

Executive Summary

The State of Sustainable Markets 2022

Statistics and Emerging Trends

About the report

This sixth global report provides new insights into the evolution of certified agriculture and forestry. The International Trade Centre has teamed up once again with the Research Institute of Organic Agriculture and the International Institute for Sustainable Development to provide data about 14 major sustainability standards for bananas, cocoa, coffee, cotton, forestry products, oil palm, soybeans, sugarcane and tea.

This year's report adds data from the year 2020, helping to shape decisions of policymakers, producers and businesses that work to address systemic labour and environmental challenges through certified sustainable production.

This report was produced with the generous support of the Swiss State Secretariat for Economic Affairs (SECO).

Publisher: International Trade Centre, International Institute for Sustainable Development and Research Institute of Organic Agriculture.

Title: The State of Sustainable Markets 2022: Statistics and Emerging Trends – Executive Summary

Publication date and place: Geneva, December 2022

Page count: 23

ITC Document Number: GIVC-22-86.E

Citation Helga Willer, Gregory Sampson, Cristina Larrea, Bernhard Schlatter, Steffany Bermudez, Tuan Duc Dang, Madelaine Ruger and Claudia Meier (Eds.), *The State of Sustainable Markets 2022: Statistics and Emerging Trends*.

For more information, contact: Gregory Sampson (sampson@intracen.org) at ITC or Helga Willer (helga.willer@fibl.org) at the Research Institute of Organic Agriculture

For more information on sustainability standards, see www.sustainabilitymap.org/standards.

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Foreword

From the sustainable trade perspective, no tool has stood the test of time more than sustainability standards. They apply to many sectors and countries. They contain relevant criteria and implementation frameworks. These standards can address the combined demands of economic resilience, environmental protection and social sustainability.

Standards are used by large companies and producers as well as global value chain actors. Financiers use standards to control the sustainability risks of borrowers; governments use them to operationalize due diligence along the value chain. Smallholders use of standards to improve their social and environmental practices, obtain price premiums and access international value chains.

To ensure due diligence, policymakers are turning to standards as part of the smart mix to implement sustainability policies. Standards have proved adept at reinventing themselves and improving their processes to better meet new challenges. If anything, the competitive nature of these standards augurs well for innovation and change.

Yet we cannot ignore that the fast-evolving standard landscape, often coming from “buyer” countries, has substantial implications for small business in developing countries. This year’s State of Sustainable Markets edition illustrates the trend of continued but slower growth or even decline in the certified land area for some commodities and standards.

While the certified area of soybean, oil palm, tea and banana expanded by 12.0%, 6.7%, 4.9% and 1.8% respectively, coffee declined -5.6%, cocoa -5.5%, sugarcane -8.6%; and cotton -12.0%. Small businesses facing the four Cs of Covid, climate, crises and cost of living are finding it a hard to tap into resources and expertise to make sustainable transitions. As ITC, we bring the voice of small businesses from developing countries to the table as they face the challenges of sustainability certification in a changing landscape.

Trends come and go, in sustainable development as in other domains. One relative certitude, however, is that sustainability standards are here to stay.

These standards are embedded in supply chains and key agricultural and consumer sectors. Their criteria and implementation mechanisms have been honed over the years and represent a roadmap for achieving environmental and social sustainability.

This summary of sustainability trends provides annual data to track their use over time that is useful for firms, policymakers and associations working to make trade more sustainable.



Pamela Coke-Hamilton
Executive Director
International Trade Centre

Acknowledgements

The Research Institute of Organic Agriculture (FiBL), the International Institute for Sustainable Development (IISD) and the International Trade Centre (ITC) are very grateful to the Swiss State Secretariat for Economic Affairs for its financial support of the global data collection on voluntary sustainability standards and the production of this publication.

Further acknowledgements are due to all the standard-setting organizations that collaborated on the report: 4C, Better Cotton, Bonsucro, Cotton made in Africa (CmiA), Fairtrade International, Forest Stewardship Council (FSC), GLOBALG.A.P., IFOAM – Organics International, the Programme for the Endorsement of Forest Certification (PEFC), ProTerra Foundation, Rainforest Alliance, the Roundtable on Sustainable Palm Oil (RSPO), the Round Table on Responsible Soy (RTRS), Textile Exchange and UTZ.¹

The publishers also wish to thank the following individuals, without whose contributions this report would not have been possible:

Oshin Abrami, GLOBALG.A.P., Cologne; **Ana Laura Andreani**, RTRS, Buenos Aires; **Thorsten Arndt**, PEFC International, Geneva; **Jorge Arce Ojeda**, FSC International, Bonn; **Lisa Barsley**, Textile Exchange, London; **Stefanny Bermudez**, IISD, Ottawa; **Emese van Maanen**, ProTerra Foundation, Bilthoven; **Thomas Cierpka**, IFOAM – Organics International, Bonn; **Lise Favre**, PEFC International, Geneva; **Laura Ferreira**, Bonsucro, London; **Miguel Gomez-Escolar Viejo**, Better Cotton, Geneva; **Félix Gréverath**, **Better Cotton, Geneva**; **Ricardo Gonzalez**, Rainforest Alliance, Amsterdam; **Phan Ha**, Rainforest Alliance, Amsterdam; **Marion Karmann**, FSC International, Bonn; **Kristin Komives**, ISEAL Alliance, London; **Karin Kreider**, ISEAL Alliance, London; **Jannah Landgraf**, IISD, Ottawa; **Cristina Larrea**, IISD, Ottawa; **Julia Lernoud**, IFOAM World Board of Directors, Bonn; **Oliver Mandila**, FSC International, Bonn; **Claudia Meier**, FiBL, Frick; **Sally Millett**, IISD, Toronto; **Soo Chin Oi**, RSPO, Kuala Lumpur; **Kendra Pasztor**, Better Cotton, Geneva; **Evert Raymakers**, RTRS, Buenos Aires; **Madelaine Rüger**, FiBL, Frick; **Gregory Sampson**, ITC, Geneva; **Bernhard Schlatter**, FiBL, Frick; **Nina Schöttle**, CmiA, Hamburg; **Mohd Shafiqul Syaznil**, RSPO, Kuala Lumpur; **Muhammad Shazaley bin Abdullah**, RSPO, Kuala Lumpur; **Evonne Tan**, Textile Exchange, Petaling Jaya; **Liesl Truscott**, Textile Exchange, Bath; **Andrea Valenzuela**, Rainforest Alliance, San José; **Gerrit Walter**, Fairtrade International, Bonn; **Helga Willer**, FiBL, Frick, **Benedikt Zimmer**, 4C Services, Cologne.

We are also grateful to Natalie Domeisen and Anne Griffin (both ITC), for quality and production management; Jennifer Freedman, for editing this report; and Serge Adeagbo and Franco Iacovino (both ITC) for design services and printing services.

Executive summary

First published in 2015, this report is now updated annually on the state of sustainable markets. This sixth edition includes 2020 data on area, production volume and producers for 14 major standards-setting organizations, focusing on eight commodities and forestry.

Highlights

Features of the current market context are continued, but there was slower growth or even decline for some commodities and standards, as well as continued dominance in some sectors of single-sector standards. Among the highlights of this year's report:

The big four: Cotton, oil palm, cocoa and sugarcane

- Cotton continued to have the largest certified area in 2020. Oil palm is the second-largest commodity in terms of area certified that year, followed by cocoa and then sugarcane (Table 1). Coffee is no longer among the big four due to .
- Cotton: At least 5.7 million hectares or at least 14.6% of the global cotton area was certified, with 10% by Better Cotton alone.
- Oil palm: At least 3.3 million hectares or at least 11.6% of the global oil palm area was certified, with 11.5% by RSPO alone.
- Cocoa: At least 2.6 million hectares or at least 21.4% of the global cocoa area was certified, with 19.7% by UTZ alone.
- Sugarcane: At least 2.1 million hectares or at least 7.9% of the global sugar area was certified, with 5.6% by Bonsucro alone.

