



2017 ANNUAL REPORT



together for Indonesian sustainable cocoa

TABLE OF CONTENTS

Table of Contents	02	Focus 02: Strengthened Stakeholder Collaboration	18
Key Achievement in 2017	04	Key Activity 6: Strengthened Collaboration with National Government and Other Related Stakeholders	18
Who We Are	06	Key Activity 7: Support to Regional Cocoa Forum (RCF) in Order to Build Forum's Capacity in Promoting Cocoa Sustainability in their Region	20
Activity Report	10	Focus 03: Enhance Task Force Effectiveness to Improve Roadmap Implementation and Members' Ownership	24
Focus 01: Enhance Support to Farmers to Increase their Productivity and their Engagement to CSP Activities	11	Key Activity 8: Ensure Task Force Outputs Adopted by CSP Members	24
Key Activity 1: Improving Access to Cocoa Specific Fertilizer (Agro Input and Planting Materials Task Force)	11	Focus 04: Improve Executive Office Management	28
Key Activity 2: Improving Access to Planting Material (Agro Input and Planting Material Task Force)	12	Key Activity 10: Improve Financial Management and Funding Sources	28
Key Activity 3: Development of National Cocoa Curriculum (National Cocoa Curriculum Task Force)	13	Key Activity 11: Communication, Learnings, and Impacts	29
Key Activity 4: Development of Strategies for Youth Engagement in Cocoa Sector	14	Annex	31
Key Activity 5: Development of Strategies on Increase Adoption of Climate Smart Agriculture in Cocoa Sector	15	Annex I: List of Organization and Number of People Participated in Cocoa Sustainability Partnership General Assembly Meeting In 2017	32
		Annex II: Cocoa Sustainability Partnership's KPIs	33
		Annex III: Financial Report	39
		Annex IV: Youth Workshop Recommendations	41
		Annex V: Planting Material Workshop Recommendations	43

Formed in 2006, Cocoa Sustainability Partnership (CSP) is a public-private platform for cocoa sector in Indonesia to increase communication, coordination and collaboration among cocoa stakeholders in Indonesia which work together and actively engaged for the advancement of cocoa sustainability development in Indonesia.

Our vision is that Indonesian cocoa globally competitive, economically viable, socially and environmentally sustainable.

Our mandate is to create synergy of all stakeholders involved in cocoa sustainability development in Indonesia and leverage resources through pre-competitive collaboration among stakeholders in or order to provide solutions to the challenges faced by the cocoa sector in Indonesia.

© Cocoa Sustainability Partnership, 2017

EXECUTIVE OFFICE, 2017

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UTZ Indonesia

Jeremy Hicks

Bridgewater International Services

**KEY
ACHIEVEMENT**



1

The Agro-Input and Planting Materials Task Force had resulted in the output of the recommendation on Fertilizer Nutrient Ratio for Nutrient Replenishment.

3

Statutory Audit conducted by PwC with opinion that financial statement of CSP were prepared, in all material respects, in accordance with the basis of accounting.

5

Integrated collaboration and coordination with national government.

7

As follow-up action of Planting Material Workshop “Improving Access to Planting Materials”, CSP and its members had identified 514 nurseries in Indonesia potentially to be proposed for certification.

2

The output of National Cocoa Curriculum Task Force was facilitating the steering committee in developing and finalizing the National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest.

4

Regional Cocoa Forums actively contributed and advocated cocoa sustainability in their region, such as funding support of local government to cocoa development, land certification, and very intensive dialogue among regional cocoa forum and farmers.

6

The National Workshop Enhancing Stakeholders Support to Engage Youth into Sustainable Cocoa Production with the recommendations were to encourage and provide support through formal and non-formal education programs; to increase youth motivation to get involved in the cocoa sector; and provide encouragement and information to youth from stakeholders.



“

As its role in supporting the sustainable Indonesian cocoa sector, Cocoa Sustainability Partnership (CSP), with its members and networks, had played significant parts in these collective actions. By establishing public-private partnership platform with all the key stakeholders in upstream to downstream of sustainable cocoa sector in Indonesia, this organization had positioned itself as important partner of government in formulating the policies of plantation development.

During 2017, an important and strategic milestone had been marked by CSP in improving the welfare of smallholders cocoa farmers in Indonesia. This achievement was the distribution of national document in form of National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest. The document, furthermore, will be functioned in term of development, improvement of national cocoa production and productivity as comprehensive knowledge source on cocoa plantation. In term of implementation, the document will be utilized by government, private, and voluntary extension staffs in delivering the knowledge improvement of cocoa farmers in Indonesia.

The existence of CSP, as part of collective actions, in the efforts to improve the welfare of cocoa farmers through the development of sustainable cocoa sector in Indonesia is remarkably significant. In the future, the roles of CSP and its members will be mostly needed by the government as partner in sharing information, experience, and knowledge in order to harmonize the perception and efforts to improve the cocoa productivity in Indonesia with sustainable ways.

”

Ir. Musdhalifah Machmud, MT.

Advisory Board Chairwoman, 2017

WHAT CSP IS

Cocoa Sustainability Partnership (CSP) is a public-private forum for the advancement of communication and working together between stakeholders actively engaged in cocoa development initiatives in Indonesia. The CSP exists to increase communication, coordination, and collaboration between public and private stakeholders engaged in cocoa sustainability activities in Indonesia for the mutual benefit of all cocoas sector players.

OUR VISION

The Indonesian cocoa sector is globally competitive, economically viable, environmentally and socially sustainable.



The journey of CSP in the development of Indonesian sustainable cocoa sector has been more than 12 years, and it is a period for the organization to allocate more focuses and efforts to the programs with direct beneficiaries for the strengthening of cocoa sector and improving the farmers capacities in order to increase the cocoa production. One enabling environment of this organization that it has established responsible, accountable, and trustful institutional systems to the public, and strong membership as initiatives to increase the cocoa production.

In the future, CSP should focus on the strategic initiatives in doubling the adoption rate of farmers towards Good Agriculture Practices (GAP) and post-harvest to produce qualified and certified cocoa beans. Other significant roles of CSP are performing programmatic facilitation processes to its members to support the farmers adoption on sustainable cocoa technology package (100% farmers adoption), and engaging the efforts on deforestation and climate change mitigation through harmonization of members collective actions.

Another significant role of CSP is strengthening the program synergy with government in all levels (national and local government) in accelerating the achievements of CSP objectives and missions.

Dr. Ir. Imam Suharto, M.Sc.

Supervisory Board Chairman, 2017

OUR MISSION

As the umbrella organization for Indonesian Cocoa Sustainability, the CSP coordinates collaborations, learnings among stakeholders, by fostering trust, commitment, communication and transparency, to successfully empower cocoa farmers and their communities.



“Since joining CSP in January 2018, I had met with national and international stakeholders in cocoa sectors. And they had put their hopes to the existence of this partnership that really align with CSP missions.

Talking about the achievements of CSP in 2017, through its task forces (Agro Input and Planting Material, and National Cocoa Curriculum), had proven that the collaboration with government and advocacy of regional cocoa forum should be continued and advanced in the upcoming years.

To increase 2017 achievements, CSP also reviewed the 2020 Roadmap that will be implemented and it is expected to be milestones of the sustainable cocoa development in Indonesia. The commitment of CSP and its members through partnership to be direct and actively participated with government, become an innovation to accelerate the improvement of cocoa productivity in Indonesia, and as an answer of challenging issues of deforestation, climate change, and social problems.”

Wahyu Wibowo

Executive Director of Cocoa Sustainability Partnership



For Cocoa Sustainability Partnership, 2017 was a year of coming together as cocoa stakeholders, evaluating our progress, and making adjustments where necessary.

We focused in depth on improving cocoa farmer adoption of principles learned through training programs. We exhaustively reviewed and revised the CSP Roadmap in order to ensure continued relevance and effectiveness of initiatives and objectives. We injected new life into our platform by the hiring of an experienced Executive Director with new objectives and a new location for the CSP Secretariat. We cooperated with the Indonesian Government regarding curriculum, and collaborated with large fertilizer companies regarding the availability of appropriate products for nutrient replenishment at the farm level.

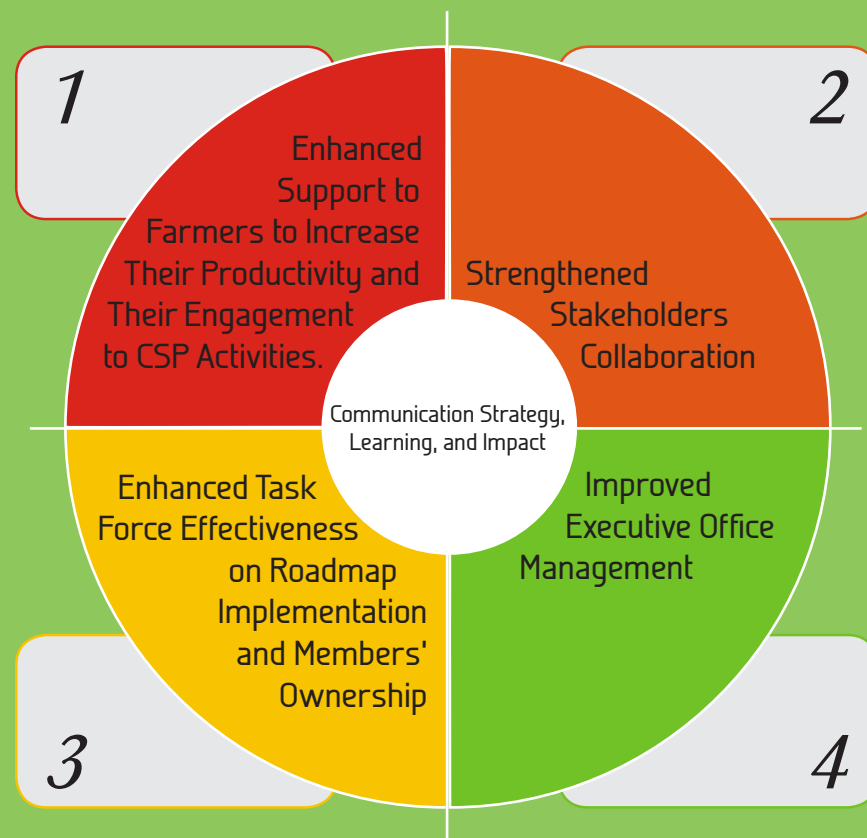
What we can learn from 2017 is that CSP is resilient in the face of challenges, and has once again proven it's worth as a necessary platform for collaboration toward collective success.

My sincere hope is that the work we have accomplished can become a stepping stone toward greater success, that being improved lives in farming communities and sustainability of the cocoa which they produce.

