Event-Based Supply Chain Network Modeling: Blockchain for Good Coffee

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Blockchain and distributed ledger technology (BC/DLT) provides distributed databases with decentralized governance, tamper-proof recording, high availability and non-copyable digital assets, which have made it a natural technological basis for supply chain management. In this paper, we introduce REALISTIC, a novel event-based modeling framework for supply chain networks (SCNs) that includes production processes. It extends McCarty’s Resources-Events-Agents (REA) accounting model with secure transformations, which, across the entire SCN, guarantee that certified output resources cannot be digitally produced ex nihilo, but require certified input resources of at least the same amount as what is produced. This generalizes the no-double-spend guarantee of current BC/DLT to (digital twins of) physical resources and their production. Authenticated human or robotic Internet of Things (IoT) actors digitally sign and cryptographically commit to the veracity of real-world events on an immutable database, without having to take responsibility for their aggregate consequences. User-specifiable interpretations, corresponding to queries and analytical functions in database systems, provide auditable aggregate information computed from recorded events across the entire SCN. This includes fine-grained and trustworthy tracing of final products through multiple stages of production processes, semi-finished products, quality certifications and transportation all the way back to their raw materials. We present a case study for an end-to-end coffee supply chain that tracks fine-grained and detailed information from a farmer’s coffee cherries to retail coffee bags, involving all its actors. Our model handles product provenance; auditable sustainability, quality and trade information; production processes from parchment via green to roasted coffee; product quality tests; farmer certifications; and transportation across the entire coffee supply chain. It is based on field work involving farmers, cooperatives, processors, traders, importers, and a major roasting company stretching from Colombia to Scandinavia. Its REALISTIC-based modeling is the foundation for the design of our prototype implementation, which includes Ethereum blockchain code, RDBMS-based server code and a web app client. Their source code is publicly available on GitHub.

Keywords: blockchain, coffee, supply chain, event, provenance, certification, sustainability
1 INTRODUCTION

A modern supply chain network (SCN) is a decentralized network of independent legal entities that collectively produce, transport, trade and finance physical products so they eventually reach consumers reliably and efficiently. An SCN describes the flow of economic resources and information across economic agents and the processes by which raw materials are transformed into the final goods eventually distributed to customers.

SCNs play a particularly prominent role in the agro-food sector, helping move agricultural commodities from places of production to places of consumption. Today, people in cities across the world rely on food produced by farmers far from the place of consumption and handled by numerous traders and manufacturers along the way. Demand for agro-food commodities is growing, as populations rise, economies grow, and consumption patterns change (Godfray et al., 2010). At the same time, the agro-food system is the second largest source of greenhouse gas emissions (IPCC, 2019) and the main driver of global biodiversity loss (IPBES, 2019). Actors across the agro-food system are increasingly aware of the impact that commodity production, processing, transport, consumption, and disposal along SCNs has on the global climate and environment. As a result, NGOs, civil society, and consumers, and even some governments, pressure the sector to reduce the negative impacts (COWI, Ecofys, and Milieu, 2018; Bager et al., 2021).

Governing agro-food supply chain sustainability is extremely complex due to the opaque nature of global agro-food commodity supply chains, the general complexity of the system, as even simple chains can involve hundreds of companies and thousands of suppliers, and the commodification of products, where individual commodities are mixed, sold, resold, and repackaged several times before reaching the final consumer (Bager, 2021). This makes it challenging, often downright impossible to guarantee where, under which conditions, and with which impact individual commodities are produced. Take a coffee supply chain as an example. It involves coffee bean producing, processing, packing, transporting, and selling among farmers, cooperatives, mills, roasters, transporters, distributors, shops, and customers (Grabs, 2017; Ikhwana, 2018).

Trust and the lack of trust are also crucial concerns in SCNs, including agro-food supply chains, since the participants are typically spread over different countries, cultures and jurisdictions, and they focus on their own self-interests. Such trust issues may result in reluctant data sharing, sub-optimal processes and deliberate misbehavior (Düdder and Ross, 2017). For example, a farmer may be unwilling to disclose the cost of raw materials to another farmer due to fierce competition. Relying on centralized trusted third parties (TTP) is a common way to build trust among participants, but it is impractical and infeasible to find a TTP that everyone is willing to place not only their trust in, but also all their data with. Furthermore, the heavy workload on the centralized party may lead to slower information flow, time-consuming trading procedures, and delayed money transfers. In light of the above concerns, there is a need for a novel decentralized system architecture that reflects the dynamic, decentralized nature of SCNs without particular producers, technology providers, government institutions, or banks that all other SCN participants would have to entrust sensitive data about financial and product flows.

As a type of agro-food commodity, coffee is produced by millions of farmers, many of these being smallholders farming a few hectares of land. Producers are often organized in cooperatives, who handle transactions with traders and mills further downstream. After initial processing in the country of production, the coffee is exported as green coffee to importers and roasters – mostly based in Europe and the United States – who roast, process, and package the coffee for final retail. The final coffee is often a blend consisting of coffee from several countries and hundreds of different producers. However, coffee is increasingly marketed as single origin or, in the case of specialty coffee, directly from individual cooperatives or farmers, so-called “direct trade” (Grabs, 2017; Ponte, 2019; Bager and Lambin, 2020). Some companies also aim at providing increased transparency of their operations or full traceability of their goods along the supply chain. Substantiating such claims requires segregated supply chains able to guarantee the provenance and specific characteristics of the coffee. Guaranteeing specific sustainability practices, pricing transparency, or compliance between certification standards and the given product also requires knowledge about the specific supply chain and the means to document this.

Fraudulent activities can be common in agro-food supply chains and, thus, trust between participants can be low, requiring constant and costly verification of commodities and data. Currently, companies’ main approach to foster trustworthy sustainability information is to initiate various governance mechanisms including, inter alia, pledging environmentally friendly production, certifying their products, reducing deforestation across supply chains, increasing efficiency, and lowering energy and water use (Dauvergne and Lister, 2012; Lambin et al., 2018; Thorlakson et al., 2018; Ponte, 2019; Bager and Lambin, 2020). The actual impact of these initiatives on improving livelihoods or environmental sustainability across coffee supply chains is mixed (DeFries et al., 2017; Bager and Lambin, 2020; Meemken, 2020; Garrett et al., 2021). Although standards and initiatives can reduce environmental impact or increase income under certain conditions, effects are often contingent on context-dependent factors such as commodity, region, or supply chain characteristics and confounded by the influence of strictness and criteria of the intervention and a lack of systematic verification and evaluation (Lambin and Thorlakson, 2018).

The emerging blockchain and distributed ledger technology (BC/DLT), or just blockchain, is featured as a decentralized network with a shared global ledger among all peer nodes, which perfectly fits in the supply chain with multiple participants involved and without a central controller. Owing to cryptographic techniques like hash-chain and digital signature, and the distributed consensus protocols, blockchain achieves tamper-resistant and transparent recording of peer-to-peer transactions with a trustworthy and consistent state even though the peers do not trust each other. Moreover, the advances in smart contract development provide more
flexibility in implementing the business logic and activities, such as real-time data entry, product sale, shipment, receipt confirmation, user certification, and peer-to-peer payment, in a reliable and automatic manner. Such prominent characteristics exhibit great promise in resolving the aforementioned issues and challenges in existing SCNs. Although some stakeholders may have their own information systems to handle transactions and commodity flows with local storage, the integrity of such information is guaranteed once the hash value is anchored to the blockchain. The on-chain data will serve as permanent and immutable (non-paper-based) proofs/evidence for tracing specific transactions and offer accountability in the presence of fraudulent activities from malicious participants or disputes.

