Establishing Our Roots
Preparing to Grow

Cocoa Action
Annual Report 2015

World Cocoa Foundation
CocoaAction is a voluntary industry-wide strategy for a rejuvenated and economically viable cocoa sector.

The CocoaAction vision is a transformed cocoa sector that offers a profitable way of life for professionalized and economically empowered cocoa farmers and their families, while providing a significantly improved quality of life for cocoa growing communities.
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LAUNCHED IN 2014, CocoaAction is a voluntary industry-wide strategy that aligns the governments of Côte d’Ivoire and Ghana, the world’s leading cocoa and chocolate companies, and key stakeholders on priority issues in cocoa sustainability.

CocoaAction convenes the sector to build an economically viable and sustainable cocoa industry by:

- Aligning on priority issues
- Enabling scale through common interventions and an agreed upon framework for measuring results
- Employing a holistic focus on the farmer and his or her community

We at the World Cocoa Foundation (WCF) are the strategy holders for CocoaAction, facilitating the implementation of this voluntary industry-wide strategy, driving alignment and generating new insights to amplify its impact.

An Inclusive, Replicable Model

The CocoaAction strategy functions through the following process:

1. Chocolate and cocoa companies make individual commitments around aligned priority issues…
2. …where systemic and non-competitive issues are identified, and solutions are designed to jointly tackle them…
3. …and are embodied in shared activities and agreed upon results…
4. …where industry commits to specific targets…
5. …and shares and acts upon results, best practices, and failures in a supportive learning culture.
6. Industry takes the lead but works closely with other stakeholders to design and implement complementary activities…
7. …in close coordination with governments and other local stakeholders, and working with other relevant multistakeholder initiatives…
8. …with WCF as the holder of the umbrella strategy.

Companies agree on non-competitive activities and align their actions across two main areas, focused on productivity and community development.
CocoaAction is organized around eight work streams, thematic areas where companies identified priority areas in which to intervene. CocoaAction companies lead these work streams and employ their expertise to carry out intervention activities in partnership with the governments of the Côte d’Ivoire and Ghana. 2015 saw progress across all of the eight work streams (see page 6 for a list of 2015 highlights for each one).

In 2015, CocoaAction companies reached a major milestone: agreeing to a finalized common results measurement framework and key performance indicators (KPIs)—which will allow us to measure progress and support learning related to the CocoaAction strategy (read more on page 18). In 2016, companies began establishing this framework, and will report on the set of aligned indicators to test hypotheses and make continuous improvements. By aligning to shared activities and indicators, we see potential for broader adoption of the framework, as well as learning and impact across the sector at an unprecedented scale.
WELCOME TO THE FIRST
CocoaAction Annual Report, an important step in ensuring transparency and accountability about the results and performance of the World Cocoa Foundation (WCF).

CocoaAction is an ambitious strategy designed to accelerate public-private partnership for sustainability in the cocoa sector. In the pages that follow, I hope you will find that, despite challenges and the enormity of the task before us, all of the partners and stakeholders behind CocoaAction can rightly be proud of the advances we made in 2015.

We recognized last year our place in the larger, global context of sustainability, and we pulled in technical experts from industry, governments, and research organizations, who brought best practices to the table to help us strengthen our strategy for creating sustainable livelihoods for cocoa farmers.

We finalized a results framework and key performance indicators, to measure our community development and productivity interventions, and published the CocoaAction Community Development Manual.

We deepened our cooperative relationships with Côte d’Ivoire and Ghana, and dedicated more resources to accelerating improved planting materials and fighting Cocoa Swollen Shoot Virus.

We reevaluated our approach to child labor and committed to a dual strategy that addresses the problem both in supply chains and in cocoa communities.

I am confident that the future of this sector is brighter, and will continue to grow even brighter, because of the CocoaAction strategy and commitment of all partners to enhance collaboration. As you have seen from our roadmap, we have established three priorities moving forward:

First, we need to scale up our coverage and demonstrate results.

We are currently reaching about 300,000 farmers in the start-up phase, less than 5% of total global producers.

What will it take to embrace a more ambitious goal? Our roadmap provides an approach to increasing our efforts so that they reach more farmers in more locations.

Second, we need to tackle a broad set of issues to ensure sustainable livelihoods for cocoa farmers.

Productivity investments are critical to boost yields and farmer income—but this alone will not be enough to raise cocoa farmers above the poverty line. WCF, governments of cocoa-producing countries and other partners need to work together to ensure an effective agriculture policy framework and business environment that leads to poverty reduction, including support for farmer organizations, land tenure reform, and sustainable provision of agricultural inputs and services.

Third, we need to build strong partnerships with all stakeholders in the supply chain.

I am extremely excited about the scope for deepening collaboration of industry with origin Governments, civil society organizations, international organizations like ICCO and ICI, international financial organizations, and other stakeholders.

I feel very fortunate to have taken the helm of an organization that is making a real difference in the lives of cocoa farmers around the world. As we reflect on the progress and challenges of 2015 and anticipate the future of CocoaAction, I will count on your input and feedback. This is a journey of transformation and change, and we will need to learn and adjust our course as we go—please continue to engage and advise us how we can make a greater difference in cocoa communities and in the sector overall.

Rick Scobey
WCF President
A Letter from Our Chairman

THANKS TO COCOAACTION

our entire industry shares the same vision for a sustainable future for cocoa for the first time. We will offer a profitable way of life for professionalized and economically empowered cocoa farmers and their families, while providing a significantly improved quality of life for cocoa-growing communities.

That is our agreed vision and—as you’ll read in this report—our member companies are implementing clear plans of action to move towards this vision.

It’s been my honor to work with a group of such dynamic, innovative companies. The collective influence and resources of WCF members are powerful—we’ve already begun to see the transformation that is needed to make cocoa a truly sustainable crop. Our maturing relationships and increased collaboration with origin country governments help to strengthen the work we’re doing in-country, ensuring real, long-term progress instead of short-term projects.

I am particularly energized by the four immediate priorities outlined by our President Rick Scobey:

• Scaling our approach to reach more farmers,
• Taking on more of the issues that must be addressed to ensure sustainable livelihoods for cocoa farmers,
• Continuing to strengthen and deepen our partnerships with all stakeholders in the cocoa supply chain,
• And anticipating the expansion of CocoaAction and the places where the strategy has been implemented for transformation of the sector as a whole.

Cocoa—one of West Africa’s most important crops—faces many serious challenges: aging trees and farmers, pests and disease, climate change, and a host of socioeconomic problems.

