



2018 ANNUAL REPORT

COCOA SUSTAINABILITY PARTNERSHIP

Advisory Board

Chairperson

Ir. Musdhalifah Machmud, MT.
*Deputy of Food and Agriculture, Coordinating
Ministry for Economic Affairs, Republic of Indonesia*

Members

Director General of Estate Crops, Ministry
of Agriculture, Republic of Indonesia

Director of Food and Agriculture, Ministry
of National Development Planning Agency,
Republic of Indonesia

Director of Indonesian Coffee and Cocoa
Research Institute

Chairperson of Indonesian Cocoa Board

Chairperson of Indonesian Cocoa
Association

Dean of Agriculture Faculty, Hasanuddin
University

Dean of Agriculture Faculty, Bogor
Agriculture Institute

Supervisory Board

Chairperson

Chandra Panjiwibowo
RA/UTZ Indonesia

Treasurer

Ani Setiyoningrum
Barry Callebaut

Members

Jeremy Hicks (April 2018)
Bridgewater International Services

Edi Susmadi
IDH Sustainable Trade

Fay Fay Choo
Mars Incorporated Indonesia

Wisman Djaja
Nestlé Indonesia

Imam Suharto
Olam Cocoa Indonesia

Dominique Vanderhaeghen
Rikolto Indonesia

Nuzul Qudri (December 2018)
Sahabat Cipta

Ross Jaax/Christina Rini
SCPP-Swisscontact

General Assembly Members

Secretariat

Chairperson

Jeremy Hicks (April 2018)
Bridgewater International Services

Nuzul Qudri (December 2018)
Sahabat Cipta

Members

Megan Willis
Cargill

Agung Widiastuti
Kalimajari Foundation

Andi Sitti Asmayanti
Mondelēz International

Tim McCoy
World Cocoa Foundation

Executive Director

Wahyu Wibowo

Office Manager

Ledy Iswandy Yohannes

Administration and Finance Assistant

Zainal Rusman (September 2018)

Data Management and Task Force Associate

Andi Muhammad Amin

Communication and Publication Associate

Armin Hari

members



as per December 2018

letter from the secretariat

AS one of significant decisions which was taken by the members of Cocoa Sustainability Partnership (CSP) in 2018 was to relocate the secretariat of CSP from Makassar to Jakarta. It was hoped that this national cocoa platform could perform and establish greater mutual cooperation with the stakeholders in cocoa sector, particularly the national government, in term of the harmonization of cocoa sustainability development initiatives. And, during the similar year, the fruitful result had been shown. It had been proven that CSP with the national government showed high commitments in order to prioritize the improvement of cocoa farmers resilience by providing decent and affordable accesses to subsidized specific cocoa fertilizers, qualified and certified cocoa planting materials, and financial accesses in supporting the previous programs.

The secretariat of CSP, furthermore, had succeeded in facilitating its members in expressing their agreement towards Key Performance Indicators in form of Professional Farmers Package and Enabling Environment to support the cocoa farmers communities. These two building blocks are aimed to achieve the average production of 2,000 kilograms per hectare in 200,000 hectares areas of cocoa plantation in Indonesia. The target achievement progress details will be published periodically through the agreed data sharing procedures among members.

The commitments in improving the development of cocoa farming business and the harmonization of cocoa farmers development programs of all cocoa stakeholders (government, industry and trader, donor institution, NGO, research institution, and university) based on its prioritizing sectors, it is believed that those targets can be achieved faster.

Together, we will improve the cocoa sectors to make it as glorious commodity for the benefits of cocoa farmers in Indonesia.



Wahyu Wibowo
Executive Director





background

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 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.

viission

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

mission

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

key achievements in 2018



MEETING with Advisory Board (AB) Chairperson, Director General of Estate Crops, Ministry of Agriculture, Indonesian Coffee and Cocoa Research Institute (ICCRI), Indonesian Cocoa Board (Dewan Kakao Indonesia-DEKAINDO), and International Cocoa Organization (ICCO).

- AB Chairperson: reporting new Supervisory Board Chairperson and Treasurer, new Cocoa Sustainability Partnership (CSP) Executive Director (ED).
- Director General of Estate Crops: cocoa fermentation policy based on Minister of Agriculture Decree No.

67/2014, export tax, self-provided seed at village level (*Desa Mandiri Benih*), government is experiencing difficulties in convincing private sectors.

- ICCRI: ICCRI satellite in cocoa production centers.
- DEKAINDO: CSP is expected to support small and medium enterprise.
- ICCO: Data of cocoa production, Indonesia is in critical situation for interposition with Ecuador.



AUDIENCE with Director of Seed Propagation, Directorate General of Estate Crops, Ministry of Agriculture, to follow up the Planting Material Workshop, and inform about CSP members planting material producers' data. Collaboration to support seed nurseries under CSP members, submitted data of existing farmer groups/planting material producers in the CSP member's work area, development of seed garden in South Sulawesi Province.



UPDATED data (2017) of certified cocoa seed resources from Ministry of Agriculture obtained.

- Total certified seed garden: North Sumatera 4; Riau 2; West Sumatera 5; Lampung 1; East Java 9; East Nusa Tenggara 1; Southeast Sulawesi 1; Papua 1,
- Total certified budwood garden: North Sumatera 3; West Sumatera 1; East Java 1; Southeast Sulawesi 5; Central Sulawesi 17; South Sulawesi 29; West Sulawesi 9; Gorontalo 2



NATIONAL Curriculum and Training Module for Sustainable Cocoa Cultivation and Post-Harvest (National Cocoa Curriculum).

NCC Launched and distributed to CSP members and stakeholders on February 2018.

National Working Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia-SKNNI*) on Sustainable Cocoa Cultivation SKKNI development in collaboration with Ministry of Agriculture is accomplished and legalized by decree of Minister of Manpower.



DEVELOPMENT of Cocoa Specific Fertilizer with CSP Members, ICCRI, and Agri-input Supplier.

- Cocoa Specific Fertilizer recommended formula has been agreed on
- Protocol for trial has been agreed on
- CSP members will participate to the proposed of cocoa specific fertilizer for farmers



REGIONAL Cocoa Forum planning in 2018, agreed to focus on expanding financing support from government and donors as part of the forum's exit strategy in 2019 and beyond.

Regional Cocoa Forum (RCF) has been established collaborations with local government and expected contributions from the governments are as follows:

- Forum Kakao Aceh (Rp. 184,800,000 from local government; Rp. 515,100,000 from IDH & GIZ-SICCR);
- Forum Kakao Kolaka (Rp. 90,000,000 from local government);
- Forum Masyarakat Kakao Luwu Raya (Rp. 50,000,000

from local government);

- Forum Komunikasi Kakao Sulawesi Tengah and Forum Kakao Sumatera Barat proposals are under evaluation by the local governments.







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.

In 2013, Cocoa Sustainability Partnership and its members developed a roadmap as guidelines to the members toward thriving and sustainable Indonesian cocoa sector in 2020, as called as the CSP 2020 Roadmap. In order to achieve this condition, the members of this national platform for sustainable cocoa sector in Indonesia decided that the farmers needed to double their productivity, and increase their quality, in a sustainable way and without deforestation. The Cocoa Sustainability Partnership believed that it could attract the next generation of cocoa farmers, halting the rising average age of cocoa farmers in this sector.