Proponents have argued that BC/DLT may have a revolutionary impact on business and society (Tapscott and Tapscott, 2017). SCNs employing blockchain have attracted considerable attention in recent years, and its integration with other technologies like the Internet of Things (IoT) enables efficient and flexible data recording for public audit of each commodity’s status through a supply chain (Wang Y. et al., 2019). As illustrated before, SCNs are characterized by having economically competing participants and limited trust between some actors. Further, an SCN should ideally be designed without a single, dominant supply chain agent controlling all downstream suppliers. A decentralized organization enables non-dominant actors, particularly upstream actors such as farmers, to gain better access to and control over the data entered onto the blockchain. However, the most compelling argument for using blockchain is the need for tamper-proof data handling and storage, as participants need to ensure that other (untrusted) participants do not alter the data after input. The integration of blockchain with SCNs is promising for a safer, immutable, and traceable supply chain management (SCM) with reduced paperwork and administrative costs (Azzi et al., 2019). Besides, such integration with new business models has the potential to improve SCM performance and competitive advantages (Wamba and Queiroz, 2020). IBM Food Trust is a well-known blockchain-based platform for the food supply chain, benefiting all network participants with a safer and more sustainable food ecosystem. Nevertheless, commodity supply chains have complicated structures and aim for various objectives including high quality, low cost, fast speed, high trustworthiness, lower risk, and better sustainability. Blockchain-based SCM achieving the above goals is arguably still in an initial phase, requiring considerable additional research, education (Düdder et al., 2020), and development. Recent work also pointed out four kinds of barriers for blockchain applied in the SCM, including inter-organisational, intraorganisational, technical, and external barriers (Saberi et al., 2019).

The coffee sector is known for sustainability initiatives with the highest certification levels among any commodity. It has widespread use of certification standards and private governance mechanisms, such as direct trade or transparency initiatives (Grabs, 2017; Ponte, 2019; Bager and Lambin, 2020). Still, only one third of all companies across the coffee sector take tangible action to address sustainability, leaving a large potential for additional action (Bager and Lambin, 2020). To improve market access and support sustainability governance, companies and other supply chain stakeholders propose various technological solutions, most notably blockchain. So far, there is limited application of blockchain across the agro-food sector beyond initial pilots, but the field shows massive growth and a large potential. In the coffee sector, large-scale roasters such as Starbucks already experiment with the technology, and various small, innovative solution providers are emerging, such as Bext360 or iFinca. Despite supply chain innovation, the field lacks systematic academic research, especially empirical studies and models.²

The main contributions of this paper are:

- A novel event-based methodology, REALISTIC, for systematic modeling of deep supply chain networks including decentralized production, transportation, economic resource transfers, user-definable data aggregation and analytics, third-party observations and assertions, and contract management between independent economic agents. It is based on classical Resources-Events-Agents (REA) accounting (McCarthy, 1982) and builds on extensions and experience with REA over the last 30 years.

- An event-driven system architecture with separation of explicit functional models from the events, where models capture updatable production processes and aggregate information about low-level digital signed events. It is based on digitally signed event assertions made by humans, IoT devices or other systems. This provides the basis for tamper-proof real-time tracking, tracing and digital enforcement of physical constraints such as limiting the amount of certified products by the intake of certified raw materials. The architecture is implementation-platform agnostic; in particular it supports being rapidly developed using centralized database systems with powerful and rapidly deployed out-of-the-box functionality and subsequently porting to BC/DLT-based systems for decentralized governance.

- Secure transformations with guaranteed exclusion of out-of-nothing production, which makes greenwashing (duplicate accounting of the same bonafide green certificate) impossible.

- Fine-grained deep traceability of and through certified production processes without the possibility of reuse of certificates, not even fungible ones.

- A fully implemented, reproducible, and repeatable Good Coffee case study with publicly available source code on GitHub.

²For additional information about different blockchain applications in coffee supply chains in Colombia, see the study by Bager et al. (2022), which is also part of the Good Coffee project.
2 MATERIALS AND METHODS

In this section we present a functional characterization of blockchain systems, broadly construed as decentralized systems providing tamper-proof data recording and digital resource ownership. We identify two additional aspects crucial for digital models of SCNs and introduce an event-based framework for systematic modeling of and accounting in SCNs. Based on the framework, we derive a functionality-driven method for identifying important, missing and opportunistically usable (electronic) data and develop an ontology for fine-grained tracking and tracing of coffee from farmer to consumer, which will serve as the blueprint for the component architecture, design and implementation of our Good Coffee system.

2.1 Blockchain Deconstructed

Blockchain (BC) is a popular term used ambiguously for the original Bitcoin system (Nakamoto, 2008), where the name originates, including systems built on its core assumptions and technical design decisions such as Ethereum (Buterin, 2014; Wood, 2014), or for the much broader class of peer-to-peer computer systems that provide a combination of decentralization, tamper-proof digital recording of events, and guaranteeing non-duplication of digital assets (“tokens”) such as IBM Hyperledger Fabric (Androulaki et al., 2018) and R3 Corda (Brown et al., 2016a; Brown et al., 2016b).

The term distributed ledger technology (DLT) is often used to emphasize that such systems may significantly deviate from the specific principles of the original Bitcoin design. Below we use the term blockchain/distributed ledger technology (BC/DLT), or just the slogan blockchain, in the general all-encompassing sense. We describe a BC/DLT system by the following defining characteristics (Henglein, 2018).

1. Decentralization. The system is decentralized, that is it is not only a distributed system, but also a peer-to-peer system where the nodes and network connections are controlled by legally and economically independent parties such that each party has no more control over or access to information than any other party. Strictly speaking, this excludes a technical set-up where the BC/DLT-based system is cloud- or server-hosted since the cloud provider has highly privileged (i.e., much more) access to and control over the system than the other parties. In this sense, “hosting a blockchain system on the cloud” would be a contradictio in eo ipso.

2. Tamper-proof recording. Collectively, the system establishes and achieves a consistent state of recorded information over replicas by maintaining a logically single log of digitally signed events. The recording may contain auxiliary data as evidence of real-world events, e.g., pictures, DNA-analyzes, signed statements, IoT device signatures, etc. Consistency means that there is no significant discrepancy between information provided by one node and any other node in the peer-to-peer network. Furthermore, the recorded information is tamper-proof and available. It cannot be altered or deleted without being noticed by other participants, and it remains effectively available to all parties entitled to access it. A particular BC/DLT-based system may restrict who may access to which information in contrast to Bitcoin/Ethereum-style systems, which require that all recorded information is completely public and accessible to anybody without requiring any authentication. A widely used technique for tamper-proofing is cryptographic hashing, which can also be done on a centralized system without any replication or distribution of the data.