Certified area continues to grow, but standard compliance loses ground

- From 2016–2020, the certified area of all agricultural commodities covered in this report grew by at least one-fifth (+22.2%). Sugarcane experienced the highest growth rate of its certified area, which doubled (+100.5%). This was followed by cotton, which almost doubled in area (+84.4%), along with notable growth in the oil palm and tea areas (+32% and +31.4%, respectively) (Table 1).
- While the selected agricultural commodities experienced an accelerated one-year area growth in 2016–2017 (+18.8%) that then flattened in both 2017–2018 (+6.7%) and 2019–2020 (+1.8%), the area decreased by 4.2% in 2019–2020 (Table 1).
- The soybean, oil palm, tea and banana areas expanded by 12%, 6.7%, 4.9% and 1.8%, respectively, in 2019–2020. In that same period, a decline was recorded for cotton, sugarcane, coffee and cocoa (cotton -12%, sugarcane -8.6%, coffee -5.6% and cocoa -5.5%) (Table 1).
- The selected agricultural standards certified at least 7.5% of the global area of the selected agricultural commodities in 2020, down from 7.9% in 2019. Four standards certified at least 21.4% of the global cocoa area (22.7% in 2019). A standard certified at least 14.6% of the global cotton area (16.4% in 2019), at least 15.2% of the global coffee area (16.1% in 2019) and at least 14.1% of the global tea area (14.4% in 2019) (Table 1).

Organic is the top standard in terms of total area certified, but others are growing faster

- Organic is the biggest sustainability standard in terms of both area and product variety. Almost 75 million hectares of agricultural land across the world were certified as organic in 2020 (including areas in the process of becoming organic-certified), representing 1.6% of agricultural land worldwide (Table 4).

- In 2020, after organic, three standards covered land exceeding 4 million hectares each. Of these, RSPO certified the largest area (4.4 million hectares), followed by Rainforest Alliance (4.1 million hectares) and GLOBALG.A.P. (4.1 million hectares), each representing a global share of 0.09% (Table 4).
- Most of the standards covered in this report, except 4C and Pro Terra, grew in their compliant areas, all of them by at least 10%, in 2016–2020. Better Cotton saw the greatest jump, with its certified area doubling in size (+83.7%), followed by Bonsucro and CmiA, whose certified areas expanded by 74.4% and 41.7%, respectively (Table 4).
- Two of the 12 agricultural standards experienced double-digit area growth in 2019–2020, with RTRS achieving the highest growth rate (+20.1%) (Table 4).

Why this report?

The updated report provides a snapshot of growth and decline patterns in key commodities, identifies area for additional data collection and advocates for increased accountability in sustainable markets. Researchers, policymakers, industry actors and other stakeholders rely on the annual report for further analysis and informed decision-making.

The report presents a summary of the key data. The full data are available in the online platform ‘Market Trends’, where users can access and analyse the data in a visual, more dynamic and more user-friendly way. Country, commodity, forestry and sustainability standard-specific interactive graphs are available at www.standardsmat.org/trends.

Data from the latest survey (2020 data) demonstrate how certified agriculture and forestry continue to grow, in line with an expanding global population and increasing demand for sustainable products. The rising share of total area and production volume covered by voluntary sustainability standards (VSS) suggests there is significant potential for further growth.

Continued demand for certification

The steady increase in certification over the past decade reflects demand among consumers, buyers and producers to address common environmental and social concerns. The agricultural commodities covered in this report are extremely important for food security, job creation and human development. Therefore, they must be produced in a sustainable way for these sectors to remain resilient. Although VSS are present in these sectors, major challenges remain, including low farm-gate prices, climate change, slave labour, poor working conditions and land-grabbing issues.

One of the main challenges for most VSS-compliant markets is that supply outpaces demand. In some cases, VSS-compliant products such as certified palm oil and soybeans are not even labelled as such. Europe and North America already are demanding more VSS-compliant products. The key to expanding VSS-compliant consumption is to lift demand in new markets: emerging economies and producing countries, particularly in Asia.

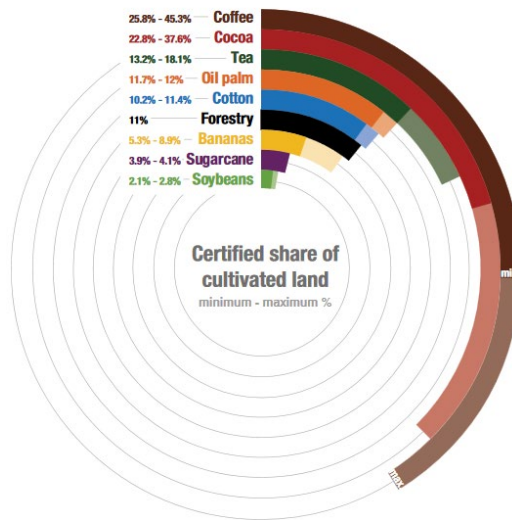
VSS continue to play an important role in enabling the shift of agricultural supply chains towards more sustainable and resilient ones. This will require more transparency and traceability of goods through the value chain, lowering the vulnerability of supply chains to shocks and stresses, and the transition towards environmental recovery and regeneration.

Featured crops and standards

This report offers a comprehensive snapshot of significant growth in the adoption of global sustainability standards across nine sectors: bananas, cocoa, coffee, cotton, oil palm, soybeans, sugarcane, tea and forestry. It presents market and statistical data on these sectors as well as at-a-glance tables on products and standards (Figure 1).

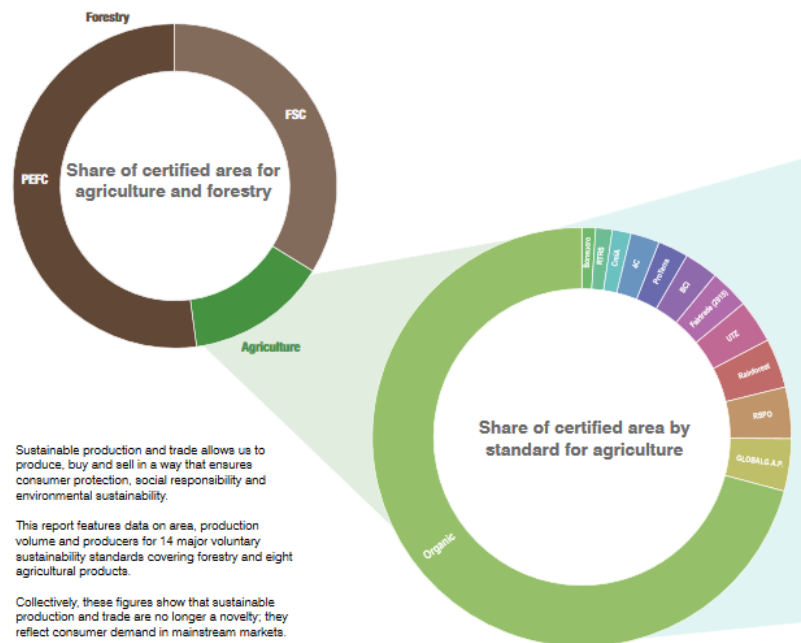
The report covers the following standards: 4C Services (4C), Better Cotton, Bonsucro, Cotton made in Africa (CmiA), Fairtrade International (Fairtrade), Forest Stewardship Council (FSC), GLOBALG.A.P., IFOAM – Organics International (organic), the Programme for the Endorsement of Forest Certification (PEFC), ProTerra Foundation (ProTerra), Rainforest Alliance (Rainforest), the Roundtable on Sustainable Palm Oil (RSPO), the Round Table on Responsible Soy (RTRS) and UTZ.