It has been over four years since the formulation of the roadmap. Many things transpired in the sector, and the CSP stakeholders have all been active in making the Indonesian cocoa sector more sustainable. Through its Supervisory Board, Cocoa Sustainability Partnership commissioned the third party, i.e. NewForesight, to perform a review of where the organization is



Focus 01: Enhance Support to Farmers to Increase their Productivity and Engagement to CSP Activities

and where it can go over the coming years. As part of the duties, NewForesight was also assigned to review the progress in this sector, then to update and shorten the 2013 Roadmap of Cocoa Sustainability Partnership.

Through the reviews, the third party recognized that the 2013 Roadmap was an ambitious solution to answer the difficult contest of the declining national cocoa production, and the fact that many cocoa farmers had transferred the land utilization to other crops, such as palm oil. It was also showed that most of the members of Cocoa Sustainability Partnership signified that the Indonesian cocoa sector could gain its vitality only by establishing a strong business case for the farmers. The suggested business case was to be built based on the productivity foremost, and on the quality of the beans.

In order to achieve these primary conditions, Cocoa Sustainability Partnership underlines the efforts which are needed to coordinate and collaborate the initiatives to be maintained as strategic implementations recommendations for the cocoa stakeholders in Indonesia.

Key Activity 1: STRENGTHENED STAKEHOLDER COLLABORATION



In order to accelerate the productivity increasing and quality improvement of Indonesian cocoa production, the cocoa stakeholders who are joining their efforts in Cocoa Sustainability Partnership realize that it is tremendously significant to establish coordination, collaboration, and communication with the important key stakeholders in sustainable Indonesian cocoa sector. The identified key stakeholders are the relevant government institutions that should be engaged intensely at any level. It is believed that if the platform want to achieve the establishment of cocoa sustainable sector in Indonesia, it must play functions as government partners at any level.

The results of the CSP 2020 Roadmap review also showed that the policies and initiatives of the organization should be in-line with the national government in order to create further and wider impacts of the common interest, i.e. to establish a condition that can improve the farmers welfare through cocoa production and quality improvement. By strengthening the stakeholders collaboration, all parties will align their available resources to be deployed to the targeted area.

Therefore, Cocoa Sustainability Partnership initiates several action plans in strengthening the stakeholder collaboration. The performed activities and initiatives of this national platform

“ As one of the performance achievement of CSP members by establishing collaboration with the national government, the National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest can be presented to the public this year. Furthermore, the facilitation and assistance processes to the cocoa smallholder farmers will be conducted by the extension services providers. ”

for sustainable cocoa in Indonesia must engage the government, both national and regional levels, and wider stakeholders through actively participations and contributions.



I-1.1.

Strengthened Collaboration with National Government and Potential Members

As identified during the review of the CSP 2020 Roadmap, one of the core keys is the alignment with the stakeholders' policies and initiatives in providing services to accelerate the increasing productivity of Indonesia cocoa production. The most significant stakeholder to be engaged is the Indonesian government through constant dialogues with the relevant government departments at any levels, especially at national and locals as the relevant cocoa clusters developments areas. The form of collaboration is to mobilize a coalition in form of actions plans to improve the viability of the cocoa sector in a certain district. These initiatives will lead to a harmonized condition among public and private policies for the sustainable Indonesian cocoa sector.

The roadmap review also showed that the supports for the policies were needed in achieving the thriving conditions of the increasing productivity on Indonesian cocoa sector. The supports, in this case as recognized as important approaches in accelerating the achievement of the targets, are in form of the availabilities of national document as knowledge resources to be applied as the core references in conducting the trainings, both of formal and informal, to increase the capacity of cocoa farmers that can be used by extension services, the availability of access and affordability of cocoa specific fertilizers, the establishment of certified cocoa planting materials nurseries and seed gardens at certain locations of cocoa clusters, and simplified and accessible financial supports of banking institutions for the smallholders cocoa farmers.



I-1.2.

Launching of National Curriculum and Training Module for Sustainable Cocoa Cultivation and Post-Harvest

As one of the performance achievement of the Cocoa Sustainability Partnership (CSP) members by establishing collaboration with the national government, the National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest can be presented to the public this year. Furthermore, the facilitation and assistance processes to the cocoa smallholder farmers will be conducted by the extension services providers.

The objectives of this national curriculum and training modules arrangement are the preparation of professional and competitive agricultural human resources, the availability of a document that can be applied by publics, particularly agricultural extension staffs

both of private and independent extension staffs.

The arrangement processes, it was started in 2017, were the fruitful result of collaborations and cooperation among Cocoa Sustainability Partnership with two significant institutions in Indonesia, i.e. Center for Agricultural Training (*Pusat Pelatihan Pertanian-Puslatan*), Center for Counseling and Human Resources Development of Agriculture (*Badan Penyuluhan dan Pengembangan SDM Pertanian-BPPSDMP*), Ministry of Agriculture, Republic of Indonesia, and the Indonesian Coffee and Cocoa Research Institute. The compiling and arrangement processes of this document are also coordinated with the implementation processes of the National Working Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia-SKKNI*) for Sustainable Cocoa, and the National Qualification Framework (*Kerangka Kualifikasi Nasional Indonesia-KKNI*) for Sustainable Cocoa.

During the launching at Graha Sawala Building, Coordinating Ministry for Economic Affairs, on February 09, 2018, 100 hardcopies were printed and distributed to the regional cocoa forum, national and local government, cocoa associations, NGOs and donor organizations, private sectors, vocational schools, and other cocoa stakeholders

in Indonesia. The implementation of the national curriculum and training module will be supported by Center for Counseling and Human Resources Development of Agriculture (*Badan Penyuluhan dan Pengembangan Sumber Daya Manusia Pertanian-BPPSDMP*), Ministry of Agriculture, and General Secretary of Ministry of Agriculture in form of the utilization of the document as teaching modules for ten Agriculture Development Polytechnics (*Politeknik Pembangunan Pertanian-Polbangtan*) in Indonesia.



I-1.3. The National Working Standards Competency (*Standar Kompetensi Kerja Nasional Indonesia-SKKNI*) for Sustainable Cocoa, and the National Qualification Framework (*Kerangka Kualifikasi Nasional Indonesia- KKNI*) for Sustainable Cocoa

Aside from National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest, there is another document that will accompany the implementation of this national document. The document, as stated as mandatory by law and regulation of some Indonesian ministries, is National Working Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia-SKKNI*) for Sustainable Cocoa that will be developed later as reference in legalizing the National Qualification Framework

(*Kerangka Kualifikasi Nasional Indonesia-KKNI*) for Sustainable Cocoa. This supporting document will be utilized as a tool in certifying the workers in sustainable Indonesian cocoa sector.

The processes of legalizing the National Working Competency Standards for Sustainable Cocoa are performed collaboratively among Cocoa Sustainability Partnership, Center for Counseling and Human Resources Development of Agriculture, Ministry of Agriculture, and Directorate of Competency Standardization and Work Training (*Direktorat Bina Standardisasi Kompetensi dan Pelatihan Kerja*), Ministry of Manpower. Through several activities, such as drafting, pre-convention, external verification, and national convention, the National Working Standards Competency for Sustainable Cocoa was finalized in Makassar, South Sulawesi, on September 28-29, 2018.