Jeremy Hicks

General Assembly Chairman, 2017

OUR FOCUS IN 2017



ACTIVITY REPORT





ENHANCE SUPPORT TO FARMERS TO INCREASE THEIR PRODUCTIVITY AND THEIR ENGAGEMENT TO CSP ACTIVITIES

AS a national platform of sustainable cocoa in Indonesia, CSP aims to enhance collaboration and cooperation among stakeholders involved in cocoa sustainability activities to produce recommendations and solve issues raised in cocoa sector especially on the decreasing of cocoa production and productivity.

CSP's strategy to overcome the declining production and productivity issues is formulated in the "2020 Roadmap of Sustainable Indonesian Cocoa" with two main indicators, namely to double the national cocoa productivity and maintain the average age of cocoa farmers at under 40 years.

In order to achieve these two primary targets of CSP, integrated efforts are needed in particular

to seek for and assess the actual condition and provide strategic implementation recommendations for cocoa stakeholders. Therefore, CSP forms task forces to endorse those efforts. These task forces also intended to encourage the active participation of the members of the CSP to find solutions on issues related to the achievement of CSP 2020 roadmap.

CSP task forces were formed on an ad-hoc basis based on focus intervention decided by General Assembly (GA) at the GA Meeting. The task forces consist of representatives from all the members based on their interest. Therefore, the task forces have become a major platform for all members of which served to strengthen collaboration and

cooperation among stakeholders on best practices and find solutions to the existing problems.

Task forces were formed for the first time in October 2014 and have worked through December 2017. In 2017 the CSP redesigned the formation of task forces in order to align its function to the priorities of the 2020 roadmap targets and 2017 focus. Task forces that have worked in 2016 are:

1. Agro-Input and Planting Material Task Force,
2. National Cocoa Curriculum Task Force.

In addition to those two task forces, CSP also will form steering committee to guide the organization of Youth Workshop

Executive Office of CSP is responsible for facilitating and managing the task forces and ensuring that they reaches the assigned outputs. The specific task of managing the task forces on the Executive Office is the Data Management and Task Force Associate, Task Force and Program Assistant, and Executive Director.

Task force activities facilitated by CSP EO and task forces achieved 90% of its targeted outputs in 2017.



Key Activity 1: Improving Access to Cocoa Specific Fertilizer (Agro Input and Planting Materials Task Force)

Agro Input and Planting Material Task Force mandate is to find solutions on issues related to agro-input and planting materials in order to achieve the production increase target. In 2017 the task force was focusing to address issues related on development of fertilizer specifications required by cocoa plant;

Together with ICCRI and CSP members, the CSP has developed a table with nutrient ratios for each nutrient in a nutrient replenishment fertilizer for cocoa, rather than publish recommendations for fertilizer formulations. Clearly it is not the role of CSP to approve, endorse or recommend fertilizers but more importantly such 'fixed formulations' would hamper the fertilizer industry to service farmers with new, better, and more affordable fertilizers which would still be appropriate but would differ slightly from the CSP recommendation.

On the development of cocoa fertilizer specifications, the task force has resulted the recommendations of fertilizer nutrient ratio for nutrient replenishment tables and guidelines documents to use it. The documents and tables have been agreed by all stakeholders in the cocoa sector and CSP members, this document can be used as a basis for the development of specific cocoa fertilizers in cooperation with fertilizer companies in Indonesia.

Table 1. Nutrients Replenishment Fertilizer Ratio for Cocoa.

Parameter	Unit	Threshold	
		Low	High
Macronutrients			
No3- (in Nitrate form)	% in blend	12	18
P2O5	% in blend	12	20
K2O	% in blend	15	25
Secondary Nutrients			
MgO	% in blend	3	8
CaO	% in blend	5	high
S	% in blend	3	10
Micronutrients			
B	% in blend	0.6	1
Zn	% in blend	0.4	0.9
Mn	% in blend		
Mo	% in blend		
Fe	% in blend		
Cu	% in blend		



Key Activity 2: Improving Access to Planting Material (Agro Input and Planting Material Task Force)

The second mandate of Agro-Input and Planting Material Task Force is to improve farmers' access to cocoa planting materials, especially certified planting materials. Task force in collaboration with ICCRI experts agreed that one way to achieve this goal would require an understanding and agreement between Ministry of Agriculture as a policymaker and guidance with cocoa stakeholders especially industry, NGO's from the field and also the farmers and the farmer groups who produce planting materials.

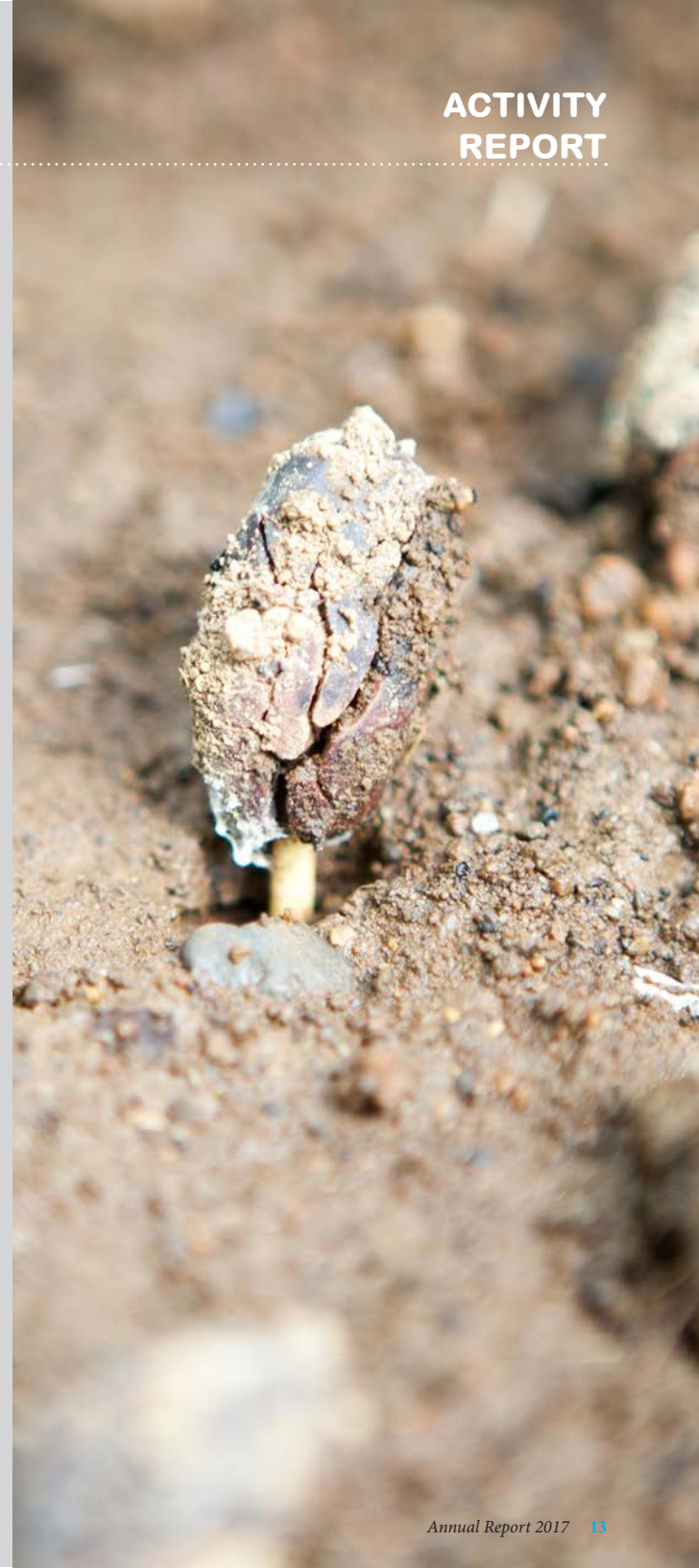
Following on the recommendation of the task force, in August 2017 CSP organized a national workshop to seek strategies to improve access to cocoa planting materials. The workshop involves cocoa stakeholders from the Directorate of Seed Propagation, Directorate General of Estate Crops, Ministry of Agriculture, Regional Cocoa Plantation Service, UPTD Perbenihan Sulawesi, CSP members and

local planting materials producers that have produced superior cocoa planting materials. The output of this activity is a recommendation for stakeholders in the cocoa sector ie. to the central and regional government, regional UPTD and CSP members. The follow up of this activity is the CSP and its members undertake an inventory and facilitation of local planting materials producers who have produced superior planting materials so in the future they can be facilitated for certification from the government.

The recommendation of the workshop can be seen at [Annex V](#).

Table 2. Agro Input and Planting Material Task Force Active Members in 2017

Agro Input and Planting Material Task Force	
Name	Organization
Peter van Grinsven	Mars (Coordinator)
Arniaty Zakaria	UTZ
Arif Kartika	Barry Callebaut
Camille Paran	Cargill
Dinesh Babu	Olam
Imam Suharto	IDH
Ross Jaax	Swisscontact
Tim McCoy	WCF
Peni Agustijanto	RIKOLTO
Zulqarnain	Mondelēz International





Key Activity 3: Development of National Cocoa Curriculum (National Cocoa Curriculum Task Force)

The main task of National Cocoa Curriculum Task Force in 2017 is developing National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest. Which in its development, Curriculum and Training Module are developed together with Indonesian National Working Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia/SKKN*). The national curriculum and training module will become a reference in providing training and technical guidance to farmers and can strengthen the training and mentoring system as well as integrated counseling between the Government, self-help groups (non-government organizations, farmer groups, etc.), as well as private sectors (cocoa and chocolate industry). Counseling and assistance in an integrated manner will actualize the synergy of farmers' skills in cocoa cultivation and management. Thus the increase in production achieved can be equally distributed in various cocoa production centers and the quality is very competitive at

various levels of the market.

The curriculum and training modules are developed based on existing guidelines and modules such as technical guidelines from the Ministry of Agriculture, Indonesia Coffee and Cocoa Research Institute and training modules from CSP members. The National Curriculum and Training Module are developed of cooperation between the Agricultural Training Center - Agricultural Extension and Development Agency (BPPSDMP), Ministry of Agriculture, Cocoa Sustainability Partnership (CSP), Indonesia Coffee and Cocoa Research Institute and also stakeholders in the Indonesian cocoa sector.

By the end of 2017, Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest finalized and will be launched on February 2018.

Table 3. National Cocoa Curriculum Task Force Active Members in 2017

National Cocoa Curriculum Task Force	
Name	Organization
Melati/Imam Suharto	IDH (Coordinator)
Asriani	Olam
Budi Christiana/ Suharman Sumpala	Swisscontact
Elpido Soplantila (Eldo)	UTZ
Fajar Paulus Niong	Mars
Peni Agustijanto	RIKOLTO





Key Activity 4: Development of Strategies for Youth Engagement in Cocoa Sector

By end of 2016, General Assembly decided that CSP need to develop youth engagement recommendations as part of the CSP Roadmap. In its “2020 Roadmap to Sustainable Indonesian Cocoa”, the Cocoa Sustainability Partnership (CSP), have put maintaining farmers’ age below 40-year-old as one of the roadmap target. This shows that attracting youth to cocoa farming is the focus of cocoa stakeholders in Indonesia. In order to identify the current condition, improve understanding of challenges and opportunities, and contribute to others cocoa stakeholders’ efforts of finding more innovative ways on youth engagement in the agricultural sector, CSP intends to organize a one day workshop.