Figure 1 Coffee and cocoa have biggest certified share of cultivated land



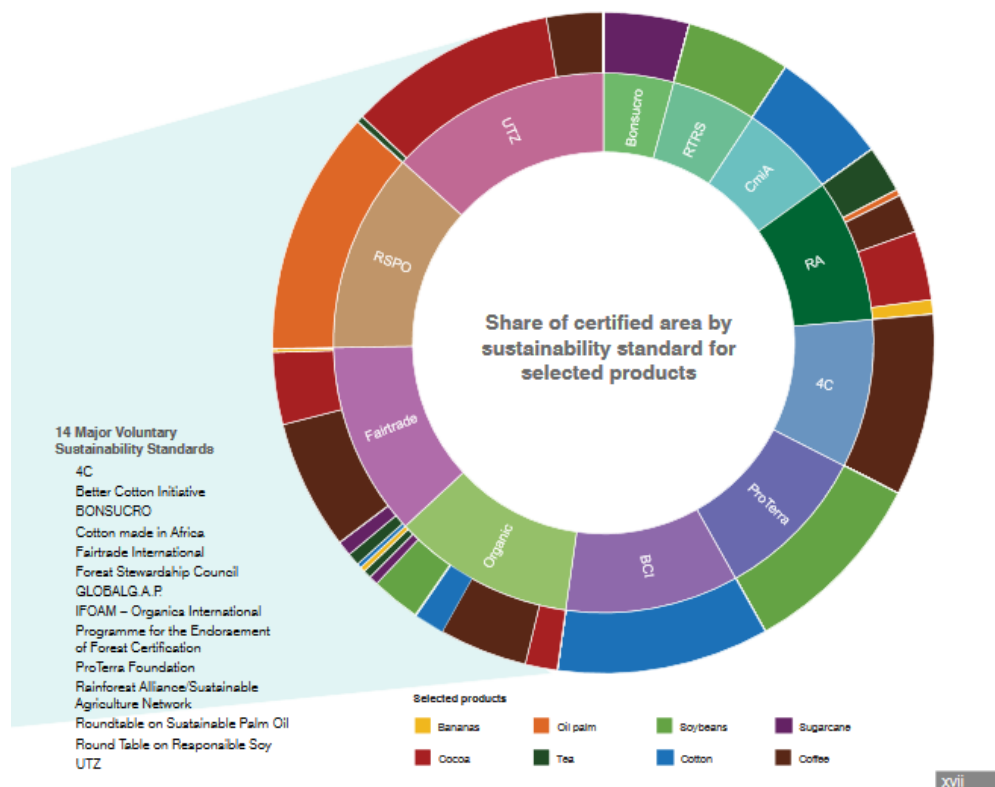
Source: FiBL-ITC-IISD/SSI survey, 2022.

Figure 2 Organic is the biggest sustainability standard



Source: FiBL-ITC-IISD/SSI survey, 2022.

Figure 3 Eleven agricultural voluntary standards and eight commodities analysed



Source : FiBL-ITC-IISD/SSI survey, 2022.

Reporting challenges: Lack of data, multiple certification

Policymakers, producers and businesses require higher quality, more transparent data for strategic planning, equally vital on the supply side and the demand side for market prices of certified crops, consumption trends and international trade patterns.

Furthermore, there is a need to expand reporting and transparency requirements for certified producers, broaden the Harmonized System coding system and increase both corporate reporting and reporting on sustainable consumption at the national level.

Another challenge is that reporting a global total for individual sectors is difficult, because many producers are certified by more than one standard. There are not enough reliable data on the share of these multiple certifications.

For the purposes of this report, FiBL, IISD and ITC decided that the best approach was to work with the minimum as a reference, but to provide the maximum and average of the area or production volume as well. More information is available in the section on methodology.

Box 1 Multiple certifications and data on total area and production

Reporting a global total for certain commodities remains difficult, as many producers are certified by more than one sustainability standard and reliable data on the share of multiple certifications are limited. Taking this into account, FiBL, IISD and ITC decided that the best approach was to provide a range that encompasses the minimum and the maximum amounts possible, along with the average of the two at the country level.

To calculate the maximum amount, the total area or production of all standards in the country was determined. For the minimum, the standard with the largest area or greatest production volume in the country was used as the reference. An average of the maximum and minimum was then calculated. These figures must be treated with caution as they are estimates that indicate a trend.

Unless otherwise stated, the data presented show the minimum possible.

As in previous years, the Swiss State Secretariat for Economic Affairs funded the global survey on sustainability standards. The Research Institute of Organic Agriculture, the International Institute of Sustainable Development and the International Trade Centre jointly produced this report, building on their complementary and in-depth expertise on sustainability standards. The data presented here cover the year 2020, as well as earlier years.

Chapter 1

State and development of the selected commodities

By Helga Willer, Bernhard Schlatter and Madelaine Rürger

This chapter examines the area certified and the production volume of the selected commodities on an aggregate level. As multiple certification remain an issue for some commodities, global totals were computed by adding the country minimums² (leading to a global minimum value for each commodity), the country maximums³ (leading to a global maximum value for each commodity) and the country minimum–maximum averages⁴ (leading to a global average value for each commodity).

Unless otherwise stated, the data presented in this section show the global minimum.

At least 7.5% of the global area of eight crops is certified

Minimum area certified

The commodities analysed here represented an area harvested of at least 18.5 million hectares or 7.5 of the total area for these crops.

For the fifth consecutive year, cotton had the largest certified area (four standards). With a minimum of 5.7 million hectares, at least 14.6% of the global cotton area was certified.

Oil palm was the commodity with the second-largest certified area (three standards). With a minimum of 3.2 million hectares, at least 11.6% of the global oil palm area was certified.

The commodities with the third- and fourth-largest certified area were cocoa (four standards) and sugarcane (four standards). Certified cocoa covered at least 2.6 million hectares, representing 21.4% of the global cocoa area. Certified sugarcane covered a minimum of 2.1 million hectares, corresponding to at least 7.9% of the global sugarcane area.

Certified soybeans (three standards) and coffee (five standards) covered a minimum of 2.1 million hectares and 1.8 million hectares, respectively, representing at least 1.7% and 15.2% of the global soybean and the coffee areas, respectively.

The commodities with the smallest certified areas were tea (four standards) and bananas (four standards). Certified tea covered a minimum of 700,000 hectares, representing at least 14.1% of the global tea area, and certified bananas covered a minimum of 360,000 hectares, corresponding to at least 7% of the global banana area (Table 1).

² A country minimum corresponds to the area or production volume of the standard with the largest area or greatest production volume in that country.

³ A country maximum corresponds to the total area or production volume of all standards in that country.

⁴ A country average corresponds to the average of the country maximum and the country minimum.