After the National Working Competency Standards for Sustainable Cocoa are legalized and approved by the national government, the document is referred as main resource in developing the National Qualification Framework for Sustainable Cocoa. Similarly to the drafting processes of previous document, the qualification framework is also developed through series of activities. Firstly, the points in working competency standards are sharpened into detailed criteria and

requirements to be used in accessing the competencies and qualifications of workers in sustainable Indonesian cocoa sector. Then, the document is reviewed by conducting internal and external verification to retrieve inputs and comments from the stakeholders of the Ministry of Agriculture, and the Ministry of Manpower for further revisions to be approved publicly in national consensus activity. In the end of November 2018, the National Qualification Framework for Sustainable Cocoa is legalized by the Directorate of Competency Standardization and Work Training, Ministry of Manpower.



I-1.4.

Advisory Board Meeting

In order to harvest the advice and related issues of the sustainable Indonesian cocoa sector development, Cocoa Sustainability Partnership initiates a meeting among members of its Advisory Board. The meeting is aimed to report the progress of CSP and its members 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. The members of this board consist of related ministries, education and research institutions, cocoa associations, and the representatives of the significant decision makers in Indonesia. The CSP Advisory Board itself is coordinated by Ir. Musdhalifah Machmud, MT. as the Deputy Minister for Food and Agriculture, Coordinating Ministry for Economic Affairs, Republic of Indonesia.

In 2018, the Advisory Board meeting was conducted in Jakarta, July 24, 2018, and attended by its members. The theme of the meeting was how to harmonize the ideas of strengthening the public-private partnership cooperation in sustainable cocoa development in Indonesia. During the meeting, the board also emphasized that CSP as partnership organization of cocoa sector stakeholders could play its function in bridging the relationship and coordination among governments and other cocoa stakeholders.



I-1.5.

Audience with Directorate General of Estate Crops, Ministry of Agriculture

The audience with the Directorate General of Estate Crops, Ministry of Agriculture, is initiated in order to maintain the relationship and coordination among Cocoa Sustainability Partnership and governments. The meeting is also

functioned as a scope in sharing and aligning the initiatives and communal actions of CSP with the government programs in advancing the development of sustainable cocoa sector in Indonesia.

These coordination meetings are generally conducted with the departments under the Directorate General of Estate Crops, Ministry of Agriculture. Such as the Directorate of Seed Propagation, by coordinating the supports of government with CSP members and cocoa stakeholders in developing certified nurseries and seed gardens in several locations in Indonesia.

The general objectives of this activity are to provide decent access to the cocoa farmers towards availability and affordable certified planting materials by establishing seed gardens and nurseries in several locations, to coordinate the government certification of CSP members seed gardens and nurseries which are operated by the farmers, and to align the data of planting material sources among government and CSP members.



Key Activity 2:

SUPPORT TO REGIONAL COCOA FORUM IN ORDER TO BUILD FORUM'S CAPACITY IN PROMOTING COCOA SUSTAINABILITY AT THEIR REGION



Regional Cocoa Forum is a multi-stakeholders forum which is established and aimed as a space for all stakeholders in cocoa sector to share, establish dialogue, and to discuss. The objective is to achieve common solution to accelerate the development of sustainable cocoa sector in regional level. The functions which are initiated by Regional Cocoa Forum is harmonized with the mission and vision of Cocoa Sustainability Partnership in the wider context, i.e. national and international level. And with these understandings, CSP is mandated to establish the active participation and support of Regional Cocoa Forum to be able in promoting and developing the sustainable cocoa sector at regional level.

Within these previous years, CSP with its members had established cooperation and facilitation with five cocoa forums which are distributed to the cocoa production centers areas in Indonesia. The collaboration is aimed to strengthen the capacity and operational of Regional Cocoa Forum to be able to apply the roles and functions effective and strategically. Those five forums are Forum Kakao Aceh in Aceh Province, Forum Kakao Sumatera Barat in West Sumatera Province, Forum Masyarakat Kakao Luwu Raya in South Sulawesi Province, Forum Kakao Kolaka in Southeast Sulawesi Province, and Forum Komunikasi Kakao Sulawesi Tengah in Central Sulawesi Province.

“ Regional Cocoa Forum has been established collaborations with local government, such as Forum Kakao Aceh (Rp. 184,800,000 from local government; Rp. 515,100,000 from IDH & GIZ-SICCR), Forum Kakao Kolaka (Rp. 90,000,000 from local government), Forum Masyarakat Kakao Luwu Raya (Rp. 50,000,000 from local government), Forum Komunikasi Kakao Sulawesi Tengah and Forum Kakao Sumatera Barat proposals are under evaluation by the local governments. ”

Despite the reduction of supports from CSP and its members, the Regional Cocoa Forum in all areas have performed their significant functions and roles in empowering the smallholders farmers and other cocoa stakeholders at regional level. CSP believes that the forums are important agents of changes for the cocoa stakeholders, and it still need further development, especially regarding the capacity of the forum in implementing the action plan for sustainable cocoa in Indonesia.



I-2.1. Monitoring and Assisting Regional Cocoa Forum Activity

This activity is aimed to provide assistance and facilitation to the Regional Cocoa Forum in aligning their programs and initiatives. It is expected that through series of programs, the forum can gain position within the regional cocoa stakeholder as significant agent in promoting the sustainable cocoa development.

Some milestones of the Regional Cocoa Forum activities are as follows:

Forum Kakao Aceh.

In 2018, it was realized that the contribution of Forum Kakao Aceh to the advancement of sustainable cocoa sector in Aceh Province was increasingly appreciated, such as seminars, discussions, exhibitions, and field trips. The forum had been engaged into some cocoa-related activities which were conducted by the

stakeholders as resource persons, and participated as facilitation supports in the establishment of Lembaga Ekonomi Masyarakat (cooperatives) in Aceh Province. Furthermore, Forum Kakao Aceh was also invited to transfer their knowledge and experience of success in sustainable cocoa sector for other commodities platform.

Apart from the activities, Forum Kakao Aceh had established cooperation with local government of Aceh Besar District, and Agriculture Office of Aceh Province. The forum itself also had gained support from provincial government in establishing and maintaining demonstration plot for cocoa plantation that would be initiated in 2018.

Forum Kakao Sumatera Barat.

The identified supporting system for the existence of a forum is by establishing legal condition. And Forum Kakao Sumatera Barat is one of the forums that had registered the organization to the notary for legal document. The document will be used for supports seeking in the future in operating their action plans.

In 2018, Forum Kakao Sumatera Barat had cooperated with the provincial government in defining and compiling the profile of cocoa and Arabica coffee in West Sumatera Province. It was initiated by the forum by establishing coordination

and collaboration with the provincial agriculture office. Furthermore, the forum also had finished in compiling the roadmap of cocoa development at province level with the provincial agriculture office.

Other significant achievements of Forum Kakao Sumatera Barat in 2018 were performing the activities of Provincial Innovation System (Sistem Inovasi Daerah Provinsi-SIDa) by gaining supports from Provincial Research and Development Bureau (Badan Penelitian dan Pengembangan Daerah-Bappeda) of West Sumatera Province and Regional Representative Council (Dewan Perwakilan Rakyat Daerah-DPRD) of West Sumatera Province.

