows per farm. This allows for traditional grazing, characterised by a good ratio between the number of animals and forage area, unlike dairy farms abroad with over 1000 animals kept in a herd. A smaller number of animals also lets our dairy farmers forge closer ties with their animals. For example, in Switzerland every animal has a name, the most popular ones being Bella and Tulipe.

### Young calves grow stronger after over three weeks at home

A cow only gives milk if it gives birth to a calf each year. Instead of keeping all of these calves for their own offspring, milk producers sell some of them after birth to farms specialising in meat production. These calves are treated with respect. The first days after birth are decisive for the calves' health and welfare. However, this period is also economically important: a good start in these first few weeks also has a positive impact on later life. Letting the calves stay at least 21 days at the holding of birth gives their health and welfare a boost.



## The 10 basic requirements (04 / 05)



### Strict rules for cattle shows

Livestock farming isn't only about factors like milk yield — it also involves the outside appearance. In the industry jargon we call this the "extérieur". At cattle shows, animals are judged on their outside appearance. The legal provisions for animal welfare must also be respected at all times at such events. Farmers undertake to ensure the welfare and protection of their animals. Consequently, each participant must comply strictly with the exhibition regulations of the Federation of Swiss Cattle Breeders (ASR).

### No pregnant cows sent for slaughter

It is essential for all livestock farmers to remain abreast of the pregnancy stage of their cows — indeed, this is a key aspect of herd management. Farmers record cows' pregnancy status in writing on the accompanying documents, a measure which prevents pregnant cows from being sent for slaughter.





# The 10 basic requirements (6 / 7 / 8)



## Care with the use of medications

The medical care of our cows is subject to clear specifications. The milk producer ensures that the use of medications is appropriate to the situation. Critical antibiotics are only administered with the approval of the veterinarian and in a targeted way.

## Promoting biodiversity

The agricultural environmental performance record (ÖLN) is the foundation of environmentally friendly agriculture. The requirements of the ÖLN are demanding and cover all areas of sustainable production. They include requirements in the areas of animal-friendly husbandry, fertilisation, crop rotation, ecological compensation areas and appropriate soil protection. Strict compliance with these guidelines is one of the main reasons why the Swiss dairy industry excels in international comparison, particularly in the area of animal welfare.

For a farm, respect for the ÖLN implies adopting a holistic approach. For example, the soil must be cultivated in an ecologically sound manner and



## Milking for high milk quality

Perfect milking according to the lactation process and a well-functioning milking technique prevent udder diseases and promote milk quality, milk yield as well as animal welfare and animal health. Special regulations apply at national shows.

# The 10 basic requirements

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## GMO-free feeding

With respect to dairy cattle feeding, the following requirements apply for the sustainability brand "swissmilk green": those who use protein-rich soy meal as feed obtain it from sustainable production.



## The 10 basic requirements

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### No palm oil, no palm fat

The "swissmilk green" brand guarantees that the feeding of dairy cattle is 100% free of palm oil and palm fat.



