

2019

Annual Report



Decent Access for Cocoa-Specific Fertilizer

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Cocoa Sustainability Partnership, or CSP, is a forum for public-private collaboration and actively for the betterment of cocoa development in Indonesia. We support Indonesian cocoa sector in international market.

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.

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Advisory Board Chairwoman

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The roadmap is expected to cover 200 thousand hectares with an average production of 1,2 to 2 tons per hectare in 2030. The impact envisioned to be achieved in 2030 has shown extraordinary achievement in 2019 by carrying out the prioritized indicators for the availability of cocoa-specific fertilizers and the availability of good cocoa seeds.

Welcoming Remarks

Advisory Board Chairwoman

Cocoa Sustainability Partnership (CSP), as one of the national platform for cocoa development, is expected to continue encouraging various efforts to increase cocoa production and productivity in Indonesia. One of the programs with this aim in mind is the development of the partnership concept between independent smallholders and the cocoa industry to create sustainable cocoa development.

In every occasion, I always acknowledge that the 2020 Roadmap developed by CSP is comprehensive enough and covers all the significant issues in sustainable cocoa development in Indonesia.

The roadmap is expected to cover 200 thousand hectares with an average production of 1,2 to 2 tons per hectare in 2030. The impact envisioned to be achieved in 2030 has shown extraordinary achievement in 2019 by carrying out the prioritized indicators for the availability of cocoa-specific fertilizers and the availability of good cocoa seeds. I extend my highest appreciation for the collaboration between the government and CSP members in the program through the allocation for subsidized cocoa-specific fertilizer and seed logistics.

I believe that there were rooms for the 2019 activities improvement in the coming years, which can promote the independence and heyday of cocoa in Indonesia, and generate direct impacts on cocoa farmers through the increased production and income of Indonesian cocoa growers.

For sustainable cocoa.

Ir. Musdhalifah Mahmud, MT.

Achievement

The Long Journey of Subsidized Specific Formula NPK Fertilizer for Cocoa



Over the last few years, Indonesia has gradually lost its position as one of the largest cocoa-producing countries in the world. Due to the decline experienced by cocoa farmers, especially on the stability of their livelihoods, and the cocoa industry is increasingly in short of supply and profits. The companies have estimated a decline of up to 200,000 metric tons per year, and installed production capacity is around 800,000 metric tons.

To overcome this problem, the cocoa farmers' profits streamlining must be prioritized. They strive to secure other sources of livelihood from other types of crop commodities. Otherwise, if the farm management of cocoa farmers are not enhanced, cocoa productivity will not be increased. On the other hand, if they are convinced to return cocoa farming as a reliable main source of livelihood, the productivity will also increase.

One of the main problems resulting in a decrease of cocoa profitability and productivity is the limited access of cocoa farmers to the availability and affordability of cocoa-specific fertilizers. This condition also decreases the soil

nutrients and generates unfavourable crop yields. Cocoa farmers also cannot benefit from the financial allocations for the use of the fertilizer that are not suitable for cocoa crops.

With the availability of cocoa-specific fertilizers, the stakeholders expect for increasing production, farmland intensification, and no conversion of new land functions (especially in forest and conservation areas); which will support protected areas.

Since its establishment, the Cocoa Sustainability Partnership (CSP) has emphasized the need for a specific formula in Indonesia that can be delivered through cocoa fertilizer. Since the initial introduction of this commodity, there has never been an initiative to create the most recommended formula as a fertilizer substitute of soil nutrients for this crop.

In 2006, CSP initiated the small step. Through the recommendations from a series of discussions, the need for cocoa-specific fertilizer began to emerge. One of the initiatives undertaken was establishing a special task force mandated to gather information and managing available resources to find the best solutions to replace the lost nutrients in cocoa farms. With the full support of its members, CSP succeeded in building the initial foundation by bringing together members' representatives to discuss further interventions in replacing soil nutrients. The new unit was called the Agro-input and Planting Material Task Force which consists of cocoa and soil experts to collect a set of scattered puzzles obtained from the lessons learned by various actors in the sustainable

cocoa sector and the experience of farmers in overcoming the soil nutrients loss over the years.

In 2017, this task force generated encouraging results. At the CSP General Assembly, a document entitled Recommended Ratio of Fertilizer Formula as Nutrient Substitute was presented to external parties. The document presented the recommended formula in producing specific fertilizers to overcome the issues of soil fertility and lack of soil nutrients in cocoa farms. The general meeting participants warmly welcomed the results of the hard work and a series of task force studies.