As for the strengthening forum position at regional level, Forum Kakao Sumatera Barat also had conducted series of audience meetings with some districts government in order to collect data of cocoa farmers, potentiality, farmers groups, and production rate in West Sumatera Province.

Forum Komunikasi Kakao Sulawesi Tengah.

As for sharing and learning purposes, Forum Komunikasi Kakao Sulawesi Tengah initiated an integrated cocoa village (Kampung Kakao) in the province. This place will be utilized by all cocoa stakeholders for research and development

of cocoa at regional level. There are three important elements of this cocoa village, i.e. the establishment of cocoa laboratory and museum as facilities in conducting scientific researches of cocoa, the House of Chocolate as unit of chocolate processing, and cocoa demonstration plots. Aside from sharing and learning purpose, Kampung Kakao also will further be functioning as new tourism spots for the visitors who want to learn and experience the process of making chocolate and from-bean-to-bar processes.

The idea is possible to be implemented because the forum has some members who are working at universities and well-known national experts of cocoa. Their reputations are recognized nationally with their inventions and innovations in cocoa interventions. Before the earthquake and tsunami, the forum had established coordination with University of Tadulako, Palu, Central Sulawesi to use the university facilities for cocoa research and development. Furthermore, the forum and university also had constructed facilities for laboratory and museums to keep the research results and cocoa clones that they had worked before. But after the disaster, they needed to construct these facilities again. And the idea to combine those facilities into an integrated sharing and learning place, called as Kampung Kakao, was the significant initiative of Forum Komunikasi Kakao Sulawesi Tengah.

Forum Kakao Kolaka.

The main focus of Forum Kakao Kolaka is how to vitalize and boost the people perception on cocoa, especially for the smallholders farmers, to lead them back to their cocoa plantations. Therefore, with the supports of agriculture office in Kolaka District, North Kolaka District, and East Kolaka District, the forum is actively conducting periodic socializations in several villages in the areas while trying to collect data of current condition and potential of cocoa for further development in the future.

Not only with the government, Forum Kakao Kolaka also has strong ties with LEM Sejahtera, agricultural commodities based cooperatives, in developing the cocoa sustainability in Southeast Sulawesi Province. While conducting socialization at village level, they usually initiate cocoa beans contest for the cocoa farmers groups in that area. Moreover, for longer period, the forum and the cooperatives have also started to implement the healthy and sanitized cocoa plantations contest among cocoa farmers groups. They believe that by motivating the farmers in managing their cocoa plantations through contests, it will encourage the farmers in increasing the cocoa production and quality in the future. Because they do not only conduct contests, but they also provide technical assistance for the farmers.

Forum Kakao Kolaka also succeeded in gaining supports from national government in term of cocoa replanting activity with the supports of national and regional budgets. For 2018 fiscal year, the forum with the district agriculture office had allocated supports to replant approximately 1000 hectares of cocoa plantations which are managed by smallholders farmers. And in the upcoming years, the cocoa replanting activity will be conducted.

In addition to building the relationship with other cocoa stakeholders in the region, especially with CSP members, Forum Kakao Kolaka also established cooperation with Olam Cocoa in providing technical facilitations to the LEM Sejahtera for its capacity building.

Forum Masyarakat Kakao Luwu Raya.

As the center of cocoa production areas in South Sulawesi Province, the forum also performs its functions and roles as the cocoa stakeholders in regional level. During 2018, Forum Masyarakat Kakao Luwu Raya had conducted several audience meetings with the local government in order to gain supports in operating the secretariat and implementing the action plans. With the supports of CSP and its members, the forum is able to conduct series of meetings with the cocoa farmers groups in several village in three districts, i.e. Luwu District, North Luwu District, and East Luwu

District.

While conducting meetings with the cocoa farmers groups at district level, the forum also collects data regarding productivity, cocoa problem mapping, accesses to fertilizers and planting materials, and the farmers themselves. Forum Masyarakat Kakao Luwu Raya also initiates several cooperations with governments, fertilizers companies, and banking institutions. And the initiatives are still in maintenance.



I-2.2.

Development of Publication Materials

In order to distribute the knowledge regionally, manage and disseminate the information, and influence wider audiences to establish togetherness to achieve the sustainable cocoa sector, the forum had been assisted in how to produce qualified publication materials. The secretariat staffs had been trained for constructing the publication materials and contents. And due to budget allocation, only few forums still produce periodic publications both of hard and soft-copies.



I-2.3.

Regional Cocoa Forum Capacity Building and Development

As tools in improving the capacities of the forums, both institution and human resources, CSP had arranged series of intervention programs. With a budget allocation to support the operation of forum, CSP provides assistances in form of training, consultation, and workshop for the forum secretariat staffs to enable them in applying the action plans, and how to engage other parties to be actively involved in the initiatives and communal actions at regional level.



I-2-4.

Support Regional Cocoa Forum to Participate at National Events (GA Meeting, Cocoa Day, etc.)

With decreasing financial supports to Regional Cocoa Forum, CSP does not provide fund for forum staffs in attending cocoa related events. But, CSP still coordinates with the forum in informing progresses, possibilities, news, and events in cocoa sector in Indonesia. And CSP provides accesses to participate into these events if the forum wants to be funded themselves.



I-2.5. Evaluation and Planning Workshop

During the CSP General Assembly meeting in April 2018, the representatives of Regional Cocoa Forum agreed the necessity to review the progress and prepare the exit strategy in the future. It was also discussed to see the reflections of experience and strategic steps that will be applied to achieve the independence of forums. Regarding this issue, the workshop on Activity Reflection in 2018 and Exit Strategy of Regional Cocoa Forum was conducted in Bali, September 17-18, 2018. During the workshop, it was attended by the chairperson of Regional Cocoa Forum and the representatives of significant cocoa stakeholders from Nusa Tenggara Timur Province, Bali, and Jakarta.

As for learning process, representatives of CSP members were also invited to provide sharing presentations in establishing the independency and creating

coordination with the local governments. It is expected that in the future, the Regional Cocoa Forum has the capacity in engaging and establishing effective communication with all stakeholders in cocoa sector, especially local governments at region level. It is the objectives of Cocoa Sustainability Partnership and its members to strengthen the position and roles of Regional Cocoa Forum to be independent in finance, ideas, and activities that lead to the development of cocoa sustainability.



I-2.6. Multi Stakeholder Workshop (Forum Flores)

With other members supports, CSP also initiates to revitalizes some forum in the cocoa production center areas, such as Forum Kakao Flores in East Nusa Tenggara. Because the reflections show that the existence of Regional Cocoa Forum at regional level are highly needed for further implementations of communal action and program initiatives. Furthermore, CSP is inviting other parties to be involved in keeping the track of Regional Cocoa Forum functions and roles.



I-2.7.

Support Regional Cocoa Forum Operational (Annual Meeting, Operational Cost, etc.)

Due to budget allocation, since 2017, the financial supports for the Regional Cocoa Forum had been decreased gradually, and the supports were terminated in the end of 2018. Even though, the Regional Cocoa Forum still performed their functions and roles at region level. Some of the forum also had established a link to the government budget to support the activities.