## Why did we do it?

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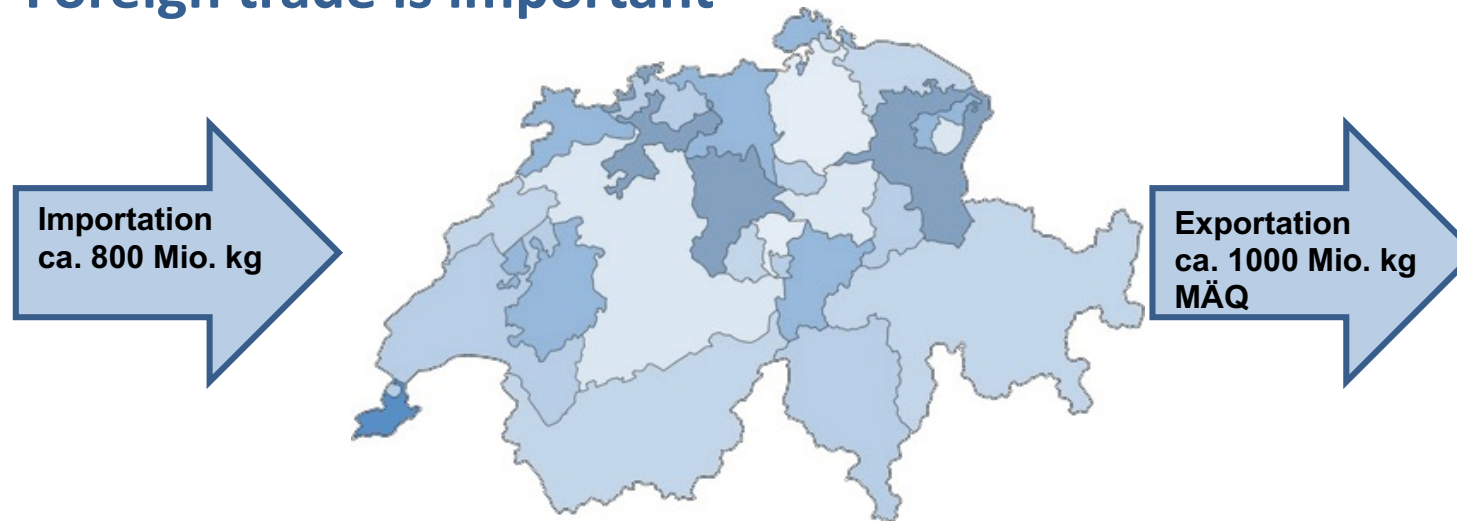
### **Motivation for an added value strategy**

- **We are in the international market**
- **Our high-price products must be justified by contents**
- **We expected more liberalization**
- **Our products have an added value, we should sell it**
- **Foreign products do it as well**

## Why did we do it?

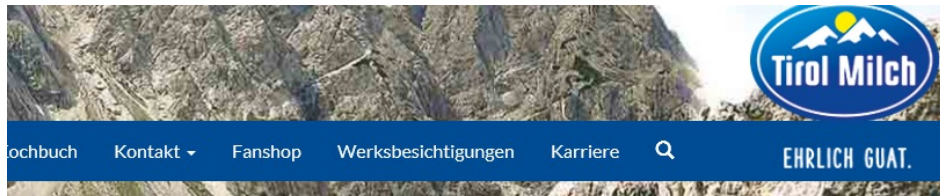
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### Foreign trade is important



**Milk-produktion domestic: ca. 3300 Mio. kg**  
**Demand domestic: ca. 3100 Mio. kg Milch**

# Why did we do it?



## 22.2.2021 | Tirol Milch: Erste klimapositive Molkerei! Klimaneutral können viele, Tirol Milch ist klimapositiv!

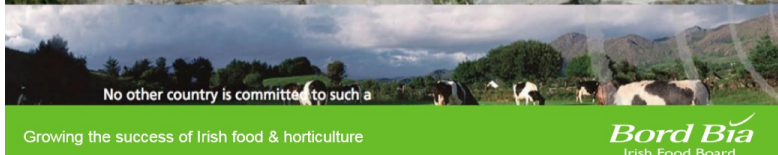
Wörgl, 22.02.21: Dass Umweltschutz bei Tirol Milch großgeschrieben wird, ist vielen Konsumenten seit auch Tirol Milch die Milch in der Mehrwegglasflasche eingeführt hat, bekannt. Die Tirol Milch Molkerei in Wörgl zählt, auch aufgrund vieler anderer Maßnahmen zu den nachhaltigsten Molkereien in Europa und ist jetzt auch offiziell klimapositiv!