After the documents and recommendations were made public, the next stage required even more solid commitment. The Cocoa Sustainability Partnership, as a national association for sustainable cocoa development in Indonesia, must establish stronger coordination and cooperation with other stakeholders, especially the central government. The main target was advocacy for decision-makers to ensure the recommended formula can be produced into specific fertilizer for smallholder cocoa farmers in Indonesia. This was indeed a more challenging effort which required a substantial amount of resources as there had been no cocoa-specific fertilizer provided by the government beforehand. If this effort was successful, it would be a milestone in the history of agriculture and farming in Indonesia in the provision of cocoa-specific fertilizers with suitable and recommended formula to overcome the soil nutrient loss issues.

With the full support of its members, CSP held a series of meetings with the central government, especially the Ministry of Agriculture, the Coordinating Ministry for Economic Affairs, and state-owned fertilizer companies. The coordination and cooperation were aimed to convince the decision-makers to produce a cocoa-specific fertilizer based on the formula invented by CSP members over years of proven field experience.

Eventually, the long dream came true! The Ministry of Agriculture approved and mandated the state-owned fertilizer companies to produce cocoa-specific fertilizer according to CSP recommended formula. The Coordinating Ministry for Economic Affairs then extended the achievement by expressing their commitment to allocate national budget for fertilizer distribution subsidies. This achievement was the fruit of the dedication and hard work of CSP and its members. The PT. Pupuk Kalimantan Timur, member of PT. Pupuk Indonesia Holding Company, then produced the cocoa-specific fertilizer and the central government will allocate a budget for the subsidy scheme!

Considering this initiative is a joint effort to increase the national cocoa production and the welfare of smallholder cocoa farmers in the archipelago, several CSP members, especially the Rainforest Alliance, Yayasan Inisiatif Dagang Hijau, and Rikolto, provide a resource to support the acceleration of delivering these benefits. Moreover, the central government will implement the first phase of this national program in

several districts in Sulawesi in the 2019 fiscal year. The Cocoa Sustainability Partnership must also build cooperation with local governments in collecting data on cocoa farmers as beneficiaries in accessing subsidized cocoa-specific fertilizers during the pilot distribution and implementation period.

Resources provided by CSP members were used to assist and support several districts that have been designated as target areas. In South Sulawesi Province, there were four districts, i.e. Luwu, East Luwu, North Luwu, and Pinrang. In Central Sulawesi Province, the pilot districts for subsidized cocoa fertilizer were Poso and Parigi Moutong. During the implementation period, the total area of the community's cocoa farmers reached were approximately 30,000 hectares with the amount of fertilizer distributed around 17,000 metric tons and more than Rp. 84.66 billion of the government budgets allocated as a subsidy in the 2020 fiscal year.

In addition to full support and coordination with the relevant ministries, the Cocoa Sustainability Partnership also advocates and is actively involved with the government in budgeting for the allocation of cocoa-specific fertilizer subsidies. After a coordination meeting with the government on June 28, 2019, in the Deputy for Food and Agriculture's Meeting Room, the Coordinating Ministry for Economic Affairs, the Directorate of Fertilizers and Pesticides, the Directorate General of Agricultural Facilities and Infrastructure, the Ministry of Agriculture, have issued an official letter to the President Director of PT. Pupuk Indonesia Holding Company on July 17, 2019. The letter No. 301/SR.320/B.5.2/07/2019 was a mandate to PT. Pupuk Indonesia Holding Company to produce and distribute subsidized cocoa-specific fertilizer in 2019. The national fertilizer company then appointed PT. Pupuk Kalimantan Timur to produce it before September 2019.

CSP anticipated the change in the Ministry of Agriculture's structure at the end of 2019 by proposing to meet directly with the new Minister of Agriculture. Finally, CSP (and some of its members) attended a special meeting with the new Minister and accompanied by the Secretary-General of Estate Crops on November 27, 2019.

At the special meeting, CSP presented the priority of sustainable cocoa development in Indonesia through subsidized cocoa-specific fertilizer allocations and cocoa seed logistics. The results of hard work were achieved with the strong support of the Yayasan IDH, CSP and central government, by issues of ministries decree through the Minister of Industry regulation No. 52/2019, and the Minister of Agriculture regulation No. 01/2020 concerning the Allocation and Highest Retail Price of Subsidized Fertilizers in the Agricultural Sector for the 2020 Budget Year..

The central government through the Ministry of Agriculture requested CSP to ensure the distribution of this subsidized cocoa-specific fertilizer can be utilized by the right cocoa farmers with some criteria predetermined by CSP, and provide evidence on the increase farm production, and eventually will generate a real contribution to the increase of national cocoa export.

If the 2020 initiatives can be successful, there is a possibility to be further developed (at least to reach around 200,000 cocoa farmers) in Sumatra region (Aceh, West Sumatra and Lampung), Kalimantan (West Kalimantan and East Kalimantan), Papua (Papua and West Papua), and other centres of cocoa production in Indonesia. At the same period, this year CSP also started to facilitate the development of a demonstration farm for the use of this cocoa-specific fertilizer in Sumatra, Kalimantan and Papua.