The workshop was conducted on April 13th in Makassar organized by CSP EO. The theme of the workshop is “Enhancing Stakeholders Support to Engage Youth In to Sustainable Cocoa Production”. It was participated by CSP members, university students, government

school student, and young farmers (cocoa and others commodity).

The workshop conclusions and recommendation is:

- Encourage and provide support through formal and non-formal education programs.
- Increase youth motivation to get involved in the cocoa sector by providing incentives, not only in the form of funding but can be in the form of internship, training, certification, etc.
- Encourage and create communication portals through social media as a medium for information sharing and learning.
- The need for policies from governments and stakeholders to provide access to land. One idea is to utilize government, BUMN and BUMD’s land for cocoa farming by youth.

Summary report and recommendation of the workshop can be seen at [Annex IV](#).

Table 4. Youth Workshop Steering Committee Active Members in 2017

Youth Workshop Steering Committee	
Name	Organization
Caecilia Putri Mumpuni	Swisscontact
Khomeiny/Bayan Edis	Mars
Melati	IDH
Peni Agustijanto/Catur Utami Dewi	RIKOLTO
Talitha Wibisono	Cargill





Key Activity 5: Development of Strategies on Increase Adoption of Climate Smart Agriculture in Cocoa Sector

Cocoa production in Indonesia is now facing serious challenges in sustaining the production due to the declining production during last 7 years. Climate change and soil degradation are among the most important issues affecting the declining production of cocoa in Indonesia. It not only affects directly to the declining of the production but also increased the production cost and susceptibility of cocoa to pest and diseases. Thus, the methods for addressing the problem and ensuring the cocoa sustainability is urgently required, so that the cocoa economic can still continuously play a significant role in the national economy and farmer's household income.

In the end of 2016, General Assembly decided that CSP need to develop environmental recommendations as part of the CSP Roadmap. CSP and its members aware of these challenges, CSP members and stakeholders of the cocoa in Indonesia understand the importance of

systematic and integrated effort. The effort to anticipate climate change and soil degradation problem on cocoa plantation may already have been developed. However, the technology applied has not yet been discussed or shared to become a guide for farmers and other cocoa stakeholders, so that the only limited number of the technology could be able to be transferred to the field. In accordance with these issues, Indonesian Coffee and Cocoa Research Institute (ICCRI) collaborate with CSP organize Indonesian International Cocoa Symposium (INCOSY) in conjunction with World Plantation International Plantation Conference and Exhibition 2017 (WPLACE-2017), with the theme of "Climate change and soil degradation: Impacts on Cocoa Farming". The symposium focus on sharing the technology for mitigation towards climate change and soil degradation on cocoa farming.

The conclusions of the Indonesian International Cocoa Symposium are:

- The global cocoa sector is facing challenges due to climate change and soil degradation problem. Indonesian cocoa is challenging the decreasing production, in another side, the grinding capacity increase steeply. The opportunity to increase the production is possible as most of the land is suitable for cocoa growing and supported by the availability of manpower working in the agricultural sector. Climate change and soil degradation both are the main issues recently that should be concerned in cocoa farming to sustain cocoa production.
- Technology for adapting cocoa farming under climate change challenges cover (1) the specific-adaptation of superior cocoa

planting material, (2) integrated farming based on local commodity, (3) shade trees management, (4) increasing soil water retention by applying consistently organic materials, (5) nutrient replenishment by re-applying cocoa waste as organic compost and appropriate fertilizer application, (6) water conservation, (7) field fertigation and precision fertilization to improve agriculture's water use efficiency (8) adoption of good agriculture practice (GAP) which include fertilizing, pruning, field sanitation and harvesting.

- Commodity competition on cocoa can be anticipated/limited by increasing benefit on cocoa farming using high yielding planting material and resistance to pest and disease and also drought tolerance that increasing cocoa productivity.
- Integrated cocoa farming system represent adaptation system to climate change using economical crops as shade trees (coconut, fruits, rubber) and sources of organic material and additional income (cover crop, livestock, fisheries) to increase farm productivity. Map of the forecast climate condition will guide farmers to make a decision to be able to adapt to climate change, especially in an area which is more vulnerable.
- The challenge of implementing GAP adapting cocoa under climate change condition is less farmer's adoption of technology due to the limited access farmers to the updating technology. Farmers need assistance to do cocoa farming in business that encourages the young generation to the cocoa sector. A new concept involving giving incentives, knowledge capacity which encourages

young farmers to need to be applied to ensure the sustainability of cocoa.

Food safety is other important issues have to be concerned on adapting cocoa farming under climate change as pest and diseases incidence influences by the rainfall and temperature condition that promoting farmers using more pesticide to control the pest and diseases and increasing microbial infection during farming and post-harvest process as the impact of the increasing air humidity or temperature level.

- Finance for cocoa farmers needs specific scheme such as use cocoa beans as loan guarantee other than property guarantee.
- Research has been carried out to find out high yielding clone/hybrids which tolerant to drought condition and resistance to main diseases as the effect of long wet season. Other issues important to be studied such as water using efficiency, effective application of organic material, appropriate application of fertilizer, mechanical system on farming to reduce labor cost, and technology for transferring information. Interdisciplinary research has to be carried out involving socio-economic perspective & health.





STRENGTHENED STAKEHOLDER COLLABORATION



Key Activity 6: Strengthened Collaboration with National Government and Other Related Stakeholders

The aim of this activity is to strengthened collaboration with national government and other related stakeholders.

Improving Access to Cocoa Specific Fertilizer

CSP Task Force of Agro-Input and Planting Material together with ICCRI has completed to develop the fertilizer nutrients ratio table for Nutrients Replenishment of Cocoa and have been agreed by the CSP members. The document of the Fertilizer Nutrients Ratio for Nutrients Replenishment have been published to CSP members and stakeholders.

Improving Access to Planting Materials (Workshop)

CSP Task Force of Agro-Input and Planting Material, ICCRI and Indonesian Cocoa Board as the steering committee of the planting material workshop together develop TOR, facilitate the workshop to achieve its objective and output. Steering committee successfully provide a report of strategic recommendation to improve access to cocoa certified planting material. The workshop conducted on August 8th in Jakarta. Summary report and recommendation of the workshop can be seen at [Annex V](#).

National Cocoa Curriculum

Ministry of Agriculture through Agricultural Training Center (*Pusat Pelatihan Pertanian/ Puslatan*), Agency for Education and Human Resource Development of Agriculture (BPPSDMP) is perceiving and highly supports of CSP with its stakeholders and partners in the efforts of development of National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest and the National Working Competency Standards (SKKNI).

The developing process of National Curriculum and Training Module is conducted in a participatory manner, involving cocoa stakeholders in Indonesia with the following brief activities: (1) Workshop and public consultation of syllabus, Establishment of National Steering Committee team and Writers team, (2) Decree from Head of BPPSDMP about Steering Committee, (4) Writing material I and II of Training Module, (5) workshop and public consultation to revised the draft, input and correction from Steering Committee

and stakeholders, (6) Finalization of design and proof printing, (7) Printing, and (8) Launching and distribution.

CSP together with Puslatan takes a role to coordinate and facilitate the meeting, writing process, field visit until all the process of development finished. In the end of 2017, the final document of National Cocoa Curriculum and Training Manual have been approved and printed. In developing of this document, ICCRI as the expert shared their knowledge on cocoa cultivation as a material to develop and wrote the curriculum and working competency standards.

By end of 2017, this document had been finalized and launched to the public on February 2018. The National Cocoa Curriculum can be downloaded at: <http://www.csp.or.id/upload/file/post-eiGnm-kurikulum-nasio-2018-02-12-10-57-05-ID.pdf>

The National Working Competency Standard (SKKNI) Sustainable Cocoa Cultivation

One of the effort to build the relationship between their members, CSP cooperates with BPPSDMP in order to develop National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest that refers to the Ministry of Agriculture policy (No. 48/Permentan/OT. 140/I/4/2014 on Technical Guidance Good Agriculture Practices (GAP) on Cocoa).

Along with it, to arrange national curriculum, it is need also to develop National Working Competency Standard (SKKNI) of cocoa cultivation as referring to develop the National Curriculum and Training Modules. In that case, CSP follows up the cooperation with Puslatan,

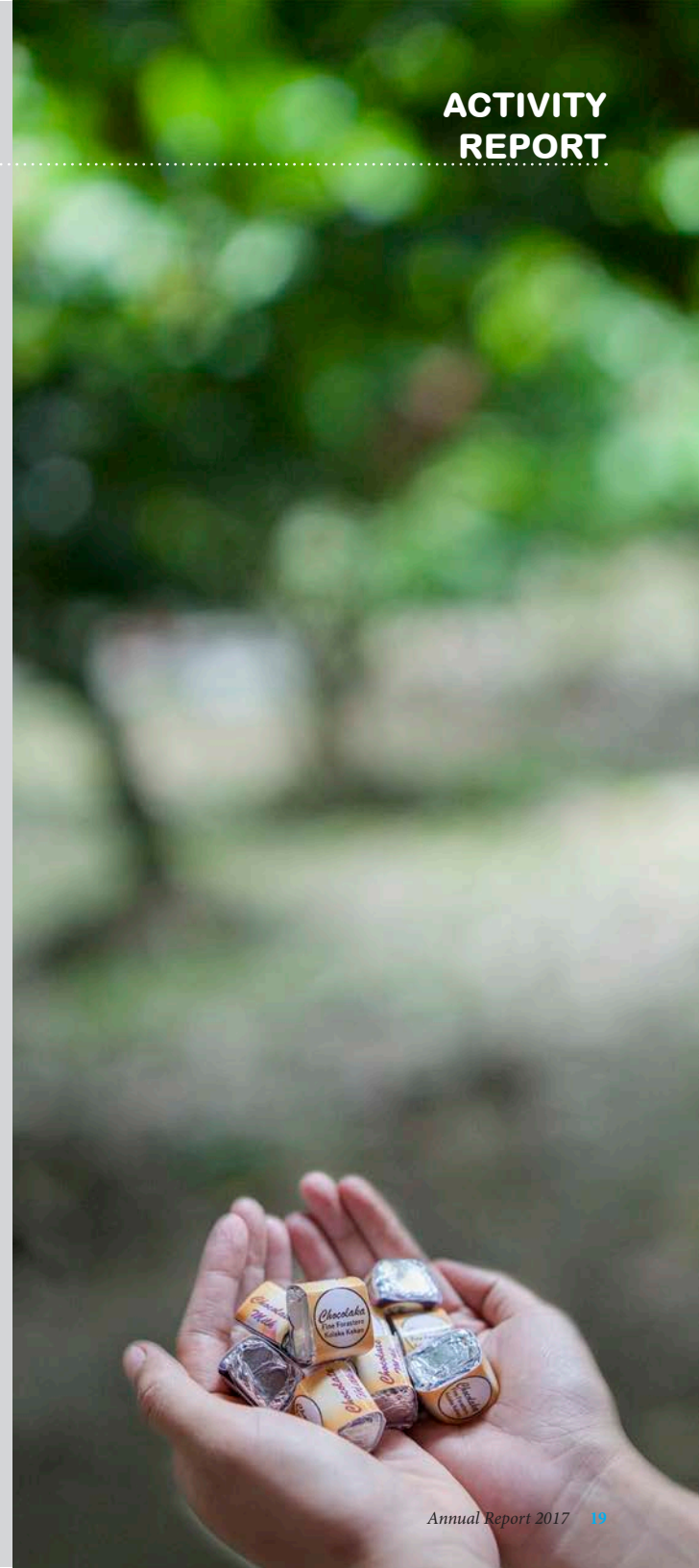
BPPSDMP developing the layout standard of SKKNI cocoa cultivation. The commitment in this cooperation is CSP supporting in the process of developing SKKNI sustainable cocoa cultivation while BPPSDMP will continue to develop the Indonesian National Qualifications Framework (KKNI) of cocoa cultivation.