3. Secure resource management. The system provides support for managing ideal (purely digital) and, by proxy/tokenization, physical resources. A resource is something that can be transferred, but is guaranteed by the system not to be duplicated or lost. This is in contrast to (data representing) information, which when transmitted from one party to another is copied: both the sender and the recipient have it after transmission. After a successful transfer of a digitalized resource, however, only the recipient has it. Resources are money, securities, shares, exclusive rights (ownership), IOUs (promissory notes, bonds, loans), digital proxies (tokens) representing physical objects (trucks, books, apples, coffee cherries, parchment coffee, green coffee, roasted coffee), etc. Transferring guarantees that the sum of resources is not changed. Combined with (a generalized form of) double-spend prevention the system guarantees that transfers are valid (the sender is the correct owner) and atomic (whether or not the transfer succeeds, exactly one of the sender and receiver ends up owning the resources).

Tamper-proof recording and secure resource management express an Olympic view of the world: there is always one authoritative (“true”) state of the world (single point of truth), and resources can neither pop out of nowhere nor disappear mysteriously:

- An event has happened or it has not; if it has, there is one true description of it, and once happened it cannot be made unhappened or made to look like something else happened. Mortals may disagree on the state of the world, but there is one and only one truth: the authoritative Olympic view.
- Resources, both physical and ideal, exist only once; an event may rearrange them—change their location, ownership or possession—but does not change their sum total. Mortals may claim to own something, but that is either authoritatively true of false, determined by the authoritative Olympic view.
Decentralization expresses that the Olympic view is entirely conceptual: There are no Olympian gods or even demigods, only mortals collectively emulating the Olympic view.\(^3\)

### 2.2 Modeling Supply Chain Networks

A (physical) SCN has the following general properties.

1. It is organizationally decentralized. Ideally the SCN should be open to participants joining and leaving, and no participant should have more control over and access to the network as a whole than others—each participant manages their own information, processes, and products.

2. It is event consistent. An event involving multiple parties (e.g., a money transfer, a product delivery, or an invoice sent) either has happened or it has not; if it has, then it cannot subsequently be changed or undone.

3. It is resource preserving under transfers. Physical (products) and ideal (money, ownership rights) resources are transferred without getting magically copied or disappearing. In a successful resource transfer, it is guaranteed that the previous owner was the correct owner and, whether successful or not, after the transfer exactly one of the two parties in the transfer is the owner; no resources are duplicated by accident or by cheating.

Additionally, an SCN intrinsically deals with production and transportation of physical resources, not only natively digital ones, which yields additional general properties.

4. It is location consistent. Physical resources cannot be in two disjoint locations at the same time.

5. It is resource preserving under transformations. Physical resources are not only transferred and transported, but also produced, that is transformed into each other: roasted coffee is produced from green coffee; green coffee from parchment coffee; parchment coffee from coffee berries. After each production step, there is less of the input resources and more of the output resources. So the sum total of resources of each kind can change as the result of a transformation event, but nothing can directly or indirectly be produced out of thin air. It is not possible to produce 160 bolts from 3 kg of steel and later melt the bolts into 4 kg of steel.

We stipulate that a digital proxy of an SCN should incorporate these general properties as fundamental invariants; that is, it should guarantee that they always hold.

\(^3\)The requirements constitute security guarantees, that is the guaranteed absence of functionality deemed to be undesirable. In the case of BC/DLT-based systems this is the guaranteed or at least trustworthy absence of a party getting privileged access to other parties’ data, the guaranteed absence of being able to change or delete (records of) events, and the guaranteed absence of duplicating or losing digitally represented resources. Technically achieving the trustworthy absence of such undesirable functionality is incomparably more difficult than simply offering it with a caveat emptor sticker attached to a system that says that ensuring the security requirements is the application programmer’s job, with little or no support from the system.

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The first three properties amount to a decentralized (peer-to-peer) computer system with no single party in control, authoritative event recording with no possibility of tampering, and digital resource management (ownership and transfer validation) guaranteed to prevent digital forging (double spending). These are the characteristics of a BC/DLT-based system; see Section 2.1. The fourth property is a form of no-double-spending guarantee, where a location “owns” a physical resource and transportation is a transfer of the resource to another location.

Guaranteeing resource preservation under transformations, the fifth property, is much trickier than only preventing double spending. A producer submits a digitally signed transformation event to the BC/DLT-based system for one or more new products, which the BC/DLT-based system validates only if

- the characteristic (e.g., mass) of the certified input resources in the transformation event equals or is greater than the characteristic of the new products and
- the input resources are previously certified products and have not been spent or otherwise decertified in the meantime.

Once validated, the new products atomically constitute new certified products and their inputs are spent and thus decertified—they cannot be reused to produce additional

\(^4\)This is analogous to the First Law of Thermodynamics: The total amount of energy, the physical characteristic a system’s components are mapped into, can neither be created nor destroyed.
certified new products. There may be additional requirements for product certification, but not fewer than these. In our pilot study we keep track of the masses of inputs and outputs of production steps to guarantee that every production step does not output certified resources with more mass than the certified resources it consumes.

Secure resource transformations for certified production processes with guaranteed impossibility of increasing the amount of certified resources across a decentralized network of independent agents are a key innovation of our work for supply chain networks in general, since they are not supported out of the box by existing BC/DLT-based systems. A backtrace of a final product may have a flawless and complete history of steps via certified semi-finished products to certified raw materials, with carefully tracked transportation along the entire chain, yet it can be defeated by using an inferior semi-finished product at any stage and equipping it with a duplicate of a high quality certified product.\(^5\) This is indirectly a form of double spending, which a digital SCN proxy with secure resource transformations makes outright impossible.

Managing resources on a BC/DLT-based system that digitally guarantees resource preservation throughout production and transportation is a massive disincentive to cheat in itself. The most common attack vectors for bringing in some real or virtual location to another one. Resource transfer: an agent transfers ownership or possession of a resource to another agent. Resource transportation: an agent moves a resource from some real or virtual location to another one. Resource transformation: an agent produces something, that transforms some resources into other ones. Information transmission: an agent transmits data representing information to another agent, afterwards they both know it. Observation: An agent ascertains something and makes a statement for the record, e.g., about the quality of a bag of coffee or asserting where it has been seen.

Resource bundling and unbundling is a special kind of transformation, where the transformation has an exact inverse. The “transformed” resource, say 96 jute bags of parchment coffee are bundled by putting them on a (labeled) pallet, can be unbundled by unloading the pallet and getting the 96 jute bags back. Bundling models the real-world action of putting something together (bag, box, pallet, container) for shipping and storage and equipping the whole item with an identifier (label, QR-code, sequence number) that can be tracked and traced.

Agents: Agents are natural persons, legal entities, divisions of companies, associations, IoT devices, informal sets of these including dynamic and anonymous sets of them (e.g., “Bitcoin”). Agents are involved in events; they can cause or validate them. Conceptually, a primitive event is a signed and dated statement by a single agent; e.g., a transaction making it onto the Bitcoin blockchain expresses “I, Bitcoin, herewith validate this Bitcoin transaction and declare it to have happened in the 582,453rd block”; or “I, the IoT device knowing the private key corresponding to public key 0xFFFA074I75A670CD herewith declare that coffee

\(^5\)This explains why there is substantially more certified virgin press olive oil sold than olives actually produced for it.