The first phase implementation of the initiative is aimed to provide adequate access for smallholder cocoa farmers to cocoa-specific fertilizers. After the pilot project, the initiative to provide subsidized cocoa-specific fertilizer will be widely applied and nationally distributed to other cocoa-producing regions in Indonesia. CSP and its members believe with the support of the Rainforest Alliance, its influence will be widespread and improve the welfare of cocoa farmers and the cocoa community through increasing national cocoa production.

CSP believes that by working hand in hand, the change in the welfare of the cocoa farmers and community will be more profitable, and the development of sustainable cocoa production will be more feasible. In pursuing this, CSP requires coordination and full support from cocoa stakeholders.



30,000
hectares



17,000
metric tons



Rp. 84,660
Billion
government budget allocation



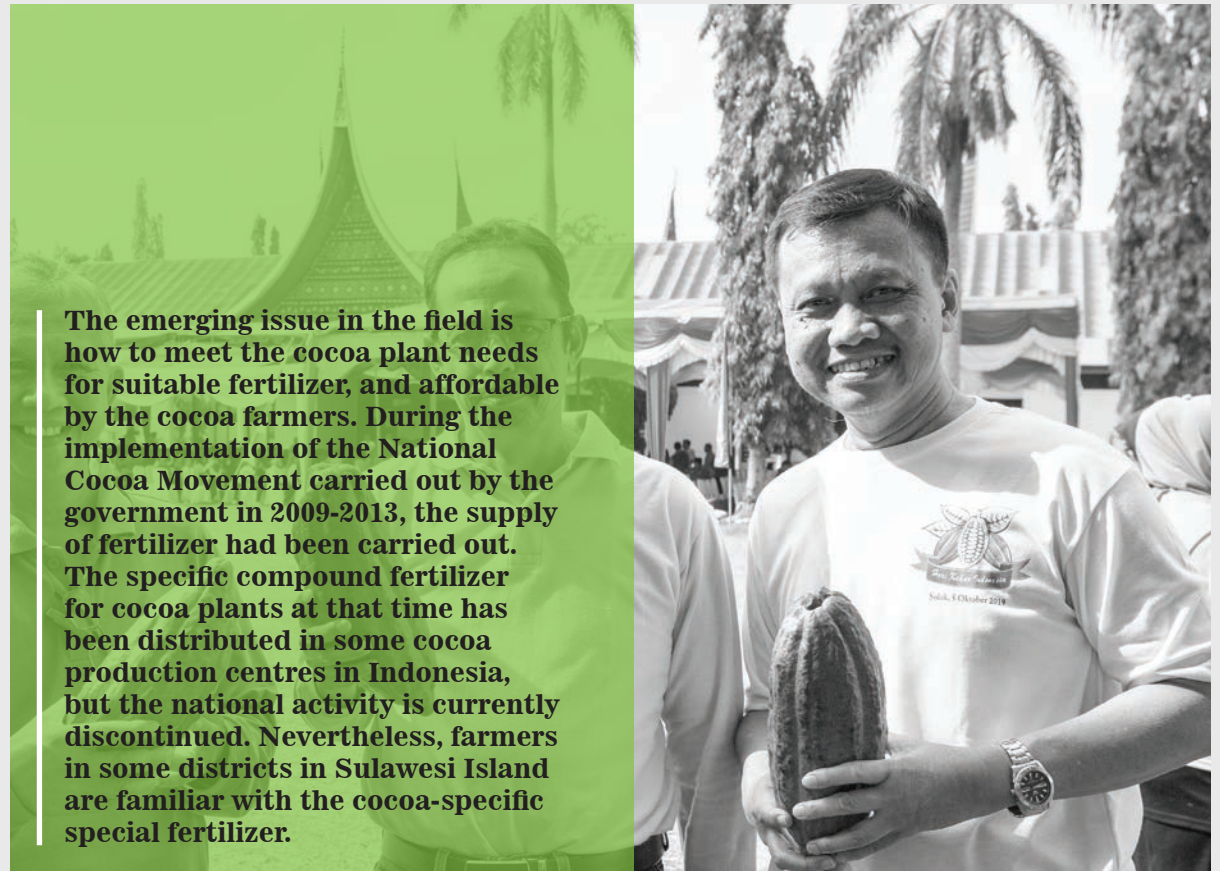
Insight

How Proper Fertilization Can Increase Cocoa Production?

Do You Need to Fertilize Cocoa Plant?

Dr. Ir. Soetanto Abdoellah, SU.