With this reason, CSP only provided budget to support the operational-basis for the Regional Cocoa Forum until the end of 2018. But the coordination of the forums is still well maintained, because some of the activities of CSP at regional level are still connected with the forum. CSP does not provide direct supports anymore, but the activities of CSP with its members will engage the forum in similar way. Therefore, the activities, which are mentioned in

the annual planning and focuses, are postponed such as the monitoring and assisting Regional Cocoa Forum activity, development of publication materials, capacity building and development, participation to cocoa-related events, evaluation and planning workshop, multi stakeholder meeting, etc. But even with no direct facilitation from CSP and its members, the relationship with the forum is still being well-managed.



Provinsi Sulawesi Barat

Nama Penerima: H. Bantar
Alamat: Desa Tawangi, Kec. Tawangi, Kabupaten Polewali Mandar, Bulukidulur
Kategori: Tani Laki-laki
Lokasi: Lusi Kaban, Dusun Panaraman
Jenis Klon yg ditanam: HARI KAKAO INDONESIA

Detail: H. Bantar, Desa Tawangi, Kec. Tawangi, Kabupaten Polewali Mandar, Bulukidulur, Dusun Iga Patihawang Desa Rio, Kec. Tawangi, Kab. Polewali Mandar, Gps koordinat: 3°17'51"-119°15'38", 1 Ha, Bawang bawang peranakan tahun 1968 & rehabilitasi (pangbang samping) tahun 2008, Sulawesi 2





As mandated on the General Assembly meeting, Cocoa Sustainability Partnership had no effective task forces in 2018. It is believed that all outputs and objectives of the task forces had been achieved in the previous years. And the duties and tasks are merely at CSP desk to maintain several important issues by coordinating the initiatives with the members, governments, and other related cocoa stakeholders through working group that related with the recent issues.

One of the main keys to the success of the roadmap implementation is the alignment with the Indonesian government through constant dialogue with the relevant government departments at national and local levels. Of specific relevance are the government-led district clusters, and CSP at local level mobilizes a coalition around action plans to improve the viability of the cocoa sector in a certain district, or designated cocoa clusters areas.

In the implementation, policy support should be sought. Specifically this is relevant for the agro-inputs (on fertilizer), the planting material (research, regulation, and seed garden establishment at areas of cocoa production centers), and the knowledge transfers through the constructing a mutual



Focus 02:

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

cooperation with certain agricultural schools in order to integrated the National Curriculum and Training Modules for Sustainable Cocoa for Sustainable Cocoa Cultivation nad Post-Harvest into school curriculum, and the inclusion of extension services in training activities.

During the year, CSP also initiated the baseline for Indonesian cocoa sector which is gathered aggregately from members and other significant stakeholders. CSP believes that good data is key, and therefore a data dashboard should be established. The data itself will be associated with the involvement of government during the data gathering and sharing, with the regards to CSP data dashboard. It will be a crucial for the successful measurement of CSP roadmap implementation performance.

Key Activity 3:

ENSURE TASKFORCE OUTPUT ADOPTED BY CSP MEMBERS



The key vehicle for action and alignment of CSP roadmap implementation activities has been the CSP Taskforces. In order to successfully achieve the targets, as started in 2014, the taskforce is established to facilitate an integrated approach and to provide recommendations on strategic implementations for the sector. Taskforces were set-up as temporary working groups consisting of members, who collaborated on specific sustainability issues based on interest. Simultaneously, the taskforces serve as a platform to unite members and encourage active participation to find solution and best practices.

In 2018, all of CSP taskforces are continuing the progress and development of several issues since years before. One of the taskforces, Knowledge Management Taskforce are transferred into National Cocoa Curriculum Taskforce and have finished its superior achievement as the launched National Curriculum and Training Modules for Sustainable Cocoa Cultivation and Post-Harvest. The document is approved by the Ministry of Agriculture to be referred as national document to be applied as resources for all trainings and educational activities for cocoa sector in Indonesia.

The Agro Input and Planting Material Taskforce also have issued a tremendous outputs as the ratio recommendation for cocoa nutrient replenishment fertilizer.

“ In order to successfully achieve the targets, as started in 2014, the taskforce is established to facilitate an integrated approach and to provide recommendations on strategic implementations for the sector. Taskforces were set-up as temporary working groups consisting of members, who collaborated on specific sustainability issues based on interest. ”

Furthermore, it is developed into formula of cocoa specific fertilizer. And in the period, the national government will allocate subsidiary budgets for this fertilizer, and will integrate it into similar subsidized fertilizer distribution mechanism. In 2019, the trial process will be initiated in several districts in the areas of cocoa production centers in Indonesia.



II-3.1. Data Sharing Agreement with CSP Members

At the first period of 2018, there was an initiative to assign the third party in managing this member data sharing agreement. This third party will collect the respected data of CSP members, then elaborated them into aggregated data to be displayed in the CSP dashboard by applying the target and progress of achievements based on the legalized Key Performance Indicators. Further on, the members agreed that the agreement should be in form of data measuring agreement, and there was no necessity in hiring the third party to manage and operate the collection, analyzing, and aggregating the data from members.

In the end of 2018, there were five core members of Cocoa Sustainability Partnership, i.e. Rikolto Indonesia, Kalimajari Foundation, SCPP-Swisscontact, Cargill, and Barry Callebaut. Other six core

members are reviewing the documents and it will be ready to be signed in 2019.



II-3.2. General Assembly Meeting

As the main event of Cocoa Sustainability Partnership with its members and other cocoa stakeholders, the General Assembly Meeting is the space to promote, share, and discuss information, lesson-learnt, cocoa-related trending issues, and knowledge which are gained from the field implementation by the members through cocoa sustainability activities in Indonesia and worldwide. This four-monthly meeting is also aimed to discuss the strategic direction of CSP, roadmap, and general cocoa sustainable development in the country. And in several occasions, CSP invites respected resource persons, or government/private institutions, who have fruitful experience in sustainable cocoa sector to share their ideas to the participants.

In 2018, the details of CSP General Assembly Meeting as follow:

April 04, 2018, Jakarta.

On the first implementation in 2018, the CSP General Assembly Meeting was conducted on Wednesday, April 04, 2018, at Ministry of Agriculture. The theme of this meeting was “Refocusing our Roadmap,” and attended by 48 participants in the morning session, and 19 participants in the afternoon session.

Moreover, for the knowledge and experience sharing, CSP invited some resource persons from different institutions to present their ideas. Ir. Musdhalifah Machmud, MT., the Chairperson of CSP Advisory Board and as the Deputy Minister for Food and Agriculture, Coordinating Ministry for Economic Affairs, and represented by Muhammad Saifulloh as the Head of Estate Crops, Deputy of Estate Crops and Horticulture, Coordinating Ministry for Economic Affairs, delivered the presentation regarding active roles of stakeholders in developing sustainable cocoa.

In similar occasion, the Directorate General of Estate Crops, Ministry of Agriculture, was also invited to present the overview of Sustainable Cocoa

Development based on the 2015-2045 Cocoa Roadmap and Stakeholder Engagement. But for official reason, Ir. Bambang, MM. was unable to attend this four monthly meeting of CSP members and other cocoa stakeholders, and represented by Ir. Irmijati Rachmi Nurbahar, M.Sc., as the Director of Perennial and Beverage Crops.

For knowledge distribution of CSP members’ recent activity, the representative of UTZ was invited to present the current results of gender studies on cocoa plantation. Entitled to deliver Overview of Gender Actions in the Coffee and Cocoa Sector in Indonesia, Catherine van der Wees presented the study’s results to the audiences.