\(^6\)In this setting, losing something in the real-world sense is possible by moving it to a "lost" account.
grader with ID 0x66878786DFA6F5E4 has measured 1.4 kg coffee beans and assessed it to have color blib and grade blob. Digitally geo- and timestamped and signed, 0xFFA074175A670CD,” or “I, the Acme Cooperative herewith transfer ownership of coffee bag with QR code 0x77AB77819CDA67DD to Alice Traders. Digitally geo- and timestamped and signed, John Doe of Acme Cooperative.”

- **Locations:** Both digital and physical resources are usually at some physical or virtual location; for example, a truck is located on some parking lot and some money is located in a particular jurisdiction. Locations occur in transport events.
- **Information:** Data and things that, in contrast to resources, are easily copied (duplicated); e.g., instruction manuals, invoices, emails.
- **Strategies:** Processes (in economic terminology strategies) employed by a single agent to get something done, e.g., whether to produce something for inventory or not, whether to accept a contract offer or not, when to perform something required or possible in a contract. Strategies are basically all the manual (human) and automated (algorithmic) mechanisms inside a company (a single agent) that cause it to generate and sign events. Strategies usually take the form of computer code and data in enterprise resource planning (ERP) systems that, possibly automatically or semi-automatically (controlled by a human sitting in front of a terminal, laptop, iPad, iPhone, etc.), do something on behalf of their (sole) owner; e.g., automatically paying a bill according to a running contract.
- **Time:** Events happen in both time and space (locations). Time is used to express when an event happened, when that event was registered, by which deadline an event (such as payment or a delivery) should contractually happen, etc. Time is expressed in calendar time (next month, next week) or physical time (in 4.2 s) or both. Note that time often occurs in connection with a geographic location (such as a time zone), but exists independently: 5 s in the Pacific Standard Time zone and 5 s in the Central European Time zone are the same amount of time simply because 5 s are 5 s.
- **Identities:** Identities are identifiers associated with agents, resources, events, information, contracts or any other entity; these can be used to name and track particular entities and to keep the entities themselves secret. Identities cover tokens both in the cybersecurity sense (access tokens) and in the digital asset sense (named, trackable digital resources).
- **Contracts:** A contract is a specification of possibly multiple sets of future events, each of which constitutes the successful execution of an agreement between multiple agents. A basic exchange contract, for example, consists of two transfer events that can be executed in any order. A contract is breached if the events that have actually happened do not constitute one of the contractually acceptable sets of events; e.g., if a bicycle in an exchange contract is delivered, but the requisite payment is not performed. Contracts are fundamental to economic activity.

An event log is a sequence of events, where events can neither be changed nor deleted, only added at the end. Since the prohibition against deleting or changing entries is a hallmark of bookkeeping, the container of an event log is called a ledger, which may be replicated or otherwise distributed; in such case it is often called a distributed ledger. Whether distributed or not, a ledger can be thought of as an append-only (paper or electronic) file, where events can only be added at the end.7

We have only required that events be (digitally) signed and dated. So, a priori, a statement can be anything at all; also, the optional attached documentation can be anything at all.

Note that REA and REALISTIC are ontologies for modeling real-world concepts, not for expressing computer system architectures or implementation techniques. In particular, REA can be used without employing technical terminology from blockchain systems, relational database systems or for that matter any computer system eventually used to digitalize its concepts. This is analogous to entity-relationship modeling (which identifies real-world entities and describes their relationships in information technology independent terms) and relational database design (which describes a technical system architecture based on table schemas, keys, relational queries, etc). The latter is derived from the former; the former is independent of the latter. A litmus test for retaining this modeling-implementation separation is this: Coffee supply chains have existed before the advent of blockchain and database systems. How would we describe them in, say, the 1950s?

### 2.4 Digitalization for Coffee Provenance

How can REALISTIC modeling be used for tracking and tracing individually serialized retail coffee bags and reliably associating provenance information, ecological sustainability practices, independent certifications, and assuredly fair pricing for farmers with them? Which data is needed, desirable or already available in digital form?

For field trips, one to Colombian coffee growers, cooperatives, and a dry mill, the other to a roasting facility in Denmark, we developed the following methodology for collecting on-the-ground information and identifying requirements driven by the concepts of REALISTIC modeling.

- **Think about the questions you want to answer eventually and use them to figure out which primitive events are needed.** The three driving questions for the Good Coffee project are:
  - Where is the coffee in the cup I am holding from and how did it get there?

7The requirement of a totally ordered event log—a sequential listing of all the events—is computationally difficult and expensive to achieve and unnecessarily strict, yet common in BC/DLT-based systems. Partially ordered or even weaker relations between the set of stored events are sufficient for common applications. Nonetheless, we stick to the idea of a totally ordered event log for simplicity of explanation.
• How much money did the farmers get for the coffee that eventually ended up in my cup?
• Which quality and production characteristics are associated with this coffee?

More specifically, our end user system should include:

1. traceability and chain-of-custody information for coffee at all stages;
2. associated economic transactions, specifically the price paid to farmers when selling their coffee;
3. tracking of fine-grained certification information, e.g., Rainforest Alliance or Fairtrade certification standards;
4. tracking of fine-grained quality-related information, such as cupping scores, roasting profiles, and crop variety;
5. various ecological and social sustainability indicators and the data related to these, such as renewable energy consumption, tree (re)planting, water recycling, labor contracts.

These functional requirements were given as core objectives from the outset.

• Identify the primitive events required and, in the process, the agents and resources involved in them. A primitive event is a single-sentence statement (see categories above) that is not broken down into more fine-grained events and is made by a single agent. The agent furthermore takes sole responsibility for the correctness of the entire event.8
• Think about events that are, in traditional terms, related to master data and transactional data, respectively. Transactional events are production (transformation), bundling/unbundling, transport, transfers including payments, notifications and tracking events; master data events are general statements about the agents and resources, which certifications a farmer or cooperative received when by whom, etc.
• Think of a simple functional specification for getting an answer to one of the driving questions from an entire log of primitive events. This is to identify missing and useful information (primitive events) that should be registered. For example, if there is not a single registered event that says anything about how and which coffee berries were transformed into parchment coffee, then tracing coffee back ends with parchment coffee. Conversely, even the least amount of information in registered events can be exploited; e.g., if the coffee berries were delivered by Farmer X and Farmer X happens to have some certification at that time, it may justifiably be concluded that the coffee came from certified berries. Think about clearly specifying the answer, but do not think about the computational complexity of computing it.9
• Which events are in exchange for other events? Contracts are tit-for-tat agreements eventually tying multiple events together, including payments and ownership transfers. For answering the second question it is important to record what the dual event, the particular payment for the sale (ownership transfer) of a particular batch of coffee is.10
• Observe in the field which information is already collected for whatever reason. Take pictures, videos and notes on the spot. Whether needed or not such information may contribute to answering the original questions and may opportunistically be used to answer additional questions, e.g., in disputes. Indeed, their availability may motivate raising questions simply because they can be answered. In particular:
  • Which tracking observations (by automatic or semi-automatic scanning or manual registration) are made when transporting the coffee in its various forms? The more fine-grained and detailed this information the more difficult it is for somebody to “cheat” without being detected.
  • Which information is registered about resources (coffee in various forms and packaging) coming into and out of a production or trading site? This information is crucial for tracking and tracing raw materials and semi-finished products into the finished products; in the case of coffee, from coffee berries via parchment and green coffee to roasted coffee.
  • If relevant information is already collected or it is clearly advantageous to collect, what does it take to digitize it, that is to get it recorded on a computer, smartphone or other networked device? If it is documented on paper, is it because it was captured electronically (in which case the information is already digitized) or is it because it is still an entirely manual (analogue) paper process? What does it take to produce it in electronic form instead?