Concerted, collaborative action is needed to create systemic change. And that’s why CocoaAction was founded with a rallying call to the chocolate and cocoa industry to work together for change. Our ambitious commitment to initially reach 300,000 farmers in West Africa gives us a great start. A rigorous results framework will help us evaluate and optimize our interventions. And formalized agreements with the governments of Côte d’Ivoire and Ghana provide the enabling environment in which to implement our work.

We must move fast and increase our efforts to deliver impact at scale. Our long-term vision will clearly require more scale: more innovation, more companies, more partners, and more cocoa-growing countries involved in CocoaAction.

That’s why we invite input from more partners in government, industry and civil society. By collaborating openly and sharing a common vision, I am confident we can improve the lives of millions of farmers and create a sustainable, profitable cocoa industry for all.

Anticipating a bright future for cocoa,

Barry Parkin
WCF Chairman
Points of Progress

Agreements with Cocoa Producing Countries

In 2015, WCF announced agreements, or MOUs, on planting materials with both Côte d’Ivoire and Ghana. The agreement with the Ivorian government is aligned with Côte d’Ivoire’s Programme Quantité-Qualité Croissance (2QC—Quantity-Quality Growth) national cocoa strategy. It outlines a structure of collaboration, roles and responsibilities that will help implement Cocoa Swollen Shoot Virus (CSSV) screening, detection and breeding activities. Moreover, the agreement establishes a structure for the development of future activities. Current progress includes implementation of 15 trial projects looking at various propagation activities such as grafting technology, as well as an additional signed agreement that will kick off the development of in-house CSSV screening tools. WCF began developing its MOU with the Ghanaian government later in 2015, and finalized the MOU in early 2016. This agreement sets up a framework for the key areas of focus around CSSV strategy that will improve planting materials going forward, and also includes other elements, such as irrigation of cocoa seedling nurseries.

Soil Mapping

Due in part to decades of use, the soils of many West African cocoa farms are now depleted of vital nutrients. Because these deficits in soil nutrients are a critical hindrance to cocoa productivity and a threat to cocoa farmer livelihoods, CocoaAction companies and WCF partnered with the Cocoa Fertilizer Initiative in 2015 to support Côte d’Ivoire’s Centre National de Recherche Agronomique (CNRA—National Agricultural Research Center) in undertaking a soil mapping study to better understand soil conditions in the country’s cocoa producing areas. The findings of the study indicated large nitrogen deficiencies in some areas and significant variations in soil composition across Côte d’Ivoire. These results reinforced the need to develop tailored fertilizer recommendations for cocoa farms, rather than broad regional or national recommendations. This will help farmers who apply good agricultural practices optimize the impact of their fertilizer application and increase productivity.
Landscape Analysis

Over the summer of 2015, we conducted a landscape analysis of programs and approaches used by various civil society organizations to address the issues included in the CocoaAction community development package—education, child protection and women’s empowerment. CocoaAction companies wanted to understand current best practices and recommendations to learn from them and identify areas where our work overlapped with that of other organizations. Participants’ feedback was incorporated into the design of our community development monitoring and evaluation process, and many of the tools and resources they shared with us are in use in the community development work stream. For example, CARE International, a nonprofit that centers its efforts to save lives, end poverty, and achieve social justice on women and girls, provided guidance on women’s empowerment activities and will bring learnings from its implementation of those activities with Mondelēz back to WCF and CocoaAction companies.

Public Private Partnerships

Governments in both Côte d’Ivoire and Ghana continue to convene Public-Private Partnership Platforms—multi-stakeholder platforms that include governments, industry, donors, and civil society to align strategies and efforts in their respective countries. In Côte d’Ivoire, this is the Plateforme de Partenariat Public-Privé de la Filière Café-Cacao (the Cocoa-Coffee Sector Public-Private Partnership Platform) and in Ghana the National Steering Committee. In each country, technical committees with specific expertise are established around thematic issues such as education and child labor; women’s empowerment and youth; measurement and evaluation; and productivity. The platforms ensure alignment with the countries’ sustainability and national agricultural and rural development policies, while allowing participants to share knowledge and reinforce each other’s efforts. Because CocoaAction is aligned with national policies, many of these thematic focus areas overlap with our work streams. In some cases, WCF or CocoaAction company representatives lead the technical committees.
Points of Progress

Mobile Money Study

Although West Africa produces more cocoa than any other region in the world, many of its farmers still find themselves exclusively using cash for business transactions. In 2015, WCF worked with partner Strategic Impact Advisors (SIA), an expert in financial inclusion, to look at the use, movement and interest in mobile money of cocoa farmers throughout villages in Côte d’Ivoire and Ghana. The report indicates that while many farmers have begun to adopt mobile money for personal use, their long-held trust in cash—coupled with technical reliability and literacy issues—has slowed the adoption of mobile money for business use. Further work may focus on identifying issues within the cocoa payment chain, as well as building partnerships with mobile networks operators to increase the use and efficiency of mobile products.

Workshops

In 2015, WCF held a series of workshops in Côte d’Ivoire and Ghana to agree upon a vision, strategy and broad indicators for CocoaAction that companies will use to make and measure progress toward a rejuvenated and economically viable cocoa sector. These meetings focused on the productivity side of the CocoaAction strategy and activities—the adoption of good agricultural practices, recommended rehabilitation techniques and planting materials, and good soil fertility management practices. Meeting in person and in the field for three days led to drafted methodologies and minimum criteria for measurement, as well as deeper collaboration among CocoaAction companies. Additionally, the workshop revealed the importance of better coordination and communication within working groups.
Farmer Economic Model

Cocoa farms succeed or fail due to a variety of factors, many of which can be controlled by farmers themselves. To better understand what variables lead to income gains, we partnered with NewForesight, a Netherlands-based strategic consultancy with expertise in sustainable agriculture, to create a dynamic, interactive financial model. Using advanced analytics, the model evaluates the impact of variables such as farm size and replanting rates on outcomes, such as net income and yield. Early scenarios derived from the model emphasize the necessity of large-scale replanting and rehabilitation for aging farms, the importance of crop diversification and alternative sources of income, and the effects of policy issues like fertilizer cost. Ultimately, the model highlights some of the challenges CocoaAction companies will face in increasing incomes for cocoa farmers without supporting financing and interventions from governments, donors and stakeholders. In 2016, we are prioritizing work with origin governments and other partners to improve agriculture policy and the business environment for cocoa farmers.

