



# Feed the Future Partnership for Climate Smart Cocoa Semi-annual Report

October 1, 2018 to March 31, 2019  
AID-OAA-A-16-000024



*Contents*

- I. Executive Summary.....3
- II. Background.....3
- III. Comparison of accomplishments against targets for established performance & impact indicators.....5
- IV. Program Summary Objective 1: Implement a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods in cocoa-growing regions.....8
  - 1. Report on the Cocoa-Climate Landscape .....9
  - 2. Cocoa Agroforestry Market System Assessment ..... 13
  - 3. Governance/structure of CSA dialogue..... 13
  - 4. CSC Framework & Investment Plan ..... 17
- V. Program Summary Objective 2: Use lessons learned from successful pilots to guide private sector investment in targeted CSA activities to improve resilience for farmers, other supply chain partners and ecosystems ..... 18
  - 1. Identification, Design, and Implementation of Pilots (activity 1 & 3) ..... 18
  - 2. Identification of Key Questions .....23
  - 3. Lessons Learned and Promotion .....23
- VI. Communications and Outreach ..... 23
- VII. Discussion of any implementation problems encountered .....25
- VIII. Summary of expected activities over the next six months .....25
  - 1. Program Summary Objective 1: Implement a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods in cocoa-growing regions:.....25
  - 2. Program Summary Objective 2: Use lessons learned from successful pilots to guide private sector investment in targeted CSA activities to improve resilience for farmers, other supply chain partners and ecosystems: .....26
- Latin America Acronyms.....27

## I. Executive Summary

The Feed the Future Partnership for Climate Smart Cocoa (CSC) is a four-year program led by the World Cocoa Foundation (WCF) in consortium with ACDI/VOCA (for the first two years) and nine cocoa and chocolate companies. The Program, now well into its third year of implementation, focuses on strategy development and piloting climate smart agriculture (CSA) innovations, as well as joint learning. Three years since the launch in May 2016, the program is making excellent progress in both the Central American and Caribbean and West African regions. The Program has provided clarity on the practical value of the current climate change impact predictions and is increasingly providing well-developed guidance and learning on recommended CSA practices. WCF has developed key pilots – those according to the plan, as well as additional pilots – and initial learning has been developed and shared.

During this reporting period, WCF continued to solidify key governance systems and partnerships in each country, focusing on strategy development and pilot implementation. WCF advanced CSC components, including the strategy development, through a series of technical working group (TWG) meetings in each country. WCF has been using the CSC ‘Inception Report’, completed in year two, as the foundation for strategic dialogue in each country. WCF has also initiated pilot activities on screening for heat and drought tolerance planting material in Brazil, Colombia and Costa Rica; agroforestry linkages consultancy in Côte d’Ivoire and Ghana; and the development of a [CSC curriculum](#), [CSC handout](#) and [a brand new Android App](#) completed in Ghana and currently in development in Côte d’Ivoire and Latin America. WCF also works on several highly innovative pilots including tree tenure in Ghana and shaded cocoa in Nicaragua.

WCF, in conjunction with the Prince of Wales’ International Sustainability Unit and IDH - the Sustainable Trade Initiative, launched the [Cocoa and Forest Initiative](#) (CFI) with leading cocoa and chocolate companies to work together with others to end deforestation and forest degradation in the cocoa sector, beginning in Côte d’Ivoire and Ghana. Currently thirty-two companies have joined, including all CSC Program members. WCF is ensuring alignment between the CSC Program strategy and the CFI Frameworks for Action ([Côte d’Ivoire](#) and [Ghana](#)) signed at the COP 23 in November, 2017, and with the National Implementation Plans ([Côte d’Ivoire](#), [Ghana](#)) finalized in July 2018. WCF supported the companies to develop their individual action plans which were published in March, 2019 and WCF published an aggregate action plan ([Côte d’Ivoire](#), [Ghana](#)). The strategy and innovations developed through the CSC Program have contributed significantly to the planning of the implementation of CFI activities. In particular, companies identified specific CSC actions in which they are planning to invest over the next four years including training farmers in CSC, promoting agroforestry, and supporting farmers with land and tree tenure.

The current reporting period features increased attention to: 1) capitalizing on the CSC strategies in West Africa and Latin America; 2) further implementing and finalizing existing pilot activities; 3) managing additional pilots; 4) aligning CSC with CFI strategies; 5) implementing M&E systems and learning processes to ensure the development of an CSC investment plan; and 6) documenting best practices and learnings from the Program.

## II. Background

The Feed the Future Partnership for CSC is a four-year Program led by the World Cocoa Foundation

(WCF) in consortium with ACDI/VOCA for the first two years. This Program brings together USAID and nine private sector companies: Barry Callebaut, Cargill, Inc. (Cargill), ECOM Agrotrade Ltd. (ECOM), The Hershey Company (Hershey), Lindt & Sprüngli (Lindt), Mars, Inc. (Mars), Nestlé, Olam International Ltd (Olam), and Touton. These 9 CSC companies are also part of the 32 CFI signatories committed to address the challenges of climate change and deforestation in cocoa-producing landscapes.

The CSC Program focuses on two geographic clusters – West Africa (Côte d’Ivoire, Ghana, and Liberia) and Latin America (Dominican Republic, El Salvador, Honduras, and Nicaragua).

The CSC Program works through the cocoa and non-cocoa value chains to coordinate and leverage private sector investment in developing CSA in West Africa and Latin America. This requires demonstrating to industry the predicted impacts of climate change on the cocoa supply chain. It also requires performing objective analyses of the trade-offs between different CSA practices, developing a sector-wide strategy, and identifying innovative tools and services to support effective engagement and investment.

The CSC Program began with an initial investment of \$1.7 million from USAID and approximately \$400,000 from the listed WCF member companies. With these funds, the CSC Program is supporting strategy development and pilot activities in the areas of farmer training curricula, agroforestry market systems linkages, and drought-tolerant planting material. There are a number of additional innovations being piloted which are described below. WCF is also leveraging CFI as an opportunity for companies to adopt and scale CSC innovations.

The CSC Program adopts a “value chain approach” by supporting CSA mainstreaming at different entry points in the value chain. The overall goal of the CSC Program is to increase private sector investment and engagement that promotes and supports the adoption of CSA among smallholders in cocoa-producing landscapes.

To achieve this goal, the CSC Program focuses on two objectives:

- **Strategy:** Implementing a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods and ecosystems in cocoa-growing regions; and
- **Piloting Innovations:** Using lessons learned from successful pilots to guide private sector investment in targeted CSA activities to improve resilience for farmers, other supply chain partners, and ecosystems.

WCF, in conjunction with the Prince of Wales’ International Sustainability Unit and IDH - the Sustainable Trade Initiative, launched the [Cocoa and Forest Initiative](#) (CFI) with leading cocoa and chocolate companies to work together with others to end deforestation and forest degradation in the cocoa sector, beginning in Côte d’Ivoire and Ghana. Currently thirty-two companies have joined, including all CSC Program members. WCF is ensuring alignment between the CSC Program strategy and the CFI Frameworks for Action ([Côte d’Ivoire](#) and [Ghana](#)) signed at the COP 23 in November, 2017, and with the National Implementation Plans ([Côte d’Ivoire](#), [Ghana](#)) finalized in July 2018. WCF supported the companies to develop their individual action plans which were published in March, 2019 and WCF published an aggregate action plan ([Côte d’Ivoire](#), [Ghana](#)). The strategy and innovations developed through the CSC Program have contributed significantly to the planning of the implementation of CFI activities. In particular, companies identified specific CSC actions in which they

are planning to invest over the next four years including training farmers in CSC, promoting agroforestry, and supporting farmers with land and tree tenure

In 2018, the Cocoa and Forest Initiative was extended to Columbia in partnership with the World Resources Institute (WRI) and IDH, CIAT, WCF company member Casa Luker, the National Association of Cocoa Producers, and the national government. On July 17, partners signed the [Framework for Action](#). WCF’s role in Colombia will be limited, but we will provide technical support, particularly on integrating best practices on CSC.