The emerging issue in the field is how to meet the cocoa plant needs for suitable fertilizer, and affordable by the cocoa farmers. During the implementation of the National Cocoa Movement carried out by the government in 2009-2013, the supply of fertilizer had been carried out. The specific compound fertilizer for cocoa plants at that time has been distributed in some cocoa production centres in Indonesia, but the national activity is currently discontinued. Nevertheless, farmers in some districts in Sulawesi Island are familiar with the cocoa-specific special fertilizer.



Such questions need a twofold answer. It may or may not be needed. If needed, further questions will emerge. How much fertilizer is needed and what type of fertilizer should be used?

Cocoa plant, like other plants, really needs additional nutrients to sustain its growth. The majority of nutrition and nutrients are obtained from the soil absorbed by the roots. If the soil nutrient status is already high, or very high, then fertilization is not necessary needed. Fertilizer application can be performed to maintain a sufficient level if the soil nutrient is adequate. To reach the level of sufficiency, fertilizer is needed on soils with very low nutrients.

Then how to find out whether the nutrients in the soil are in excess, sufficient, or lacking conditions? The most accurate method is doing soil analysis in a laboratory. Farmers can take soil samples from their farms to the nearest soil laboratory to request an analysis and obtain the results of the analysis. In general, nutrients needed by plants include macronutrients (required in large quantities) and micronutrients (in smaller amounts). The macronutrients are nitrogen (N), phosphorus (P), potassium (K), calcium (Ca), magnesium (Mg), and sulfur (S); while the micronutrients are zinc (Zn), manganese (Mn), iron (Fe), copper (Cu), boron (B), molybdenum (Mo), and chlorine (Cl). The limit or threshold of the adequacy of each of these nutrients is discussed below.

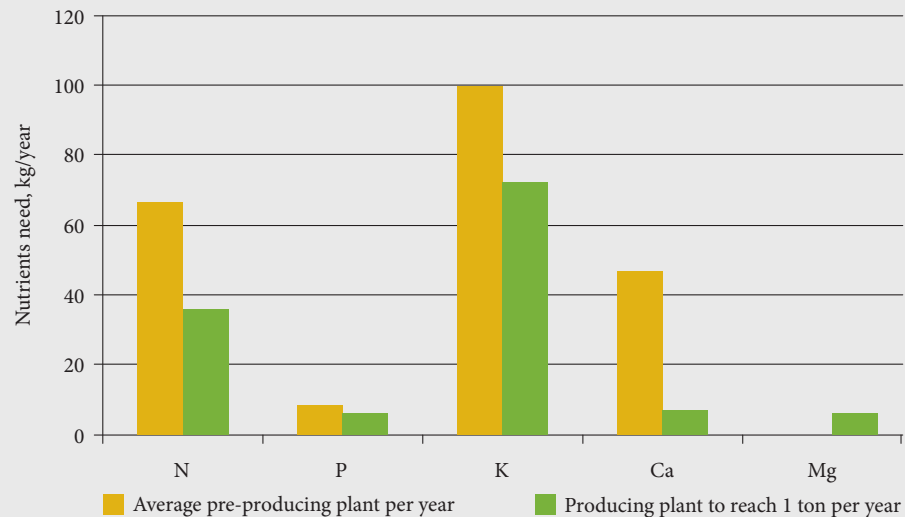
After the results of the soil analysis have been obtained and the nutrients condition in the soil is identified, the next step is finding out how much nutrients must be added to reach the adequacy threshold. To grow the tree frame and canopy before the productive phase, one hectare of cocoa plant with a population of 1,000 trees per hectare requires 200 kilograms of nitrogen, 25 kilograms of phosphorus, 300 kilograms of potassium, and 140 kilograms of calcium. In other words, during the immature plant phase, with a plant age of around 2-3 years, these elements are needed by cocoa plants. After the plant has entered the production phase, to obtain 1,000 kilograms of dried cocoa beans in one hectare requires nutrients about 36 kilograms of nitrogen, 6 kilograms of phosphorus, 72 kilogram kalium, 7 kilogram calcium, and 6 kilogram magnesium.

Adequacy Threshold of Some Nutrients in the Soil

Nutrient, Unit	Very Low	Low	Medium	High	Very High
Nitrogen (N), %	<0.1	0.1 - 0.2	0.2 - 0.5	0.5 - 1.0	>1.0
Phosphorus (P) Bray method, ppm		<15	15 - 50	>50	
Olsen's Phosphorus (P) method, ppm		<5	5 - 15	>15	
Potassium (K), me/100 g		<0.2	0.2 - 0.8	>0.8	
Calcium (Ca), me/100 g		<4	4 - 10	>10	
Magnesium (Mg), me/100 g		<0.2	0.2 - 0.5	>0.5	
Sulfur (S), ppm		<3	3 - 12	>12	
Boron (B), ppm	<1	1 - 1.5	1.5 - 3	3 - 6	>6

In summary, the balance of nutrients needed by cocoa plants to provide maximum results, whether in the pre-producing or producing phase, is presented in the above histogram. The histogram shows that during the pre-production periods, the balance of elements required by cocoa plants is the same, i.e. more nitrogen and potassium, and less of other elements.