CEN/ISO Participation

For the past two years, CocoaAction companies have worked closely with the European Committee for Standardization (CEN) and the International Standards Organization (ISO) to inform the new voluntary Draft ISO Standard for Sustainable and Traceable Cocoa, a new precedent and a major step forward for the future of cocoa sustainability. Cocoa will be the first internationally traded agricultural commodity to have an ISO sustainability standard associated with it. WCF has worked closely with certifiers and standards groups and has shared CocoaAction companies’ approach to productivity and community development.
CocoaAction in Context

The Imperative for Collective Impact
Sustainable Development Goals (SDGs)

In September 2015, world leaders adopted a new agenda at the United Nations Sustainable Development Summit. This agenda includes a set of 17 Sustainable Development Goals to help end poverty, fight inequality and injustice, and tackle climate change by 2030. Based on key lessons from the Millennium Development Goals (MDGs), the SDGs look to align origin governments and key stakeholders together on a path forward towards global progress.

Timothy S. McCoy, WCF Senior Director, adds: “The new SDGs reflect the lessons learned through the MDGs, build on the MDG successes, emphasize the central importance of shared responsibility through public-private partnerships and put all countries on track for a more prosperous, sustainable, and equitable world. So what we’re seeing now is that the MDGs have shifted from an aspirational goal, to one that is more and more focused through the SDGs on measurable impact.”

It is widely recognized that with an issue as complex as cocoa sustainability, one person, one organization or one company cannot transform the sector alone. More than that, cocoa sustainability is a global issue that needs global solutions involving multiple sectors.

WCF in Action: Aligning with the SDGs

Without collaboration between sectors, the SDGs would not be realistically achievable. Collective impact models such as CocoaAction bring the achievement of the SDGs within grasp.

CocoaAction has created a platform that brings together the public and private sectors for collaboration on fundamental development challenges within the cocoa sector. Specifically, CocoaAction intersects with the global goals of sustainable agricultural production, poverty reduction, and gender equality, among others.

The remaining SDGs also play a role in the ultimate CocoaAction vision of a sustainable cocoa sector—CocoaAction companies and civil society are beginning to implement activities on issues not yet included in the CocoaAction strategy, including environment and climate change, water, sanitation and hygiene, maternal health, and nutrition. In this way, the collective efforts
of CocoaAction companies and stakeholders can have a greater global impact.

Jeanne Murphy, Ferrero Institutional Affairs Director said: “Collective action—integrated collective action—will go a lot farther and will unlock the limitations of a single company of scaling impacts.”

Nira Desai, Director, CocoaAction said: “We always go back to why the companies came together and started CocoaAction—the companies recognized that they were not making enough progress on cocoa sustainability through independent efforts. While there is a clear business imperative for these companies to work together, they are also genuinely committed to cocoa sustainability and deeply involved in the lives and communities of farmers.” *(FSG, 2016)*

Continuing to engage with origin governments and key stakeholders will be key to aligning with the SDGs and balancing successful short-term implementation with long-term strategy.

**Roadmap to Success: a Commitment to the SDGs**

<table>
<thead>
<tr>
<th>SDGs</th>
<th>CocoaAction Results Framework for Farmers</th>
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<tbody>
<tr>
<td>1.5</td>
<td><strong>Productivity</strong></td>
</tr>
<tr>
<td>Build resilience against climate related extreme events</td>
<td>1.1</td>
</tr>
<tr>
<td>Double agricultural productivity</td>
<td>2.3</td>
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<tr>
<td>Ensure sustainable food production systems</td>
<td>2.4</td>
</tr>
<tr>
<td>Strengthen adaptive capacity to climate-related hazards</td>
<td>13.1</td>
</tr>
<tr>
<td>Improve awareness on climate change mitigation</td>
<td>13.3</td>
</tr>
<tr>
<td>Encourage companies to adopt sustainable practices</td>
<td>12.6</td>
</tr>
<tr>
<td>Develop sustainable infrastructure</td>
<td>9.1</td>
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## COCOAACTION IN CONTEXT

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<thead>
<tr>
<th>SDGs</th>
<th>CocoaAction Results Framework</th>
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<tbody>
<tr>
<td><strong>8.7</strong></td>
<td><strong>Eradicate child labor</strong></td>
</tr>
<tr>
<td></td>
<td>Increased child protection in CocoaAction communities and significantly reduced child labor in CocoaAction farming households and CocoaAction communities</td>
</tr>
<tr>
<td><strong>16.2</strong></td>
<td><strong>End child exploitation</strong></td>
</tr>
<tr>
<td></td>
<td>Increased child protection in CocoaAction communities and significantly reduced child labor in CocoaAction farming households and CocoaAction communities</td>
</tr>
<tr>
<td></td>
<td>Increased number of operating child labor monitoring and remediation systems and child protection committees (or similar structure)</td>
</tr>
<tr>
<td><strong>4.1</strong></td>
<td><strong>Ensure primary and secondary education</strong></td>
</tr>
<tr>
<td></td>
<td>Increased number of primary schools, that are &quot;functioning effectively&quot;</td>
</tr>
<tr>
<td><strong>5.5</strong></td>
<td><strong>Ensure women’s participation in leadership</strong></td>
</tr>
<tr>
<td></td>
<td>Increased capabilities and opportunities of women to generate increased income and influence decisions</td>
</tr>
<tr>
<td></td>
<td>Increased participation by women in farmer, community and/or women organizations</td>
</tr>
<tr>
<td><strong>17</strong></td>
<td><strong>Revitalize the global partnership for sustainable development</strong></td>
</tr>
<tr>
<td></td>
<td><em>What is CocoaAction?</em> A voluntary industry-wide strategy that aligns the world’s leading cocoa and chocolate companies, origin governments, and key stakeholders on regional priority issues in cocoa sustainability.*</td>
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“Working with a broad range of stakeholders has allowed us to leverage our collective insights and strategic thinking to help CocoaAction as a whole continuously evolve as we seek to make a positive impact.”

JEAN-PHILIPPE AKE, SENIOR DIRECTOR, RESPONSIBLE SOURCING, THE HERSHEY COMPANY

SMALLHOLDER COCOA FARMERS in Côte d’Ivoire and Ghana often subsist on incomes that place them below the poverty line, which in turn exacerbates other issues such as literacy, low school attendance rates, child labor, and gender inequality.

CocoaAction companies recognize that individual commitments cannot solve the complex and systemic nature of these challenges. While CocoaAction comprises the world’s largest companies in the industry, truly understanding the social and economic challenges that cocoa farmers face requires welcoming and listening to a variety of partners, both inside and outside the industry—including farmers. If we are to make a lasting impact, we must also analyze all constructive and critical feedback to determine when and where we should iterate our strategies.

At the outset, CocoaAction companies came together to share knowledge and pool resources toward common goals. At WCF, we know that we do not have all of the answers, and that we must continue to forge strategic partnerships with origin governments and other key stakeholders to help farmers achieve sustainable livelihoods. To this end, in 2015, we engaged with origin governments and dozens of civil society and other key stakeholder organizations to hone the CocoaAction approach, leverage expertise and build efficiencies.