Table 1 Minimum area certified by agricultural commodity, 2020

Commodity	Area [ha]	Share of global area ⁵	Area growth 2019–2020	Area growth 2016–2020
Bananas	360 354	7%	1.8%	26%
Cocoa	2 620 292	21.4%	-5.5%	10.6%
Coffee	1 689 607	15.2%	-5.6%	-39%
Cotton	5 709 362	14.6%	-12.8%	84.8%
Oil palm	3 291 317	11.1%	6.7%	32%
Soybeans	2 061 757	1.7%	12%	-20.1%
Sugarcane	2 106 109	7.7%	-8.6%	100.5%
Tea	716 198	14.1%	4.9%	31.4%
Total based on minimum	18 554 997	7.5%	-4.2%	22.2%
Total (based on maximum)	25 240 582	10.2%	-3.4%	24.1%
Total (based on average)	21 897 791	8.8%	-3.7%	23.3%

Note: The data in this table were not adjusted for multiple certifications, so the minimum possible is reported. The total VSS-compliant area corresponds to the standard with the largest compliant area operating within a given sector by country.

Source: FiBL-ITC-IISD/SSI survey, 2022; 4C Services, 2014–2016, 2018–2022; Better Cotton Initiative, 2014, 2015, 2017–2022; Bonsucro, 2014–2016, 2018–2022; Cotton made in Africa, 2014–2016, 2018–2022; Fairtrade International, 2017–2022; GLOBALG.A.P., 2015, 2016, 2018–2022; FiBL survey, 2008–2022; ProTerra Foundation, 2014–2016, 2018–2022; Rainforest Alliance, 2014–2016, 2018–2022; Roundtable on Sustainable Palm Oil, 2019–2022; Round Table on Responsible Soy, 2014–2016, 2018–2022; Textile Exchange, 2013–2022.

Decline of minimum area certified for the selected crops in 2020

The overall area of the eight selected crops grew in the previous years, sometimes fast, sometimes at a slow. In 2019–2020, however, an overall decline of 4.2% for the selected crops was noted, though not all crops had a drop in growth (Table 1, Figure 4). In 2020:

- Soybean had the strongest growth (12%) and was the only crop with a double-digit growth rate.
- Growth was also noted for oil palm (+6.7%), tea (+4.9%) and bananas (+1.8%).
- The following crops declined in area: cocoa (-5.5%), coffee (-5.6%) and sugarcane (-8.6%). The biggest decrease was noted for cotton (-12.8%), which had been among the fastest growing crop in previous years.

In comparison, the minimum certified area of the selected crops in 2016–2020 expanded by about by one-fifth (+22.2%).

- The minimum certified **sugarcane** area grew the most, doubling in size (+100.5%).
- It was followed by **cotton**, whose minimum certified area almost doubled in size (+84.8%).⁶
- The minimum certified areas of **oil palm, tea, bananas and cocoa** which grew by 32%, 31.4%, 26% and 10.6%, respectively.
- The minimum certified **coffee area**⁷ shrank by 39%, and this declining trend continued through 2020.

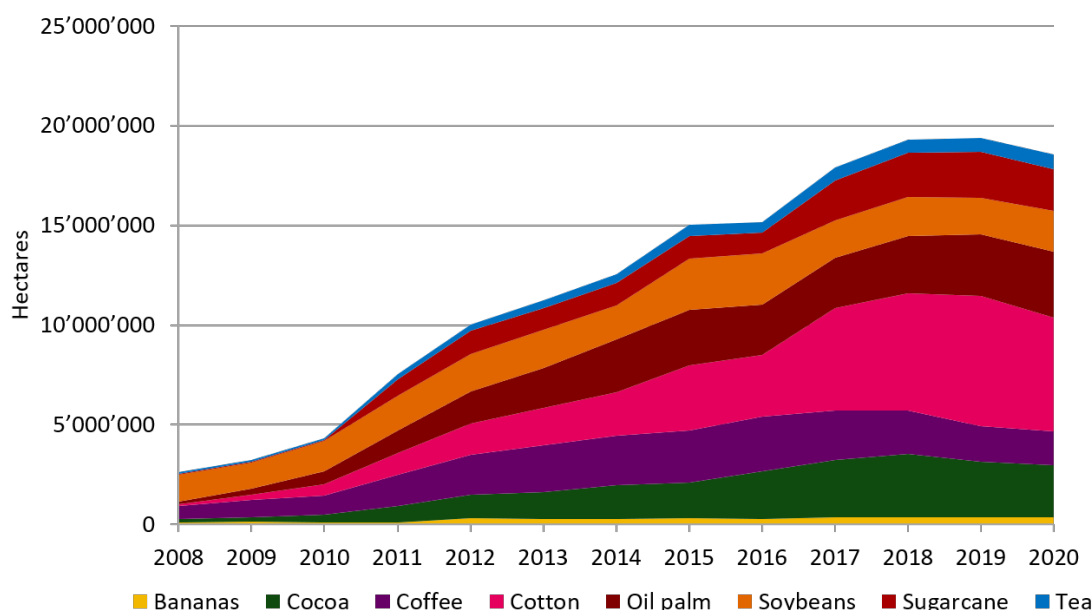
⁵ For the comparison with the total area for each crop, FAOSTAT data were used, which are available at <https://www.fao.org/faostat/en/#data>

⁶ These growth rates are calculated by taking the minimum area possible as the reference.

⁷ The drop in the coffee area certified since 2017 is mainly due to more rigorous certification procedures by the 4C standard.

Although the minimum certified soybean area decreased by one-fifth (-20.1%), soybeans grew the most of all crops in 2019–2020 (Table 1, Figure 1)

Figure 4 Evolution of minimum area certified by agricultural commodity, 2008–2020



Note: The data in this table were not adjusted for multiple certifications, so the minimum possible is reported. The total VSS-compliant area corresponds to the standard with the largest compliant area operating within a given sector by country.

Source: FiBL-ITC-IISD/SSI survey, 2022; 4C Services, 2014–2016, 2018–2022; Better Cotton, 2014, 2015, 2017–2022; Bonsucro, 2014–2016, 2018–2022; Cotton made in Africa, 2014–2016, 2018–2022; Fairtrade International, 2017–2022; GLOBALG.A.P., 2015, 2016, 2018–2022; FiBL survey, 2008–2022; ProTerra Foundation, 2014–2016, 2018–2022; Rainforest Alliance, 2014–2016, 2018–2022; Roundtable on Sustainable Palm Oil, 2019–2022; Round Table on Responsible Soy, 2014–2016, 2018–2022; Textile Exchange, 2013–2022.

For all statements made on agricultural commodities in this chapter, it should be noted that, for methodological reasons, we are referring to the minimum possible values. To calculate this, we assume that multiple sustainability standards certify all areas. The minimum corresponds to the standard with the largest compliant area operating in a given sector. Readers should bear in mind that the per-crop areas, shares and growth rates might actually be considerably higher.

Minimum production volume certified

Production data are often incomplete⁸ and/or based on estimates. For organic, the production volumes shown in Table 2 were computed based on partly estimated data. Therefore both production shares and growth rates need to be interpreted with care, particularly if they differ from the area shares and growth rates presented in Table 1. Please note that production data were not available for cotton, oil palm and sugarcane.

Of the five commodities listed in Table 2, global shares in certified production (based on minimum) were largest for cocoa (24.5%), tea (23.9%) and coffee (22%). The lowest production shares were recorded for certified bananas (8.6%) and soybeans (2%).

⁸ No minimum production values were estimated for cotton, oil palm and sugarcane due to a substantial amount of missing production data for these commodities.

Production in 2016–2020 grew the most for tea (+25%), soybeans (+24%) and bananas (+23.5%). Coffee production fell more than 30%.