Nutrients needed by Cocoa Plants



The emerging issue in the field is how to meet the cocoa plant needs for suitable fertilizer, and affordable by the cocoa farmers. During the implementation of the National Cocoa Movement carried out by the government in 2009-2013, the supply of fertilizer had been carried out. The specific compound fertilizer for cocoa plants at that time has been distributed in some cocoa production centres in Indonesia, but the national activity is currently discontinued. Nevertheless, farmers in some districts in Sulawesi Island are familiar with the cocoa-specific fertilizer.

Currently the Ministry of Agriculture, together with the Cocoa Sustainability Partnership, Indonesian Coffee and Cocoa Research Institute, and PT. Pupuk Kalimantan Timur is striving to provide compound fertilizer with a balanced element suitable with the cocoa plant needs and affordable by farmers. This activity is being carried out in two cocoa centre provinces, South Sulawesi and Central Sulawesi. It is expected that in the coming years the supply of cocoa specific formula of fertilizers can be evenly distributed in all provinces in Indonesia. Therefore, farmers can easily obtain and buy fertilizers on the market, which in turn will support the increased productivity of Indonesian cocoa plants.





Model Farmer from Pinrang

Cocoa Life Mondelēz International

BARRY CALLEBAUT

KEBUN CONTOH KELOMPOK TANI BACUKIKI JAYA

Nama Petani (ID) : Muh. Ali S (05-001-017) Aplikasi GAP Kakao : PSPPP

Luas Kebun : 0,25/1,30 Ha - Pemangkasan

Lokasi : Kel. Kassa, - Sanitasi

Kec. Patampanua - Pemupukan

Klon : S1, S2, MCC01 & - Panen Sering

MCC02 - Pengendalian Hama & Penyakit

Intercropping :-

Tanaman Penaung: Gamal & Pisang

Tipe Kebun : Sambung Pucuk

Tahun Tanam : 2016

FF Pendamping : Abd. A.

Applying good farming practices will only increase production by 20%. After using the NPK fertilizer, the cocoa plant growth showed a significant improvement. Among others, the cocoa leaves are wider and greener, flowers and fruits are thicker, and beans are fuller. Briefly speaking, by using Pelangi NPK 12-12-17, cocoa production has increased by 50%.

Latitude : -3.704877
Longitude : 119.601612

Keterangan

- Kakao
- Gamal
- Lokasi kebun

Muh. Ali S is a *petani teladan* (model farmer), a member of the Bacukiki Jaya Farmers Group in Kassa Village, Batulappa Sub-district, Pinrang District, with demo farm of 0.25 Ha out of his total 1.3 Ha farmland. The total population of cocoa plants for an area of 1.3 hectares is around 1,300 trees and the population of cocoa plants in the demo farm is 256 trees. The types of clones planted are MCC 01, MCC 02, Sulawesi 1, and Sulawesi 2. Pak Ali S's farm was planted with cocoa in 2016. From 2016 to 2018, Pak Ali S's cocoa was fertilized using Urea, ZA and sometimes NPK Phonska. In addition to the chemical fertilizer, he sometimes also uses organic fertilizer at a dose of 3-5 kg/tree.

Pak Ali joined and attended a field school about good cocoa farming practices held by the Cocoa Life program in 2017, a year after his farm was selected to become a demo farm. In addition to the field school, he participated in the activities organized by Cocoa Life such as training on Musrenbang (village development planning) and child labour awareness-raising. In 2018, with fertilization cooperation, due to the collaboration program between Mondelez and Barry Callebaut and PT. Pupuk Kaltim, Pak Ali began to adopt NPK Pelangi 12-12-17.

What about the price and availability of subsidized fertilizer? According to Pak Ali, the price of subsidized chemical fertilizers such as Urea, ZA, and NPK Phonska is cheaper and more affordable compared to non-subsidized fertilizers. Yet they are often difficult to get timely. The price of subsidized chemical fertilizers per bag (50 kg) such as Urea ranges from Rp. 100,000 - Rp. 120,000, ZA is around Rp. 90,000 - Rp. 110,000, NPK Phonska ranges between Rp. 120,000 - Rp. 135,000. These subsidized chemical fertilizers depend on the availability of fertilizer at the kiosk or agent and sometimes they are not available during the time of the fertilizer schedule. The non-subsidized chemical fertilizers are more easily obtained but the price is quite expensive, between Rp. 350,000 to Rp. 400,000 per bag.