Cooperation with Origin Governments

Aligning with the efforts of cocoa-producing country governments is critical to achieving success for all of our key stakeholders. In 2014, after much open dialogue, we developed joint agreements with the governments of both Côte d’Ivoire and Ghana to improve livelihoods and economic opportunities within cocoa-growing communities.
Since the establishment of these agreements, CocoaAction companies have partnered with Côte d’Ivoire and Ghana to align activities and key performance indicators across productivity and community development. The origin governments have served as the crucial validators for CocoaAction’s indicators, which were finalized in 2015, and have shared data collection learnings with CocoaAction companies.

The Good Agriculture Practices Guide is another outcome of this cooperation, developed in partnership with Côte d’Ivoire’s Agence Nationale d’Appui au Développement Rural (ANADER—the National Agency to Support Rural Development), le Conseil du Café-Cacao (the Coffee-Cocoa Council), the Sustainable Trade Initiative (IDH) and the United States Agency for International Development (USAID) through our African Cocoa Initiative. Extra efforts were made to align public and private partners on the guide’s fertilizer use and soil fertility training recommendations for cocoa farmers in Côte d’Ivoire.

Transforming Communities with the Jacobs Foundation

In May 2015, we partnered with the Jacobs Foundation—one of the world’s leading charitable foundations dedicated to facilitating innovation for children and youth—to support the launch of its Transforming Education in Cocoa Communities (TRECC) initiative. TRECC is a seven-year, $52 million initiative to transform education in cocoa-growing communities in Côte d’Ivoire that will expand on CocoaAction

“Our goal for our collaboration with governments has been to ensure we align CocoaAction’s agenda with those of origin governments.”

Andrew Brooks, Product Country Head, Olam

“Through collaboration, we were able to develop the Good Agricultural Practices Guide and performance indicators that are reflective of our partnership with CocoaAction and the goals we share. We are excited to see the impact that the GAP Guide will have on our farmers’ productivity.”

Massandjé Touré-Litsé, Director General, Côte d’Ivoire Conseil Café-Cacao
companies’ individual programs as well as the Ivorian government’s education agenda.

By 2022, TRECC aims to directly reach over 200,000 youth and create an ecosystem through six interlinked action areas to transform education in Côte d’Ivoire cocoa-growing communities. In 2015, TRECC engaged with CocoaAction companies to design four innovative community development projects that extend existing CocoaAction commitments to improve education and vocational opportunities for youth in cocoa communities. (Jacobs Foundation, 2016)

Ensuring Access to Fertilizer with the Sustainable Trade Initiative (IDH)

Because many West African cocoa farmers have operated for decades without using good agricultural practices, their soils lack sufficient nutrients for cocoa growth and production. To help farmers learn and implement sustainable farming practices, WCF and the Ivorian Government helped create the Cocoa Fertilizer Initiative in 2012 through a $1 million grant over three years to IDH, a public-private partnership building organization that works to accelerate and scale sustainable trade.

Today, CocoaAction companies and the Ivorian government are collaborating with the Cocoa Fertilizer Initiative to identify and deliver fertilizer to 200,000 cocoa farmers in Côte d’Ivoire by 2020. Through this partnership, we identified fertilizer-ready farmers in their supply chain and made independent agreements with fertilizer companies to train and distribute fertilizer. (IDH, 2015)

Promoting Conservation with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ—the German Corporation for International Cooperation)

Promoting conservation strategies and increasing the cultivation of high-quality, sustainably produced cocoa is central to the CocoaAction vision of improved living conditions for cocoa farmers and their families. CocoaAction companies are partnering with GIZ’s Pro Planteurs initiative to train 50 cocoa cooperatives in Côte d’Ivoire in sustainable agriculture strategies to increase cocoa bean quality and promote the diversification of agricultural production to reduce the economic dependence of farmers on cocoa.

Aligning with Purpose
Building a Common Results Framework

“What makes the CocoaAction approach to cocoa sustainability strong is the alignment and consistency around a common metrics framework. Beyond sending a powerful message to government and other actors in the sector, it helps to build a culture of accountability. The effect of a common approach, common metrics and common KPIs should be farther-reaching and more impactful.”

CATHY PIETERS, DIRECTOR OF COCOA LIFE, MONDEÎZ INTERNATIONAL
West Africa CocoaAction Theory of Change

**The Aligned Efforts** of origin governments, leading cocoa and chocolate companies, key stakeholders, and cocoa farming communities on priority cocoa sustainability issues are crucial to achieving a transformed sector. Additionally, to measure impact and scale, a shared framework for monitoring and evaluation is imperative.

One of our biggest successes in 2015 was the establishment of CocoaAction’s shared results framework and key performance indicators (KPIs).

**Reaching Alignment**

To set the stage, the process began with alignment on the CocoaAction vision and objectives. CocoaAction companies agreed on the West Africa cocoa sector theory of change and the roles of the community development and productivity packages in creating sustainable livelihoods for cocoa farmers (as represented above).

Companies then worked with WCF and technical experts, drawing on years of experience with cocoa farmers, to finalize a set of six core interventions—three within community development and three within productivity—that CocoaAction companies would use to align their individual programs.

In establishing these core interventions, we acknowledged that farmers in the cocoa sustainability impact chain have specific support needs. We also recognized that deepening relationships with origin governments would not only strengthen CocoaAction companies’ efforts, but also give the governments access to additional tools and resources for analyzing farmers’ performance.

Over the course of two years, CocoaAction companies deepened collaboration with origin governments, acknowledging that their presence in conversations was important to accelerating progress. The origin governments and CocoaAction companies also included civil society organizations and a variety of experts to develop key performance indicators to measure the community development and productivity interventions.
Establishing a shared framework was difficult, but with the help of origin governments and key stakeholders, CocoaAction is on the path for long term success. In 2016, CocoaAction companies will begin to share data on the activities we have implemented or aligned within our respective supply chains. Over time, the data and insights from the shared CocoaAction measurement system will be used to validate our Theory of Change.

“If sometimes things do not go as planned, we can take the opportunity to ask, ‘Okay, how can we improve?’ or to admit we don’t know and bring in experts,” CocoaAction advisor and NewForesight CEO Lucas Simons said.

This process may not be easy, but it is crucial to the achievement of the CocoaAction vision of a sustainable cocoa sector.
What’s Ahead

CocoaAction companies have prioritized collecting and reporting data according to the M&E Guide. Aligning the cocoa sector’s leading companies on sustainability activities and KPIs facilitates the collection of more informed insights than any one company could gather on its own. These insights will allow CocoaAction companies to check their progress individually and as a sector—aggregated data will reveal patterns, outliers, successes, and failures, and will be shared with origin governments and key stakeholders. The hope is that these measured results will allow us to identify elements of success and expand upon them faster and more reliably than ever before.