III. Comparison of accomplishments against targets for established performance & impact indicators

Comparison of accomplishments against and targets for established performance and impact indicators – year 1					
#	Indicator	Baseline	Y3 Target	Y3 Actual	Notes
	<p><b>Climate-Smart Cocoa Main Objective/Goal:</b> Increased private sector investment and engagement that promotes and supports the adoption of CSA among smallholders in cocoa-producing landscapes</p>	<p>\$2.1 M (\$1.7M USAID, \$400k companies)</p>	<p>\$636k</p>	<p>\$636k</p>	<p><u>West Africa:</u></p> <ul style="list-style-type: none"> <li>Touton - CSC training: \$150k</li> <li>Rainforest Alliance Ghana - CSC training-of-trainers and training: \$50k</li> <li>Cargill - Capacity building and nurseries for shade trees planting and tree ownership registration: \$35k</li> <li>UTZ/RA CdI identification of CSC practices by ICRAF: \$101k</li> </ul> <p>Additional investment in CSC will be made through the company investments in CFI.</p> <p><u>Central America/DR</u></p> <ul style="list-style-type: none"> <li>Program partners: Honduras (Helvetas-Chocolats Halba, APROCACAO and SOCODEVI), Nicaragua (Solidaridad Internacional-ECOM and Cacao Oro) and Dominican Republic (FUNDOPO-Valrhona and FURAROKA-RIZEK)- establishment of 50 trial plots of high value CSC agroforestry systems based on design and technical assistance of CSC Program: \$100k</li> <li>CIAT - Climate exposure maps and CSC curriculum for Central America and Caribbean in alliance with FTF-CSC program: \$40k</li> <li>Rikolto - CSC curriculum development: \$10K</li> </ul>

					<ul style="list-style-type: none"> <li>Swiss Agency for Cooperation in Central America (SDC) – Agroforestry Knowledge Management Project: \$150k</li> </ul>
	Number of participating private sector companies and corporations implementing CSA technologies and activities	9	22	11 (Latin America) + 11 (West Africa) = total 20 unique companies.	Nicaragua: 3, Honduras: 3, El Salvador: 2, Dominican Republic: 3 West Africa: 11
	Number of CSA technologies and activities newly adopted by participating companies	0	4	4	<ul style="list-style-type: none"> <li>In Ghana: CSC training manual, CocoaLink and Tree Registration</li> <li>In Central America: High value cocoa agroforestry systems with cocoa-plantains-fruit and timber trees incorporated in the work plan of 6 partners.</li> </ul>
<b>Climate-Smart Cocoa IR 1:</b> Implementation of a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods in cocoa growing regions	Climate-Smart Cocoa (member-ratified) strategy document addressing climate change threats to farmer livelihoods in cocoa growing regions developed and shared	0	0	0	Too early, this document will be developed out of the Inception Report and the individual country-level strategy documents by the end of 2019. Also, in West Africa this will continue to align with CFI.
	Number of participating private sector companies and corporations engaged in climate-smart cocoa	9	20	11 (LA) + 14 (West Africa) = total 24 unique companies	24 total  Dominican Republic: 3; El Salvador: 2; Honduras: 3; Nicaragua: 4; Côte d'Ivoire: 11; Ghana: 11
	Existence of Cocoa–Climate Landscape Report detailing impact of climate change on the cocoa sector & current landscape of private sector activities & investments in CSA	0	1	1	2 total  Report delivered in October 2017
	Existence of cocoa agroforestry market system	0	1	1	2 total  Final report has been delivered by

	recommendations and work plan				ACDI/VOCA, has been reviewed by WCF, and is currently being finalized.
	Existence of multi-stakeholder workgroup, engaged to develop a shared cocoa/agroforestry strategy	0	6 countries	7 countries	7 total Workgroups have been set up in Côte d'Ivoire, the Dominican Republic, El Salvador, Ghana, Honduras, and Nicaragua. Columbia has joined CFI with a focus on CSC.
	Existence of CSA investment plan, including analysis of opportunities in CSA pilots and innovations	0	0	0	Too early, this document will be developed out of the Inception Report and the individual country-level strategy documents by the end of 2019. Also, in West Africa this will continue to align with CFI.
<b>Climate-Smart Cocoa IR2:</b> Lessons learned from successful pilots used to guide private sector investment in targeted CSA activities to improve farmer adaptive ability	Number of CSA pilots implemented and evaluated with learnings shared with the strategy workgroup	0	4	0	This is planned for year 4 and will be incorporated into the CSC investment plan.
<b>Climate-Smart Cocoa Outputs—IR2</b> 7	Number of CSA pilot projects started through actors coordinating with CSC program	0	8	10	10 total <ul style="list-style-type: none"> <li>• Agroforestry market analysis in Liberia</li> <li>• CSC training curriculum in Ghana</li> <li>• CocoaLink in Ghana</li> <li>• Drought &amp; heat tolerant planting materials research scoping pilot in Latin America</li> <li>• Tree tenure registration pilot in Ghana</li> <li>• CSC Integrated Soil Fertility Management in Ghana</li> <li>• Transition to CSC agroforestry systems on Nicaragua and Honduras</li> <li>• Establishing high value CSC agroforestry systems in Honduras, El Salvador and Nicaragua</li> <li>• Adapting CSC training curriculum for C. America</li> <li>• Cost Benefit Analysis of CSC practices in Ghana</li> </ul>
	Number of CSA pilot projects that have been evaluated and	0	4	0	Too early for evaluation of pilots. However, evaluation of CSC pilot Training of Trainers, and of the tree tenure registration pilot is underway.

	marked for future recommendations				
	Existence of learning agenda for CSA pilot projects that identifies key learning questions	0	1	1	1 total  The CSC Inception Report has been delivered in October 2017 and outlines an initial/potential further learning agenda.
	Number of actor-linkages and information sharing agreements established	0	10	10	10 total (more than 30 if considering CFI)  WCF signed a letter of intent with Ghana Reducing Emissions from Deforestation and forest Degradation (REDD+) Secretariat.  Agreements on pilots have been reached with Hershey, Farmerline, Touton, UTZ, Rainforest Alliance and Olam in West Africa.  In Central America MoUs were signed with Lutheran World Relief (LWR), Vredeseilanden en Mesoamérica (VECOMA), Catholic Relief Services (CRS) and ECOM.

IV. Program Summary Objective 1: Implement a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods in cocoa-growing regions

During this reporting period, WCF continued its engagement with the private sector, USAID, and other key stakeholders in a strategic dialogue on climate change and cocoa agroforestry models. This process aims to produce an initial CSC agroforestry strategy with an emphasis on private sector actions which, in the case of West-Africa, align with and informs the Cocoa & Forests Initiative. The final strategy will be developed by the end of 2019 based on the already available CSC Inception Report. This report continues to be revisited and revised with the outputs and learnings from the various CSC pilots and the evolving understanding of climate change issues and possible strategic pathways for engagement and investment. As part of this work, country-level CSC strategy documents emerging from the CSC Strategy Working Groups (CSCSWG) in Central America are being developed. In West Africa, the CSC Program’s strategy development is fully aligned with CFI which today also develops strategic resources for CSC agroforestry models. CFI signatories, including all 9 CSC Program companies, have included CSC/agroforestry strategies into their CFI action plans using the action plan template which was developed based also on CSC knowledge development. We leveraged CFI and the commitments that companies made through their individual action plans to scale the adoption of the CSC strategy and innovations. In Central America and the Caribbean WCF is collaborating with 11 companies in addition to the original 9 CSC companies.

Objective 1 activities:

1. Report on the Cocoa-Climate Landscape: Build knowledge on the impact of climate change on the cocoa sector and the current landscape of private sector investments in CSA;
2. Cocoa Agroforestry Market System Assessment: Assess cocoa agroforestry market system to

identify end-markets and market incentives for cocoa agroforestry products and key capacity building needs;

3. Governance/Structure for CSA Dialogue: Support/establish multi-stakeholder CSA platform/work group to begin strategic dialogue;
4. CSA Framework & Investment Plan: Identify short-, medium-, and long-term investment actions for addressing climate change in the cocoa sector that include investment opportunities in CSA pilots and innovations; and

#### 1. Report on the Cocoa-Climate Landscape

In 2017, the CSC Inception Report was completed with important contributions from key knowledge partners including the Learning Community, the Consultative Group for International Agricultural Research (CGIAR), ACDI/VOCA, Rainforest Alliance, and Bioversity International. The report was shared and discussed during the November 2017 Global Strategy Meeting and during country-level meetings and individual exchanges during the whole of 2018. The report was used as an input to the strategic engagement with national institutions and in the process of the National Implementation Plans development and action plan development for the CFI.

The Inception Report covers the climate impact predictions for cocoa and the sector, the Cocoa-Climate Landscape, and the three core pilot initiatives: (1) CSA training materials, (2) agroforestry, including the market assessment, and (3) heat and drought tolerant planting materials. The report also tackles a broad selection of key CSC themes that are not currently addressed by pilots. The identification of these topics has served as a starting point for on the development of additional pilots, particularly at the country level and with the companies. The report is also used to engage with government agencies. For instance, parts of the report have been used to inform the development of the draft Ghana CSC Standard, which is to be integrated into the yet to be approved Ghana Cocoa Sector Development Strategy II.

#### *Cocoa-Climate Landscape Report: Impact of climate change on the cocoa sector*

A considerable section of the CSC Inception Report was devoted to building knowledge on the impact of climate change on the cocoa sector. Studies on the long-term impact of climate change on cocoa production have focused on West Africa cocoa countries because of the importance of the region to the sector. The impact maps with the climatic impact zones have been presented in earlier scientific reports.