In general, the conclusion notes during the meeting are as follows:

- New Issues are emerging within the cocoa sector – urgent action and new momentum
- The Supervisory Board has held an earlier meeting to discuss the roadmap review results. It is expected that all CSP members participate actively and jointly agree on the direction of CSP in the future.
- Issues in the cocoa sector that have not been included in the 2020 roadmap, i.e. environmental issues—deforestation and climate change—, social issues—community, nutrition and gender for

contributing also to production. The joint action on the above issues should be agreed upon and decided upon.

- The joint action is to provide clear consensus and direction, where the main target is for farmers. As an organization, CSP and its members must raise awareness, focus on policy and make it more attractive for investment in the cocoa sector.
- The main targets of CSP remain the same as in the roadmap 2020 (before the revision) they are to double productivity and maintain the average age of the farmer less than 40 years.
- In many programs it is well known that these issues need to be included in the roadmap as a catalyst for production, as well as nutrition and gender. Based on research from the University of Sydney which states that they find it closely related between nutrition and health and productivity. Also, given the gender study results of UTZ consultants, it is known that gender issues can be integrated into the program, and incorporate them into the roadmap to raise awareness and make the program more collective, making it a shared focus, on how to deal with it and provide the solution.
- As a member of CSP, Swisscontact has conducted studies and researches that make agro forestry an opportunity for cocoa sustainability, and also has a commitment to reduce deforestation.

- One of the policies of Swisscontact is climate smart agriculture, which is part of the agenda of sustainability and concern for climate change. It requires mutual commitment, communication and understanding from within the partnership.
- Based on the results of the University of Sydney study: a good nursery system can increase farmers' income.
- Roadmap review documents should be transformed into real action that is measurable in terms of the progress.
- Focus on the initial purpose of increasing production and productivity, following the achievement of the focus is diversification. CSP needs to find a strategy for farmers to become professional farmers in accordance with the target on the roadmap with a better and inclusive strategy.
- Matters outside the effort to increase productivity included in the roadmap, should be clearer, more concrete, coordinated with members, and equipped with points of achievement.
- Professional farmers are farmers whose productivity and production increased, it is expected as much as 10% professional farmers can provide services such as cocoa doctor. A professional farmer producing 1 ton/ha is an agri-preneur who can provide services to other farmers.
- CSP must have realistic program milestones, so as to have a clear target

in each year about what needs to be accomplished. Program development should be able to use the theory of change (milestone - the source of growth - what required) for example when we do replanting, then the harvest will only happen in third year not in the first year. For that reason, it needs to be made in detail according to issues that have been agreed on.

August 08, 2018, Jakarta.

The second CSP General Assembly Meeting was conducted on August 08, 2018, at the Meeting Room of Ministry of Agriculture, Jakarta and attended by 47 participants at morning session, and 27 participants as CSP core members attended the afternoon session.

The discussed theme was "The Resilience of Farmers toward 2 Kilograms of Cocoa Beans per Tree". For the welcoming and opening, Ir. Musdhalifah Machmud, MT, as the chairwoman of CSP Advisory Board delivered the brief description on government work plan on cocoa trees rejuvenation to the audiences. And as for sharing session, the representatives of CSP members and significant cocoa stakeholders presented the experience and lesson learns from their sustainability programs. Peter van Grinsven of PT. Mars explained the

supporting farmers families for cocoa plantation management as farmers business, Agung Widiastuti of Kalimajari Foundation conveyed the messages of strengthening the capacity of cocoa farmers cooperatives in improving quality and productivity of Jembrana District's Cocoa, and Febriyanto Raharjo as Group Head of Agribusiness Division, PT. Bank Rakyat Indonesia, presented the outcomes and lesson learnt of access to finance for cocoa farmers.

The details of discussions and overviews during the meeting are as follows:

Welcoming and Opening

Ir. Mushdalifah Machmud, MT.

Chairman of the CSP Advisory Board

- One of the activities in the government's work plan is the rejuvenation of cocoa trees. Rejuvenation is essential to increase the productivity of Indonesian cocoa and cannot be successful if it is only done by the Directorate General of Plantations (as the technical implementer). Collaboration and cooperation with the cocoa stakeholders is needed, especially with the private sector and NGOs working directly in the field in assisting cocoa farmers.
- Cocoa Sustainability Partnership is acting as an adhesive, liaison between stakeholders in Indonesian cocoa

sector and is expected to be able to provide shared solutions to the current and future challenges.

- It is expected that the program concept in the cocoa sector, both from the Ministry of Agriculture and other stakeholders, is more implementable - the programs must be doable and can be carried out.

CSP Key Performance Indicators 2018

- CSP Road Map has been revised based on needs and inputs from CSP members. Follow-up from this is the CSP Secretariat produces KPI based on the Sustainable Cocoa Roadmap.
- KPI baseline data uses aggregate data from the SCPP-Swisscontact Dashboard that will be processed into CSP Dashboard.
- The agreed measurement of cocoa productivity is to use tree units, not per land area. Given that the tree populations per unit area is different. For examples in one hectare there could be less than 1,000 trees; or based on SCP-Swisscontact Dashboard average population is 579 trees per hectare; or vice versa as found in West Sumatra (for example) with a population of 1,400 plants within an area of one hectare.
- The CSP intervention target includes 200 million cocoa trees with all have a production of 2 kg of dried cocoa beans per tree.

- CSP KPI is agreed to consist of 2 (two) pillars, namely Professional Farmer Package and Enabling Environment, the two pillars are divided into six inter-connected sectors, namely Agricultural Input, Planting Materials, Knowledge Management, Access to Finance, Government Support and Member Outreach (The agreed KPI is attached). CSP KPIs are as follows:

- CSP measures the achievement of KPI by using “adoption measurement” which will be defined and agreed upon by CSP members. The outcomes are directed to be achieved in 2030.
- CSP measures the achievement of KPI by using “adoption measurement” which will be defined and agreed upon by CSP members. The outcomes are directed to be achieved in 2030.
- Parameter definition in CSP Dashboard will be provided by SCPP-Swisscontact.

Data Measuring Agreement

- The draft of Data Measuring Agreement that has been proposed by the CSP Secretariat and reviewed by Barry Callebaut legal department will be sent to all CSP members.
- Data Measuring Agreement must be agreed upon by members of CSP and received by the Secretariat no later than the end of September 2018.

- The basic data from SCPP-Swisscontact will be reviewed and updated by SCPP-Swisscontact (aggregate data).
- GA agreed to publish the results of the revised CSP Roadmap to CSP website.

Cocoa Fertilizer Workshop

- Conduct a trial in October 2018.
- CSP members are expected to conduct the trial
- Initial recommended formulation: 12% N, 12% P₂O₅, 17% K₂O, 4% MgO, 7% CaO, 3% S, 0.3 - 0.5% B, and 0.3 - 0.4% ZnO.
- Based on inputs from members, the recommended formulation is: 14% N, 12% P₂O₅, 16% K₂O, 4% MgO, 7% CaO, 3% S, 0.4% B and 0.3% ZnO.

Planting Material Workshop

- Focus group discussion about cocoa planting materials will be initiated by CSP members. The FGD schedule will be coordinated by CSP Secretariat.

December 11, 2018, Makassar.