As more cocoa sector stakeholders discuss measurement and agree to report on a similar set of aligned indicators, there is potential for greater learning and sustainability impact across the industry. This is the true power of the CocoaAction collective.

Feedback Request

If you would like to inform or use our Results Framework, please get in touch: WCF@Worldcocoa.org.

“Now that monitoring and Evaluation Guide has been validated and published, we have a common set of key performance indicators to track progress from our efforts. We look forward to seeing how companies involved in CocoaAction will fully commit to its implementation and the impact it will make on the livelihoods of our farmers and cocoa communities.”
Jean-Philippe Ake, Senior Director, Responsible Sourcing, The Hershey Company

“The shared results framework and KPIs get all stakeholders on the same page and are a significant foundation for future progress. The diversity of roles each stakeholder plays in this value chain, and their unique perspectives, have enabled us to build a strong and comprehensive set of indicators for our work.”
Dr. Stephen Kwabena Opuni, Chief Executive, Ghana Cocobod
A Holistic View of Sustainability
Making an Impact at the Community Level

“If the nine biggest companies in cocoa come together and agree on what sustainability means for our sector, how we can credibly deliver on that and what the roles of origin governments, civil society and donors are, then we’ll be able to much more effectively tackle these complex problems.”

LUCAS SIMONS, NEWFORESIGHT CEO

Throughout 2015, CocoaAction companies convened with civil society and development experts, both within the cocoa industry and from other sectors, to collaborate and validate the importance of the three Community Development pillars—primary education, combating child labor, and women’s empowerment—in achieving sustainability in the cocoa sector. In a series of workshops, stakeholders who work in cocoa communities, including the Ivorian and Ghanaian governments, implementing partners, certifier and standards groups, and CocoaAction companies shared development best practices and lessons learned through the implementation of existing community programs.

The Community Development Package

This Community Development Package aims to achieve several goals, as shown in the graphic at right.

Within the three focus areas, CocoaAction companies use a community-driven development approach that empowers and strengthens local community structures through their participation and collaboration on shared priorities. We recognize that these three areas of intervention do not address all of the needs that exist in cocoa communities. Many CocoaAction companies and civil society partners supplement the Community Development Package by carrying out other non-
CocoaAction initiatives that support overall community development, such as water, sanitation and hygiene, maternal health, and nutrition. Though not formally a part of CocoaAction, such activities support the strategy’s long-term vision for a sustainable cocoa sector.

For more information about Community Development, view the CocoaAction Community Development Manual on WCF’s website.

Developing Collaborative Relationships

Developing trust between companies to facilitate sharing of best practices and lessons learned took time, particularly among companies that consider themselves competitors.

“It was a matter of understanding that this non-competitive sharing will lead to industry-wide benefits. It required a shifting of priorities,” said Blommer Corporate Sustainability Director Kip Walk.

We consider the trust that we have been able to build, as we have worked together to ready the CocoaAction strategy for implementation, to be a significant accomplishment—one that created an environment where learnings and best practices can be shared and built upon.

CocoaAction’s Definition of Community

In 2015, CocoaAction companies and key stakeholders wrestled with the definition of community. In Ivorian and Ghanaian rural areas, it is difficult to count community members and delineate where one community ends and another begins. Ultimately, it was decided that a CocoaAction community is a place where cocoa-growing is the predominant livelihood, but not the sole livelihood. It includes an administrative center or village and the inhabitants therein, including cocoa farmers, farm workers and other livelihood groups.

CocoaAction would like to thank those who have contributed expertise and feedback throughout the development of the Community Development package and manual, with apologies in advance for any unintentional omissions: the governments of Côte d’Ivoire and Ghana, Ivorian and Ghanaian Ministries, Conseil du Café Cacao (CCC), Cocobod, United States Department of Labor (DoL), American Institutes for Research (AIR), Stephanie Barrientos (University of Manchester), Committee on Sustainability Assessment (COSA), CARE International, Fairtrade International, Fair Trade USA, Food and Agriculture Organization of the United Nations (FAO), German Initiative on Sustainable Cocoa (GISCO), GreeneWorks, International Center for Research on Women (ICRW), International Cocoa Initiative (ICI), International Labour Organization (ILO), Jacobs Foundation, NewForesight, Mil Niepold, Jacomina de Regt, Rainforest Alliance, Save the Children, Sustainable Food Lab, UNICEF, UTZ, Winrock International, and World Education.
In-person workshops were key to aligning priorities, working through the issues at hand, and developing trusting relationships between companies in 2015. CocoaAction companies recognized that collaboration cannot rely solely on phone calls, given the scheduling challenges of operating across multiple time zones and the impersonal nature of virtual meetings.

Additionally, we recognized the importance of bringing technical experts into the conversation. Early in 2015,

“Productive cocoa farmers in thriving communities are the foundation of sustainable cocoa, so integrating cocoa productivity with community development in the CocoaAction approach is an essential and critical step.”

Cathy Pieters, Director of Cocoa Life, Mondelez International

we conducted a community development landscape analysis—intervention activities and their indicators were shared with a wide range of civil society partners for feedback and further development. These organizations openly shared best practices and the methodologies they use to measure their activities and provided critical feedback to CocoaAction companies.

The process of establishing community development indicators was challenging. It took time to define indicators that were comprehensive, but also realistic in a competitive business environment. Experts provided a vital voice at the October 2015 workshop, where CocoaAction's community development KPIs were finalized.

The relationships CocoaAction built among its members, key stakeholders and technical experts facilitated the creation of the CocoaAction Community Development Manual—a detailed document that will guide implementation of the Community Development Package and the measurement of sustainability activities according to the indicators established in 2015.
The Significance and Impact of the CocoaAction Community Development Manual

The creation of the CocoaAction Community Development Manual and the alignment it will facilitate from 2016 on would not be possible without the trust that CocoaAction fostered in 2015. Moving forward, the CocoaAction Community Development Manual will have an important role in educating other cocoa stakeholders on the importance of including development-based activities in a sustainability approach. Our approach is built on the realization that helping farmers and making improvements to farms alone is not enough—an effective, holistic approach must count the socioeconomic factors that bar the achievement of a sustainable cocoa sector.

Additionally, key stakeholders and experts must continue to meet in person and work on the ground together. The trust established in 2015 must continue to develop, as it will be foundation for CocoaAction’s future success, and learning from each other will be instrumental in creating the sustainable cocoa sector we envision.