Climate change science on West Africa is building on the initial assessments to provide guidance on how to implement adaptation strategies, providing clear recommendations for CSA practices per climatic impact zone. [A report](#) to which the CSC Program contributed, has addressed what the cost of inaction would be, were CSC not to be adopted. Over 2018 the WCF worked with the Climate Economic Analysis for Development, Investment and Resilience (CEADIR) program to look into the cost-benefit analysis of CSC practices in Ghana, based also on data provided by CSC Program companies. An initial analysis presented during a workshop in March 2019 demonstrated to CSC companies and partners that the business case for CSC is better than maintaining Business As Usual (BAU). Calculation tools were shared. WCF is awaiting the final CEADIR report. Less research exists on Latin America and Southeast Asia.

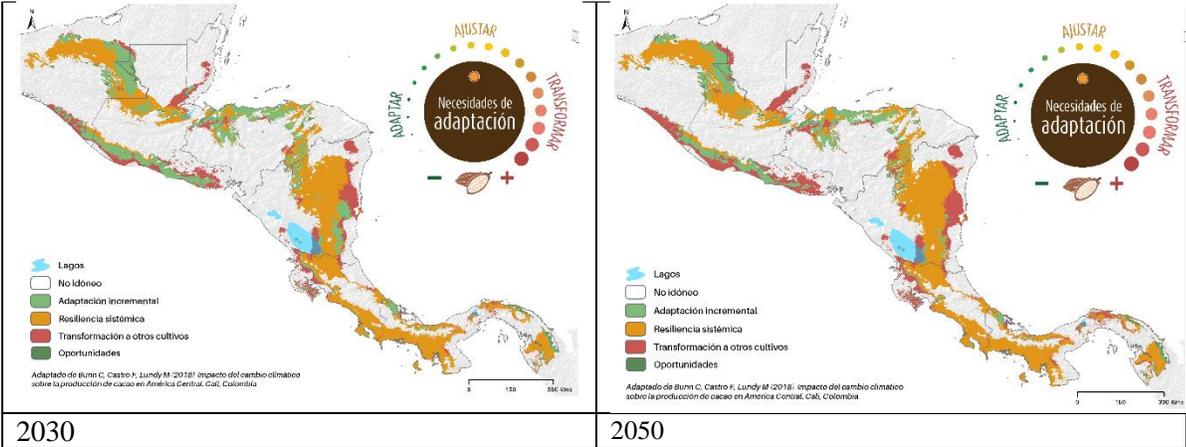
During this reporting period, WCF worked with the CSC member companies and cocoa institutions in Ghana, to test and roll-out CSC training manual to be used in farmer training. In Côte d'Ivoire

companies and institutions have also been engaged on the identification of CSC practices and the design of a new manual. The key national partners have all accepted the utility of the maps. To facilitate the work, the meteorological impacts per climatic impact zone have been more accurately defined by the International Center for Tropical Agriculture (CIAT) in order to better link CSA practices to specific zones. In 2018/2019, WCF collaborated with Rainforest Alliance and ICRAF on a study to identify the CSA/CSC practices per zone and per climatic hazard.

WCF has continued to discuss the implications of the climatic predictions with members and national partners, to help drive the national dialogues on CSC and agroforestry models. In the case of Ghana, these have been linked to the development of a national CSC Standard, led by the Ghana Cocobod. This will serve as a national strategic document that defines the framework for CSC production across the cocoa landscapes of Ghana, also in the context of the Emission Reduction Program. It is a voluntary standard of metrics and best management practices for climate smart landscape that aims to facilitate the adoption of site-specific sustainable practices that ensure higher yields, conservation, protection, management and use of cocoa landscape resources for better living standards. Once approved, this could also lead to reduced greenhouse gas emissions, climate change adaptation and mitigation, and the creation of CSC landscape approaches.

In Latin America, WCF supported CIAT to develop similar climate exposure studies for Mesoamerica (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, and Panama) and Caribbean (Dominican Republic). CIAT invested \$40,000 into the development of the maps. Final results of the study were presented to more than 125 key actors in the cocoa sector from 5 countries in Latin America during the National Consultations held during September-November 2018. In alliance with CIAT and Rikolto, detailed results of the studies - including maps and data - were presented to key partners in each CSC country to discuss the implications and generate concrete ideas on actions for climate change adaptation and mitigation in the cocoa growing zones. Information generated in the national and territorial carried out during this reporting period, form the foundation of a CSC curriculum for the region. So far, Rikolto has invested \$10,000 into the development of the curriculum.

Figure 1 – Predicted climate impact for Central America



Cocoa-Climate Landscape Report: Current landscape of private sector investments in CSA

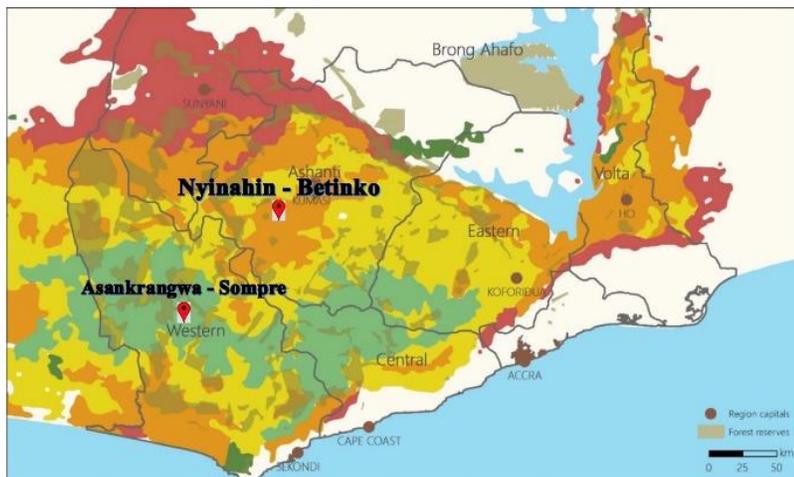
The global assessment of private sector investments in CSA, in collaboration with the Feed the Future CSA Learning Community, has been concluded. The findings, as reported in the Inception Report, have been most useful in the individual engagement of companies, particularly by keeping in mind the different roles that companies play depending on their activities in the global and national value chains (direct service providers, collaborators or catalysts) and where priorities for collaboration and types of solutions lie. Most open questions continue to pertain to financing, especially of replanting and rehabilitation of cocoa farms. These questions featured prominently during the various strategic and technical CSC workshops that have been organized, e.g. on agroforestry and REDD+ programs, and more recently on the business case of CSC. In 2019, these will be leading questions in the development of the CSC strategy document, also on the basis of ongoing cost-benefit analyses.

### West Africa

Overall, companies have demonstrated a strong willingness to integrate the issue of climate change into their strategies for West Africa and to adopt climate-smart practices that make social, environmental and business sense. Companies have been engaging with WCF on the best engagement strategies, particularly for the development of the CFI Company Action Plans up until the beginning of 2019. Individual companies continue to not have equal interest in all West African countries, generally showing a preference for initial investments either in Côte d’Ivoire, Ghana, or both.

The CSC Program has made it an ongoing priority to provide more clarity by engaging on the policy discussions, strategy development process and to be a driving force of the CSC/agroforestry Technical Working Groups (TWG) and other national initiatives. In Ghana, a good example is the integration of the CSC TWG on environment and climate change into the design of the launch of the Ghana Cocoa Platform (still pending).

Figure 2 – Joint learning sites currently under



In Côte d’Ivoire, the reclassification of the different classified forests, also for agricultural use, is generating much debate on how that influences strategy. In late 2017, the Ivorian Ministry of Water and Forests (MINEF) announced the development of a new forestry code for the classified forests and rural domains, which is expected to be approved in Q2 of 2019. The new “Code Forestier” builds on and amends the 2014 Forest Code, incorporating language specifically around the promotion of agroforestry concessions in the cocoa sector among

other provisions. WCF, along with technical experts from the donor community, have provided feedback on the new code, and are currently providing input into the regulation texts that will accompany the Forest Code.