The last CSP General Assembly Meeting was conducted on December 11, 2018 at Melia Hotel, Makassar, South Sulawesi. It was attended by 28 participants who were representatives of CSP members and other cocoa stakeholders. In the welcoming and opening session, the representatives of Agriculture Office of South Sulawesi

COLLABORATIVE WORK TOWARD A THRIVING, SUSTAINABLE INDONESIA COCOA SECTOR

IMPACT

RESILIENCE OF FARMER TOWARD 200 MILLION TREES WITH ALL HAVE 2KG PER TREE

2030 Outcomes

PROFESSIONAL FARMERS PACKAGE

20 million trees use appropriate fertilizer and add minimum 20 million trees year on year

15 million clonal seedling use by farmers per year

Increased productivity to 2 kg per tree

20,000 farmers adopted Professional GAP and add minimum 20,000 farmers year on year

ENABLING ENVIRONMENT

10% of farmers fit with eligibility criteria able to get loans and increase 10% year on year

10% of the cocoa business loan (in total) is distributed for youth

Farm outlook for diversification covered 20% of cocoa farmer in 2019 and add minimum 20% year on year

All cocoa farms are defined by polygon and not located in the protected forest and conservation area (Deforestation-Free)

Outputs

- Availability of recommended fertilizer

- Availability of 15 million clonal seedling every year
- Develop seed garden at cocoa region
- Professional nursery established

- Availability of national cocoa curriculum
- Agricultural Training (GAP)

- Farmers trained in financial management
- Eligibility criteria established in 2019

- In 5 year all farmers have plan in place
- CSP involving value chain counterpart (i.e. PisAgro)
- Involvement of local service providers in sustainability programs

- Industry will not buy cocoa beans outside the polygon to eliminate deforestation
- Active government engagement strategy
- Engagement of donors and new member

Activities

- Agro-inputs

- Planting Material

- Knowledge Management

- Access to Finance

- Service Delivery

- Government Support and Members Outreach

- Involving agro-inputs supplier; advocacy on NCC implementation

- Organizing farmer; extension agent training; integrate action plan with government and value chain counterpart

Province delivered the significant overview of the policies of South Sulawesi Province government in revitalizing the cocoa sector in the province. The representative of South Sulawesi Regional Development Acceleration Team (Tim Percepatan Pembangunan Daerah-TP2D) Sulawesi Selatan Province, Dr. Ir. Abd. Haris Bahrhun, M.Si., and Prof. Dr. Ade Rosmana delivered the details of provincial policy in revitalizing the cocoa sector in South Sulawesi.

The meeting was aimed to discuss and elaborate the ideas of next generation of cocoa sector in Indonesia by providing presentations from CSP members. Ani Setiyoningrum as Sustainability Business Development Manager of Barry Callebaut Indonesia presented how the company performed the programs in sourcing cocoa sustainably through Forever Chocolate Program. Ardy Husni as Head of Commercial of PT. Mars described the details of Cocoa for Generations Program, Imran Fakhroni as Cocoa Life Program Manager of Mondelēz delivered the general of Cocoa Life Program by empowering cocoa farmers and cocoa communities, and Dinesh Babu Velumany of Olam Cocoa explained about the Olam Livelihood Center.

The details of the meeting discussions results are as follows:

Welcoming and Opening

Chandra Panjiwibowo

(UTZ/Rainforest Alliance)

Chairman of CSP's Supervisory Board

- CSP Chairman has conducted audience with the Director of Preparation of Social Forestry Areas (Ir. Erna Rosdiana, M.Si) and that the government through the Ministry of Environment and Forestry (KLHK) is aware of the use of land in forest areas for cocoa plantations. That these activities have been carried out by cocoa farmers for generations, the Directorate of preparation of Social Forestry Areas can help facilitate by issuing social forestry licenses (Social Forestry).
- An FGD related to social forestry involving the Ministry of Economic Affairs, The Ministry of Agriculture, The Ministry of Environment and Forestry, and plantations office to be conducted under CSP coordination that will represent cocoa stakeholder.
- The decline in production in Indonesia has been anticipated by CSP members through the formulation of KPI (Agro Input and Planting Materials).

Agriculture Office of South Sulawesi Province

- Cocoa production in Indonesia, especially in South Sulawesi is decreasing.
- Rejuvenation of cocoa plants through intensification in areas that have cocoa

potential.

- Commitment of the Governor of South Sulawesi Province to restore the booming days of cocoa in South Sulawesi through a rejuvenation program and increased productivity. The activity was in collaboration with Hasanuddin University.

Dr. Ir. Abd. Haris Bahrhun, M.Si.

The Regional Development Acceleration Team (TP2D) of South Sulawesi Province

- In supporting the development of cocoa in South Sulawesi, we need to anticipate the availability of seed (rootstocks) that is specific to the condition of South Sulawesi.
- An appreciation is given towards CSP because its members still care about the sustainability of cocoa sector in South Sulawesi.
- National Cocoa Curriculum is good to apply in Agricultural Development Polytechnics to help focus on certain commodities.

Prof. Dr. Ade Rosmana

Faculty of Agriculture, Hasanuddin University

- Regarding the development of cocoa sector in South Sulawesi, the provincial government will initially focus on developing Luwu Raya (Luwu, Luwu Utara, Luwu Timur).
- The programs will be focusing on

rejuvenation, advocacy, and the establishment of seed (rootstock) garden.

- There is an allocation of 15 million seedlings every year from the provincial government. 6 million seedlings from the Dirjenbun had been distributed in December 2018.
- Prospective location for the seed garden is in Mario, Luwu Regency with an area of about 20 hectares.
- Establishing a demo plot is needed, this demo plot will be integrated with livestock or others crops as a source of other additional income for the farmers. This demo plot will be shown to the farmers during the mentoring process.

Data Management - Data Measuring Agreement

- The draft of data measuring agreement had been sent to all CSP members, the deadline is the end of November 18.
- As of December 11, 2018, Rikolto Indonesia and Kalimajari Foundation signed the agreement.
- Based on the agreement by SB members (SB meeting 27 November 2018), CSP is to add another vendor (Nimbly) from two already-proposed vendors (NewForesight and Koltiva).
- GA members agreed to send the signed agreement before December 31, 2018.
- A vendor was to be decided upon the agreement signed by all members.

The selection out of three candidate vendors was through SB meeting on January 29, 2019.

- All three vendors were approved by GA and would continue to the next selection process.
- CSP secretariat was to make comparison matrix of the tree vendors to be considered for the next selection process.

Cocoa Specific Fertilizer

- Recommendation agreed upon between CSP and Pupuk Kaltim required a lengthy registration process.
- The fertilizer formula (14% N, 12% P₂O₅, 16% K₂O, 4% MgO, 4% CaO, 3% S, 0.4% B, 0.3% Zn) approved by CSP based on last meeting (October 2018) need to be registered at the MoA.
- While waiting the registration, an option proposed by enriching the current product of Pupuk Kaltim namely Pelangi, completing it with secondary elements into: 12% N, 12% P₂O₅, 17% K₂O, 4% MgO, 4% CaO, 3% S, 0.4% B, 0.3% Zn.
- The formula is called Pelangi++ and it was approved by GA to be produced and distributed down to the district level.
- There is no obligation for CSP members to purchase Pelangi++ but are expected to provide information to cocoa farmers about the fertilizer.