Based on the policy of Minister of Manpower RI No. 3/2016, the process of developing SKKNI divided into 4 steps those are: competency standard formula by formulator team, internal verification, pre-convention, external verification and convention. Until the end of 2017, the SKKNI process has produced 2nd draft. As the next step, CSP will conduct internal verification and public consultation to get input from all cocoa stakeholders.

Advisory Board Meeting

The aim of Advisory Board meeting is to report CSP progress to the national government and to get advice to improve the implementation of CSP activities. Furthermore, the meeting is also to ensure that CSP work plan is in line with government cocoa related programs.

In 2017, the Advisory Board meeting was conducted in 10th January, in Jakarta. It was attended by the Advisory Board and Supervisory Board members and several cocoa associations which are members of Indonesian Cocoa Board. Results from this meeting were the identification of focus for synergy between CSP and MoA.





Key Activity 7: Support to Regional Cocoa Forum (RCF) in Order to Build Forum's Capacity in Promoting Cocoa Sustainability in their Region.

The Regional Cocoa Forum (RCF) is a multi-stakeholder forum formed as a media for stakeholders in the cocoa sector to share learnings and conduct dialogues in order to find common solutions on sustainable cocoa development in their region. Majority of the RCF was formed by Swisscontact through SCPP scheme. However, since the function of RCF is in line with (CSP) mission, therefore, CSP was mandated to build engagement and support the cocoa forum to enhance their capacity in promoting and developing sustainable cocoa at the regional level. Furthermore, the RCF is expected to bring farmer's voice and regional issues into CSP. The funding support of regional forum is allocated from Swisscontact.

The functioning of the forum is very important for the Cocoa Sustainability Partnership (CSP) as a network at the regional level. It is intended

to raise cocoa issues from farmer level to national and global levels. In addition, RCF is also being a network of CSP in building communications with stakeholders at the regional level and strengthening engagement with local government.

Key Achievements Based on Intervention

Based on annual planning in 2017, CSP was mandated to support Regional Cocoa Forum. In implementing the supports, it is categorized into seven main interventions as follows:

Monitoring and Assisting Regional Cocoa Forum Activity

This action is intended to ensure the forum agenda realized and worked more effective. The supports itself are given through several activities in term of technical assistance and consultation, and to provide the facilitation process of another activities which are implemented by forum. During the fiscal year of 2017, there are 20 times visits to the forum, at least four times visits to each forum. The visits are intended to provide an assistance, consultation, and facilitation of forum activities.

The achievement of this activity are as follows:

- The commitment of local government to allocate funding supports towards sustainable cocoa development is increased. In general, the amount of budget allocation from the local government in assisting the forums activities is IDR. 359.418.000,- for five forums. The initiated activities are in form of regional annual stakeholder's meetings and other specific activities. In 2018, the local government in the area of forum also shows

the commitment in allocating budgets. For instance, the Provincial Government of Aceh allocates approximately IDR. 184.800.000,- to establish seed source gardens and to strengthen the institutions of Forum Kakao Aceh. The District Government of Kolaka, Southeast Sulawesi also committed to provide amount of IDR. 90.000.000,- in strengthening the farmers institutions through Forum Kakao Kolaka, and the District Government of Luwu Utara supports the Forum Masyarakat Kakao Luwu Raya as much as IDR. 50.000.000,- in order to strengthen the engagement of forum with farmers. The government of Central Sulawesi Province, furthermore, also arranges their budget to support the proposal of cocoa learning center construction which is being arranged by Forum Komunikasi Kakao Sulawesi Tengah. Similarly, the government of West Sumatera Province committed to support the follow-up actions of the socialization and implementation of provincial cocoa roadmap.

Through series of thematic discussions and activities, the forum and regional cocoa stakeholders have addressed various issues in accordance to cocoa sustainability. For example in Kolaka District, Southeast Sulawesi, the regional forum had initiated the land certification distribution program to cocoa farmers. Total land certification programme is 950, 500 certificate have been distributed to the farmers in order to assist them to gain access of financial supports from banking institutions. In addition to Forum Kakao Kolaka, the Forum Masyarakat Kakao Luwu Raya also initiates the joint-

cooperation between forums and fertilizer manufacturers, private sectors, and banking institutions in resolving the gap of fertilizers distribution and farmers demands. As in West Sumatera Province, the Forum Kakao Sumatera Barat has drafted the cocoa profile and roadmap for this province.

In some regional forums, such as Forum Masyarakat Kakao Luwu Raya and Forum Kakao Kolaka, the networks among farmers and other cocoa stakeholders have been improved. The Forum Masyarakat Kakao Luwu Raya have conducted eight intensive thematic meetings with farmers in the field level. Forum Kakao Kolaka routinely performs monthly technical coaching assistances for the farmers as members of Community Economic Institution (*Lembaga Ekonomi Masyarakat-LEM*), and approximately 90 farmers of the group are female. The Forum Komunikasi Kakao Sulawesi Tengah implements the facilitations to the farmers groups in Desa Sejahtera, Sigi District, Central Sulawesi. Meanwhile, the five forums are succeeded in conducting annual stakeholder meeting in each area. The enthusiasm of farmers in participating the meeting is relatively high. For each meeting, the organizer can engage about 150 to 250 cocoa farmers. And the annual stakeholder meeting in Kolaka District, Southeast Sulawesi, the participated farmers are approximately 1.400 cocoa farmers.



The Capacity Building of Regional Cocoa Forum.

In order to improve the capacities of regional forum, both of institution and human resources, CSP has arranged series of intervention programs. The facilitation activities are in form of workshop, training, technical assistance, consultation, and review the documents of forums, with the results are follows:

- The regional forums are capable in facilitating stakeholder discussions and establishing collaboration in their regions. In total, there are 79 thematic stakeholder discussions performed by regional forums, relatively 15 times in each forum. The discussions are focusing on the issues of sustainable cocoa in the regional level.
- The regional forums improve their skills in establishing network with related stakeholders and organizations such Indonesian Cocoa Board (*Dewan Kakao Indonesia-Dekaindo*). One of the forums, Forum Kakao Aceh, is succeeded in constructing mutual cooperation with international donor organizations such as IDH (Landscape program), USAID-Lestari, GIZ, and Swisscontact.
- The governance, accountability, and transparency of regional forums are improved. The implemented action programs, such as annual stakeholder meeting activities, have built the accountability and transparency of the forums to the public. Internal meeting of forum management also runs regularly.
- The regional forums have engaged other parties for additional funding sources. RCF able to source funding from parties, such as local governments, in strengthening the farmers institutions and establishing

seed sources gardens as much as IDR. 324.800.000,- for 2018 fiscal year. As for Forum Kakao Aceh, the total amount of additional funds from the international donor organizations is IDR. 515.100.000,- from IDH (Landscape program) and GIZ.

The Support for Regional Cocoa Forums in Participating to National Events.

In order to provide opportunities for the regional forums in delivering their eagerness at national level, CSP facilitates the forums to participate actively in some national events. It is also aimed in ensuring the learnings that can be gained by forums and as occasion in expanding their networks. In 2017, there are 17 national events which are participated by the representatives of regional forums such as CSP General Assembly Meeting, forums shared learning, national cocoa day, and national seminars and workshops. The objectives of this involvement are regional forums gathered better understanding and alignment to the sustainable cocoa development issues at national level and as approaches for the integrated engagement with cocoa sector development at national and regional levels.

The Support for Regional Cocoa Forums in Developing Publication Materials.

This initiative is performed in relation to the roles and functions of regional forums, i.e. the ability in managing and disseminating information, and influencing wider audiences to establish togetherness to achieve the sustainable cocoa sector through printed or electronic media publications. This activity is given through writing workshop publication

including how to pack in the several forms of publication media. CSP facilitate for advanced communication and information distribution by conducting media and writing training. It is involved by two representatives of each forum. As the results, the regional forums have produced approximately 4.000 media publications.

The Support for Regional Cocoa Forums Budget Operational.

There are five regional forums, which are facilitated by CSP, that have signed MoU to conduct annual stakeholder meeting and budget operational support. The budget allocation is amount of IDR. 110.000.000,- in order to motivate the forums in implementing their roles and functions. Moreover, this financial support also becomes part of forums learning processes in term of administration management, accountability, and financial transparency.

The Reflection and Planning Workshop.

This activity is aimed to assist the forums in crystallizing its impact change and development for the previous year. During the workshop in 2017, it shows six main concerned areas for the regional forums, i.e. (1) impact for forums governance; (2) the abilities of forums in managing strategic issues; (3) organizational management; (4) program activity; (5) external relationship; and (6) exit strategy. Generally, accordingly to the forum reflection results, it shows the significant changes that regional forums have experienced in term of the efforts in increasing services to the farmers, farmers groups, and cocoa stakeholders at regional basis, with key points as follows:

- The implemented activities are in neutral ways, open, and prioritize the trust for parties.
- The gained trust from farmers and stakeholders to the regional forums.
- Working relationship with the strategic stakeholder is clearer and concrete.
- Number and quality of networking with various parties to supports regional forums.

The Regional Multi Stakeholder Workshop (Non-RCF Provinces).