Die Tirol Milch Molkerei in Wörgl ist einer der modernsten und nachhaltigsten Milchverarbeitungsbetriebe



Doing business with Ireland's Origin Green members means you are in partnership with those who have a proven commitment to sustainability >>



**BRANCHENORGANISATION MILCH**  
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## How did we do it?

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- 1) Summer 2015: Decisions have taken**
- 2) Decision for a standard as the future baseline**
- 3) Introduction by September 2019 for the standard for sustainable milk called «green carpet» and of the brand «swissmilk green».**
- 4) Situation today: 97,8 % of the milk is on board**
- 5) Next step by fall 2023: Topic for climate-protection is in development**





## Effect

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- **New style in communication**
- **More income for the producers**
- **Consumers understand the added-value**



## How did we do it

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### Main learnings in the first period

- **Added values must be appreciated and be understood by the customers**
- **Farmers must be part of the process, they may not be «ruled» and the added values must be accessible**
  - a standard is not a label
- **Added values must bring an added income (+ 3 ct.)**
- **Added values must be a difference to abroad**



## Who did the decisions?

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### **Swiss Milk Board**

**(Branchenorganisation Milch – Interprofession de lait)**

## Lessons to learn

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- **Without pressure for everybody no development**
- **An added value for everybody is necessary**
- **Leave the government out and do it yourself**
- **To have the retail on board is a big help, their needs are necessary and their willing to raise the prices as well**

# Speaker

■ **Christian Robin**







Swiss Platform for  
Sustainable Cocoa

## ***A Swiss multistakeholder partnership to tackle global challenges in agriculture***

IFAJ Congress 2024 Switzerland  
Interlaken, August 14-18, 2024  
Breakout Session 2 ("Brünig" Room)

**Christian Robin**  
Executive Director



# Thank you for the invitation



## **June 2021 to date**

- Swiss Platform for Sustainable Cocoa

## **From 2007 to 2021**

- State Secretariat for Economic Affairs (SECO); Economic Cooperation and Development, working mostly on the topic of sustainable trade, including a post to Peru from 2010 –14.

## **From 2002 – 2006**

- PhD in Political Science with field work and studies in Peru, Bolivia, Chile and Argentina.

## **Born and raised in Rapperswil-Jona (SG)**

- > [christian.robin@kakaoplattform.ch](mailto:christian.robin@kakaoplattform.ch)
- > [www.linkedin.com/in/christian-robin-20107530](https://www.linkedin.com/in/christian-robin-20107530)

## Cocoa – a sector with widespread SDG challenges

**Rural poverty:** Half of global (extreme) poor live in the rural areas of Sub-Saharan Africa - cocoa is no exception; 75% of farmers do not earn a “living income”

**Child labour:** poverty is the main cause for persistent child labour. Every second farm has still an incidence of child labor