“CocoaAction, by far, is one of the most advanced and transparent efforts to collaborate in the interest of sustainability. CocoaAction provides a framework for all companies so they can understand the complexity of an issue. I think that the likelihood of impact is much higher now thanks to CocoaAction.”

Stephanie Daniels, Sr. Program Director, Agriculture and Development, Sustainable Foods

“School enrollment is generally high in Ghana due to the policy of free compulsory basic education which has been in place for several decades. Since 2014, Cocobod has been implementing a child education support program with the provision of school infrastructure in selected deprived cocoa growing communities. Our goal is to provide opportunity for children living in deprived cocoa growing communities to have access to quality education.”

Dr. Stephen Kwabena Opuni, Chief Executive, Ghana Cocobod
Sustainability at the Source

Planting Materials Matter
Cocoa Swollen Shoot Virus (CSSV) is one of the most destructive cocoa diseases. Since the disease was first reported in Ghana in 1936, it has caused devastating losses, resulting in the cutting down of nearly 200 million cocoa trees.

“CocoaAction has catalyzed action to tackle swollen shoot virus through their own work and encouraging others to do more work on this.”

Martin Gilmour, Director of Research and Development, Cocoa Sustainability at Mars

CSSV is spread by various species of mealybugs, small insects that feed on cocoa trees and transfer the virus as they move from diseased plants to healthy ones, resulting in rapid mortality of established trees.

Severe forms of the disease lead to tree death within three to four years and have caused a significant reduction in cocoa production in Côte d’Ivoire and Ghana. Despite ambitious eradication efforts, the disease has not been effectively contained, and the only current known method of CSSV management is the complete destruction of infected and surrounding trees. Thus, efforts are needed for continuous education of farmers and other key stakeholders to the CSSV threat.

Research and Collaboration for the Development of Disease Resistant Crops

As part of their efforts to ensure cocoa sustainability, CocoaAction companies launched a program in 2015 that focuses on Cocoa Swollen Shoot Virus (CSSV) in West Africa. This holistic CocoaAction CSSV program intends to make an integrated and cost-effective management strategy against CSSV in West Africa available by 2020.

Further, the CocoaAction CSSV program is developing partnerships, tools, and techniques to effectively control the disease at a regional level, which include a robust screening protocol for CSSV resistance, detection methods, a protein-based diagnostic kit and protection methods against mealybugs.

Previously, no chemical proved strong enough to successfully fight mealybugs. The CSSV program aims to fill this gap. In 2015, the CSSV program began collaborating with Koppert Biological System and agro-chemical companies such as Syngenta, Movento and Dow AgroSciences to develop field testing with biological compounds and chemicals that efficiently fight cocoa mealybugs.

In partnership with the University of Reading in the United Kingdom, the CocoaAction CSSV program is also developing a screening technology that allows for rapid diagnostic testing that will be shared with national research colleagues in Côte d’Ivoire and...
To support the execution of the planting material strategy, we recently employed an Abidjan-based Cocoa Swollen Shoot Virus expert, Dr. Mfegue Crescence Virginie, adds: “Not only will this innovative testing allow for rapid results, but the technology will also accurately screen for disease even when there are no obvious or visible symptoms.”

In addition to developing tools and techniques to control CSSV, the CSSV program and the University of Reading promote a holistic approach focused on four main criteria:

- **Early Detection of the Disease**
- **Selection of Resistant Planting Material**
- **Protection Against Transmitting Mealybugs**
- **Eradication of Disease Hot Spots with Strengthened Regional Collaboration**

Progress to date focuses on developing methodology for screening CSSV resistance. While multiple strains of the disease pose a tough challenge, researchers are hopeful that they can develop a successful protocol for testing before the end of the 18-month partnership in December 2016.

**Cooperation with Origin Governments**

WCF and CocoaAction companies have also partnered with origin governments and key stakeholders on formal agreements to help improve planting material. Specifically, agreements were signed with Côte d’Ivoire and Ghana in mid-2015 and early-2016, respectively, that will each facilitate farmers’ access to improved cocoa planting materials.

“Our MOU with CocoaAction complements our national 2QC strategy to improve quantity, quality and growth in cocoa farming. Because of our alignment, the process of rolling out the plan we have agreed upon will be more efficient, and we will be able to improve planting materials for our farmers more quickly.”

Massandjé Touré-Litsé, Director General, Côte d’Ivoire Conseil Café-Cacao

**Sustainability at the Source**

*To support the execution of the planting material strategy, we recently employed an Abidjan-based Cocoa Swollen Shoot Virus expert, Dr. Mfegue Crescence Virginie (above, center). Working in close coordination with CocoaAction companies, le Conseil du Café-Cacao (the Coffee-Cocoa Council), Fonds Interprofessionnel pour la Recherche et le Conseil Agricole (FIRCA—the Interprofessional Research Fund and Agricultural Council) and the Centre National de Recherche Agronomique (CNRA—National Agricultural Research Center), Dr. Mfegue will support the identification and propagation of virus-resistant trees and developing in-field tests that allow for early detection of the disease.*
Centralized Seed Request Program and Agreement with Ghana

In 2015, through collaboration with the Ghana Cocoa Board (Cocobod), our member companies, and the WCF Cocoa Livelihoods Program, WCF coordinated the distribution of more than 76,000 seed pods. By centralizing the requests for pods, CocoaAction companies were able to alleviate the administrative burden on Cocobod with one synchronized request.

“We are happy to have finalized the MOU with CocoaAction in early 2016 which sets out a framework for collaboration and support for our efforts to reduce the menace of CSSV on cocoa production. It also complements Ghana’s program to increase the supply of improved hybrid seedlings to farmers with increased irrigation.”

Dr. Stephen Kwabena Opuni, Chief Executive, Ghana Cocobod

SUCCESSFUL FARMER STUDY

In 2015, we commissioned INSITUM, an innovation consultancy, to conduct a people-focused qualitative study to track and analyze the most successful farmers in Côte d’Ivoire and Ghana. The report created “personas” of successful farmers. Moreover, the study attributed measurable success to a variety of methods ranging from tailored fertilization and watering strategies to using the internet and visiting neighboring farms. Recommendations from this study included introducing basic financial and business training courses and mentorship, educating women and incorporating them into the workforce, and expanding agricultural education for all demographics.

Click here to see the INSITUM study.
From the Ground Up
A Holistic Approach to Combating Child Labor
**How can companies successfully combat child labor—one of the most visible and complex issues in cocoa sustainability?** The answer isn’t simple, singular or straightforward.

**Child Labor and CocoaAction**

Even before CocoaAction’s launch, child labor was one of the primary drivers for non-competitive industry collaboration in the cocoa sector. Since its establishment, the framework of the Harkin-Engel Protocol has helped drive recognition of the opportunity to support the development of thriving cocoa communities by fostering safe, healthy, and productive environments for families and children.