This activity has not been implemented yet due to the local needs and demands basis for a media of interaction among cocoa stakeholders in potential areas of cocoa outside the existing of regional cocoa forums.





ENHANCE TASK FORCE EFFECTIVENESS TO IMPROVE ROADMAP IMPLEMENTATION AND MEMBERS' OWNERSHIP



Key Activity 8: Ensure Task Force Outputs Adopted by CSP Members.

Evaluation on TF's Recommendation Implementation at CSP Members Level

Not yet conducted. CSP members are not agree to share data on adoption (KPI did not approve by CSP members).

Data Sharing Agreement with Members

Data Sharing Agreement is being drafted. The draft will be review by legal consultant support by CSP members.

CSP Data Collection for Outcome Level Indicators

Not yet conducted. CSP members are not agree to share data on adoption (KPI did not approve by CSP members).

GA Meeting

The main venue for promoting stakeholder communication and information sharing is through the General Assembly meeting. In this meeting CSP members and invited participants shared lessons learned and issues gathered from field implementations of cocoa sustainability activities in Indonesia. Also, the GA meeting is the venue for CSP members to discuss strategic direction of CSP, the Roadmap, and cocoa sustainable development in the country. Two the meetings was held in Makassar while

one meeting was held in Jakarta. The Jakarta meeting is aimed to get more participation and engagement from national level stakeholders.

In 2017, the theme and outcome of the GA meeting are as follows:



General Assembly Meeting, Makassar, April 2017

Theme of this GA meeting is “Closing the Gap to Improve Farmer Adoption”. Focus of this GA meeting is socialization from Director General of Estate Crops, Ministry of Agriculture, Republic of Indonesia on Policy of Indonesian Government in Improving Farmers’ Access to the Availability of Cocoa Planting Materials, to discussed issues of Cocoa Based Technology Adoption for Farmers and how to handle the issues of adoptions.

Outcome of this GA meeting as follows:

1. Needs to establish planting material sources locally (provincial and municipal/ city level) by coordinating with the provincial and district/city government to make the planting materials are available and accessible for farmers.
2. The cocoa stakeholders, i.e. government, industries, academicians, and NGOs must work together to construct strategies/ methodologies in overcoming the problems in the field. Initiating workshops in creating such strategies and methods in improving farmers’ adoption to increase cocoa

production and productivity might help to achieve the efforts.

3. The process of creation of the National Cocoa Curriculum should engage academicians, who possess the knowledge and experiences, particularly in the initial phase of the production process.
4. Swisscontact had withdrawn its position as Member of Supervisory Board of CSP for 2017, due to internal reasons. Swisscontact remains as a member of CSP under the “General – INGO” category.
5. Executive Office to develop second quarter planning based on SB review and input.
6. Rini Indrayanti (CSP ED) had submitted her resignation letter to Supervisory Board, and SB has approved it. But, Rini will stay in CSP up to December 2017 to ensure the transfer and handing over to the new Executive Director. The recruitment of ED will be initiated soon by open recruitment, and Rini will participate in the selection panel for interviewing the candidates.
7. In General Assembly Meeting in December 2017, it must present an evaluation of CSP progress, since the initiation until the end of 2017. This assessment is to track CSP progress and to check for its course toward its initial objective.





General Assembly Meeting, Jakarta, August 2017

Theme of this GA meeting is “Strengthening Communication, Coordination and Collaboration to Achieve Mutual Benefit for all Cocoa Stakeholders”. The objective of this meeting is to evaluate CSP’s roadmap and how far CSP come, for CSP and the farmers. CSP members evaluated the CSP governance, activity impacts/results and CSP Executive Office service. Participants are also asked to provide justification to their assessments and their recommendations.

Also, in this GA meeting, Task Force Agro Input & Planting Material representative, Mr. Peter Van Grinsven, presented update of the recommendation on Fertilizer Nutrient Ratio for Nutrient Replenishment, this is the result of Task Force AIPM and ICCRI collaboration work.

Outcome of this GA meeting as follows:

1. Fertilizers and soil fertility are complex issues. This point must be simplified and included in the training program so that farmers can better understand. CSP must push for the understanding of correct

fertilizer application for future benefits.

2. Subsidized fertilizers cost only 1/3 from the price of the recommended fertilizers. Farmers understand that they need good fertilizers but price is still their primary criteria for selecting fertilizers.
3. Nutrient replenishment is returning nutrients that have been absorbed by cocoa plants back into the soil so that soil conditions become balanced. Major problems in soil fertility require soil analysis and maybe application of single nutrient fertilizers before continuing with nutrient replenishment. Nutrient replenishment can be analogized as food for people under normal conditions for their daily nourishment, not for people who are very ill or athletes with special diets.
4. Review current Roadmap and review impacts of CSP’s activities, to provide clearer direction for the new Executive Director.
5. CSP Executive Office must have clear direction, increase commitment from all members and the Executive Director must be given a stronger mandate to slightly reduce their burden, but decision making by Executive Director must be clear.
6. CSP must find a way to integrate each component, review CSP Office’s strategic objectives, consistency toward compliance and also the information must be distributed optimally to all members.
7. Obtain members consensus and ensure the consensus implemented together in CSP forum.
8. Become government advisor, in which CSP can be involved in decision making process that can influence the cocoa sector.
9. Facilitate members’ needs. Hope that CSP

membership continues to grow so that CSP can do more for the cocoa sector, but benefits that come with membership must be clear.



General Assembly Meeting, Makassar, December 2017

This end of the year GA meeting theme was “Exploring New Avenues Toward Cocoa Sustainability”. The meeting was focusing on; progress of CSP Executive Office, follow up of the Fertilizer Nutrient Ratio, CSP Roadmap Review, and governance of the CSP Executive Office on 2018 before new Executive Director elected.

At this meeting, Steering Committee representative of National Cocoa Curriculum development team and Task Force National Cocoa Curriculum presented update on National Cocoa Curriculum development, there is also presentation from two fertilizer companies regarding potential collaboration with CSP members on produce cocoa fertilizer based on Fertilizer Nutrient Ratio Table from CSP. In the last session, presentation from

Supervisory Board members regarding CSP roadmap review on 2018 and presentation from Sidney University about their study on Sustainability and profitability of cocoa-based farming systems in Indonesia.

Outcome of this GA meeting as follows:

1. The General Assembly of CSP agrees that the Chairman of the supervisory board, Treasurer, and Chairman of the General Assembly are still in place until the CSP Executive Director is elected, expected at the latest of March 2018.
2. CSP activities in 2018 is to continue the finalization of the National Cocoa Curriculum and Modules, development of SKKNI and Regional Cocoa Forum.
3. Planning of CSP 2018 is waiting for the CSP Roadmap review to be completed in March 2018. CSP members are requested to participate in the roadmap review process.
4. Fundraising will be one of the agenda of the CSP in 2018.

Supervisory Board Meeting

As many as 7 Supervisory Board meetings were conducted in 2017. The meetings to review and give input on the progress of task forces, Executive Office work plan, budget, funding and involved in Executive Director recruitment.





IMPROVE EXECUTIVE OFFICE MANAGEMENT



Key Activity 9: Improve Staffs Capacity in Facilitating CSP Activities.

Staff Training

All staff trained in Effective Communication Leadership, Individual Coaching for Leadership. ALC provide recommendation to CSP as follows:

- Continue to follow-up their personal development actions, and (if they want to) share their plans to team so team can

provide support to each other.

- Create team discussion session regularly (eg. once a month) to check where team situation right now, can review their previous team vision whether still update or need to adjust. This team discussion may facilitate circularly among team members, to also practice facilitating skills, and focus on strengthen team not for target KPI's discussion.
- Share this program activities and output to the new Executive Director, to help better alignment with new Leader.
- Program content refresher for next year, especially if there are changes in organization.



Key Activity 10: Improve Financial Management and Funding Sources.

Financial Report to SB Treasurer

Olam Indonesia was elected as CSP Treasurer for 2017. Treasurer checked and approved financial report in monthly basis. Regular meeting and discussion with Treasurer since Executive Director position vacant.

Financial Report to Donors

Financial report submitted and well received by donors (RIKOLTO, SCPP, IDH).

Financial Audit

- Internal Control Review audit conducted by PwC on October 2017.
- 2017 Audit report result produced on 5th March 2018.

Financial report 2017 can be seen at *Annex III*.

Development of Communication Strategy

The communication strategy of Cocoa Sustainability Partnership has been postponed due to budget allocation issue. Since 2016, the establishment of core strategy for communication and outreach activities of CSP had been proposed to the Supervisory Board.

COKELAT Magazine

The COKELAT magazine is a fourth-monthly magazine produced by CSP. The magazine contained information regarding government policies or programs on sustainable cocoa, success stories, and lessons learned, farming techniques and other knowledge related to sustainable cocoa development. Main target of the magazine is farmers. However, due to limited CSP direct outreach to farmers, the magazine is distributed through CSP members who are implementing programs and have direct farmers outreach.

In 2017, the plan was to produce 3 (three) editions of COKELAT Magazine and will be distributed mainly during the implementation of CSP General Assembly Meeting in April, August, and December. But until the end of the year, only 2 (two) editions of COKELAT Magazine was published. The 13th edition was covered the issues of fertilizers and soil nutrient for cocoa, and the 14th edition was about engaging youth into sustainable cocoa production.

For the distribution, as the magazines are mainly for farmer's needs, CSP distributes them to the CSP members to be widely outreached to the farmers as beneficiaries.

Key Activity 11: Communication, Learnings, and Impacts.

The objective of this key activity is to ensure that farmers received updated information regarding technology, best practices, lessons learned, opportunities and success stories. By receiving these information hopefully farmers could enhance their knowledge and capacity to manage their farm and increase its productivity.

Activities related to this focus and results of 2016 implementation are as follows:



Website & Social Media

The CSP website was redesigned to be regularly updated and had been used by CSP members and other cocoa stakeholders globally to seek information and recent news of CSP events and activities. The website is also utilized for important documents, such as manuals and reports, to be viewed and downloaded by the public domains.

The number of users' visit of the website, including its location during 2017, is as in FIGURE.

Aside of website, CSP also maintain social media such as Twitter, Facebook, and Instagram. From those three, Facebook is the most active platform and communication tools with wider audience were taken place. Farmers and other cocoa stakeholders asked questions and requesting information through the Facebook Page.

Promotional Materials

In order to communicate the brand of CSP and its activities in promoting sustainable Indonesian cocoa sector, CSP has produced series of promotion materials to be distributed through events and occasions. The promotional materials are in form of goodies-bags, notebooks, agendas, calendars, and information sheets. These products are also distributed to the CSP members and regional cocoa forums to support their activities.