Election of GA Chairperson

- The term of office of Nuzul Qudri (Sahabat Cipta) had ended and could not be extended due to Nuzul Qudri was no longer working for Sahabat Cipta.
- Agung Widiastuti (Kalimajari Foundation) was appointed the new GA Chair Person by all GA members.
- The decision was valid because GA meeting met the quorum (10 out of 13 members present).



II-3.3.

Supervisory Board Meeting

During 2018, 4 (four) CSP Supervisory Board Meetings were conducted. The objectives of the meeting was how the CSP Supervisory Board members provide inputs, comments, review, and approval on the progress of CSP annual activities, work plans, budgets, and other significant issues.





Support Farming Families to
Development of their farms
as a Business

Forum with Chairman
National Sustainability Partnership Meeting
Jakarta, 30th August 2018



Focus 03:

Improved Executive Office
Management

Key Activity 4:

IMPROVED STAFFS CAPACITY IN FACILITATING CSP ACTIVITIES



Staff's performance evaluation has been conducted in July and December. Part of the evaluation, CSP secretariat developing capacity building proposal to donors. RA/UTZ willing to fully support this activity for 2019-2020 implementation.

Key Activity 5: Improved Financial MANAGEMENT AND Funding SOURCES



III-5.1.

Monthly Financial Report

Barry Callebaut was elected as CSP Treasurer for 2018. Treasurer checked and approved financial report in monthly basis. Financial report submitted and well received by donors (Rikolto Indonesia, SCPP-Swisscontact, IDH).



III-5.2.

Financial Audit

Statutory audit 2018 conducted by RSM Auditor:

- 2018 Internal Control Review (ICR) audit conducted on October 2018.
- 2018 Financial audit report produced on 14th March 2019. The summary of financial report 2018 can be seen at Annex I.

Key Activity 6: COMMUNICATION, LEARNINGS, AND IMPACT



III-6.1. Development of Communication Strategy

Since 2016, the establishment of core strategy for communication and outreach activities of CSP had been proposed to the Supervisory Board, but it is postponed until further notice. In 2018, development of communication strategy received fund from donor for two years activities starting 2019.



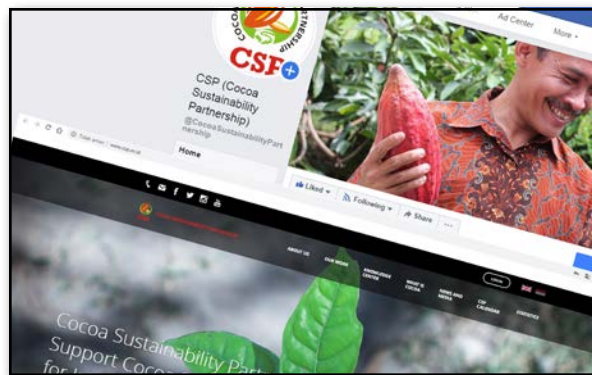
III-6.2. COKELAT Magazine

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.

Since 2018, the magazine is no longer printed into hardcopies and distributed to the CSP members and other cocoa stakeholders via air mail, instead it is produced in softcopy form. The softcopy editions are put in CSP website, Google Drive, and through official account in www.issuu.com for further distribution. In each publication, the emails of notifications are sent to the CSP members and other cocoa stakeholders including downloadable links.

In similar year period, CSP produced three editions of COKELAT Magazine with various themes at each edition.



III-6.3.

Website and Social Media

The CSP website was redesigned to be regularly updated and have 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.

Aside from website, CSP also maintains social media such as Twitter, Facebook, and Instagram. From those three, Facebook is the most active platform and communication tools with wider audience outreach. Farmers and other cocoa stakeholders ask questions and requesting information through the Facebook Page.



III-6.4.

Website Upgrade and Maintenance

In associating integrated purposes of CSP, the website will be redesigned to accommodate the data dashboard of CSP KPIs and aggregated data measurement displays. The structures and visual displays had been prepared in 2018, and it will be developed in 2019.



III-6.5.

Publication 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 the forms of manuals, calendars, CSP logo paper cups for exhibitions, and backdrops for certain events.



III-6.6.

Evaluation of the Effectiveness of Publication Materials

As the mandate of CSP Supervisory Board and CSP members, it is significant to seek the results of media outreaches activities. But the evaluation activity is postponed due to the absence of communication strategy of CSP. Because all communication and outreach activities of CSP should refer to the communication strategy.



III-6.7.

Cocoa Events and Seminars

The information distribution of sustainable Indonesian cocoa sector to the wider audiences is also initiated through series of national and regional events. The details of cocoa events and seminars/workshop in which Cocoa Sustainability Partnership participated in 2018 are as follows:

- April 18, 2018. Policy Dialogue on Sustainability Strategy for Green Prosperity Investment in Indonesia, Jakarta.
- April 27, 2018. Coordination Meeting of Cocoa Policy at Coordinating Ministry for Economic Affairs, Jakarta.
- August 07, 2018. Finding Potential Solution in Tackling the Obstacles in Sustainable Agriculture, Jakarta.
- October 10, 2018. International Conference on Biodiversity, Ecotourism, and Creative Economy, West Papua.
- October 25-28, 2018. The National Cocoa Day 2018: Improvement of

Indonesian Cocoa Sustainability Partnership-Chocolate Production and Productivity, Jakarta.

- October 28, 2018. Restoring the Booming Days of Cocoa in South Sulawesi Province, Makassar.
- November 17, 2018. Cocoa Field Day, ICCRI, Jember.
- December 08-10, 2018. The 61st National Plantation Day 2018, Bandung.



III-6.8.

Engagement with Media

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

But the relationship with media is still maintained for boosting CSP and members activity news. For certain events, the media representatives are invited to cover the news, especially for national scope activities.









Annex 01:

Financial Report (in Euro)

I.1. Funds Received

Item	Euro
Total Budget 2018	199,683
Total Contribution Received in 2018:	196,377
• Membership Fee	88,887
• Donors (IDH, Rikolto Indonesia, SCPP-Swisscontact)	107,490
Others	14,918

I.2.

Budget vs. Actual Expenditure

Budget				Expenditure	
Focus 01	IDH	12,793	51,190	11,227	53,220
	Rikolto Indonesia	10,112		11,379	
	SCPP-Swisscontact	28,285		26,946	
	Membership Fee			3,668	
Focus 02	IDH	9,333	11,644	5,059	11,887
	Rikolto Indonesia	-		-	
	SCPP-Swisscontact	-		-	
	Membership Fee	2,310			6,829
Focus 03	IDH	7,256	16,399	6,089	19,742
	Rikolto Indonesia	-		-	
	SCPP-Swisscontact	-		-	
	Membership Fee	9,144		13,653	
Operational (Overhead Cost)	IDH	32,361	129,620	40,143	131,049
	Rikolto Indonesia	-		-	
	SCPP-Swisscontact	-		-	
	Membership Fee	97,259		90,906	
Total Budget & Expenditure			208,853		215,899



Cocoa Sustainability Partnership

Menara Mandiri Tower II, Lantai 12, Suite 13,
Jalan Jenderal Sudirman, No. 54-55, Kebayoran Lama,
Jakarta Selatan, DKI Jakarta, 12190
Tel.: +62 21 5082 0859
Email: communication@csp.or.id