In West Africa, during this reporting period, WCF exchanged further with member companies to discuss the adoption of CSA solutions. These meetings indicated that companies plan to align their CSC

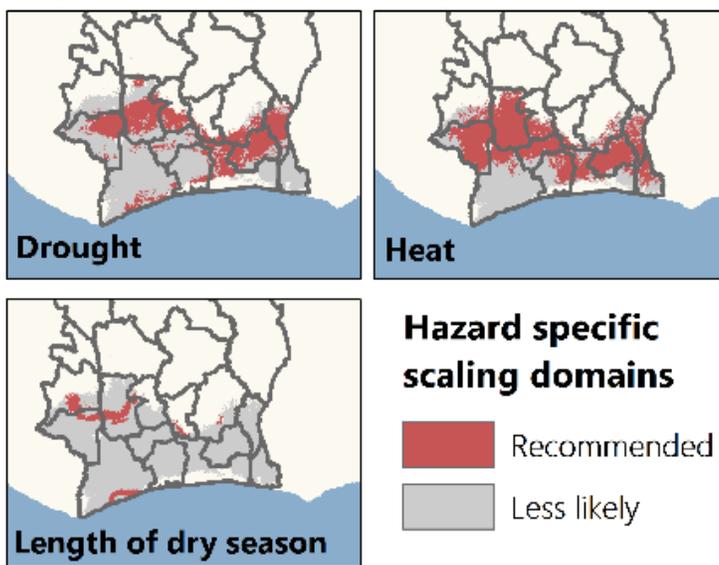
investments with the CFI action plans. Due to delays in the release of essential information (i.e. forest boundaries and classifications) the actual budgets that companies expect to allocate are not available yet.

In 2018, the Learning Community and CGIAR Research Program on Climate Change, Agriculture and Food Security (CCAFS) performed joint visits to companies in Ghana. The appetite for pre-competitive joint learning can link companies to high-quality research initiatives in “learning sites” (figure 1) and provided them with an introduction to a larger pilot set of CSA tools currently being tested or finalized.

In Côte d’Ivoire the 2018 ban on the implementation of activities focused on improving cocoa production continues. This has put many company investments in productivity on hold in anticipation of more clarity. At the same time, this has opened up more opportunities for a learning dialogue on climate change impacts and agroforestry, as demonstrated by a budding learning partnership between the Conseil du Café Cacao, FIRCA, the REDD+ Secretariat, the Côte d’Ivoire National Cocoa Research Center (CNRA), IDH and WCF and others to identify agroforestry models. In December, WCF contributed to the design and organization of a national dialogue on agroforestry.

Companies are increasingly coming out with revised sustainability commitments that include a greater focus on environment sustainability, particularly on addressing deforestation and incorporating climate smart objectives. Though these strategies are not an exclusive direct result of the CSC Program, the companies do build upon the WCF CSC (and CFI) outputs and exchanges. Examples include: 1) the CSC project by Touton in Ghana’s Western Region, which has fully adopted WCF’s work on CSC farmer training (see section 5.1); 2) Hershey’s new, half-billion-dollar sustainable cocoa strategy ‘[Cocoa for Good](#)’, which has a focus on zero deforestation and increased agroforestry to protect forests and climates by investing in growing cocoa under shade while also focusing on productivity; and 3) the Mars ‘[Sustainable in a Generation](#)’ that uses data driven evidence to tackle deforestation and climate change.

Figure 2 – Specific climate change hazards in Côte



Additional analytic work in collaboration with CCAFS and Rainforest Alliance has led to a deeper understanding of the particular hazards that underlie the climate change impact predictions for Côte d’Ivoire (figure 2), as part of the CSC practices identification process and the subsequent study in the second part of 2018.

#### Latin America

The members of the CSC Strategic Working Groups of the four target countries of Latin America have maintained a high level of interest in the theme of CSC and have engaged actively in the actions of the

CSC program. A total of 40 organizations including nine cocoa and chocolate companies are regularly participating in the bilateral and multilateral working sessions to develop national CSC Inception Reports, sectorial strategies for CSC for each of the countries, and to implement CSC pilots in the framework of the CSC strategies. WCF has also engaged with the governments and private sector actors of Nicaragua and Honduras to incorporate CSC within the national cocoa strategy and work plans.

The CSC Program also provided technical advice and support for the process to consolidate the Regional Technical Platform of Cocoa. In January 2019, the representatives of the cocoa sectors of the seven Central American Integration System (SICA) member countries (Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama) met in Costa Rica to develop the annual work plan for 2019 of the regional platform to position itself in the policy arena, to further collaboration between the cocoa sectors of the different countries in strategic themes like CSC and Cadmium. WCF (via CSC Program) has been invited to be an advisory member of the regional cocoa platform, especially to facilitate analysis and deliberations on scaling of CSC in the region.

In the frame of the regional cooperation, a Knowledge Management Project of the Cacao Value Chain in Central America (2018-2022) is being implemented by an international NGO, Rikolto in Central America in a strategic alliance with the WCF and financial support of Swiss Agency for Cooperation in Central America (SDC). The Project was developed with technical assistance of CSC Program and will help cocoa farmers in the Central American region increase their standard of living through diversified cocoa agroforestry systems (SAF) products. During the reporting period the project invested \$10k for to support national consultations and development of CSC curriculum in El Salvador, Honduras, Nicaragua and Guatemala. In the coming months CSC program and the regional program will work together to develop strategy and investment guidelines to foster CSC for the region.

## 2. Cocoa Agroforestry Market System Assessment

In 2027, ACDI/VOCA completed the cocoa agroforestry market system/ value chain assessment in Liberia and key lessons have been integrated into the CSC Inception Report.

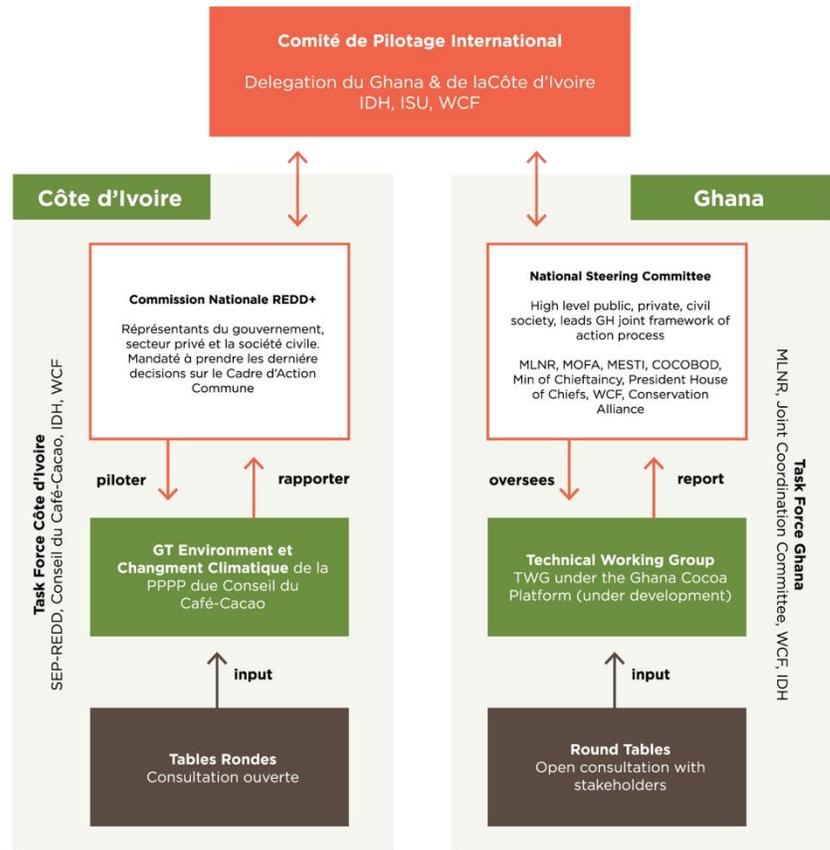
## 3. Governance/structure of CSA dialogue

The CSC Program continues to engage with the companies at the global, regional and national levels and to work with the national governments, CSOs and networks. The CSC Program in West-Africa is now fully integrated with the CFI engagement process. At the country level, WCF is co-facilitating the various types of strategic groups that lead the national dialogues on CSC, agroforestry and other CFI themes.

## West Africa

For West Africa—Côte d’Ivoire and Ghana—the Program directly collaborates with the existing platforms managed by the national cocoa institutions (particularly the Conseil du Café Cacao and Ghana Cocobod) and the National REDD+ Secretariats. In Côte d’Ivoire, the strategic dialogue on CSC strategy and piloting happens within the public/private partnership platform’s Thematic Group on Environment and Climate Change and within CFI, while in Ghana the current CSC/CFI thematic group is to advise both the Ghana Cocoa Platform (GCP), and the Emission Reduction Plan’s Ghana Cocoa Forest REDD+ Program ‘GCFRP). WCF’s technical group work in Côte d’Ivoire and Ghana aligns with the governance structure for climate change and agroforestry as part of the larger governance structure of CFI (see figure 4).