Evaluation of CSP Media Outreach and Effectiveness

As the mandate of CSP Supervisory Board and CSP members, it is significant to seek the results

of media outreaches activities. But the activity of evaluation is postponed due to the absence of communication strategy of CSP. Because all communication and outreach activities of CSP should be referred to the communication strategy.

Cocoa Events & Seminars

The information distribution of sustainable Indonesian cocoa sector to the wider audiences is also initiated through series of national and regional events. The celebration and exhibition of National Cocoa Day is one occasion to promote CSP to the cocoa stakeholders in national and global levels. CSP also participates during the Indonesian International Cocoa Symposium (INCOSY) in conjunction with World Plantation International Plantation Conference and Exhibition 2017 (WPLACE-2017) conducted on October 18-20 at Jakarta.

Engagement with Media

The planned activities for the engagement with media was to conduct short of field visit to the national and regional media in Indonesia to some venues of CSP members. The activities was aimed to boost the issues and recent condition sustainable Indonesian cocoa from the cocoa production centers areas.





ANNEX





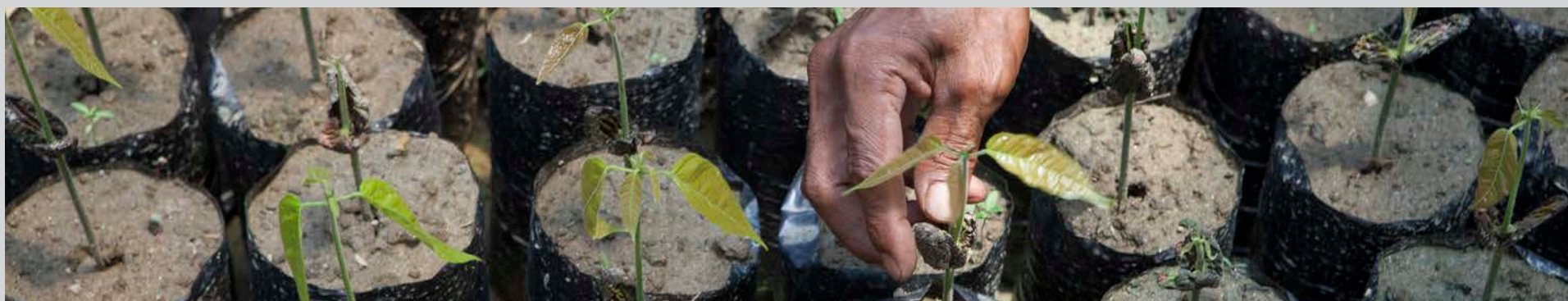
Annex I

LIST OF ORGANIZATION AND NUMBER OF PEOPLE PARTICIPATED IN COCOA SUSTAINABILITY PARTNERSHIP GENERAL ASSEMBLY MEETING IN 2017

General Assembly Meeting, April 2017
Number of Organization: 26
Number of People: 41
Private Sector: Cargill, Mars
Government: Kemenko Perekonomian, Direktorat Jenderal Perkebunan, Dinas Perkebunan Provinsi Sulawesi Selatan, Dinas Pertanian Kabupaten Kolaka Utara, Dinas Perkebunan Provinsi Sulawesi Tengah, Dinas TPHP Donggala
Cocoa Forum and Cocoa Association: APIKCI, ASKINDO, APKAI, Forum Kakao Aceh, Forum Kakao Kolaka, Forum Komunikasi Kakao Sulawesi Tengah, Forum Masyarakat Kakao Luwu Raya, Forum Kakao Sumatera Barat, DEKAINDO
Donors and NGOs: IDH, Swisscontact, UTZ, RIKOLTO
Universities and Research Institutions: Hasanuddin University, ICCRI, Universitas Muslim Indonesia, Universitas Mataram

General Assembly Meeting, August 2017
Number of Organization: 18
Number of People: 27
Private Sector: Cargill, Mars, Olam Cocoa, Mondelez International, Barry Callebaut
Government: Kemenko Perekonomian
Cocoa Forum and Cocoa Association: Forum Kakao Aceh, Forum Kakao Kolaka, Forum Komunikasi Kakao Sulawesi Tengah, Forum Masyarakat Kakao Luwu Raya, Forum Kakao Sumatera Barat, DEKAINDO
Donors and NGOs: IDH, Swisscontact, UTZ, Bridgewater Network Int., Yayasan Kalimajari
Universities and Research Institutions: ICCRI

General Assembly Meeting, December 2017
Number of Organization: 27
Number of People: 49
Private Sector: Cargill, Mars, Olam Cocoa, Mondelez International, Barry Callebaut, CV. Saprotan Utama, PT. Pupuk Kalimantan
Government: Pusat Pelatihan Pertanian, BPPSDMP, Pusat Penyuluhan pertanian, BPPSDMP, Dinas Perkebunan Provinsi Sulawesi Selatan
Cocoa Forum and Cocoa Association: APIKCI, ASKINDO, APKAI, Forum Kakao Aceh, Forum Kakao Kolaka, Forum Komunikasi Kakao Sulawesi Tengah, Forum Masyarakat Kakao Luwu Raya, Forum Kakao Sumatera Barat, DEKAINDO
Donors and NGOs: IDH, Swisscontact, UTZ, Bridgewater Network Int., Yayasan Kalimajari
Universities and Research Institutions: ICCRI



Annex II

COCOA SUSTAINABILITY PARTNERSHIP'S KPIS

Focus 1:

Enhance Support to Farmers to Increase their Productivity and their Engagements in CSP Activities.

Key Activity 1:

Improving Access to Cocoa Specific Fertilizer (Task Force Agro Input & Planting Materials)

Planned	Activity
Table of Nutrients Replenishment Fertilizer Ratio for Cocoa (Cocoa specification fertilizer).	Table of Nutrient Replenishment Fertilizer Ratio for Cocoa developed.
Document Guidelines and Principles for the Choice of Appropriate Fertilizer for Cocoa.	Guidelines and Principles developed and publish and distributed to CSP members in GA Meeting 9th August 2017 as well as a soft copy by email (around 120 recipients) and published on the website.

Key Activity 2:

Improving Access to Planting Material (Task Force Agro Input & Planting Materials)

Planned	Activity
Recommendation Strategy Development For Improvement of Access to Cocoa Planting Materials.	<ul style="list-style-type: none"> National Workshop on Planting Materials in organized by CSP, ICCRI and Dekaindo was held in Jakarta on 8th August 2017, participated by 48 people consist of private sectors, national and local governments, researchers & academics (national and international), fertilizer companies, NGOs, cocoa association, etc. Recommendation publish and disseminated to CSP members (models for planting material distribution)

Compilation of Planting Materials Producer from CSP Members Area	Compilation data of planting materials producer have been compiled. The data will use to speed up and collaborate with Ministry of Forestry to strengthen farmers group/planting materials producer to build seed garden/nursery as a business.
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Key Activity 3:
Development of National Cocoa Curriculum (Task Force National Cocoa Curriculum)

Planned	Activity
1 national cocoa curriculum produced and endorsed by the government.	<ul style="list-style-type: none"> National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest have launched on 9 February 2018 in collaboration with MoA, National Curriculum and Training Modules distributed to CSP members and several other stakeholders with 70 hard copy and a soft copy on the website through email.
National Working Competency Standards (SKKNI)	2nd draft of National Working Competency Standards (SKKNI) finalized.

Key Activity 4:
Development of Strategies for Youth Engagement in Cocoa Sector

Planned	Activity
Recommendation and alignment on youth engagement in cocoa sector.	<ul style="list-style-type: none"> Youth Workshop: Enhancing Stakeholders Support to Engage Youth Into Sustainable Cocoa Production conducted on April 13th, in Makassar, participated of 66 people consist of private sectors, national and local governments, researchers & academics (national and international), fertilizer companies, NGOs, cocoa association, university students, government school students. Workshop report and recommendation publish and distributed to CSP members by email.

Key Activity 5:
Development of Strategies on Increase Adoption of Climate Smart Agriculture in Cocoa Sector

Planned	Activity
Strategy on adoption of climate-smart agriculture in cocoa sector	<ul style="list-style-type: none"> Indonesian International Cocoa Symposium (INCOSY) in conjunction with World Plantation International Plantation Conference and Exhibition 2017 (WPLACE-2017) conducted on October 18-20 at Jakarta. Conclusions publish and shared with CSP members

Focus 2: Enhanced Stakeholder Collaboration.

Key Activity 6:

Strengthened Collaboration with National Government and Other Related Stakeholders (ICCRI)

Planned	Activity
<ul style="list-style-type: none"> Cocoa specification fertilizer agreed (Nutrients Replenishment Fertilizer Ratio for Cocoa) Guidelines and Principles for the Choice of Appropriate Fertilizer for Cocoa 	<ul style="list-style-type: none"> Table of the cocoa specification fertilizer (Nutrients Replenishment Fertilizer Ratio for Cocoa) finalized and agreed by CSP members. Guidelines and principles document approved and distributed to CSP members and stakeholders. Collaboration with fertilizer company (Pupuk Kaltim and Saprotan) to develop appropriate and affordable cocoa fertilizer for farmers. Fertilizer company have been presented potential formula on GA meeting December 2018
Improving Access to certified planting materials	Collaboration with the government to speed up certification of the existing cocoa planting materials producers in the cocoa center area based on CSP planting materials producer data.
<ul style="list-style-type: none"> National cocoa curriculum produced and endorsed by government SKKNI for cocoa developed 	<ul style="list-style-type: none"> National cocoa curriculum and Training Module finalized and launch on 9 February 2018, module distributed to CSP members and several other stakeholders with 70 hard copy and a soft copy on the website through email. 2nd draft of National Working Competency Standards (SKKNI) finalized.
Advisory Board Meeting - 2 meetings conducted	<ul style="list-style-type: none"> 1 (one) meeting conducted in January 2017. The AB meeting decided on focus CSP on 2017 1 (one) meeting cancel to conduct because Executive Director of CSP not available yet.

Key Activity 7:

Support to Regional Cocoa Forum (RCF) in Order to Build Forum's Capacity in Promoting Cocoa Sustainability in Their Region.