According to Pak Ali, applying good farming practices will only increase production by 20%. After using the NPK fertilizer, the cocoa plant growth showed a significant improvement. Among others, the cocoa leaves are wider and greener, flowers and fruits are thicker, and beans are fuller. Briefly

speaking, by using Pelangi NPK 12-12-17, cocoa production has increased by 50%.

Muh. Ali S said further that the main obstacle to increasing production was the absence of a cocoa-specific fertilizer formula such as NPK Pelangi 12-12-17. One of the activities that are very important to increase cocoa production is the right fertilization formula. As mentioned above, beforehand farmers adopted fertilizers such as Urea, ZA and NPK Phonska with different and non-recommended dosages. According to Muh. Ali S before using the NPK Pelangi fertilizer with a specific formula for cocoa, the increase in cocoa yield was insignificant.

In addition to Cocoa Life program is being extended, Ali also hopes the cocoa commodity to be sustainable. With the support of all parties, both from the government, Mondelez International, Barry Callebaut, PT. Pupuk Kaltim and others the triumph of cocoa can be regained. He expects the subsidized cocoa-specific fertilizer will soon be distributed so the enthusiasm of cocoa farmers increases and cocoa farmers prioritize cocoa farming business over other commodities, especially in Pinrang District and more specifically in the Cocoa Life Program area today.



We still have a long way to go to meet the target of 2030, and there are still many changes we must face going forward that we have not touched on, including the issue of deforestation, access to farmer finance, and adoption of Good Agriculture Practice.

Note

Supervisory Board Chairman

Time flies and now we are in 2020. This is a very important year for CSP because we have aimed for this year to reach the road map targets we developed about seven years ago. The goal was a growing and sustainable Indonesian cocoa sector, by doubling the productivity of the farms and making cocoa a profitable business form for farmers and attracting the younger generation to become the next generation of successful cocoa farmers. Two years ago, we realized the target would be difficult to achieve entirely by 2020. This was especially as we see notice the continuously declining national trend of production and more farmers were abandoning the cocoa sector.

Based on the new strategy too, we decided to relocate the CSP Secretariat from Makassar to Jakarta, to ensure more effective and sustainable coordination and cooperation with multi-parties at the central level. This decision is now proved to be one of the turning points of CSP. Thanks to the leadership of the CSP Executive Director, Wahyu Wibowo and the secretariat office team, and the full support of all CSP members, we can now see CSP at a new level, by being a reliable partner, and connecting aspirations of its members. We can already see some encouraging results, with advocacy and support from the government for the cocoa fertilizer program, as well as the seed logistics program, which are expected to increase farmers' access to good agricultural input. It is indeed part of our efforts to ensure the

program is right on target and effective, and above all, can truly provide optimal benefits for our cocoa farmers to increase farm productivity and the welfare of the cocoa farmer's family.

However, we still have a long way to go to meet the target of 2030, and there are still many challenges we must face going forward that we have not touched on, including the issue of deforestation, access to farmer finance, and adoption of Good Agriculture Practice. 2020 is also a year full of turbulence. The COVID-19 pandemic emerged as a new challenge that we had never expected before, and has caused many negative impacts in almost all sectors of the economy throughout the world, including the cocoa sector. But we remain optimistic that this pandemic shall soon pass and we can refocus on what we are targeting together, for Indonesia's growing and sustainable cocoa sector.

Together we can get through this and achieve what we aspire.

Chandra Panjiwibowo

Achievement

Challenge of Mutual Agreement about Data Measurement

Anyone who has had contact with the Cocoa Sustainability Partnership (CSP) for the past few years will notice that measuring data between members is an ongoing issue. As an association, CSP's value is assessed based on its neutrality in facilitating the data measurement and sharing among its members to prepare data collection instruments and to aggregate data. However, this kind of data has been very difficult to collect from members. In August 2019, CSP Supervisory Board agreed to conduct data measurements as agreed by the members during the General Assembly Meeting.

The achievement of this joint agreement is related to a capacity-building program that enables CSP Secretariat to build relationships with the government. It also demonstrates its ability to facilitate members' concerted efforts to resolve issues related to sustainable cocoa development in Indonesia. This is especially the case with the capacity building activities related to communication skills, and some key achievements in 2019.

In general, the measurement results collected from members are based on two main parts, the Professional Farmer Package and Enabling Environment. The data collected is managed by CSP Secretariat every semester, and presented in an aggregated data format.