The specification of an answer is based on uninterpreted primitive events which serve as recorded evidence for the linked real-world event. Derived interpretations can be generated subsequently, while using the primitive events as a primary reference, in later REALISTIC activities.

Note that a driving question is typically underspecified (“Where does this coffee come from?”) and thus subject to a multitude of formalized specifications for making it precise.

Mathematically, a specification is a function from a given event log to an answer; in database terms, this is analogous to a particular query being applied to the table(s) containing the registered primitive events. There can be different functions applied to the same data, yielding different results based on the same events. As such a particular function represents a particular model of what happened based on the registered events. Making the model explicit and separating it from the registered events rather than conflating it with events ensures that

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8A roaster would for example take sole responsibility for “I received this bag with QR-code XYZ at my factory gate”, but not for “The coffee in bag with QR-code XYZ is from Cooperative C and sustainably grown in Colombia.”

9If you are a computer scientist, do not think about it yet; if you are not a computer scientist, do not think about it; that is what computer scientists are for.

10This can be done in different ways. A conceptually simple model is to associate a unique identifier, somewhat confusingly sometimes also called a correlation id in the literature, with all the events that pertain to the same contract.
it can be audited and changed in isolation of particular individually signed events. An alternative approach of transforming generic constraint-based workflows, as sequences of activities, events, and their coordination, has been presented in Xu et al. (2022). Nevertheless, such generic workflow-based approaches do not guarantee global invariants as presented in REALISTIC and necessary for many supply chain management systems including production, transportation, and trade processes.

For example, if all we know from the event log is that a particular container of green coffee was produced from 8,000 kg dry parchment, where 4,000 kg dry parchment was delivered the previous Tuesday by one cooperative and 6,000 kg dry parchment the previous Thursday by another cooperative, then a particular model of the output composition may specify that it is made up proportionally from each input, so it is made from 3,200 kg from the Tuesday batch and 4,800 kg from the Thursday batch. Another model might say that the input batches are processed in temporal order, so the particular output is made from 4,000 kg from the Tuesday batch and 4,000 kg from the Thursday batch; or it employs an analytic mix that depends on quantities of inputs and their delivery dates and reflects a mathematical approximation of how dry parchment is unloaded in the particular warehouse. Note that the input data to all three models is the same. It consists of the deliveries by the two cooperatives.

3 RESULTS

We present our findings on requirements and UI-driven co-design; REALISTIC-based application design; and employing a blockchain-late implementation strategy for functionality-first development.

3.1 Good Coffee User Requirements and System Specification

The coffee supply chain targeted by our event-based digital SCN proxy runs from coffee farmers in Colombia to a coffee roastery in Scandinavia. The coffee farmers involved are all smallholders farming around 2 ha of coffee on average, who are organized in a cooperative. All farmers are Fairtrade certified. The farmers grow and pick the coffee – some hire laborers for this – and subsequently wet-mill and dry the coffee before packing it in jute bags. The farmers transport the coffee to purchasing points, which are operated by the cooperative. Here, the coffee is quality controlled, and farmers are paid according to the daily rate, factoring in the quality. The farmers receive payment and a receipt. The cooperative stores the coffee in jute bags, but individual farmers’ bags are not labeled separately. Given current practices, provenance is lost at the purchasing point, as individual farmers’ coffee bags are not kept separate. For the purpose of this project, we labeled individual bags using QR-codes. From the purchasing point, the cooperative organizes transport to the dry mill. Here, the coffee is milled (hulling, sorting, quality control, etc.). At large-scale mills, such as those currently used in this supply chain, coffee again becomes mixed, as multiple bags (from several farms and cooperatives) are milled in the same batch. Micro-mills can mill coffee from different farms separately, and thus for the purpose of this project, the coffee was milled at a micro-mill. After milling, the coffee is packed in 70-kg jute bags carrying the name of the processor and stored at a warehouse before it is prepared for transport. For the purpose of this project, we used bags containing QR-codes and the project name to ease identification and facilitate data entry. For transport, the coffee is placed in a sealed container and transported on truck to the port. From here, it is exported to Europe on container ships. From the importing port, it is transported by rail to the warehouse. Here, the container’s seal is broken, and the coffee is distributed (by truck and ship) to the different roasteries. At the roastery, the coffee is roasted according to the roaster’s preference and re-packaged for retail. The final bags also contain a QR-code. See Figure 1 for overview of the supply chain.

The existing sustainable coffee supply chain involved multiple independent organizations. Unfortunately, there exists no end-to-end coherent IT solution for supporting the whole supply chain from farmers to coffee cups. The horizontal integration along the supply chain is hindered by disconnected data silos operated by the different organizations. The data transfer is mostly based on physical documents involving media breaks between text document and data storage. Manual data entries and very little automation due to legacy systems and their difficult integration become the dominating factors impairing SCM efficiency and quality. The paper trails can only get verified and checked at pre-defined points.

The downstream buyer (importer-roaster) has good and trusting relations with mid-stream processors (dry mill and exporter), but relies on the midstream participants for engagement upstream, having relatively little ability to engage in or detect fraud in the upstream parts of the supply chain. The verification is conducted either at quality gates (e.g., purchasing point, dry mill) as part of the product quality assurance or due diligence in the case of fraud detection late in the supply chain, e.g., roaster or importer complaints. Coffee as a commodity undergoes different production steps which inherently transform the product and render physical tagging impossible for securely tracking either coffee beans or batches. The tags in use are connected to batches of coffee beans and are not forgery resistant.

The supply chain is, furthermore, characterized by a high degree of fan-in and fan-out, e.g., parchment coffee collection points of cooperatives, as well as importers and exporters purchasing from and selling to multiple companies. The supply chain is decentralized without a dominant participant controlling the entire supply chain, though certain agents have more leverage than others. For example, the roaster and importer are much larger and more financially capable than the cooperative or the individual farmers. Thus, the organization and governance of an end-to-end supply chain has to answer the question as to who pays for investment. The policies around the supply chain are issued/made by government and other regulators, as well as issuers of voluntary sustainability...
certification standards, in this case Fairtrade International and auditors acting on their behalves. Individual agents in the supply chain have a partial and limited knowledge about the rest of the supply chain and involved agents. This is especially pronounced for upstream participants. Farmers only know that the coffee is sold to the cooperative, and then further processed and exported, but have no knowledge of downstream agents or their desires. Cooperatives know the processors/exporters, but do not engage with the roasters nor the final consumers. The roaster, for their part, knows only the processors/exporters, and has limited knowledge of the cooperative and very little engagement with the individual farmers. As the only agent engaging both up- and downstream, the processor cum exporter holds more knowledge about practices and requirements along the supply chain. The business relationships are characterized by mutual trust between adjacent business partners enforced by contracts and constant checks.