Planned	Activity
<p>Monitor and Assist forum activity:</p> <ul style="list-style-type: none"> 6 annual stakeholder meetings held (1 meeting at each RCF) 18 thematic meeting (3 meeting at each RCF) 6 sustainable cocoa development roadmap/strategy Up-date cocoa data available 	<ul style="list-style-type: none"> 5 annual stakeholder meetings held (1 annual meeting at each regional forum) 79 multi stakeholder meetings/thematic meetings (approximately 15 meetings at each regional forum) 1 cocoa development roadmap/strategy had been published in West Sumatera Province 5 regional forums have conducted assessment and data collection to improve cocoa data and information, i.e.: <ul style="list-style-type: none"> Cocoa profile book - West Sumatera. Data of land area and production (East Aceh, North Aceh and Aceh Tamiang District by Forum Kakao Aceh, and North Luwu District by Forum Masyarakat Kakao Luwu Raya, and Forum Kakao Kolaka – In two sub-districts level). Potential data for the development of cocoa learning center/"Kampung Kakao" in Central Sulawesi Province

<p>Development of Publication Materials:</p> <ul style="list-style-type: none"> 1 training on communication and publication production conducted. Publication material published by 6 RCF. 	<ul style="list-style-type: none"> 1 training on communication and publication production conducted. More than 4.000 media publication materials published and distributed to cocoa stakeholders by 5 regional forums through several publication media (newsletter, leaflet, banner, info sheet, local & national TV, and radio, proceeding workshop, etc.)
<p>RCF Capacity Building:</p> <ul style="list-style-type: none"> Revise RCF's operational guidelines. 1 refreshing training on admin finance of forum's staff conducted. 18 district level forum engaged. Monthly forum coordination meeting held. 	<ul style="list-style-type: none"> Revise RCF's operational guidelines. 1 refreshing training on admin finance of regional forums staff conducted. 18 districts level forum engaged (10 in Aceh, 4 in West Sumatera & 4 in Central Sulawesi) and 6 districts in process (1 in Aceh, 1 West Sumatera & 4 in Central Sulawesi). 53 coordination meeting held (around 10 Coordination meeting at each RCF). The purpose of this coordination meeting in order to build lobbying, consultation, audiences and influencing local government and other stakeholders.
<p>Support RCF to participate at national events:</p> <ul style="list-style-type: none"> 3 CSP GA meetings participated by RCF. 3 Share learning participated by RCF. Participations at National Cocoa Day and other CSP and national level events. 	<ul style="list-style-type: none"> 3 participations at CSP GA meetings. 3 participations at RCF share learning meeting. 1 participation at National Cocoa Day 8 participations at CSP and national level event. (Youth Workshop, Planting Material Workshop, National Cocoa Curriculum Workshop, SKKNI Workshop, Cocoa partnership Workshop – Aceh, Annual Meeting Forum - 5 Forums etc.)
<p>Reflection and Planning Workshop:</p> <ul style="list-style-type: none"> 1 workshop. Progress of each RCF and draft planning for 2018. 	<ul style="list-style-type: none"> 1 workshop Progress of each RCF, and Draft annual planning Forum for 2018.
<p>Regional Multi Stakeholder workshop (non-RCF provinces):</p> <ul style="list-style-type: none"> 1 workshop in 2 Province (target TBD) 	<p>Not implemented yet.</p>
<p>Support Forum Operational: Financial support to operationalize RCF available.</p>	<p>5 Forums have signed MOUs with CSP and received support funding for operationalize.</p>

Focus 3:

Enhance Task Force Effectiveness to Improve Roadmap Implementation and Members' Ownership.

Key Activity 8:

Ensure TF Outputs Adopted by CSP Members.

Planned	Activity
Evaluation on TF's Recommendation Implementation at CSP Members Level.	Not yet conducted. CSP members are not agreed to share data on adoption (CSP KPI did not approve).
Data Sharing Agreement with Members.	Data Sharing Agreement is being drafted. The draft will be review by legal consultant.
CSP Data Collection for Outcome Level Indicators.	Not yet conducted. CSP members are not agreed to share data on adoption (CSP KPI did not approve).
GA Meeting.	<ul style="list-style-type: none"> 3 GA meetings conducted in April, August dan December. GA in April discussed socialization from Director General of Estate Crops, Ministry of Agriculture, Republic of Indonesia on Policy of Indonesian Government in Improving Farmers' Access to the Availability of Cocoa Planting Materials, issues of Cocoa Based Technology Adoption for Farmers and how to handle the issues of adoptions. GA in August discussed evaluation of CSP's roadmap. CSP members evaluated the CSP governance, activity impacts/results and CSP Executive Office service, CSP members provide justification to their assessments and their recommendations. In result of collaboration work beetwen Task Force Agro Input & Planting Material and ICCRI, the recommendation on Fertilizer Nutrient Ratio for Nutrient Replenishment published to CSP members and stakeholders. GA in December discussed progress of CSP Executive Office and Task Force, follow up of the Fertilizer Nutrient Ratio, CSP Roadmap Review, and governance of the CSP Executive Office on 2018. Also update on National Cocoa Curriculum development in collaboration with MoA, potential collaboration of fertilizer company and CSP to produce cocoa based on Fertilizer Nutrient Ratio Table from CSP, lesson learned from Sidney University on study on Sustainability and profitability of cocoa-based farming systems in Indonesia. In each GA Meeting TF progress reported and received feedback from GA members.
SB Meeting.	7 Supervisory Board meetings conducted in January, February, March, July, August, November and December. The meetings to review and give input on the progress of Task Forces, Executive Office work plan, budget, funding, and also regarding vacancy of the CSP Executive Director.

Focus 4:
Improve Executive Office Management.

Key Activity 9:
Improve Staff's Capacity in Facilitating CSP Activities

Planned	Activity
Staff Training.	All staff received training related to their function as stated in their Development Plan.

Key Activity 10:
Improve Financial Management and Funding Sources

Planned	Activity
Financial Report to SB Treasurer.	12 monthly report to be checked and approved by SB treasurer.
Financial Report to Donors.	<ul style="list-style-type: none"> 12 monthly report to RIKOLTO and SCPP. 2 reports to IDH (mid-term and end-year).
Financial Audit.	Internal Control Review and Financial audit conducted by PwC.

Key Activity 11:
Communication, Learnings, and Impact.

Planned	Activity
Development of Communication Strategy.	It is postponed due to budget allocation.
COKELAT Magazine.	Only two editions of three editions were published. The 13th edition was printed 1.200 exemplars, and the 14th edition was 1.000 exemplars. One edition was postponed with budget allocation to other activities of CSP.
Website & Social Media.	The website and social media are periodically updated. All CSP publications, such as magazine, manuals, reports, and other published media, are uploaded into the website for further uses of public domains.
Promotional Materials.	<ul style="list-style-type: none"> 1.000 goodie-bags are printed and distributed to the regional cocoa forums, and some national and regional events. 250 calendars are printed and distributed to the CSP members and cocoa stakeholders in Indonesia. 80 exclusive agendas for Supervisory Board members and honored guests of CSP.
Evaluation of CSP Media Outreach and Effectiveness.	The activity is postponed due to the absence of communication strategy of CSP.
Cocoa Events & Seminars.	CSP participates in National Cocoa Day in Jakarta, and Indonesian International Cocoa Symposium (INCOSY) in conjunction with World Plantation International Plantation Conference and Exhibition 2017 (WPLACE-2017) conducted on October 18-20 in Jakarta.
Engagement with Media.	The activity is postponed due to budget allocation.



Annex III

FINANCIAL REPORT

Budget vs. Actual Expenditure (EURO)

		Budget		Expenditure	
Focus 1	IDH	11.934	13.518	11.800	11.827
	RIKOLTO				
	Swisscontact (SCPP)				
	Membership Fee	1.584		27	
Focus 2	IDH	29.028	139.566	28.369	122.117
	RIKOLTO	8.973		8.999	
	Swisscontact (SCPP)	98.964		84.445	
	Membership Fee	2.601		303	
Focus 3	IDH	500	18.506	16	15.382
	RIKOLTO				
	Swisscontact (SCPP)				
	Membership Fee	18.006		15.366	
Focus 4	IDH	14.654	53.451	13.772	47.932
	RIKOLTO				
	Swisscontact (SCPP)				
	Membership Fee	38.797		34.160	
OPERATIONAL	IDH	21.986	137.866	21.809	132.940
	RIKOLTO				
	Swisscontact (SCPP)				
	Membership Fee	115.880		111.131	
Total Budget and Expenditure			362.906		330.197



Annex IV

YOUTH WORKSHOP RECOMMENDATIONS

Theme I:

Program and Information Technology

No.	Recommendation	Role (Who)
1	Multiply field school programs for youth with material on: <ul style="list-style-type: none"> · GAP · Marketing strategy · Financial management 	<ul style="list-style-type: none"> · National and local government (Coordinating Ministry for Economic Affairs, Ministry of Agriculture, Agriculture service and plantation service), · University, · Research institution, · Cocoa and Chocolate Industry, · NGO
2	Campaign and introduction of cocoa from early age (elementary school - junior high school).	
3	Access to information and Coaching Group <ul style="list-style-type: none"> · Sharing success story. · Sharing information and promotion through social media and cocoa portal. · Ambassador for promotion (cooperating with public figure). · Build a network portal of young farmer community. 	
4	Giving appreciation to innovative young farmers <ul style="list-style-type: none"> · Grant · Role model · Publication of testimony and success story. 	

Theme II: The Role of Stakeholders in Supporting and Encouraging Young Farmers

No.	Recommendation	Role (Who)
1	The availability of information about business prospects in cocoa sector <ul style="list-style-type: none"> · Promising profitability · Market information · Price · Market certainty · Information on the types of commodities that are promising and profitable. 	<ul style="list-style-type: none"> · Industry, · Banks, central and local government (Ministry of Agriculture, Agriculture Service and Disbun), · Youth, · Farmers, · Research institutions, · University, · NGO
2	Rebranding of farmer image so that youth becomes proud to be a cocoa farmer.	
3	Support and attention <ul style="list-style-type: none"> · Involvement of government, private sector and other partners · Capital and funding assistance · Supporting facilities · <i>Saprodi</i> · Knowing the needs of farmers 	
4	Technology and information <ul style="list-style-type: none"> · Private sector provides opportunity for capacity building through the internship program and through promotion to youth. · Financial institutions provide youth access to develop innovation and business in the cocoa sector. · Campaign and promotion on the benefits of cocoa products. 	

Theme III: Access to Finance and Land

No.	Recommendation	Role (Who)
1	Provide opportunities for young farmers to use government, state-owned enterprises and local enterprises lands. Young farmers submit business proposals for land use.	<ul style="list-style-type: none"> · Industry, · Banks, · Central and local government (Ministry of Agriculture, Ministry of Agrarian/ BPN, Bappenas, Agriculture service and Disbun, · Educational Institutions and Universities, · NGOs
2	Provide funding assistance to young farmers. Young farmers submit business proposals to prospective donors.	
3	Policy and alignment for young farmers to use land/assets government, BUMN, BUMD.	
4	Farmers are not dependent on the inheritance of parents.	



Annex V

PLANTING MATERIAL WORKSHOP RECOMMENDATIONS

Recommendations to Support Producer to Meet the Standard of Planting According to National Government Regulation.