In 2019–2020, the production volume of certified soybeans grew the most, increasing by 16%. Coffee and bananas grew less than 10% and tea and cocoa declined (Table 2).

Although the global shares in certified production were similar to the global shares in certified area, this was not the case for growth rates. Particularly for certified soybeans and bananas, there were some major differences. (Table 1, Table 2).

Table 2 Estimated minimum production volume by agricultural commodity, 2020

Commodity	Estimated minimum production [MT]	Share of global production	Production growth 2019–2020	Production growth 2016–2020
Bananas*	10 073 046	8.6%	0.5%	23.5%
Cocoa	1 373 258	24.5%	-9.4%	5.6%
Coffee	2 205 332	22%	5.5%	-30.1%
Soybeans	6 736 355	2%	16%	24%
Tea	1 550 767	23.9%	-1.2%	25%

* Production volume of bananas is missing for GlobalG.A.P.

Note: The data in this table were not adjusted for multiple certifications, so the minimum possible is reported. The total VSS-compliant production corresponds to the standard with the largest compliant production operating within a given sector by country.

Source: FiBL-ITC-IISD/SSI survey, 2022: 4C Services, 2014–2016, 2018–2022; Better Cotton, 2014, 2015, 2017–2022; Bonsucro, 2014–2016, 2018–2022; Cotton made in Africa, 2014–2016, 2018–2022; Fairtrade International, 2017–2022; GLOBALG.A.P., 2015, 2016, 2018–2022; FiBL survey, 2008–2022; ProTerra Foundation, 2014–2016, 2018–2022; Rainforest Alliance, 2014–2016, 2018–2022; Roundtable on Sustainable Palm Oil, 2019–2022; Round Table on Responsible Soy, 2014–2016, 2018–2022; Textile Exchange, 2013–2022.

Certified forest grew by 4%

PEFC and FSC certified more than 450 million⁹ hectares of forest in 2020, representing 11.3% of the global forest area. In 2016–2020, the combined PEFC- and FSC-certified forest area grew by 7%, with one-year growth in 2019–2020 of 4% (Table 3).

No production data are available for forestry.

Table 3 FSC- and PEFC-certified area, 2020

Commodity	FSC- and PEFC-certified area [ha]	Share of global forest area	Area growth 2019–2020	Area growth 2016–2020
Forest	450 845 118	11.3%	4%	7%

Note: FSC and PEFC joined forces in 2016 and produced a common data set with multiple certification taken into account. The joint data set is available for the years 2000, 2005, 2010 and 2015–2020.

Source: FiBL-ITC-IISD/SSI survey, 2022: FSC-PEFC, 2022.

Agricultural and forestry products – highlights by standard

This section provides an overview of the area certified for each of the selected sectors (bananas, cocoa, coffee, cotton, forestry, palm oil, soy, sugarcane and tea) for the year 2020. Little information is available about the share of multiple certifications. Therefore, the section below provides information on the area

⁹ FiBL computed the total area certified by FSC and PEFC based on data from FSC and PEFC with respect to certified area by standard and estimated double-certified area.

range, spanning from the minimum area possible (no multiple certifications occurring) to the maximum area possible (100% multiple-certified).

Data by country are available at www.standardsmap.org/trends

Bananas

- Four of the 14 standards covered in this report certified the production of bananas, namely **Fairtrade International**, **GLOBALG.A.P.**, **organic** and **Rainforest Alliance** (Table 8).
- Combined, they certified at least 360,354 hectares (minimum), representing 7% of the global banana area. Assuming there was no double certification among the four standards, their common certified area would amount to 641,030 hectares (maximum), representing 12.5% of the global banana area (Table 7).
- The minimum certified banana area grew by 26% in 2016–2020 (Table 7). All four standards showed double-digit growth.
- The minimum certified banana area grew by 1.8% in 2019–2020 (Table 7).
- GLOBALG.A.P., with 328,573 hectares, certified the largest banana area, representing 6.4% of the global banana area (Table 8).
- Organic grew by 24.1% in 2019–2020, showing the strongest growth of the banana-producing standards and reaching a total of 74,647 hectares. Organic also grew more than the other standards (+49.4%) in the 2016–2020 period.

Cocoa

- Four of the 14 standards covered in this report certified the production of cocoa, namely **Fairtrade International**, **organic**, **Rainforest Alliance** and **UTZ** (Table 8).
- Combined, they certified at least 2.6 million hectares (minimum), representing 21.4% of the global cocoa area. Assuming there was no double certification among the four standards, their common certified area would amount to 4.7 million hectares (maximum), representing 38.5% of the global cocoa area (Table 7).
- In 2016–2020, the minimum certified cocoa area grew by 10.6% (Table 7).
- In 2019–2020, the minimum certified cocoa area decreased by 5.5% (Table 7).
- With 2.4 million hectares, UTZ certified the biggest cocoa area, representing 19.7% of the global cocoa area (Table 8) and thus reaching the highest share of certified cocoa among the four cocoa-producing standards.
- Fairtrade International achieved both the highest four-year growth and the highest one-year growth, being the only standard whose cocoa area did not decrease in 2019–2020. Its certified cocoa area almost doubled in size in 2016–2020 (+96.2%) and grew by 3.2% in 2019–2020, reaching more than 1.4 million hectares or 11.6% of the total cocoa area in 2020 (Table 8).

Coffee

- Five of the 14 standards covered in this report certified the production of coffee, namely **4C**, **Fairtrade International**, **organic**, **Rainforest Alliance** and **UTZ** (Table 8).
- Combined, they certified at least 1.7 million hectares (minimum), representing 15.2% of the global coffee area. Assuming there was no double certification among the five standards, their common certified area would amount to 3.9 million hectares (maximum), representing 35.1% of the global coffee area (Table 7).
- In 2016–2020, the minimum certified coffee area decreased by 39% (Table 7).

- In 2019–2020, the minimum certified coffee area decreased by 5.6% (Table 7).
- Fairtrade International certified the largest coffee area by far – 1.1 million hectares – representing 10.4% of the global coffee area (Table 8). It also grew the fastest in 2019–2020 (+12.7%).
- UTZ achieved the highest four-year growth; its certified coffee area expanded by more than one-third in 2016–2020 (+36.2%), reaching 772,882 hectares in 2020 (Table 8).

Cotton

- Four of the 14 standards covered in this report certified the production of cotton, namely **Better Cotton**, **CmiA**, **Fairtrade International** and **organic** (Table 8).
- Combined, they certified at least 5.7 million hectares (minimum), representing 14.6% of the global cotton area. Assuming there was no double certification among the four standards, their common certified area would amount to 6.2 million hectares (maximum), representing 16% of the global cotton area (Table 7).
- In 2016–2020, the minimum certified cotton area expanded by 84.8% (Table 7), thus representing the second strongest growth (after sugarcane) among the selected commodities.
- However, the minimum certified cotton area decreased by 12.8% in 2019–2020 (Table 7). The main reason for this decrease – the biggest decline among the selected commodities in 2019–2020 – was the fact that Better Cotton stopped its operations in the Xingjian region in China from the season 2020/21, which resulted in a decline of 300,000 hectares.
- Better Cotton, with 3.9 million hectares, certified the biggest cotton area, representing 10.2% of the global cotton area (Table 8). While it achieved double-digit growth (+83.7%) in 2016–2020, its area declined by 20.7% in 2019–2020 (see above).
- Organic achieved the highest four-year and one-year growth; its certified area almost doubled in size in 2016–2020 (+94.5%) and grew by 40.5% in 2019–2020 (Table 8).