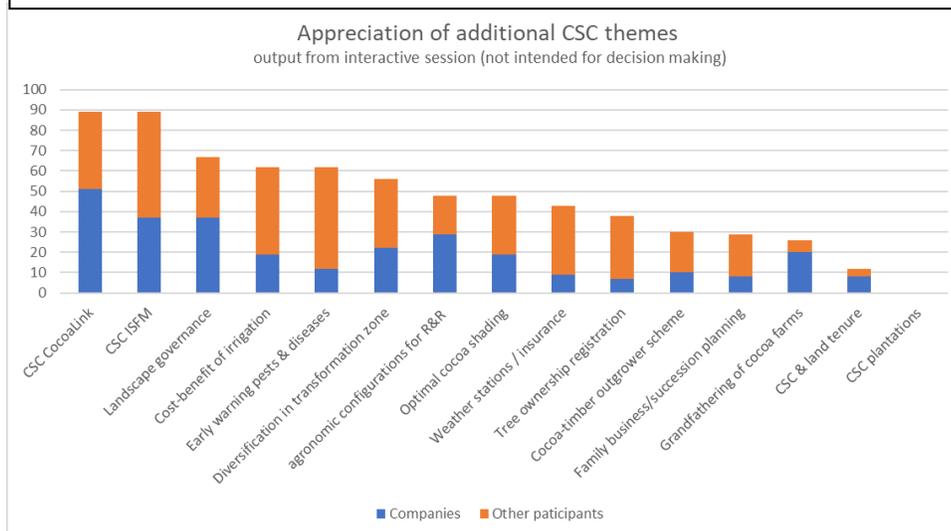
Figure 4 – CFI Governance Structure for CSC agroforestry



WCF and the CSC Program is integrated at all levels of the CFI governance, which is outlined above. WCF’s roles in CFI and the strategic objective of CSC have converged into (1) coordinating and supporting private sector companies to follow-up on commitments in the Frameworks of Action that revolve around climate-smart agroforestry farming systems, (2) acting as the industry collective voice to governments, bilaterals, and other cocoa sector stakeholders internationally and in country on the topics of environment, climate change and deforestation, and (3) providing advice and technical support to private sector companies to build and implement climate-smart action plans in line with the Frameworks for Action. As part of this, WCF has supported companies to develop and finalize their action plans to fulfill their individual CFI commitments, and has supported the government to develop their National Implementation Plan and budget, with a focus on CSC and cocoa agroforestry. WCF analyzes, pilots, showcases and shares CSC best practices and opportunities for scale through CFI and holds bilateral meetings with partners and organize regular meetings for industry partners to discuss activities that relate to CSC and CFI at the global and national level.

During the previous CSC Program Global Steering Committee Meeting in Accra, Ghana an interactive, non-binding prioritization exercise helped understand which themes could potentially be taken forward

Figure 5 – Voting on CSC Innovations to Pilot



for pilot and strategy development (figure 5). The CSC Program has since designed, developed and/or joined initiatives on most of the key priority identified by the CSC companies (CocoaLink; Integrated Soil Fertility Management (ISFM); landscape governance; tree ownership registration; land tenure; and agronomic models for CSC/agroforestry/R&R.

The table below outlines the initial CSC governance structure and key participants in each country. In both countries, the nine CSC company members (bolded below) participate in the meetings (Lindt through ECOM). During 2018 this has fully been enveloped by CFI, its governance structure and working groups (see also figure 4)

	Côte d’Ivoire	Ghana	Purpose
National coordination	CCC, SODEFOR, with IDH and WCF as secretaries	Cocobod, Forestry Commission, Ghana REDD+ (Joint Coordination Committee), Ministry of Lands and Natural Resources, WCF and IDH until the Ghana Cocoa Platform is reconstituted.	Ensures that meetings are organized, and the program progresses through frequent calls
Strategic Working Group on CSC	Existing TWG, presided over by SEP-REDD, performing tasks for the PPPP of the CCC, and for the CSC Program and CFI. Members of the ‘Groupe Thématique convened by CCC: ANADER, <b>Barry Callebaut, Blommer, Cargill, CCC, Cémoi, FairTrade USA, Ferrero, GIZ, ICRAF, IDH, Impactum, Mars, Mondelez, Nestlé, OIPR, Olam, SEP-REDD+</b> ,	TWG at the level of Ghana REDD+, building on a new strategic collaboration between Cocobod and Forestry Commission, which performs tasks for the GCFRP under the ERP, for the Ghana Cocoa Platform, and for the CSC Program and CFI. Members of the TWG convened by Cocobod/FC: <b>AgroECOM SMS (also for Lindt), Barry Callebaut, Cargill, Cocobod, FC, Hersheys, IDH, IUCN, Mars,</b>	Meets on bi-monthly basis to address specific agenda items. May look at strategy building, research questions, assessment of pilots, and policy recommendations

	SODEFOR, TFT, <b>Touton</b> , Tranchivoire, UNDP, UTZ, WCF, World Chimpanzee Foundation, <b>Zamacom/ECOM</b>	MinAgri, MLNR, <b>Mondelēz</b> , <b>Nestlé</b> , <b>Olam</b> , Palladium/P4F, Proforest, Rainforest Alliance, <b>Touton</b> , UNDP, WCF, World Bank/FIP.	
--	--	--	--

### Latin America

To roll out the CSC Program, WCF convened key actors in the cocoa sectors of the four target countries to form CSCSWG. Through this engagement, we have been able to build collaboration with 12 company partners listed in bold in the table below (please refer to list of acronyms):

	El Salvador	Honduras	Nicaragua	Dominican Republic (DR)	Purpose
National coordination	National Cocoa roundtable	National Cocoa Value Chain Committee	National Cocoa Commission	National Cocoa Commission	National platforms for sector dialogue & dialogue with public sector
Strategic Working Group on CSC	Convened by CRS. Members: <b>CLUSA</b> , <b>LWR</b> , <b>CARITAS</b> , <b>ACPACI</b> , <b>CENTA</b> , <b>MAG</b> , <b>UES</b> , <b>Chocolate Melher</b> , <b>ES-Cacao</b> and <b>Rikolto</b>	Convened by LWR. Members: <b>FHIA</b> , <b>APROCACAHO</b> , <b>FUNDER</b> , <b>CURLA</b> , <b>FUNDER</b> , <b>Chocolats Halba</b> and <b>Rikolto</b>	Convened by <b>ECOM</b> . Members: <b>INTA</b> , <b>INETER</b> , <b>MAG</b> , <b>MEFCCA</b> , <b>COSUDE</b> , <b>CIAT</b> , <b>CATIE</b> , <b>Ritter Sport</b> , <b>Ingemann</b> , <b>Cacao Oro</b> , <b>UNA</b> , <b>CANICACAO</b> , <b>CRS</b> , <b>LWR</b> , <b>ONUDI</b> , <b>Solidaridad &amp; Rikolto</b>	Convened by <b>Rizek Cacao S.A.</b> Members: <b>CONACADO Group</b> , <b>Roig Agrocacao S.A.</b> , <b>Valrhona</b> , <b>IDIAF</b> , <b>MAG</b> , <b>COOPROAGRO</b> , <b>FUPAROCA</b> , <b>APROCACI</b> , <b>UNDP &amp; COOPCANOR</b> , <b>REDDOM</b> .	National spaces for CSC dialogue, sector wide CSC strategy development, identification and implementation of CSC pilots.

In addition, WCF is engaging with the Cocoa Integration Committee of Central America and the Dominican Republic (SICACAO) which has the purpose to contribute to the sustainable development of the cocoa sector. It is made up of public and private representatives of the cocoa value chain of the member countries of SICA (currently Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama). The regional platform has defined a clear objective to foster CSC in

the region providing opportunity for public and private engagement and investment in CSC.

In November-December 2018, WCF facilitated the CSC Program Strategy Meetings in the target countries to foster ongoing CSC dialogue with key stakeholders. The events brought together more than 80 participants from Dominican Republic, El Salvador, Honduras and Nicaragua who reflected on climate exposure maps, national CSC strategies and work plan for implementation of CSC pilots in each of the countries. The participants expressed openness and desire to share knowledge and collaborate on best practices to promote CSC and advance cocoa sustainability in the region.

#### 4. CSC Framework & Investment Plan

As a first step in the development for the CSA Framework & Investment plan, WCF produced the CSC Inception Report. It identifies pilot options for potential investment pathways for addressing climate change in the cocoa sector, many of which have since been developed. WCF is also convening key stakeholders in each country, particularly in Latin America, to further develop the CSC Program's strategy objectives, design and roll out additional CSC pilots. The current step emerging from these company dialogues, as well as the CFI company action plan development, and the initial pilot activities, is to distill CSC strategies for the broader implementation and scaling of CSC pilot activities. The strategy will feature an investment plan for the implementation of CSC pilots and innovations by the end of 2019.

##### *West Africa*

In West Africa, strategy development in both Côte d'Ivoire and Ghana initially used the thematic working groups as the dialogue platforms to 'translate' the globally-focused CSC Inception Report into national CSC strategies. This then aligned with CFI for a shared structure for strategy development. WCF works with a broad stakeholder group to single out themes at the national level, as well as to demonstrate the business case and entry points for increased engagement and investment by the private sector. In 2019, past and finalizing pilot activities, and the corresponding investment models are assessed and brought out. This work aligns with achieving the CFI commitments, although the pilots clearly keep their CSC identity. WCF continues to push for the publication of the Ghana Cocabod's CSC Production Standard, also as part of the increasing collaboration with the Forestry Commission on the Ghana Cocoa Forests REDD+ Program.