**150,184**

Facilitated Farmer

**177,972**

Farmer's Land Area

**136,840,101**

Tree Population

Professional Farmer Package

Cocoa Tree with Appropriate Fertilizer

14,236,078
Tree

13,597
Hectare

Clonal Cocoa Used

10,714,991
Seedling

Productivity

0,68
Kg/Tree

717
Kg/Ha

Trained Farmer

141,517
Farmer

Farmer Adopted Professional GAP

47,987
Farmer

Enabling Environment

Farmer with Eligibility Criteria for Loan

39,427
Farmer

Distributed Cocoa Business Loan for Youth

167
Youth

Farmer with Diversification Plan

62,898
Farmer

Cocoa Farm Defined by Polygon and Not Located in the Protected Forest and Conservation Area

78,884
Farmer

Cocoa Sustainability Partnership in a Year

2019

January

- Program coordination with the Ministry of Agriculture, particularly the adoption of a national cocoa curriculum, development of seed garden and planting materials in national cocoa production centres, and subsidized cocoa-specific fertilizers.
- Data Measurement Agreements are agreed and signed by CSP members.
- Election of Chairperson and Treasurer of the Supervisory Board.



February

- Coordination with local governments for the development of a Definitive Plan (e-RDKK) for subsidized cocoa-specific fertilizer.



March

- Directorate of Fertilizers and Pesticides, Directorate General of Agricultural Infrastructure and Facilities, Ministry of Agriculture of the Republic of Indonesia approved 6 (six) districts in South Sulawesi and Central Sulawesi Provinces as pilot areas for distribution and implementation of subsidized cocoa-specific fertilizer.
- Financial and Administrative Audit 2018 by RSM International.



December

- General Assembly Meeting: *Strategic Commando of Agricultural Development (Kostra Tani) as Government Support in Developing the Sustainable Cocoa Sector in Indonesia.*
- Focus group discussion on planting material and seed logistics at the Ministry of Agriculture.



November

- Member of the Steering Board at The Indonesian International Cocoa Conference VII.
- Meeting with the Minister of Agriculture.
- Pre-focus group discussions about planting material and seed logistics at Balittri.
- Supervisory Board Meeting.
- Internal Control Audit 2019 by RSM International.



October

- CSP submitted data of professional nurseries under CSP's members supervision to the Directorate of Plantation Seeds, Directorate General of Estate Crops, Ministry of Agriculture.
- Statutory Audit 2018 by RSM International.



April

- Meeting with Deputy for Food and Agriculture, Coordinating Ministry for Economic Affairs.
- Focus group discussion on the Definitive Plan (e-RDKK) which was attended by 4 (four) provincial agriculture offices and 17 (seventeen) regional agriculture services in the Sulawesi region.
- Continued coordination with 6 (six) local governments as a trial area for the distribution and application of subsidized cocoa fertilizer.
- Fertilizer distribution permit issued.
- General Assembly Meeting: *Delivery Input and Finance to Enable Farmer Business Case.*
- Supervisory Board Meeting.

May

- Specific cocoa fertilizer based on CSP recommendations was successfully registered and passed the Indonesian National Standards.

June

- CSP gained support from the district heads (Poso, East Luwu, North Luwu, and Luwu) through official letters to the Minister of Agriculture requested for the allocation of subsidized cocoa-specific fertilizer.

September

- General Assembly Meeting: *Stakeholders Effort to Drive Cocoa Sustainability.*
- Announcement of new CSP members (Keling Kumang and PT. Pupuk Kalimantan Timur).

August

- BPKP conducted a preliminary study of the highest retail price of subsidized cocoa special fertilizer in South Sulawesi Province.

July

- Advisory Board and Supervisory Board meetings.
- The Ministry of Agriculture through the Directorate of Fertilizers and Pesticides issued a letter to PT. Pupuk Indonesia Holding Company to produce subsidized cocoa-specific fertilizer.



All the indicators above show that the Indonesian cocoa sector is still promising and must be developed for further growth, more concrete, more measurable, more responsible, and more collaborative ideas and initiatives for implementation.

Letter

Executive Director

This year, the support from cocoa stakeholders to CSP has experienced an encouraging increase through direct and indirect contributions to the development of sustainable cocoa in Indonesia.

CSP members are satisfied and granted their trust to the CSP Secretariat to manage data governance regarding the achievement of key performance indicators; and stronger coordination and involvement in every activity in promoting and directing examples of smart practices for sustainable cocoa development in Indonesia. The central government also expressed their interest to collaborate in achieving goals and share experiences in applying fertilizer and planting material initiatives so far. Existing donors are also interested in partnering and providing their support during this reporting period.

All the indicators above show that the Indonesian cocoa sector is still promising and must be developed for further growth, more concrete, more measurable, more responsible, and more collaborative ideas and initiatives for implementation.

Thank you to our Supervisory Board members, Chandra Panjiwibowo (Chairperson of the Supervisory Board), and Fay Fay Choo (Treasurer) and other members who always provide constructive support and criticisms. Thanks to our donors (Rainforest Alliance, RIKOLTO, Yayasan Inisiatif Dagang Hijau, SCPP-Swisscontact, and the Directorate of Perennial Crops and Beverages, Directorate General of Estate Crops, Ministry of Agriculture of the Republic of Indonesia) and new members of CSP (PT. Pupuk Kalimantan Timur and TMCI-ECOM Trading).