We recognize that the industry alone cannot successfully combat child labor. As the sector has learned, sustained collective efforts, partnerships with actors that can extend the industry’s reach in reducing child labor, and direct collaboration with governments and civil society organizations all make child labor prevention and mitigation more effective. *(Framework of Action to Support Implementation of the Harkin-Engel Protocol, 2010)*

**Harkin-Engel Protocol**

Signed in 2001 by chocolate and cocoa industry representatives and developed in partnership with U.S. Senator Tom Harkin and U.S. Representative Eliot Engel, the *Harkin-Engel Protocol* serves as a commitment from the industry to eliminate the worst forms of child labor (WFCL) in the cocoa supply chain. The International Cocoa Initiative (ICI) was conceived within the protocol as an independent foundation to help all actors, including the industry, tackle the problem.

In 2010, a joint declaration reaffirmed the commitment between the U.S. Department of Labor, the Ivorian and Ghanaian governments, and the International Chocolate and Cocoa Industry to work together to reduce WFCL in Côte d’Ivoire and Ghana by 70 percent by 2020. To achieve this objective, they established the *Framework of Action to Support the Implementation of the Harkin-Engel Protocol*.

The Child Labor Cocoa Coordinating Group (CLCCG) was put in place to coordinate efforts between the partners working under the Declaration and Framework of Action. The CLCCG aims to ensure that projects and resources are coordinated and address priority needs.

**Fast-Forward to 2015**

Despite the efforts of key stakeholders, including CocoaAction companies, research commissioned by the U.S. Department of Labor and published by Tulane University in 2015 showed that efforts by governments, industry, and civil society groups had not been sufficient to achieve significant reductions in child labor.

In response to both the signs of progress as well as the remaining challenges pointed out by the research, WCF and CocoaAction companies underscored commitments to reducing the number of children participating in child labor, and acknowledged the need for shared responsibility between origin governments, industry, civil society, communities and families (among others), to make an impact on the issue.
CocoaAction companies also responded by developing a more innovative approach to combatting child labor—one that is focused both on identifying and responding to the large number of existing cases of child labor, while simultaneously preventing it by tackling some of its root causes, including poverty. CocoaAction companies and leadership agreed on a dual approach to monitor and remediate reported child labor in supply chains, while reinforcing primary education, gender empowerment and child protection in cocoa communities.

### Dual Approach to Combating Child Labor

Using the dual CocoaAction approach, companies implement child labor interventions by establishing child labor monitoring and remediation systems (CLMRS) in their supply chains, while also broadening and deepening child labor awareness and child protection capabilities directly in the communities where the farmers live through Child Protection Committees (CPC). This dual approach is flexible, allowing companies to innovatively implement the CLMRS and CPC models within...
supply chains and communities and enabling them to implement where they see the greatest needs and greatest opportunities for impact.

Additionally, while these models work to directly increase child protection in CocoaAction communities, they are complemented and reinforced by parallel investments and efforts to tackle farmer livelihoods through the CocoaAction productivity package.

“It's important to leave the implementation aspect flexible. Agree on objectives, and then give companies the flexibility to figure out how they get there, working together with farmers, community members, schools, and local organizations and authorities.”

Marina Morari, General Manager, Community Development, Barry Callebaut

“We can actually learn a lot from different approaches. We're still at the stage where it is beneficial to be implementing projects in different ways because then we can bring back to the table learnings about what's working and what's not. These common aims are our ambitions—this is how we're going to measure what we've achieved. But how you go and achieve it, that's ultimately up to you and up to the company.”

Kate Clancy, Business Development Manager, Cocoa Sustainability, Cargill

As of early 2016, companies are working within their supply chains and communities to set up CLMRS and CPC, which will be evaluated with a shared results framework—companies will report the same data in the same way, regardless of differences in programming. This alignment was a significant accomplishment for us.

Evaluation and Optimization for Long Term Success

Understanding the challenges of establishing robust child labor monitoring systems on the ground, as well as the keys to success, is a priority for CocoaAction companies in 2016.

This year and in the future, WCF, CocoaAction companies, ICI and other key stakeholders will review and analyze both the activities and the supporting metrics to understand how the approach to combatting child labor should evolve year-over-year, recognizing that shared responsibility and collaboration are the keys to progress.
Company Profiles

Barry Callebaut Group  With annual sales of about CHF 6.2 billion (EUR 5.6 billion / USD 6.6 billion) in fiscal year 2014/15, the Zurich-based Barry Callebaut Group is the world’s leading manufacturer of high-quality chocolate and cocoa products—from sourcing and processing cocoa beans to producing the finest chocolates, including chocolate fillings, decorations and compounds. The Group runs more than 50 production facilities worldwide and employs a diverse and dedicated global workforce of more than 9,000 people. The Barry Callebaut Group serves the entire food industry, from industrial food manufacturers to artisanal and professional users of chocolate, such as chocolatiers, pastry chefs, bakers, hotels, restaurants or caterers. The two global brands catering to the specific needs of these Gourmet customers are Callebaut® and Cacao Barry®. The Barry Callebaut Group is committed to sustainable cocoa production to help ensure future supplies of cocoa and improve farmer livelihoods. It supports the Cocoa Horizons Foundation in its goal to shape a sustainable cocoa and chocolate future.

Blommer Chocolate Company is the largest cocoa processor and ingredient chocolate supplier in North America. Founded in 1939, the family-owned and operated company has more than 800 employees and five strategically located manufacturing facilities in North America and China. The company provides comprehensive business solutions for domestic and international customers of all sizes in the confectionery, baking and dairy industries. Among Blommer’s core competencies are cocoa bean processing, chocolate manufacturing, commodity risk management, and product and process R&D. The company is a leader in advancing sustainable cocoa farming as a founding member of the World Cocoa Foundation, a member of the CocoaAction sustainability initiative, and through its privately managed farmer programs in Côte d’Ivoire, Indonesia and Ecuador.

Cargill Cocoa & Chocolate offers its customers quality products and services they trust to help them thrive, today and in the future. Cargill consistently delivers a wide range of products—including cocoa powder, liquor and butter, chocolates, fillings and coatings—to help customers stand out from the crowd. Day-to-day the company works to the highest safety standards and offers insight-driven price risk management and sustainable cocoa services. For recipe development and optimization, Cargill has seven specialized Application Centers around the world. The company’s insights on market and consumer trends, combined with its innovation support and consistent performance, make Cargill a proactive partner in all major consumer markets. Cargill customers also benefit from bean sourcing and research capabilities in key origin countries, including Brazil, Cameroon, Côte d’Ivoire, Ghana, and Indonesia. With a team of more than 3,000 passionate cocoa and chocolate experts in 35 locations, connected to 150,000 Cargill employees around the globe, the company provides unique knowledge and proactive services across five continents, built on a foundation of 150 years of experience.