##### *Latin America*

During the reporting period, WCF engaged with members of CSCSWGs in the program countries via bilateral and collective working sessions to advance the process of developing CSC strategies in a participatory manner. Using the results from climate exposure mapping and contents of the Inception Report, partners from these countries analyzed their roles and generated concrete ideas and inputs to build CSC strategies both at the sectorial and the organizational level leading to National CSC strategy documents. The documents have been revised by the key actors. The final edited versions in English and Spanish will be made public in June 2019.

- V. Program Summary Objective 2: Use lessons learned from successful pilots to guide private sector investment in targeted CSA activities to improve resilience for farmers, other supply chain partners and ecosystems

Five key activities will contribute to the achievement of this objective:

1. Identification and design of CSC pilots;
2. Identification of key learning questions;
3. Implementation of initial and additional pilots;
4. Compilation of lessons learned; and
5. Improvement and promotion of successful pilots.

#### 1. Identification, Design, and Implementation of Pilots (activity 1 & 3)

With the initial funding, the Program identified three pilot projects to start within the first three years, on CSC training, agroforestry and heat and drought tolerant planting materials. In addition to those three initial pilots, described below, the Program has been designing and piloting additional innovations to stimulate private sector investment and engagement for the adoption of CSC practices. Some pilots originated out of the strategy development process within the different technical working groups, while others arose from emerging partnerships with individual companies or groups of partners. Moreover, through CFI, additional pilots were identified for implementation in 2019 based on the development of the company CFI action plans. The final phase of our work on key CSC pilots is focused on learning that will be integrated into the CSC Framework and Investment Plan by the end of 2019.

In the section below, we present several additional pilots that have been developed.

#### *CSC Training Curriculum*

WCF has been building on existing scientific efforts in Ghana to identify CSA practices per climatic impact zone. Rainforest Alliance and WCF, in partnership with the CGAIR's CCAFS Program and Cocoa Board in Ghana, developed a CSC curriculum. The CSC training modules and farmer handouts supplement the Cocobod's harmonized productivity training curriculum, in which the CSC Program also succeeded to include sections on climate change impacts. In this reporting period it was agreed with Cocobod and the Forest Investment Program to organize a national review workshop to look into the CSC manual, and to adapt and adopt the manual as an official Cocobod CSC manual. This workshop is expected in Q2 of 2019. Several CSC companies have organized training on CSC practices during the current cocoa season, and WCF will perform an assessment for the upcoming annual report.

WCF is working with UTZ/Rainforest Alliance in Côte d'Ivoire to proceed in a similar fashion, with the aim to organize a similar training of trainers in 2019 and to proceed with scaling of the materials afterwards through their certification network. WCF works with the CSC/CFI companies again on a training of trainers, with the aim of reaching the producers from which these companies source directly. WCF is taking care of curriculum development, based on a study performed by ICRAF-CGIAR. RA/UTZ are supporting the developing the recommendations based on CGIAR's research, and on participatory validation and local adaptation exercises. UTZ is investing approximately \$150,000 in the development of the CSC curriculum. On the 31<sup>st</sup> of January a national validation workshop on the findings on CSC practices for Côte d'Ivoire was held, the CCC has also been engaged and we have now entered into curriculum development.

During 2018, CIAT, RIKOLTO and WCF collaborated to elaborate the climate exposure study of the cocoa producing areas of Central America and the Caribbean including the target countries of CSC program. The findings of the study were critical for developing a CSC curriculum based on the current and future climate trends for the cocoa growing zones and evidence-based knowledge on options for adaptation and mitigation for specific cocoa growing zones, identified during the national and territorial consultations. WCF in alliance with CIAT and Rikolto has started the process to complete CSC curriculum for Central America and Caribbean by organizing information on the impact of climate change and site-specific options for adaptation and mitigation for each cocoa growing zones of the region. By August 2019, the CSC curriculum will be publicly available in an online information system for consultation and use by a wide range of actors from the cocoa sectors.

*Cocoa agroforestry market systems linkages*

This pilot has been completely finalized in the previous reporting period.

In spite of this, the dialogue in-country on CSC/agroforestry has continued to be a big part of the CSC Programs strategic engagement, including joint events with partners on a continued agroforestry dialogue in Ghana with SNV, a joint strategy for the financing of cocoa rehabilitation through mass adoption agroforestry in Côte d’Ivoire with UNDP and support to a strategic workshop in cocoa agroforestry model recommendations in Côte d’Ivoire in collaboration with CCC and FIRCA – all in Q4 of 2018.

*Heat and Drought Tolerant Planting Material*

During 2018, a sub-agreement to develop knowledge base and research protocols to study and identify heat & drought tolerant cocoa planting materials was developed, submitted to and approved by USAID. Bioversity International is currently implementing field activities for evaluation of heat and drought tolerant cocoa planting materials in Brazil, Colombia, Costa Rica and Dominican Republic. A link with national research institutes in Côte d’Ivoire and Ghana is kept through WCF’s African Cocoa Initiative. An initial agreement on data sharing exists with CNRA and negotiations are ongoing with CRIG. By the end of 2019, Bioversity International and collaborators from Latin America will produce fresh analysis of past cocoa breeding data with climate focus to identify trends in heat & drought tolerance in the planting materials and will also develop robust research protocols for field studies intended to identify heat & drought tolerant planting materials.

*Other Pilot Opportunities*

During the Strategy Meeting on November 30, 2017 and based on the investment pathways discussed in the CSC Inception Report as well as the knowledge development needs in the context of CFI, the CSC members identified additional pilots to consider integrating into the CSC Program.

<b>Innovation</b>	<b>Location</b>	<b>Partners</b>
CSC Training Curriculum based on climate exposure maps	Côte d’Ivoire, Ghana	CGIAR/CCAFS, Cocobod, RA, SFL
Cocoa agroforestry market systems linkages	Côte d’Ivoire, Ghana, Liberia	ACDI/VOCA

Heat and drought tolerant planting materials	Côte d'Ivoire, Ghana	WCF ACI, CNRA, CRIG
<i>Learning about Land Tenure in the face of Climate Change</i>	Ghana	Ecom, Hersheys, Winrock, USAID
<i>Using Cocoa-Link as a CSC training App</i>	(Côte d'Ivoire,) Ghana	CGIAR/CCAFS, Hersheys, Farmerline, RA/UTZ
<i>Proof of concept on Tree Tenure Registration</i>	Ghana	AgroEco Louis Bolk, Cocobod, Forestry Commission, RA, SFL
<i>Landscape management</i>	Ghana	FC, NCRC, OLAM, Touton, WUR
<i>CSC ISFM</i>	Ghana	IFDC (with WCF CLP)
<i>Cost and Benefit of CSC practices</i>	Ghana	CEADIR, CCAFS
<i>CSC agroforestry systems: collective learning from ongoing trials</i>	Dominican Republic El Salvador Honduras Nicaragua	Solidarity International, ONUDI Helvetas, SOCODEVI, APROCACAO FUNDOPO, FUPAROKA, CONACADO, APROCASI, Roig UES, Green Energy
<i>Economic analysis of Cocoa agroforestry systems</i>	El Salvador	CRS, CLUSA, LWR, Caritas

#### West Africa:

##### *Learning about Land Tenure in the face of Climate Change*

In Ghana, the CSC Program started a collaboration with Hershey, ECOM, and the USAID Tenure and Global Climate Change (TGCC) Program. This program aims to better understand and test the components of a model for public-private collaboration to help smallholder cocoa farmers in Ghana increase tenure security (land and trees), replant old cocoa farms, and reduce deforestation and degradation. WCF joined the pilot to translate the learnings into the CSC strategy development process and continue to provide technical support to monitor the impact. Although this pilot has ended in the previous reporting period, the work continued to inform the ongoing work on tree tenure, particularly in Ghana and increasingly in Côte d'Ivoire where the new Forest Code is opening new opportunities for implementation. Also, WCF is investigating how to further continue learning in a new phase of this Program. ‘

##### *Using CocoaLink as a CSC training App*

In Ghana, WCF has worked with partner with Hershey to use their new Android training App (CocoaLink) to incorporate the CSC training curriculum. As a first step, a selection of the CSC training materials was put onto the platform (download the App at <https://www.facebook.com/cocoalink/>). The App was officially launched by Hershey, with open access to the climate change sections for anyone. We worked with several partners, including Learning Community, Rainforest Alliance and UTZ, to add additional functionality (e.g. location-based advice, farmer segmentation, stepwise approach), integrate other mini Apps (e.g. shade tree advice, shade cover calculator) and other knowledge resources onto the

platform. The CSC program provided some additional financial support to reorganize and integrate the different features. Also, written materials needed to be transformed to be used on a mobile platform. The App is now fully available in the Android Play Store, with several thousands of users already. Company partners are requested to pilot the App in combination with CSC training (of trainers).