Oil palm

- Three of the 14 standards covered in this report certified the production of oil palm, namely **organic**, **Rainforest Alliance** and **RSPO** (Table 8).
- Combined, they certified at least 3.3 million hectares (minimum), representing 11.6% of the global oil palm area. Assuming there was no double certification among the three standards, their common certified area would be only marginally higher, amounting to 3.4 million hectares (maximum), representing 12.1% of the global oil palm area (Table 7).
- In 2016–2020, the minimum certified oil palm area expanded by 32% (Table 7).
- In 2019–2020, the minimum certified oil palm area expanded by 6.7% (Table 7).
- RSPO certified nearly all of the oil palm area – 3.26 million hectares – representing 11.5% of the global oil palm area (Table 8).
- Organic achieved the highest four-year and one-year growth; its certified area more than doubled in size since in 2016–2020 (+355.2%) and grew by 162.9% in 2019–2020, reaching 21,008 hectares or 0.07% of the global oil palm area in 2020 (Table 8).

Soybeans

- Three of the 14 standards covered in this report certified the production of soybeans, namely **organic**, **ProTerra Foundation** and **RTRS** (Table 8).

- Combined, they certified at least 2.1 million hectares (minimum), representing 1.7% of the global soybean area. Assuming there was no double certification among the three standards, their common certified area would amount to 3.1 million hectares (maximum), representing 2.6% of the global soybean area (Table 7).
- In 2016–2020, the minimum certified soybean area decreased by 20.1% (Table 7).
- In 2019–2020, the minimum certified soybean area increased by 12% (Table 7), making soybeans the commodity with the strongest growth that year.
- RTRS, with 1.4 million hectares, certified the largest soybean area, representing 1.1% of the global soybean area (Table 8).
- RTRS also achieved the highest one-year growth; its certified area grew by 20.1% in 2019–2020 (Table 8).
- Organic achieved the highest four-year growth; its certified area grew by 68.7% in 2016–2020, reaching 825,549 hectares in 2020 (Table 8).

Sugarcane

- Four of the 14 standards covered in this report certified the production of sugarcane, namely **Bonsucro**, **Fairtrade International**, **organic** and **ProTerra Foundation** (Table 8).
- Combined, they certified at least 2.1 million hectares (minimum), representing 7.9% of the global sugarcane area. Assuming there was no double certification among the four standards, their common certified area would amount to 2.3 million hectares (maximum), representing 8.6% of the global sugarcane area (Table 7).
- In 2016–2020, the minimum certified sugarcane area expanded by 100.5% (Table 7), making sugarcane the commodity with the strongest increase in that timeframe.
- In 2019–2020, the minimum certified sugarcane area decreased by 8.6% (Table 7).
- Bonsucro, with 1.5 million hectares, certified the largest sugarcane area, representing 5.6% of the global sugarcane area (Table 8).
- Bonsucro also achieved the highest four-year and one-year growth; its certified area grew by 74.4% in 2019–2020 and by 16% in 2019–2020 (Table 8).

Tea

- Four of the 14 standards covered in this report certified the production of tea, namely **Fairtrade International**, **organic**, **Rainforest Alliance** and **UTZ** (Table 8).
- Combined, they certified at least 716,198 hectares (minimum), representing 14.1% of the global tea area. Assuming there was no double certification among the four standards, their common certified area would amount to 943,741 hectares (maximum), representing 18.6% of the global tea area (Table 7).
- In 2016–2020, the minimum certified tea area expanded by 31.4% (Table 7).
- In 2019–2020, the minimum certified tea area expanded by 4.9% (Table 7).
- Rainforest Alliance certified the largest tea area – 643,184 hectares – representing 12.7% of the global tea area (Table 8).
- Organic achieved the highest four-year and one-year growth; its certified area increased by 47.2% in 2016–2020 and grew by 11.5% in 2019–2020, reaching 119,430 hectares or 2.4% of the total tea area in 2020 (Table 8).

Forestry

- Two of the 14 standards covered in this report certified forestry, namely **PEFC** and **FSC** (Table 3).
- Combined, they certified a forest area of 451 million hectares, representing 11.3% of the global forest area (Table 3).
- In 2016–2020, the combined PEFC- and FSC-certified forest area grew by 7%, with one-year growth in 2019–2020 of 4% (Table 3).
- As in previous years, the PEFC-certified area exceeded the FSC-certified area in 2020. With 324.6 million hectares of forest, 8.2% of the global forest area was PEFC-certified, expanding by 7.6 % in 2016–2020 and decreasing by 0.6% in 2019–2020. FSC reported 221.6 million hectares of certified forest, representing 5.6% of the global forest area and an increase of 12.9% in 2016–2020 and by 9.5% in 2019–2020 (Table 5).

Chapter 2

State and development of the selected sustainability standards

By Helga Willer, Bernhard Schlatter Madelaine Rüger and Claudia Meier.

This chapter examines the selected sustainability standards on an aggregate level, considering the full range of commodities for each standard certified (and not only the nine commodities covered in this report).¹⁰ Therefore, this chapter focuses on variables for which an aggregation across commodities is meaningful, namely, a standard's certified area and its producers/certificate holders.

It should be noted that, due to multiple certifications, it is impossible to determine the global certified area or the global number of producers for all sustainability standards together.

Organic covers the widest mix of agriculture goods

Area certified

Organic covers the widest variety of agricultural products and, by far, the largest area certified (Willer et al., 2022). A total of 74.9 million hectares¹¹ were organic certified in 2020, representing 1.6% of all agricultural land worldwide.

Of the remaining 11 agricultural standards, three covered land exceeding 4 million hectares each in 2020. Of these, RSPO certified the biggest area (4.4 million hectares), followed by Rainforest Alliance (4.1 million hectares) and GLOBALG.A.P. (4.1 million hectares), each representing a global share of 0.09% (Table 4).

A major decrease was reported for Better Cotton, which had almost 5 million hectares in 2019. This was mainly because Better Cotton stopped its operations in the Xingjian region in China from the 2020/21 season. The COVID-19 pandemic, weather variations, changes in the Better Cotton programme, market conditions and sociopolitical challenges also had an impact on the global cotton area.

ProTerra-certified area also declined, though soybean and sugarcane production did increase in this time-frame.

Growth in area certified

The area of most sustainability standards expanded by double digits in 2016–2020, though 4C Association¹² and ProTerra declined by 53.7% and 21.9%, respectively. Single-sector standards reported the largest area growth: the certified area of Better Cotton grew by 83.7% and that of Bonsucro rose by 74.7%, both increasing by at least two-thirds (Table 4).

Area growth in 2019–2020 was also greatest for single-sector standards, namely RTRS (+20.1%) and Bonsucro (+16%). Five standards experienced a decline in area certified. The largest one-year declines were reported for ProTerra (-28.75%) and Better Cotton (-20.7%) (Table 4). The largest absolute growth was for organic, which added almost 3 million hectares.

Number of producers

As the standard with the biggest certified area, organic also has the most producers – 3.4 million in 2020. However, Fairtrade, Better Cotton, UTZ and Rainforest, which certified much smaller areas than organic, had more than 1 million producers: Fairtrade and Better Cotton reported 1.8 and 1.6 million producers, respectively; Rainforest 1.4 million, UTZ 1.2 million and CmiA 1 million (Table 4).