**Deforestation:** poverty is also the main cause of land use change due to farm extension

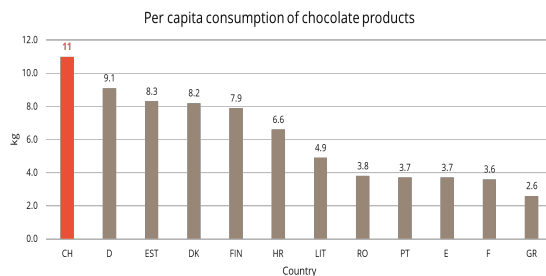


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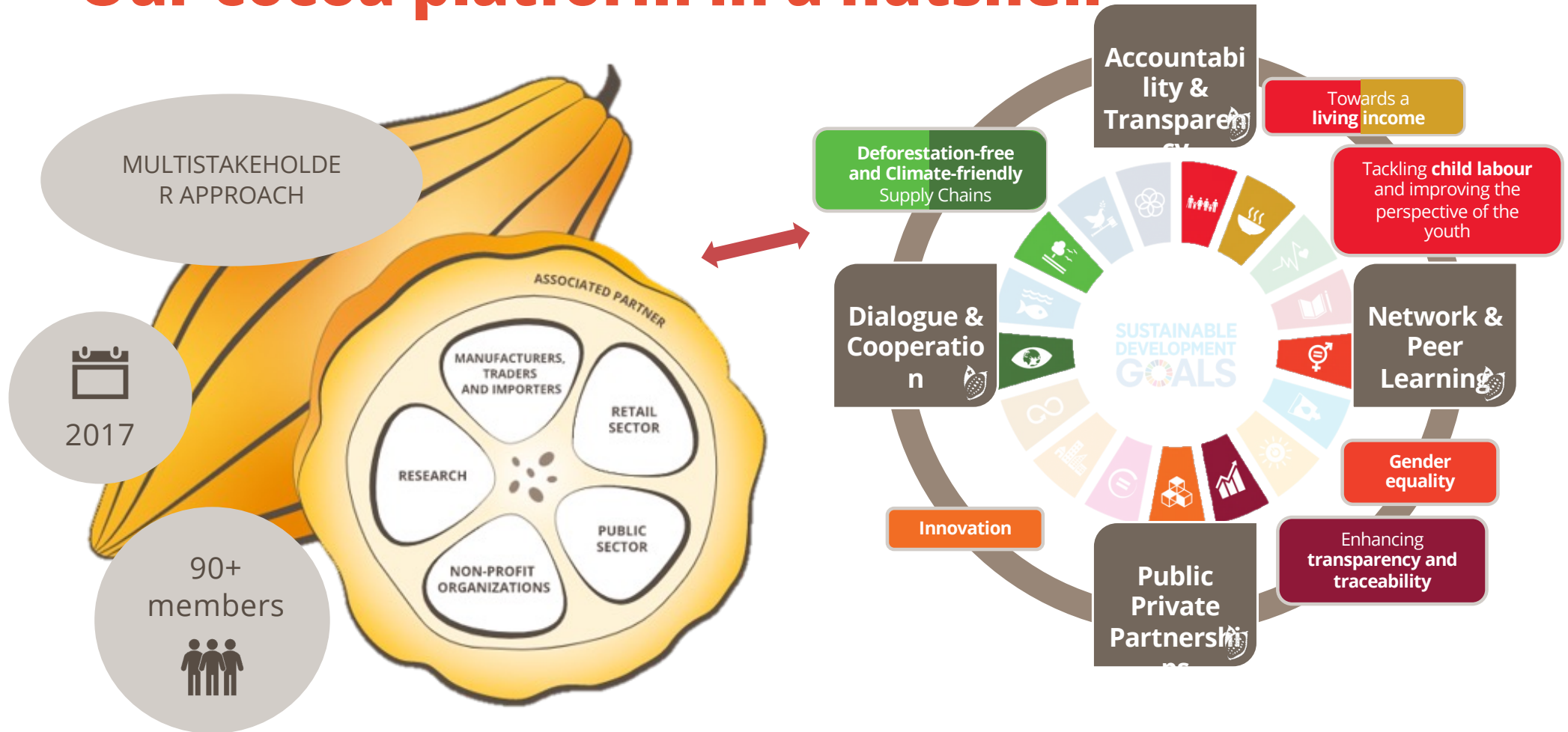
LINDT & SPRÜNGLI