#### *Proof of concept on Tree Tenure Registration*

In collaboration with SFL and the local NGO Agro-Eco, WCF undertook a proof of concept pilot targeting 150 farmers. Funded by the FTF CSA Learning Community Project, this pilot aimed to (1) identify and build practical ways for farmers to register their planted trees; and (2) catalyze more discussion/action on the process of reforestation/tree planting. Part of the implementation included the use of the latest smart phone and digital mapping technology and the provision of farm documentation to individual farmers. This highly innovative pilot is now completed. The registration of 150 farmers has been successful (for the first time ever in Ghana) and this achievement has been picked up by media after WCF issued a [press release](#). The Thomson Reuters Foundation also performed a twin report both on the Winrock land tenure ([link](#)) and WCF CSC tree tenure pilots ([link](#)). Farmers can now benefit from selling the trees for timber that will encourage tree conservation and replanting, while providing much needed environmental benefits to the farm and region. In addition, WCF has worked with partners to develop a manual and training module for other partners to adopt it. This has been published in December 2018. Several of the CSC companies have started (or expressed their intention) to work on tree planting and registration, also in the context of CFI. In 2019 the policy dialogue on mainstreaming tree tenure and tree benefit sharing continues.

#### *CGAIR/CCAFS Learning Sites*

In Ghana, WCF coordinates the implementation and knowledge sharing involving private sector of all the CSA/CSC field pilots being implemented by the CGIAR's CCAFS consortium, the CSA Learning Community led by SFL, and the WCF CSC Program. The effort is to ensure synergies, prevent duplication and over-solicitation of member companies. This exercise has also led to the identification of two scientific CSC learning sites (see figure 2), within CSC company members' operations, where CSA practices are piloted and researched. Learnings will be shared as they become available, which is expected in 2019.

#### *Learning on CSC Landscape Approach*

The CSC Program has joint two learning consortia on the development of a landscape approach for CSC, led by member companies Olam and Touton. This is within the context of the Ghana Cocoa Forest REDD+ Program, but also in the context of global landscape standards such as those under development by Verra and others. Both companies have agreed that the CSC Program should support by collecting lessons on how to set up and manage multi-stakeholder platforms on landscape governance, for learning by other CSC companies. WCF will collect this information over the course of the year and work with national knowledge partners within this landscape to include more companies into the learning, and to assist in development of a tool kit for guiding these types of landscape processes, if resources allow.

#### *CSC Integrated Soil Fertility Management*

In 2018 and 2019, WCF in collaboration with its Cocoa Livelihoods Program (CLP) supports research on ISFM in Ghana. In partnership with the International Fertilizer Development Center and the WCF Cocoa Livelihoods Program, the research has the following objectives:

- Identify the business case for:

- biofertilizer in raising cocoa seedlings for rehabilitation of old farms;
- the promotion shade trees that help improve soil fertility for rehabilitation of old farms;
- the promotion of compost to improve soil health on mature cocoa plantations;
- Develop CSC ISFM training modules (both paper and digital);
- Develop decision tools/CSC practice recommendations on ISFM;
- Organize of Training of Trainers; and
- Translate and validate for use also in Côte d’Ivoire.

#### *Cost Benefit Analysis of CSC practices*

The U.S. Agency for International Development (USAID)-funded Climate Economic Analysis for Development, Investment and Resilience (CEADIR), in collaboration with WCF, WCF member companies, Cocobod and CGIAR, recently conducted a cost-benefit analysis of more sustainable production practices for cocoa in Ghana. The focus was on whether these practices increase the long-term profits of farmers and companies while reducing bank lending risks and environmental impacts. WCF and CEADIR proposed a workshop on March 19, 2019 to discuss new findings from a cost-benefit analysis of the CSA practices currently tested and piloted in the cocoa value chain in Ghana. Immediately following the workshop, WCF hosted a closed-door session for CSC company members and key partners to discuss in greater detail the cost-benefit analysis of cacao production models in Ghana. A spreadsheet-based model that was prepared for the analysis and it was explained to companies how this can be used to estimate the economic and financial costs and benefits of cacao. The report, final analysis, video materials and calculation tools are expected to be available in Q2 of 2019, after USAID-CEADIR approval.

#### *Latin America*

During this period CSC program engaged with several partners in the target countries to discuss the possibilities of implementing CSC pilots for generating new and integrated knowledge for scaling of CSC. In the coming months, WCF will continue to provide advisory and technical support and will hold discussions with the partners to further elaborate the CSC pilot, develop work plans, and elaborate the monitoring and evaluation systems for the CSC pilots, including online monitoring systems to facilitate collective learning. These projects are funded by CSC partners but will be integrated into the Program as part of the CSC learnings and strategy development.

#### *Transformation of traditional cocoa agroforestry systems to CSC agroforestry systems*

Traditional small farms face complex resource allocation decisions constrained by incomplete information access. Hence farm management and investment decisions can be improved through timely observation, recordkeeping, analysis and learning. In 2018, WCF started working on this pilot in Nicaragua, and as of 2019 the work has been extended to El Salvador, Honduras and Dominican Republic with the key partners in each country. In 2019, WCF will provide guidance and training to the implementing partners for the design of the pilot, data collection, processing, analysis and collective learning.

#### *Establishment of high-value cocoa agroforestry systems*

In 2018, WCF started providing technical assistance to key partners in Central America to pilot high value CSC agroforestry systems and in 2018, partners of CSC program initiated the process of establishing high value CSC agroforestry plots in the target countries. In 2019, the partners are

continuing to complete the establishment of 40 high value cocoa agroforestry plots in the target countries and an online information system is being developed for tracking the progress of the plots.

#### *Economic analysis of Cocoa agroforestry systems*

In 2018, WCF started working with Cocoa Alliance project of El Salvador (CRS, LWR, CARITAS and CLUSA) to develop the study protocols. In 2019, primary information on investments, costs and returns based on projected performance of cocoa agroforestry systems is being collected to carry out cost-benefit analysis that will help optimize design of cocoa agroforestry systems and Programs to scale CSC agroforestry systems in diverse cocoa landscapes. The results of the study will also facilitate investment and rate of return analysis of different typologies of cocoa agroforestry systems influenced by management, climate and market scenarios. This will feed into the future investment plan of the key donor in El Salvador to scale CSC.

#### 2. Identification of Key Questions

WCF has developed the learning questions (and indicators) for each new pilot beginning in the design phase in collaboration with the participating partners, and the CSCSWG in-country. These questions have been shared and discussed with CSC company members in 2018 (Annex F). This data collection aims to leverage learnings from a successful CSC pilot, but also on dimensions like gender, environmental impacts, and potential future scaling efforts.

During this reporting period, WCF has developed and validated data collection protocols for newly established high-value cocoa agroforestry systems and for transformation of traditional cocoa agroforestry systems to climate smart systems. The data collection system is now being integrated into online information system that will facilitate the data storing and processing for partners and will permit the actors to participate in collective learning based on evidence generated by data and information regarding CSC agroforestry systems.

#### 3. Lessons Learned and Promotion

The compilation of lessons learned, and promotion of successful pilots are the key areas of focus of the CSC Program's year 3, now that the CSC pilots are either finalized, wrapping up or still being implemented. The CSC Program team fine-tunes a robust M&E and communication strategy in anticipation of sharing the successes and challenges in pilot development. The objective is to catalyze private sector adoption of successful innovations, both through the CSC Investment Plan and as part of CFI.

### VI. Communications and Outreach

#### *West Africa*

In this third year of the CSC Program, communication and outreach for CSC in West-Africa has fully aligned with CFI also to ensure efficiency in messaging and to prevent information overload especially on the part of companies.

The current reporting period was marked by the preparation and finalization of the CFI company action plans, and the subsequent global communications surrounding the public publication of these plans. This demanded a more technical assistance on CSC topics, rather than communication and outreach on new CSC innovations and pilots. This explains the lower level of external communications in West-Africa

for this reporting period.

The CSC achievements, pilots and resources are consistently highlighted during the various national events that the WCF environmental staff are attending. Some examples are highlighted below:

On the 12<sup>th</sup> of October, WCF supported a national dialogue on agroforestry in Ghana, organized by SNV and updated the many stakeholders who were present on the advances of the CSC Program and CFI.

A key event highlighting the need for CSC practices in the region was the visit of HRH the Prince of Wales to Ghana, with a dedicated event on CFI on November the 5<sup>th</sup>. Companies, NGO partners and also a farmer spoke about their CSC/CFI investments and how they respond to a changing climate.