Short Term:

- Optimizing socialization through dissemination for Permentan No. 50/2015 and Kepmentan No. 314/2015 to all extension services, farmers, farmer groups and farmer group association/Gapoktan in all cocoa areas through the agency that handles estates and implementers in the field.
- SOP on guidelines on Production, Certification, Distribution, and Supervision of Cocoa Planting material (Permentan No. 50/2015 and Kepmentan No. 314/2015) became one of the thematic themes of discussion in the activities of farmer groups and farmer group association/Gapoktan.
- Collecting data on all local nurseries that already exists in the CSP members area. With the data, CSP will propose/negotiate with Dirjenbun to give special policy for the existing nursery to get certification. Hopefully the Dirjenbun also can give win-win solution on transition time for the local nursery to meet the standard according to Kepmentan No. 314/2015.
- Trigger and develop the interest of potential nursery producers through:
 - Clear nursery business analysis (profitable or not?)
 - Market clarity information
 - The stages of certification submission
- Strengthen the farmer's institution in order to facilitate the collective management of certification.

Long Term:

- Creating a transitional period for nurseries to meet the Kepmentan No. 314/2015 requirements.
- Continuing assistance and commitment by all stakeholders (government, ICCRI, private sector, NGO) to farmers to implement the SOP.

Recommendations on How Farmers can Easily Access the Certified Cocoa Planting Material to Fulfill Their Needs

Short Term:

- Provide access to information on certification cost requirements to farmers/producers. The cost is quite expensive for small producers.
- Coordinate with the MoA and local governments for existing local nurseries can be included in government programs in the provision of planting material in 2017 and 2018.
- Strengthen production and marketing channels network.
- Strengthen and empower the farmer's institution.
- As long as there is evidence of the success story of certified seed yield, the price is not a problem for farmers (*note that in Sulawesi a grafted seedling is sold at IDR 5,000 which still allows a good margin of profit for the operator. We should NOT advocate recommended sales price – leave it to the market).

Long Term:

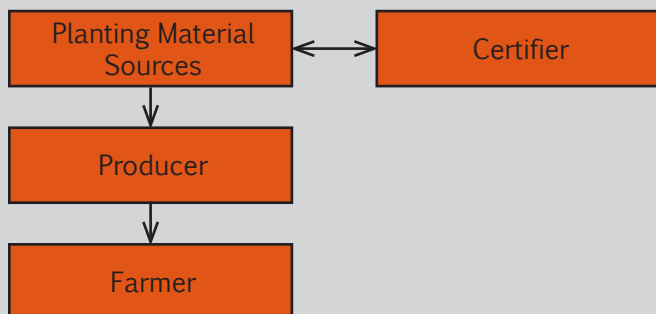
- Province/District/UPTD propose to MoA to built planting material sourced in their area, but before of that the Province/District/UPTD need to:
 - Conduct inventory of existing plant material providers and potential sources of planting material or land in the area that can be proposed to MoA. Need clear on data: location, capacity, varieties, etc. (It can be on government or private land)
 - Establish and empower regional organizations/seed institutions (UPTD Propagation of Seed)
 - Preparing the Human Resources - Plant Seed Control (PBT), coordination with MoA.
- The government acts as a stimulator and regulator in developing a pro-farmer seed system (*Program Desa Mandiri Benih*).

Recommendations on Business Models

Nursery Models Identification in Each Region

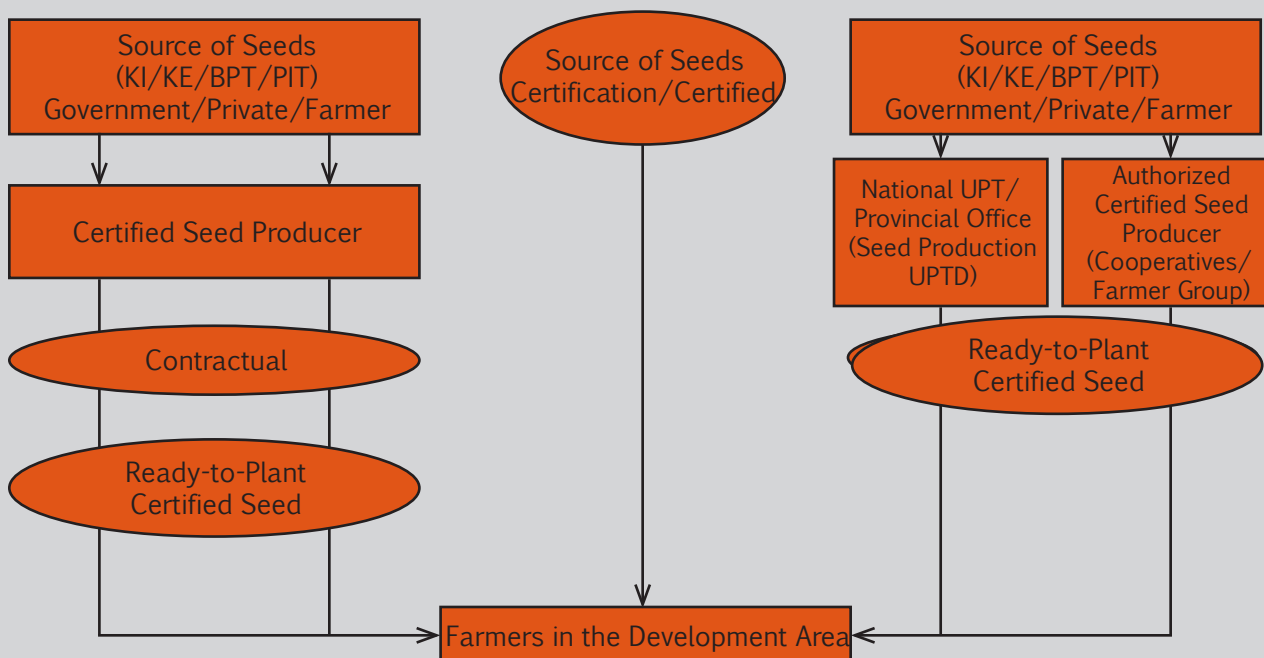
Region	Availability of Planting Material	Capital	Institutional	Knowledge	Notes
Aceh Barat Daya	Not available certified seeds	---	Local producer but not certified	---	Available only for local superior seeds
Lampung	Certified and non certified seeds are still low	---	Local producer but not certified	---	Available only for local superior seeds

Idea for Business Models



- Franchise Model
- Contractual Model/MoU
 - CV, PT, Cooperative with legal status
 - CV, PT, Farmers Groups in the Cooperative

Government Model



Business Model	Plus	Minus
Franchise	<ul style="list-style-type: none"> • Sustainable coaching • Update info & product • Payments can be more flexible • Certainty of supply • Marketing cooperation • Eligibility Check 	<ul style="list-style-type: none"> • There is a franchise fee • Farmer groups need to build a reputation - difficult for new players • There are required requirements (long process)
Contractual	<ul style="list-style-type: none"> • No fee • The process is faster • Terms are easier • Coaching 	<ul style="list-style-type: none"> • Need a down payment (50%) • Difficult to get supply certainty • Payment is more stringent

How to Align the Concept of Existing Business Models with Government Policy?

Short Term: to ensure supply certainty, business model by using contract/MOU between PT, CV, and Cooperative could be a solution. As long the contents of the contract are clear (symbiotic mutualism).

Medium Term: franchise and contractual model development.

Long Term: minimum in every province of cocoa center built *Kebun Induk* (4 years) and *Kebun Entres*.

- *Kebun Induk*:
 - Built and managed by the Provincial UPTD (program of Directorate of Seed Propagation 2018-2019)
 - Franchise
 - Private sector (independent)

Planting Material Demand Analysis

In terms of demand for good quality planting material (seeds), either government and industry said that the demand is high especially because the cocoa trees mostly needs to be replanted using good planting material (seeds quality).

Recommendation for CSP and its Members

Recommendations to CSP Executive Office and Task Forces:

- CSP Executive Office
 - Collecting data of all local nursery on the CSP members program that potential to get certification.
 - Propose the recommendation and discuss with the Dirjenbun regarding certification and government program, as follows:
 - Potential local nursery from CSP members that can be included in the government program and to be certified. Hopefully the Dirjenbun also can give transition time for the local nursery to meet the standard according to Kepmentan No. 314/2015.

- Potential collaboration regarding business model.
- Collection of success stories and models about certified nurseries
 - Success story and models on nursery
 - Clear nursery business analysis (profitable or not?)
 - Market clarity information
 - The stages of certification submission

Recommendation to All CSP Members:

- Socialize the Permentan No. 50/2015 and Kepmentan No. 314/2015 to the farmers, planting material producer, farmers group, farmer group association/Gapoktan.
- Strengthening of farmers' understanding in the areas of nurseries business, certification requirements, stages, and cost.
- Identify which components of the certification regulations that can hamper cocoa production and provide the Solution-suggestive.
- Identify all local nurseries in their area that have potential to be getting certified.
- Keep close to the Province/District/UPTD Estate Crop Official as they are the main point of the certification proposal and Government program.

Recommendation to Government (MoA, Province/District/UPTD):

- Optimizing the socialization of the regulation Permentan No. 50/2015 and Kepmentan No. 314/2015 to the field level (extension services, farmers, farmer group and farmer group association/Gapoktan in all cocoa areas)
- Identify which components of the certification regulations that can hamper cocoa production and provide the Solution-suggestive.
- Policy on national cost standard for the certification. Is it possible?
- Institutional strengthening for more focus on nursery as a business and control on the planting material quality.
- If possible, labeling of certified seeds in polybags can be represented on a single polybag, not necessarily attached to each seed.
- Province/District/UPTD propose to MoA to build planting material sourced in their area, but before of that the Province/District/UPTD need to:
 - Conduct inventory of potential sources of planting material or land in the area that can be proposed to MoA. Need clear on data: location, capacity, varieties, etc. (Can be on government or private land).
 - Establish and empower regional organizations/seed institutions (UPTD Propagation of Seed).
 - Preparing the Human Resources - Plant Seed Control (PBT), coordination with MoA.



CSP

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ICCRI



ASKINDO



FORUM KAKAO SULAWESI



SULAWESI BARAT



KEMENTERIAN PERTANIAN



INSTITUT PERTANIAN
BOGOR



FORUM KAKAO ACEH



FORUM KAKAO ACEH



FORUM KAKAO KOLAKA
FOKKA



FORUM KAKAO SULAWESI UTARA



FORUM KAKAO SULTENG
FOR KAKAO SULTENG



FORUM KAKAO SULAWESI SELATAN
LUWU RAYA



Bridgewater



the sustainable
trade initiative



International
Finance
Corporation
World Bank Group



rikolto



swisscontact



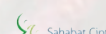
UTZ
Better farming
Better future



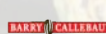
World Cocoa
Foundation



KALIMAJARI



Sahabat Cipta



BARRY CALLEBAUT



Cargill



MARS
incorporated



Mondelēz
International



Cocoa Plan



Olam
Cocoa