Some notable user requirements have led to the following functional requirements:

- tracing the contents of retail coffee back to the individual farmers’ dry parchment that contributed to the content through multiple production, transportation, quality testing and ownership transfer steps, where storage and production processes within the dry mill were modeled in detail individual (e.g., which shipments go into which silos) to connect outgoing green coffee with the specific dry parchment it is produced from;
- registering sales contracts and prices at the cooperative to connect and document what the farmers contributing to a retail coffee bag have received as payment for their dry parchment to facilitate increased and transparent pricing for coffee grown with good sustainability practices;
• registering and connecting farmers’ sustainability practices and certificates and connecting it with detailed coffee quality tests to trace and document sustainability properties of retail coffee at the level of individual bags.

During the discussions with experts and other project stakeholders, some non-functional requirements emerged, constraining the solution space for the design, for example: demand for confidentiality and privacy; the usability of the final product by untrained farmers and a co-operative’s staff; no special hard- or software because of a lack of local IT support staff. The remote location of farmers poses a special challenge, while transportation with ephemeral connectivity disallows always-online solutions. This is particularly the case at the farm level, where not all farmers have access to the internet or smart devices.

3.2 Co-Design With Project Stakeholders
A pre-project analysis indicated multiple unstable requirements and various goal conflicts, e.g., transparency and intellectual property protection. A full up-front analysis was considered unrealistic and, therefore, an explorative approach for the design was chosen. Unstable requirements emerged from changes in feature prioritization and emerging requirements, e.g., due to the Covid-19 pandemic. Thus, we adopted a co-design method as a viable design process, a.k.a. participatory design, allowing comprehensive and immediate feedback to explore an unrestricted solution design space in close collaboration with all stakeholders. The co-design methodology has a long tradition in Scandinavian countries allowing all stakeholders as peers to participate in the design process, which has exhibited prominent significance and value in eHealth system development (Kildea et al., 2019; Smith et al., 2020), e.g., the co-design of a patient portal involves patients and health care providers.

In contrast to a single-stakeholder design, co-design of stakeholders is fairer, providing all participants an equal opportunity to voice opinions and provide feedback. As each stakeholder has his/her own knowledge, interest, business policy and goal, hardware and software resources which are not exactly consistent or compatible with each other, co-design helps equalize the stakeholder-side knowledge and interest balance, unifying regulations and standards, and moderate design requirements and goals. Such a user-centered holistic approach also enhances the network value and utility with the increasing number of users. The impact of the IT systems can be more holistically assessed by all stakeholders (backed by evaluation using later field study and interviews). Moreover, the risk assessment is more comprehensive due to the involvement of all stakeholders and improved realistic estimations of risks and their impacts. Overall, co-design among stakeholders, featured by comprehensive intelligence, balanced benefits, in-time feedback and adjustment, unified regulations, and strengthened utility, is an integral component of sustainable quality improvement in our Good Coffee use case.

Multiple stakeholders are involved in the project and are influencing its design as depicted in Table 1 and visualized in Figure 2. On the industrial side, it includes small-scale farmers (in our case in Colombia), cooperatives, middlemen and logistics providers, exporters, warehouses, coffee roasting companies, retailers, final consumers, and Non-Governmental Organizations (NGOs), e.g., as concerns sustainability standards. Specifically, COWI (advisory firm and project coordinator), Caficultores de Antioquia (cooperative), Federacion Nacional de Cafè (FNC) (exporter) and Peter Larsen Kaffe (roaster) contributed to the co-design process and provided assessments from field studies and conduct interviews from the industrial perspective. On the academic side, project partners include the Department of Computer Science (DIKU), the Department of Geoscience and Natural Resource Management, both at the University of Copenhagen; the European Blockchain Center at the IT University of Copenhagen; and Chalmers University of Technology. The academic partners provided extensive theoretical and technical guidance for sustainable Good Coffee requirement analysis and design, natural resource management. Prototype development was done at DIKU.

The major stakeholders joined in iterative design and status meetings with brainstorming, feedback, and acceptance sessions. Weekly developer meetings, monthly group meetings, and quarterly status meetings were held for progress reviews. The meetings included role playing to facilitate requirements elicitation and knowledge exchange. Representatives played their roles in the end-to-end supply chain process and provided early and regular feedback on the accuracy and correctness of our approach. We set the next plans and goals adaptively based on the feedback after each meeting. In the beginning, a pen-and-paper design prototype was used and replaced by a mock-up or an early technical prototype in later stages. It allowed participants to get an overview of the status and also allowed for influencing the next design and implementation tests. The decision phases of the meetings were in the form of the nominal group technique. From design theoretic perspective, our chosen approach is close to the distributed participatory design methodology.

The approach is aligned to the conceptual design framework in Groschopf et al. (2021) in which stakeholders are mapped to digital entities.

3.3 Software Design and Implementation
3.3.1 Database-Driven Design
Modeling and implementing the data types was done in a standard relational database system (RDBMS), PostgreSQL, allowing refinement iterations and visual and interactive discussions of Entity-Relationship (ER) models as depicted in Figure 3. After the requirements and design stabilized, public data and functionality to be shared was transferred to Ethereum and recoded as Solidity smart contracts. Since this degraded practical usability, the final prototype was eventually based on a refactored
implementation of the RDBMS prototype including a fully functional web app.

3.3.2 Technology Stack
Our prototypes use proven web-app technology for database-backed and decentralized applications.

- **NodeJS**: Runtime environment for building web-based JavaScript applications.
- **ReactJS**: Framework used for the entire front-end of the platform. Joined by additional JavaScript packages for extra functionality.

![Diagram](image)

**FIGURE 2**: Full supply chain with all stakeholders and their corresponding processing procedures (Bager et al., 2022).

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Responsibilities</th>
<th>Role in co-design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee importer</td>
<td>Import green coffee</td>
<td>Describe requirements for blockchain model and desired characteristics + pilot test partner</td>
</tr>
<tr>
<td>Coffee exporter</td>
<td>Mill parchment coffee (hulling, sorting, quality and testing, incl. cupping.)</td>
<td>Interviewee + field visit + pilot test partner</td>
</tr>
<tr>
<td>Coffee roaster company</td>
<td>Roast green coffee. Pack roasted coffee for retail</td>
<td>Describe requirements for blockchain model and desired characteristics + pilot test partner</td>
</tr>
<tr>
<td>NGOs</td>
<td>Advisory services and auditing</td>
<td>none</td>
</tr>
<tr>
<td>Small-scale farmers</td>
<td>Produce, harvest, wet-mill and dry coffee. Pack parchment coffee in jute bags</td>
<td>Interviewee + field visit + pilot test partner (6 farmers)</td>
</tr>
<tr>
<td>Cooperatives</td>
<td>Buy parchment coffee. Control quality and characteristics of coffee</td>
<td>Interviewee + field visit + pilot test partner</td>
</tr>
<tr>
<td>Academic partners</td>
<td>Technical expertise</td>
<td>Coordination and management</td>
</tr>
</tbody>
</table>

**TABLE 1**: Stakeholders and responsibilities.

- **Express**: Used for REST-based web server that responds to GET and POST HTTP(S)-requests from the client (React application).
- **PostgreSQL**: Relational database management system (DBMS) used for storing shared and private event data as well as performing queries on them.
- **Truffle**: Development environment used for running a decentralized application (dapp) on the Ethereum Virtual Machine.
- **Solidity**: Programming language used for writing the Ethereum smart contract that manages public data shared across all users and agents.
3.3.3 User Interface

In Good Coffee, users are categorized into different types, e.g., farmer, transporter, and certifier, in which rich graphical user interfaces are provided for different system functionalities. The major user interfaces in Good Coffee are as follows.