## Switzerland – great chocolate comes with great responsibility

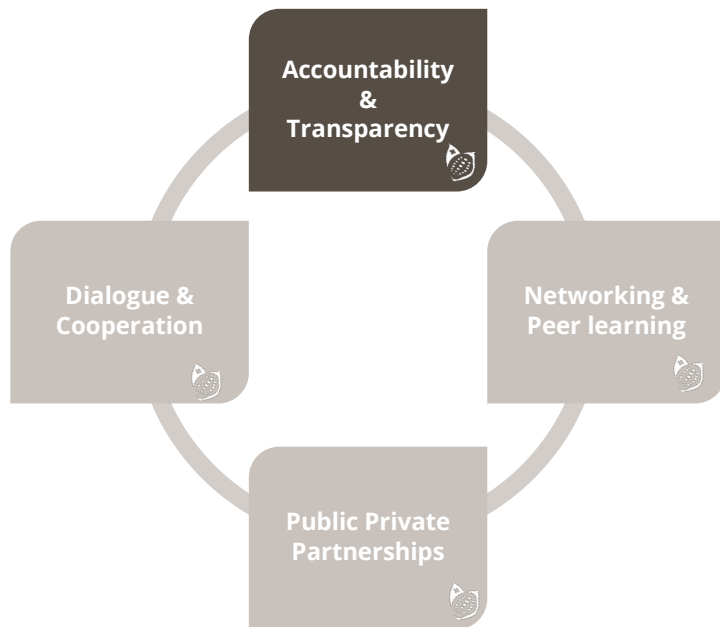
- Switzerland is the host country of key chocolate brands and commodity traders and processors
- Switzerland ranks top in per capita consumption

# Our cocoa platform in a nutshell

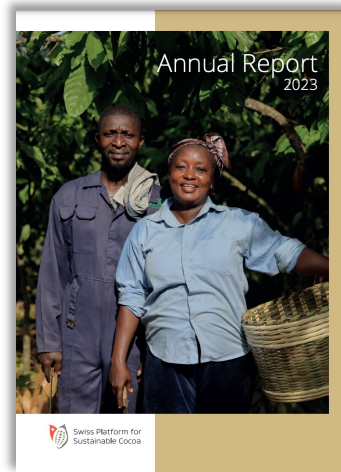




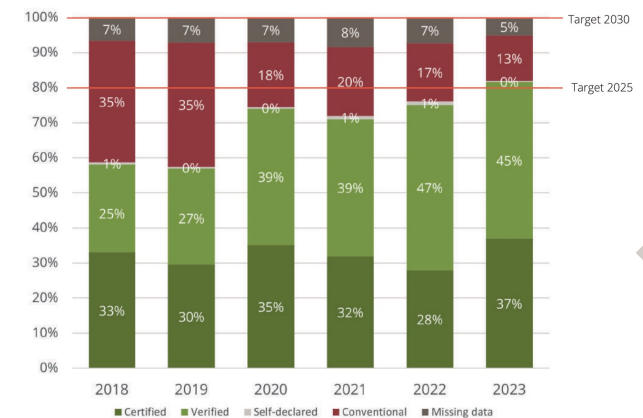
# Deep dive into accountability and the role of standards



We are relying on internationally recognized sustainability standards (Fairtrade, Rainforest, Organic) and independently verified company programs

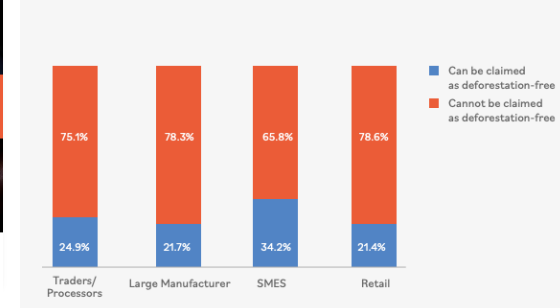


Share of certified, verified, self-declared and conventional cocoa bean equivalents on total imports (in %).



Data from members

Figure 4: Share of volumes that can be claimed as deforestation-free



# Conclusions



**Agenda «Beyond Certification»:** certification schemes and verification programs of companies are an important step, but the social and environmental challenges in cocoa-producing countries require more comprehensive, joint efforts on the part of all actors in the cocoa sector



**New regulations:** Sustainability may become the norm, but impact on smallholders (particularly in fragile contexts) and compliance costs need to be assessed properly.



**Trust based collaboration:** Sustainability impacts require a higher level of cooperation (public-private, North-South), which can be fostered through trust-based relationships.



**Many  
thanks!**  
[www.kakaoplattform.ch](http://www.kakaoplattform.ch)



# Discussion

- Stefan Kohler
- Hansjürg Jäger

**Moderation: Hansjürg Jäger**