The Ferrero Group is present with more than 40,000 people in 53 countries, with 22 production plants and 9 agricultural companies in Chile, Argentina, Bulgaria, Georgia, South Africa, Australia, Turkey, Italy and Serbia. In fiscal year 2015, the company’s annual revenue amounted to 9.5 billion euros (USD $10.7 billion), with total production exceeding one million tons.
Ferrero products are present and sold, directly or through authorized retailers, in more than 160 countries around the world. Since the beginning, in Ferrero, innovation combines modern methods with ancient passion, permeating all steps of the value chain, from research and development to the final product. Nutella, Ferrero Rocher, Raffaello, Tic Tac and the Kinder line (Kinder Surprise, Kinder Joy, Kinder Bueno, Kinder Chocolate, Kinder Milk Slice, Kinder Pingui, Kinder Delice) are some of the Ferrero products best known and appreciated by consumers all around the world.

The Hershey Company, headquartered in Hershey, Pennsylvania, U.S., is a global confectionery leader known for bringing goodness to the world through its chocolate, sweets, mints and other great-tasting snacks. Hershey has approximately 22,000 employees around the world who work every day to deliver delicious, quality products. The company has more than 80 brands around the world that drive more than $7.4 billion in annual revenues, including such iconic brand names as Hershey’s, Reese’s, Hershey’s Kisses, Jolly Rancher, Ice Breakers and Brookside. Building on its core business, Hershey is expanding its portfolio to include a broader range of delicious snacks. The company remains focused on growing its presence in key international markets while continuing to extend its competitive advantage in North America. For more than 120 years, Hershey has been committed to operating fairly, ethically and sustainably.

Mars, Incorporated, headquartered in Mount Olive, New Jersey, U.S., Mars Chocolate is one of the world’s leading chocolate manufacturers and employs more than 16,000 associates across 21 countries. Mars Chocolate features 29 brands in total, including five billion-dollar global brands: M&M’S®, SNICKERS®, DOVE®/GALAXY®, MARS®/MILKY WAY® and TWIX®. Mars Chocolate is one of six diverse Mars, Incorporated business segments, including Petcare, Wrigley, Food, Drinks and Symbioscience, from which the company has more than $33 billion in sales. More than 75,000 Associates across 73 countries are united by the company’s Five Principles: Quality, Efficiency, Responsibility, Mutuality and Freedom and strive every day to create relationships with stakeholders that deliver growth Mars is proud of as a company.

Mondelēz International, Inc. is a global snacking powerhouse, with 2015 net revenues of approximately $30 billion. Creating delicious moments of joy in 165 countries, Mondelēz International is a world leader in biscuits, chocolate, gum, candy and powdered beverages, with billion-dollar brands such as Oreo, LU and Nabisco biscuits; Cadbury, Cadbury Dairy Milk and Milka chocolate; and Trident gum. Mondelēz International’s ultimate goal is to sustainably source all the company’s cocoa supply, mainly via Cocoa Life, which aims to reach more than 200,000 farmers across six countries, benefiting more than a million people. By working in partnership with farmers, NGOs, suppliers and government institutions, Cocoa Life answers Mondelēz International’s Call For Well-being, which urges employees, suppliers and community partners to join together to develop new approaches that can have a positive impact on the planet and its people. The Call For Well-being focuses on four key areas where the company can make the greatest impact: mindful snacking, sustainability, community and safety.
Company Profiles

Nestlé  With sales of CHF 88.8 billion (USD $91.8 billion) in 2015, Nestlé is the world’s leading nutrition, health and wellness company. The company employs more than 335,000 people and has 436 factories in 86 countries. Nestlé products are sold in 197 countries. Nestlé is the worldwide leader in product categories such as soluble coffee, infant nutrition, bottled water, condensed and evaporated milk, ice cream, as well as chocolate and malt drinks, and culinary. Nestlé’s confectionery brands include Kit Kat, Nestlé and Toll house. To build a business capable of both delivering superior shareholder value and helping people improve their nutrition, health and wellness, Nestlé takes its Creating Shared Value approach to the business as a whole. In addition to nutrition, this approach focuses on water scarcity—a very serious issue in many parts of the world—because water is quite simply the linchpin of food security. Creating Shared Value also focuses on rural development because the overall well-being of farmers, rural communities, small entrepreneurs and suppliers is intrinsic to the long-term success of Nestlé’s business. It is incorporating CocoaAction into its cocoa sustainability strategy, the ‘Nestlé Cocoa Plan.’

Olam International  is a leading agri-business operating across the value chain in 70 countries, supplying various products across 16 platforms to more than 16,200 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore, Olam has built its cocoa business by combining unique and unparalleled strengths at origin with market presence as well as research, information, analysis, and futures market expertise. In October 2015, the company created a new entity, Olam Cocoa, following the acquisition of ADM Cocoa. In combining a leader in cocoa bean sourcing with one of the world’s leading cocoa processors, Olam has formed a fully integrated cocoa business that supplies cocoa beans and cocoa products, establishing a new dynamic in the industry. The Olam team is a highly motivated group of 2,400 chocoholics who believe in their business and the cocoa and chocolate industry. The company supports all relevant organizations and has Board representation on many bodies including the Federation of Cocoa Commerce, World Cocoa Foundation, European Cocoa Association and the Cocoa Association of Asia. This year, Olam was featured in Fortune “Change the World” list of 50 global companies aligning social and environmental impact with their economic objectives.

ANTITRUST STATEMENT
The nine CocoaAction companies recognize that the sustainability challenges of the cocoa sector—mature and vulnerable plants, depleted soils, lack of good agricultural practices, poverty, reported child labor, and increased competition from other crops—require swift action and a radically different approach grounded in partnership, collaboration and alignment.

CocoaAction and its member companies are mindful of the constraints of the antitrust laws. CocoaAction participants shall not enter into discussions, agreements or concerted actions that may have as their object or effect the restriction of competition. This prohibition covers the exchange of competitively sensitive information including, but not limited to, information concerning individual prices, production, sales, capacities, costs, rates, coverages, market practices, claims settlement practices, company level investments, or any other competitive aspect of an individual company’s operation.

Any efforts made by CocoaAction to promote sustainable and enhanced product supply will not limit individual activities or efforts by member companies to the same ends.
We welcome your engagement and feedback. Please reach out to us at any of our offices or email WCF@Worldcocoa.org.

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