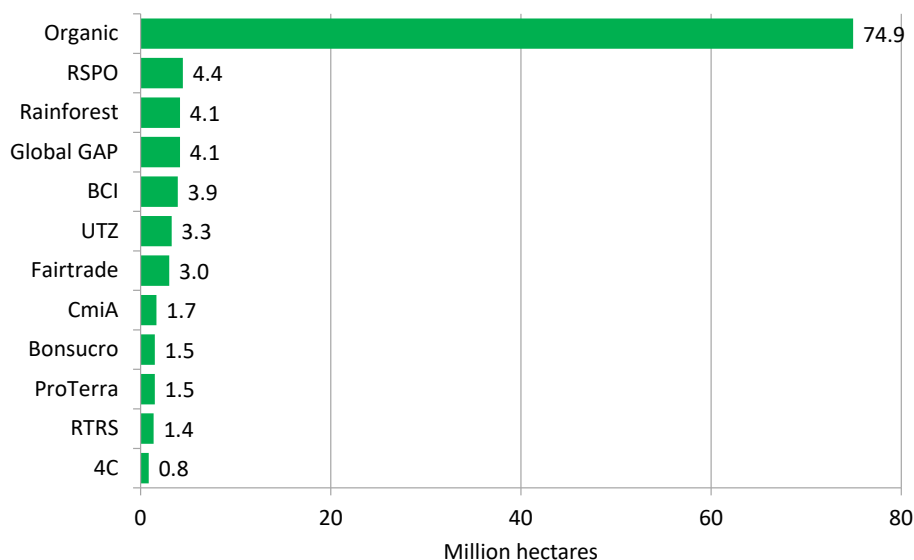
¹⁰ For instance, organic certified 74.9 million hectares overall in 2020 (Table 4), but 2.7 million hectares if only the selected eight agricultural commodities are taken into account.

¹¹ This includes land that is in the process of becoming certified as organic.

¹² This can mainly be explained by the more rigorous certification procedures by the 4C standard.

This apparent contradiction can be explained by the fact that most of the sustainability standards presented in this report focus on the Global South, where smallholders prevail. In contrast, organic is prominent globally, including in countries where large farms dominate, such as Australia and the United States. It should also be noted that the producer data for organic are incomplete for many countries.

Figure 5 Total area certified by selected VSS, 2020



Note: This figure shows the total area certified by VSS, including all commodities each VSS certifies, hence going beyond the eight agricultural commodities examined in this report. For organic, the reported number also includes permanent grazing areas, which account for more than two-thirds of the total area certified.

Source: FiBL-ITC-IISD/SSI survey, 2022; FSC-PEFC, 2022. 4C Services, 2022; Better Cotton, 2022; Bonsucro, 2022; Cotton made in Africa, 2022; Fairtrade International, 2022; GLOBALG.A.P., 2022; FiBL survey, 2022; ProTerra Foundation, 2022; Rainforest Alliance, 2022; Roundtable on Sustainable Palm Oil, 2022; Round Table on Responsible Soy, 2022; Textile Exchange, 2022.

Table 4 Area certified and producers by agriculture standard, 2020

Standard	Area certified [ha]	Producers [no.]	Share of global agricultural area	Area growth 2019–2020	Area growth 2016–2020
4C	845 468	309 372	0.02%	-9.9%	-53.7%
Better Cotton	3 907 283	1 580 074	0.08%	-20.7%	83.7%
Bonsucro	1 500 934	140	0.03%	16.0%	74.4%
CmiA	1 668 602	1 017 393	0.03%	0.7%	41.2%
Fairtrade	3 001 771	1 772 368	0.06%	6.3%	30.2%
GLOBALG.A.P.	4 136 801	204 101	0.09%	1.1%	25.6%
Organic	74 926 509	3 355 551	1.56%	4.1%	29.2%
ProTerra	1 496 700	159 423	0.03%	-28.7%	-21.9%
Rainforest Alliance	4 138 499	1 388 073	0.09%	-4.4%	33.3%
RSPO	4 434 670	163 020	0.09%	6.6%	36.3%
RTRS	1 371 255	49 928	0.03%	20.1%	31.5%
UTZ	3 260 832	1 123 678	0.07%	-2.7%	19.4%

Note: This table shows the total area certified by VSS, including all commodities each VSS certifies, hence going beyond the eight commodities examined in this report. For organic, the reported number also includes permanent grazing areas, which account for over two-thirds of the total area certified.

Source: FiBL-ITC-IISD/SSI survey, 2022; 4C Services, 2014–2016, 2018–2022; Better Cotton, 2014, 2015, 2017–2022; Bonsucro, 2014–2016, 2018–2022; Cotton made in Africa, 2014–2016, 2018–2022; Fairtrade International, 2017–2022; GLOBALG.A.P., 2015, 2016, 2018–2022; FiBL survey, 2008–2022; ProTerra Foundation, 2014–2016, 2018–2022; Rainforest Alliance, 2014–2016, 2018–2022; Roundtable on Sustainable Palm Oil, 2019–2022; Round Table on Responsible Soy, 2014–2016, 2018–2022; Textile Exchange, 2013–2022.

PEFC outpaces FSC on forest area certification, but FSC has faster growth

Area certified

The forest area certified by PEFC exceeded the forest area certified by FSC in 2020 as well as in preceding years. With 324.6 million hectares of forest, 8.2% of the global forest area was PEFC-certified. FSC reported 221.6 million hectares of certified forest, representing 5.6% of the global forest area (Table 5).

In 2016-2020, the certified forest area grew more for FSC (+12.9%) than for PEFC (+7.6%). In 2019-2020 the PEFC-certified area declined by 0.6% whereas the FSC-certified forest area grew by 9.5% (Table 5).

Number of chain-of-custody certificate holders

FSC counted 46,368 chain-of-custody (CoC) certificate holders in 2020, and PEFC 12,372 (Table 5).

Table 5 Certified forest area and CoC certificate holders by forestry standard, 2020

Standard	Area certified [ha]	CoC certificate holders [no.]	Share of global forest area	Area growth 2019–2020	Area growth 2016–2020
FSC	221 615 428	46 368	5.6%	9.5%	12.9%
PEFC	324 587 604	12 372	8.2%	-0.6%	7.6%

Source: FiBL-ITC-IISD/SSI survey, 2022; FSC-PEFC, 2022.

Single-sector standards dominate

Standards that directly target mainstream adoption within a specific sector largely drive growth and market uptake. In the sectors discussed, where single-commodity standards¹³ have been developed (coffee, cotton, forestry, oil palm, sugarcane and soy), these standards usually are the ones with the largest area for their specific crops.

In 2020, Better Cotton and CmiA had the biggest certified cotton area (global share of 10% and 4.3%, respectively), RSPO the largest certified oil palm area (global share of 11.5%), RTRS the largest certified soybean area (global share of 1.1%) and Bonsucro the largest sugarcane area (global share of 5.6%). Only the coffee area certified by the single-commodity standard 4C fell short of the coffee area certified by Fairtrade International (Table 6).

Multiple-commodity standards¹⁴ such as Fairtrade, GLOBALG.A.P., organic, ProTerra, Rainforest Alliance and UTZ may have lower coverage of a specific commodity than single-commodity standards because of their wider scope. This is most notable for organic agriculture. In 2020, organic certified 2.7 million hectares for the eight agricultural products analysed in this report, but almost 75 million hectares in total, covering more or less all agricultural commodities (Table 6).