- **Registration Interface**: Each user can register as an agent with identifying information, such as agent name, type, email address, organizational affiliation, location, and profile picture. Such information can be viewed by users in the agent profile interface.

- **Product Issuance Interface**: An authenticated farmer can issue and add a new product to the inventory with detailed product type, weight, coffee variety, and a picture (optional). Subsequently, the new product will appear as dry parchment in the inventory table of the farmer.

- **Product Splitting Interface**: Authenticated agents are able to split a single product unit into multiple weights and product units. For example, 250 kg can be split into 2 product units with 100 kg per unit and 5 product units with 10 kg per unit. After successful split, the old product item will be replaced by the new ones in the Inventory table.

- **Product Shipment Interface**: Actors whose products have been purchased by other agents can perform the shipping process. The shipment interface is where the agents can choose transporter and recipient. Evidence document and extra information can be added optionally, such as the transporter agreement and key-value pairs. For example, the Number plate can be the key, and the corresponding value can be CO234BOG.

- **Product Repacking Interface**: Repackaging can be performed on one or multiple units. When clicking on the Bundle button, the agent can input the weight of output and choose a type of output. A picture can optionally be attached.

- **Product Sale Interface**: The owner of a product can initiate an offer to a specific agent and start a selling process. The owner can specify the recipient, amount, and currency in the sale interface.

- **Purchasing Interface**: Anyone can purchase products that have previously been offered to them but do not already belong to them. After clicking on the Purchase button, there is a button for confirming the purchase.

- **Receipt Confirmation Interface**: When the products have been shipped to the recipient, the recipient can confirm their receipt one at a time. After confirmation, the products are transferred to the Inventory of the recipient.

- **Evidence Adding Interface**: Authenticated agents can add evidence for any event displayed in the Event view. For instance, a PDF invoice can be added as transport documentation evidence to ensure the validity of the shipment event.

- **Product Storage Interface**: Before products are transformed, e.g., dry milling and roasting, the product items need to be stored in a storage unit such as a silo. The agent must select the storage unit where they want to store the product, e.g., Silo #1, Silo #2, and Warehouse #D7.
- Processing/Transformation Interface: The transformation is applied to a storage unit instead of a product unit. The interface will ask for the output quantity and type. After completion, the newly issued products can be found in the Inventory list of the agent.

- Actor, Events, and Product View Interfaces. These interfaces show the detailed information about agents, events, and products. The agent view consists of a sidebar and three different tabs: Profile, Receive (only when the agent is authenticated as the viewed agent), and Inventory. The sidebar displays the agent’s profile photo or logo, name, type, and profile (brief description, statistics with the number of products processed and sold, certificates, and location). The event view includes the five parts described in Section 3.3.4. The product view also has a layout including a sidebar on the left for identifying the product ID, type, weight, and producer. The content on the right shows the product details, including an image of the product, description, and an optional section for certification names. At the bottom, there is a Provenance section illustrating a map to display the location of each of the corresponding farmers. For increased transparency, the farmer payments, the coffee unit composition (in the form of pie chart), the sustainability parameters, and the product custody are also displayed.

Overall, the types of transactions recorded on the blockchain are closely related to the types of events in our model, which mainly include transformation, shipment, receipt, sale, purchase, and certification. Specifically, the transformation event is most complicated and involves product issuance only performed by the farmer and product processing transformation at the dry milling or at the roasting step. The on-chain information for product issuance contains some arguments such as the kind of coffee that was produced, weight expressed in grams, emitter ID/address, and product ID. In contrast, the on-chain information for product processing transformation contains a single product unit in the shape of green coffee if it is a dry milling event or roasted coffee if it is a roasting event. The sale event can be triggered by the seller of a product and the information of buyer ID/address, price, currency, seller ID/address and transaction ID is recorded on the blockchain. The purchase event can only be triggered by a buyer when they have received an offer via a sale event from the seller. The recorded arguments are the buyer ID/address and transaction ID as by performing this event. The shipping event is triggered by the sender after the actor offered the product has accepted the offer by purchasing it. The on-chain data is represented by the sender, product, recipient and transaction ID. The receipt event stands as the confirmation from the receiver that they received the shipment with the corresponding product units that they have purchased. The contained arguments are recipient and transaction ID. Finally, the certificate event can be performed by any user on the platform with a certificate as proof included. The on-chain recorded data contains certificate kind (e.g., 0 for Fair Trade, 1 for Rainforest Alliance, etc.), actor ID, end date as the expiration date, start date and certificate ID.

3.3.4 Migrating Shared Information to Ethereum
Based on the analyzed ER-Model, we designed the GoodCoffee smart contract, which implements the business logic as the central part of the system and runs on the Ethereum Virtual Machine (EVM). It maintains the system’s state and ensures that all operations are valid. Specifically, GoodCoffee includes the following elements.

- Variables. Each specified variable consists of a name and a data type, as introduced in Section 3.3.1. There are four types of visibilities for variables: public, private, external, and internal, where the default visibility is internal. For state variables, external is not possible. In GoodCoffee smart contract, we declare ten custom defined variables in the type of struct, including File, Product, Transaction, Silo, Certificate. Two state variables with address types are defined for the owner and the burning account, respectively. Moreover, we define six key-value mappings.

- Functions. Functions are executable units of code implementing the system functionalities. Each function has a function name and body where the functionality logic is defined. Functions share the same four types of visibilities with variables, but the default is public. In GoodCoffee, we define two private functions to update the product index set in terms of adding and deleting a product, respectively. Another two private functions are defined to add new products to the silo and pop certain weight from the silo, respectively. Moreover, there are twelve public API functions for user registration, product mint, shipment, selling, purchase, and other functionalities.

- Modifiers. Modifiers are used to automatically check a condition before executing certain functions. We define two modifiers named authenticated and registered. The former is to check if the message sender is registered and the latter with an input agent address is to check if the agent exists.

- Events. Events are convenience interfaces with the EVM logging facilities. All events are recorded on the ledger, sorted by their date in a descending order. Each event has five parameters: its ID/transaction hash, type (e.g., splitting, purchase, transformation, etc.), emitter, the block hash that the event was mined in and the index. Concretely, the ID field provides a link to the full event view and details. The emitter field displays a link to the agent view of the agent who has emitted the event, which is for efficient navigation between views. We define twelve event types in GoodCoffee, each emitted by invoking the corresponding public function.