Thank you,

Wahyu Wibowo

Financial

Financial Statement

Revenue Summary

Carry Over 2018	Rp. 238,320,000
Membership	Rp. 1,644,210,416
Donor	Rp. 1,204,308,044
Additional Funding	Rp. 169,034,558
In-kind Contribution	Rp. 16,500,000
Total	Rp. 3.272,373,018

Expenses Summary

Focus I: Roadmap Implementation	Rp. 411,438,012
Focus II: Members and Stakeholders Engagement	Rp. 158,904,165
Focus III: Effectiveness of Platform	Rp. 899,984,435
Focus IV: CSP Secretariat	
IV.1. Overhead Cost	Rp. 1,383,006,398
IV.2. Office Operational Cost	Rp. 281,507,232
Total	Rp. 3,134,840,242

Partnership

Cocoa Sustainability Partnership Members



Recognition

Acknowledgement

Advisory Board

Coordinating Ministry of Economic Affairs
Ministry of Agriculture
Ministry of National Development Planning
Indonesian Coffee and Cocoa Research Institute
Indonesian Cocoa Association
Indonesian Cocoa Board
Provincial Government of West Sulawesi
Provincial Government of South Sulawesi
Provincial Government of Central Sulawesi
Provincial Government of Southeast Sulawesi
IPB University
Hasanuddin University

Supervisory Board

Yayasan Inisiatif Dagang Hijau
Rainforest Alliance
Rikolto

Swisscontact
Barry Callebaut
Mars
Olam Cocoa
Nestle
Mondelēz International

General Assembly Member

Yayasan Kalimajari
Keling Kumang Group
World Cocoa Foundation
Cargill

Regional Cocoa Forum

Forum Kakao Aceh
Forum Kakao Kolaka
Forum Kakao Sumatera Barat

Forum Komunikasi Kakao Sulawesi Tengah
Forum Masyarakat Kakao Luwu Raya

Government Institution

Ministry of Industry
Ministry of Trade
*Deputy of Food and Agriculture Affairs,
Coordinating Ministry of Economic
Affairs*
*Directorate General of Estate Crops, Ministry
of Agriculture*
*Directorate of Perennial Crops and
Beverages.*
*Directorate General of Agriculture
Facility and Infrastructure, Ministry of
Agriculture*
*Agency for Agricultural Extension and
Human Resource Development, Ministry
of Agriculture*



*Indonesian Industrial and Beverage Crops
Research Institute, Ministry of Agriculture*

*Indonesian Agency for Agricultural Research and
Development, Ministry of Agriculture*

Provincial Government of South Sulawesi Province

*Provincial Plantation and Agriculture Office of
South Sulawesi Province*

*District Government of Luwu,
South Sulawesi Province*

*District Plantation and Agriculture Office of
Luwu, South Sulawesi Province*

*District Government of East Luwu,
South Sulawesi Province*

*District Plantation and Agriculture Office of East
Luwu, South Sulawesi Province*

*District Government of North Luwu,
South Sulawesi Province*

*District Plantation and Agriculture Office of North
Luwu, South Sulawesi Province*

*District Government of Pinrang,
South Sulawesi Province*

*District Plantation and Agriculture Office of
Pinrang, South Sulawesi Province*

*Provincial Government of Central Sulawesi
Province*

*Provincial Plantation and Agriculture Office of
Central Sulawesi Province*

*District Government of Poso, Central Sulawesi
Province*

*District Plantation and Agriculture Office of Poso,
Central Sulawesi Province*

*District Government of Parigi Moutong, Central
Sulawesi Province*

*District Plantation and Agriculture Office of Parigi
Moutong, Central Sulawesi Province*

*Provincial Government of Southeast Sulawesi
Province*

*Provincial Plantation and Agriculture Office of
Southeast Sulawesi Province*

*District Government of Kolaka, Southeast
Sulawesi Province*

*District Plantation and Agriculture Office of
Kolaka, Southeast Sulawesi*

*District Government of East Kolaka, Southeast
Sulawesi Province*

*District Plantation and Agriculture Office of East
Kolaka, Southeast Sulawesi*

*District Government of North Kolaka, Southeast
Sulawesi Province*

*District Plantation and Agriculture Office of North
Kolaka, Southeast Sulawesi*

State-Owned Bank Association

PT. Bank Rakyat Indonesia (Persero) Tbk.

Association

Partnership for Indonesia Sustainable Agriculture

Cocoa Association of Asia



Cocoa Sustainability Partnership
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