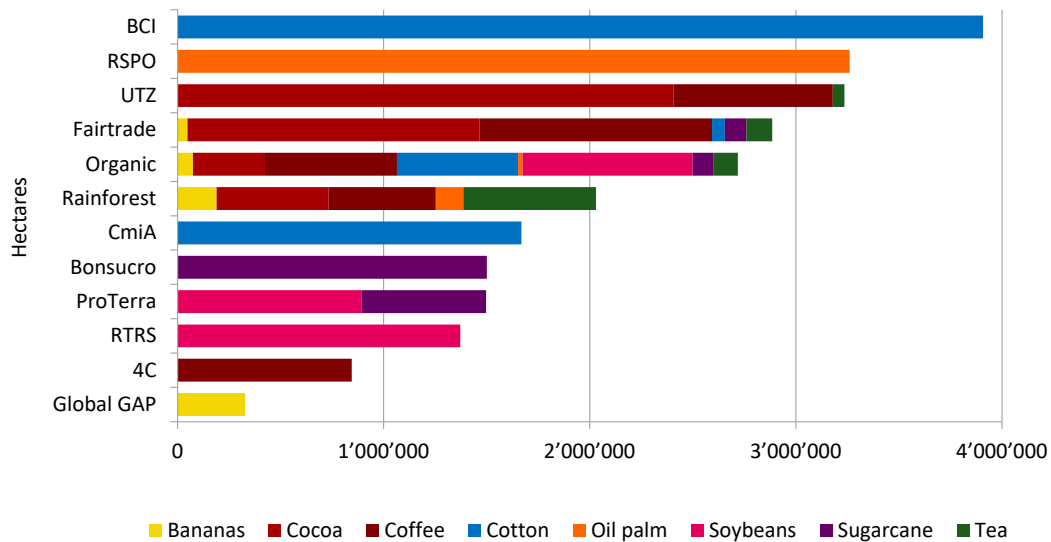
However, multiple-commodity standards are gaining importance – in the coffee sector, and also in the sugarcane and soybean sectors. Fairtrade, UTZ, organic and Rainforest Alliance all certified a substantial share of the global coffee area in 2020 (10.1%, 7%, 5.8% and 4.7%, respectively) – and Fairtrade actually had the highest area share for coffee, bigger than the single-sector standard 4C. ProTerra Foundation and organic both certified an important portion of the global soybean area (both 0.7%). The former also certified an important portion of the global sugarcane area (2.3%) (Table 6).

¹³ Single-commodity standards are sustainability standards that certify only one commodity. An example is 4C, which only certifies coffee.

¹⁴ Multiple-commodity standards are sustainability standards that certify multiple commodities. An example is Fairtrade International, which certifies a wide variety of commodities.

UTZ remained the most important standard in the cocoa sector (global cocoa area share of 19.7%) and Rainforest Alliance in the tea sector (global tea area share of 12.7%), in which no single-commodity standards have been developed. As Rainforest Alliance and UTZ merged in 2018, they may dominate not only the cocoa and tea sectors, but also the coffee sector in the years to come (Table 6).

Figure 6 Area harvested by agricultural standard and commodity, 2020



Note: This figure shows the area certified by VSS for the eight selected agricultural commodities.

Sources: FiBL-ITC-IISD/SSI survey, 2022; 4C Services, 2022; Better Cotton, 2022; Bonsucro, 2022; Cotton made in Africa, 2022; Fairtrade International, 2022; GLOBALG.A.P., 2022; FiBL survey, 2022; ProTerra Foundation, 2022; Rainforest Alliance, 2022; Roundtable on Sustainable Palm Oil, 2022; Round Table on Responsible Soy, 2022; Textile Exchange, 2022.

Table 6 Area harvested by agricultural standard and commodity, 2020

Standard	Commodity	Area harvested [ha]	Share of global area harvested	Area growth 2019–2020	Area growth 2016–2020
4C	Coffee	845 468	7.6%	-9.9%	-53.7%
<i>4C total</i>		845 468	7.6%	-9.9%	-53.7%
Better Cotton	Cotton	3 907 283	10%	-20.7%	83.7%
<i>Better Cotton total</i>		3 907 283	10%	-20.7%	83.7%
Bonsucro	Sugarcane	1 500 934	5.6%	16%	74.4%
<i>Bonsucro total</i>		1 500 934	5.6%	16%	74.4%
CmiA	Cotton	1 668 602	4.3%	0.7%	71.1%
<i>CmiA total</i>		1 668 602	4.3%	0.7%	71.1%
Fairtrade	Bananas	48 583	0.9%	3.6%	33.2%
	Cocoa	1 416 653	11.6%	3.2%	96.2%
	Coffee	1 127 766	10.1%	12.7%	7.7%
	Cotton	62 041	0.2%	27.2%	24.1%
	Sugarcane	104 868	0.4%	-15.4%	-31.5%
	Tea	124 954	2.5%	10.2%	-1.0%
<i>Fairtrade total</i>		2 884 864	2.9%	6.6%	35.1%
GLOBALG.A.P.	Bananas	328 573	6.4%	1.8%	30.1%
<i>GLOBALG.A.P. total</i>		328 573	6.4%	1.8%	30.1%
Organic	Bananas	74 647	1.5%	24.1%	49.4%
	Cocoa	349 405	2.9%	-2.8%	9.2%
	Coffee	640 142	5.8%	-9%	-28.4%
	Cotton	588 425	1.5%	40.5%	94.5%
	Oil palm	21 008	0.1%	162.9%	355.2%
	Soybeans	825 549	0.7%	15.1%	68.7%
	Sugarcane	99 590	0.4%	8.0%	6.6%
	Tea	119 430	2.4%	11.5%	47.3%
<i>Organic total</i>		2 718 197	1.1%	10.2%	21.6%
ProTerra	Soybeans	892 513	0.7%	-10.4%	-53.4%
	Sugarcane	604 188	2.3%	-45.3%	#DIV/0!
<i>ProTerra total</i>		1 496 701	1%	-28.7%	-21.9%
Rainforest	Bananas	189 228	3.7%	1.5%	30.8%
	Cocoa	544 208	4.4%	-33.3%	-21.4%
	Coffee	519 828	4.7%	10.5%	34.2%
	Oil palm	133 312	0.5%	20.6%	109.7%
	Tea	643 184	12.7%	4.8%	37.2%
<i>Rainforest total</i>		2 029 759	3.3%	-7.6%	15.6%
RSPO	Oil palm	3 260 356	11.5%	6.8%	31.5%
<i>RSPO total</i>		3 260 356	11.5%	6.8%	31.5%
RTRS	Soybeans	1 371 255	1.1%	20.1%	31.5%
<i>RTRS total</i>		1 371 255	1.1%	20.1%	31.5%
UTZ	Cocoa	2 405 874	19.7%	-5.3%	14.7%
	Coffee	772 882	7%	7.3%	36.2%
	Tea	56 174	1.1%	-10%	-17.0%
<i>UTZ total</i>		3 234 930	11.4%	-2.7%	18.4%

Source: FiBL-ITC-IISD/SSI survey, 2022: 4C Services, 2014–2016, 2018–2022; Better Cotton, 2014, 2015, 2017–2022; Bonsucro, 2014–2016, 2018–2022; Cotton made in Africa, 2014–2016, 2018–2022; Fairtrade International, 2017–2022; GLOBALG.A.P., 2015, 2016, 2018–2022; FiBL survey, 2008–2022; ProTerra Foundation, 2014–2016, 2018–2022; Rainforest Alliance, 2014–2016, 2018–2022; Roundtable on Sustainable Palm Oil, 2019 – 2022; Round Table on Responsible Soy, 2014–2016, 2018– 2022; Textile Exchange 2013–2022.