3.4 Empirical Investigation
In the participatory design phase before building the prototype in Ethereum, our prototype was continuously evaluated and validated using domain experts as test users for different
process scenarios, covering, for example, errors and malicious activities of participants. The test users were, e.g., researchers in sustainability and concrete stakeholders, e.g., staff of the coffee roaster and importer.

Furthermore, we conducted an empirical investigation of the model across the coffee supply chain. The investigation involved all actors from farmers to roaster, but not final consumers. Due to the Covid-19 pandemic, part of the field test in Colombia had to be conducted as remote evaluation assisted by two on-site assistants who worked with the farmers.

Practical challenges encountered relate to data access and formatting, since not all actors involved in the supply chain currently store data in a digital format. Furthermore, many of the smallholder farmers in the case supply chain have limited internet connectivity and access, a problem also reported by Mehrabi et al. (2021).

4 DISCUSSION

4.1 Evaluation

From the perspective of desired properties, our event-based blockchain solution for general commodity supply chains achieves decentralization, product transparency, provenance, sustainability, and processing automation. Such properties are more comprehensive than the basic transparency, decentralization, and automation considered in prior blockchain-based SCM studies (Dietrich et al., 2021). From the perspective of product structure, we deal with complex parts rather than single parts. Following the definition by Dietrich et al. (2021), “complex parts” means that they can experience changes in their modular composition (e.g., splitting and merging/repackaging in our model, as shown in Figures 4 and 5), while “single parts” means that there is no change in their modular composition, but transformation exists. Existing works (Kamath, 2018; Sun et al., 2019; Zhang et al., 2020) are all limited to the single-part product structure. A holistic mapping of manufacturing supply chains should contain the mapping of raw materials, intermediate products, final products, and different events. However, as analyzed by Dietrich et al. (2021), such a holistic mapping is not fully realized in the references (Malik et al., 2018; Wang S. et al., 2019; Reimers et al., 2019). In contrast, our approach enables a holistic mapping. Finally, from the perspective of implementation, some of the literature (Tönnissen and Teuteberg, 2018; Salah et al., 2019; Sun et al., 2019) only develop a system framework or concept without a detailed implementation. Besides a comprehensive system framework, we also illustrate the crucial components in implementation, including data type and model, smart contracts, technology stack, and user interface. For our Good Coffee use case, we develop a Good Coffee platform realizing the core business logic for all actors in the end-to-end supply chain.

Our empirical investigation demonstrates that while blockchain-as-a-service applications can theoretically and conceptually address many problems related to sustainable commodity supply chains, actual “real-world” implementation across diverse systems and actors carry several practical problems; from missing data and technical misalignment to lacking internet connectivity and device access. These challenges do not pertain to the Good Coffee model itself, but rather to the supply chain in which it is implemented. For

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11The field-tested coffee was marketed and sold by the roaster; the eventual consumers were not involved in the prototype development, however.

12The source code of the smart contract can be found at https://github.com/juanhebert/goodcoffee.
example, the level of digitization across supply chains varies, and in this case, some transactions are fully digital (e.g., trader to roaster), while others remain largely analogue (e.g., farmer to cooperative). Similarly, as not all farmers affiliated with the cooperative own smartphones and as internet and 3G and 4G connectivity is spotty in some producing regions, local technical challenges impede widespread roll-out across many commodity supply chains. As such, the changes required within a supply chain and at different nodes to facilitate blockchain-as-a-service applications depend on the characteristics of the given chain - as well as the commodity - and not just on the programming of the model itself. As Colombia is more digitally mature than, say, Ethiopia, implementing our Good Coffee blockchain model in such a setting would likely lead to even greater challenges beyond those identified in our case. The various supply chain and case-specific characteristics affecting implementation, e.g., digitization, governance structure, ownership, logistics, etc. are thoroughly discussed by Bager et al. (2022), who analyze the Good Coffee implementation from a sustainability point of view. Finally, the current prohibitively high costs of development and implementation and the numerous adjustments and modifications required across supply chains as part of the implementation, e.g., logistics, digitization, recording, etc., make both blockchain-as-a-service and cloud-hosted solutions ineffective from an economic perspective. However, as commodity supply chains digitize and producing regions develop the required IT infrastructure, the existing supply chain-related barriers to implementation will likely reduce in coming years.

4.2 Retrospective
We present a blockchain solution for decentralized, certified, and traceable SCM. Such a solution rests upon theoretical event-based methodologies, an event-driven architecture, and functional models. Furthermore, we present our Good Coffee case study with full implementations based on both relational database and blockchain systems. It covers all processing stages of coffee, which is trackable and traceable using a graphical web application. Our pre-project analysis and design involves multiple stakeholders, which aggregates intelligence, inspiration, and constructive feedback from different project stakeholders. Such co-design methodology makes use of each stakeholder’s expertise and yields comprehensive and continuous feedback and assessment during development.

Li et al. (2017) propose a framework which integrates event-based and transaction-based architectures for supply chains. The architecture of the framework is based on a dynamic hybrid peer-to-peer network and a private/public blockchain data model. It involves three types of components: index server, peers, and administrative nodes. The peer application consists of three tiers: a presentation layer, a middle layer, and a local database. There are two kinds of blockchain ledgers implemented: a semi-public ledger and a private ledger. Each ledger has specific types of events. For example, the semi-public ledger consists of monitoring events to locate the physical location of a given truck. The private ledger consists of shipment information and custody events. Such a hybrid framework makes the most of the salient transparency and traceability features of the public blockchain meanwhile addressing the potential privacy concerns of trading partners with the private blockchain. For this reason we ported only publicly shareable data and processes to Ethereum while retaining the remaining functionality on a database system. In the pharmaceutical supply chain system, Dwivedi et al. (2020) present a blockchain-based scheme for secure information sharing. The authors develop a new key management protocol using smart contracts with which new entities can join the system under the permission of the
certificate authority. To improve the network performance, a consensus protocol was designed based on majority voting by authenticated (permissioned) validator nodes. In contrast, Ethereum admits unauthenticated nodes operating its network. Note that users in GoodCoffee are always authenticated when engaging with smart contracts on Ethereum.

### 4.3 Conclusion
Blockchain technology has exhibited promise in constructing decentralized and trustworthy SCM systems with secure values due to its decentralized governance and immutability. Certified, sustainable or specialty coffee all entails complex supply chains, including a multitude of stakeholders and customers, who are willing to pay premium prices for high-quality products. In this paper we propose a novel event-based methodology REALISTIC and associated event-driven system architecture for systematic modeling of supply chain networks and tamper-proof product tracking, respectively. In particular, we have presented the Good Coffee case study for blockchain-based supply chain management for coffee covering all its stages, from coffee cherry to coffee cup. We have implemented a open-source prototype to drive and validate our modeling and design in combination with a field study.

### REFERENCES

### DATA AVAILABILITY STATEMENT
Publicly available datasets were analyzed in this study. This data can be found here: https://codeberg.org/juanhebert/coffebrain-ethereum.

### AUTHOR CONTRIBUTIONS
All authors listed have made a substantial, direct, and intellectual contribution to the work and approved it for publication.

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**Conflict of Interest:** FH and JH were employed by Deon Digital.

The remaining author declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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