Another key event that WCF supported was organized by UNDP in Côte d'Ivoire on the sustainable financing of a zero-deforestation cocoa value chain in the context of climate change. Discussions on developing finance mechanisms with large financial partners continue today.

In December CocoaLink 2.0 was launched in the Google Play Store reaching out directly to thousands of users with new and interactive content on CSC, including an interactive map.

In February, WCF presented a one-hour session on CSC, CFI and monitoring during the national validation workshop of the Accountability Framework Initiative.

On February 20, WCF organized a CSC Strategy Webinar for the CSC companies and USAID to be able to appreciate, access and debate the progress and accomplishment of the CSC program up to date.

Next to the above, the Program team also made several presentations during general country meetings and meetings of the WCF's African Cocoa Initiative and Cocoa Livelihoods Program, exploring synergies and ensuring all WCF members and key partners remain informed at least on the activities of the CSC Program, whether formally involved or not.

The CSC Program features prominently within the scientific discussion on CSC in-country. Our partnership with the CGIAR's CCAFS Program ensures joint organization of events.

### *Latin America*

During this period, WCF facilitated numerous CSC strategic working groups and used the Inception Report as a foundation for strategy development. WCF also presented the CSC Program to a wide audience during the National CSC strategy meeting held during November-December 2018. These events generated discussions and debates on the advances of CSC in the region and the strategies to scale it. The theme of CSC was explicitly incorporated into the work plan of SICACAO, the regional cocoa development platform for Central America and Caribbean.

WCF participated in National Cocoa forum in El Salvador in 2018. This event generated interests from many actors of cocoa value chain to learn more about CSC and the strategies to scale it. The theme of CSC has now been explicitly incorporated into national Cocoa development strategy of El Salvador and WCF is expected to provide technical assistance and guidance to the cocoa sector of El Salvador.

During this reporting period, WCF participated in one regional meeting for consolidation of the Regional Technical Platform of Cocoa convened by the Secretariat of the Central American Agricultural Council with support from COSUDE and RIKOLTO. WCF facilitated the inclusion of CSC in the objectives and work plan of the regional cocoa platform.

## VII. Discussion of any implementation problems encountered

The CSC Program experienced relatively few implementation problems.

There is still no functioning general public-private platform for cocoa in Ghana. This is creating challenges with respect to aligning the CSC strategy discussions and facilitating industry engagement with the government bodies. Work to re-establish the Ghana Cocoa Platform continues. However, most of this dialogue is no longer managed through WCF participation in Cocobod's working group on a CSC standard, but through CFI's working group on CSC and Agroforestry

The CSC Program must carefully navigate around the creation of 'meeting fatigue'. For this reason, most meetings are combined with our other initiatives (ACI II, CocoaAction, CLP, CFI, policy engagement, and donor engagement). This includes joint 'country huddles' and coordination meetings, for example, which is sometimes challenging but does help to increase participation.

The early 2018 ban on any productivity interventions in Côte d'Ivoire continues to make it quite difficult to motivate any new investments and engagement on cocoa productivity among the companies in-country. Cocoa agroforestry is a less contentious area which has opened some avenues, but the sector is holding back until clearer direction as to what the way forward should look is provided by the Conseil du Café-Cacao.

Finally, the socio-political trouble in Nicaragua during this reporting period, impeded travels and meetings. FTF-CSC program staff could not travel to cocoa growing areas of Nicaragua to carry out program related consultations and meetings with partners on the ground. The National Cocoa Commission and the CSCSWG of Nicaragua also did not meet during this period, hindering progress of CSC strategy and CSC pilot development. In August and September some level of normalcy has been restored although the business and investment climate of Nicaragua remains seriously affected.

## VIII. Summary of expected activities over the next six months

The project management team submitted the 2019 project workplan. The following is a brief updated summary of key activities outlined in that submission:

1. Program Summary Objective 1: Implement a shared cocoa/agroforestry strategy for addressing climate change threats to farmer livelihoods in cocoa-growing regions:
  - Continuously revise Inception Report as new knowledge, strategies and data becomes available (e.g. updated maps);

- Final report on the assessment of end-markets and market incentives for cocoa agroforestry products;
  - Continue to build commitment from public and private sector partners to participate in CSC/CFI;
  - Continue to build and engage with the global platform for CSC;
  - Continue to build and engage with CSC Strategy Groups (CSCSG) in-country;
  - (In West Africa) Integrate CSC into the CFI on ending deforestation and forest degradation;
  - Develop an investment plan, aligned with deforestation commitment (in West Africa), and approved by the global CSC platform; and
  - Develop strategy and begin collecting best practices and learnings from CSC Program.
2. Program Summary Objective 2: Use lessons learned from successful pilots to guide private sector investment in targeted CSA activities to improve resilience for farmers, other supply chain partners and ecosystems:
- Establish working groups to identify and link sector actors with specific interest in piloting CSA relevant projects;
  - Design and implement pilots including learning questions, scope of work & budget;
  - Develop agreements for pilot implementation and submit for USAID approval;
  - Support and follow-up CSC training pilots with CSC member companies in Ghana;
  - Identify CSA practices for cocoa in Côte d'Ivoire and Latin America, development of training modules, organization of ToT's and training pilots with member companies started;
  - Deliver final report for agroforestry linkage consultancy round II with ACDI/VOCA;
  - Integrate additional dynamic and location-based tools into the new Android CocoaLink App, in addition to the new CSC content;
  - CSC training materials integrated into the new App with CIAT, Rikolto and LWR;
  - CSC agroforestry system evaluation, monitoring and learning systems Online digital systems with Solidaridad International, Helvetas and Roig S.A;
  - Training manuals and protocols for innovative CSC ISFM produced, with a focus on organic addiments, ToT organized and farmer training within the CLP program held;
  - Develop Learning Dialogue on the organization and evaluation of multi-stakeholder platforms on climate-smart cocoa landscape governance, including templates for scale-out to other areas;
  - Get tree registration manual approved and communicate to CSC/CFI members;
  - Design and implementation of high value cocoa agroforestry systems, and organization of joint in-country events on optimal agroforestry configurations; and
  - Apply high level learning questions framework and indicators across pilots and region. Learning briefs developed on finalized pilots.

## Latin America Acronyms

Country	Acronym	Organizations	
El Salvador	CLUSA	CLUSA El Salvador	
	LWR	Lutheran World Relief	
	CARITAS	CARITAS El Salvador	
	ACPACI	Asociación Cooperativa de Producción Agropecuaria Cacao “LOS IZALCOS”	
	CENTA	National Center for agricultural and forest technologies	
	MAG	Ministry of Agriculture	
	UES	University of El Salvador	
	Chocolate Melher	Chocolate Melher	
	ES-Cacao	Cooperative Society of Cocoa Growers ES-Cacao	
	VECOMA	Vredeseilanden en Mesoamérica	
	CRS	Catholic Relief Services	
	Honduras	FHIA	Honduran Foundation for Agricultural Research
		APROCACAHO	Association of Cocoa Producers of Honduras
		FUNDER	Foundation for rural business development
CURLA		University Center for the Atlantic region	
Chocolate de Caribe		Chocolate de Caribe	
Chocolats Halba		Chocolats Halba Honduras	
VECOMA		Vredeseilanden en Mesoamérica	
LWR		Lutheran World Relief	
Nicaragua		INTA	National Institute of Agricultural Technology
		INETER	National Institute Territorial studies
	MAG	Ministry of Agriculture	
	MEFCCA	Ministry of Family Economy and Associative Cooperation	
	COSUDE	Swiss Agency for Development Cooperation	
	CIAT	Centro Internacional de Agricultura Tropical/International Center for Tropical Agriculture	
	CATIE	Tropical Agronomic Center for Education and research	
	Ritter Sport	Ritter Sport	
	Ingemann	Ingemann	
	UNA	National Agricultural University	
	CANICACAO	National Chamber of Cocoa producers	
	CRS	Catholic Relief services	
	LWR	Lutheran World Relief	
	ONUDI	United Nations Industrial Development	
	Solidaridad	Solidaridad International	
	VECOMA	Vredeseilanden en Mesoamérica	
	ECOM	ECOM Agrotrade	
	Dominican Republic	CONACADO	CONACADO Group
		Roig S.A.	Roig Agro cacao S.A.
Valrhona		Valrhona	
IDIAF		National research Institute for Agriculture and Forestry	
MAG		Ministry of Agriculture	
COOPROAGRO		Cooperative of Cocoa Growers	
FUPAROCA		Foundation for regeneration of Organic Cocoa	
APROCACI		National Cocoa Producers Organization of DR	
UNDP		United Nations Development Program	
COOPCANOR		Cooperative of Cocoa Growers of the North of DR	
Rizek		Rizek Cacao S.A.	

