2016 Partnership Meeting & Cocoa Sustainability Trade Fair

People, Planet, Profit in a Changing World

October 26 – October 27, 2016
Abidjan, Côte d’Ivoire

MEETING SUMMARY
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Executive Summary</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DAY 1</strong></td>
<td>4</td>
</tr>
<tr>
<td>Welcome Ceremonies</td>
<td>5</td>
</tr>
<tr>
<td>Keynote Address: His Excellency Daniel Kablan Duncan, Prime Minister of the Republic of Côte d’Ivoire</td>
<td>6</td>
</tr>
<tr>
<td>Investing in People I: Cocoa’s Next Generation – Encouraging Youth Engagement</td>
<td>6</td>
</tr>
<tr>
<td>Investing in People II: Diversifying Financial Inclusion Options for Women</td>
<td>7</td>
</tr>
<tr>
<td>Protecting the Planet: Deforestation and the Cocoa Sector</td>
<td>8</td>
</tr>
<tr>
<td>Shared Prosperity: Sustainable Livelihoods for Cocoa Growing Families</td>
<td>9</td>
</tr>
<tr>
<td><strong>DAY 2</strong></td>
<td>10</td>
</tr>
<tr>
<td>Where is the Sector Today? CocoaAction Voices: Focusing on Action</td>
<td>11</td>
</tr>
<tr>
<td>Where is the World Heading? What Needs to Be on Our Radar in the Next 10–20 Years?</td>
<td>12</td>
</tr>
<tr>
<td>Innovation Showcase: Techniques &amp; Technologies for a More Prosperous Cocoa Future</td>
<td>12</td>
</tr>
<tr>
<td>Joining Forces to Tackle Child Labor</td>
<td>13</td>
</tr>
<tr>
<td>Keynote Address: Madame Dominique Ouattara, First Lady of the Republic of Côte d’Ivoire</td>
<td>14</td>
</tr>
<tr>
<td>Breakout Sessions</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Meeting Close</td>
<td>16</td>
</tr>
<tr>
<td>Sponsors</td>
<td>17</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

Dear Colleagues,

The week of October 24, 2016 was an incredible one in Abidjan. World Cocoa Foundation and Le Conseil du Café-Cacao hosted the 2016 Partnership Meeting & Cocoa Sustainability Trade Fair with more than 550 participants from around the world. Many productive discussions about sustainable livelihoods of men and women cocoa farmers, emerging technologies for farm productivity, promoting engagement from youth, and more were

In my keynote address, I stressed that the cocoa sector is at an inflection point. The sector faces a unique opportunity to deepen efforts to build a sustainable supply chain where farmers lives are improved, the environment is better protected, and all participants prosper and grow. I flagged four areas where I want to deepen WCF’s impact:

1) Strengthen our focus on sustainable livelihoods of farmers, though continued investments in productivity as well as additional policy measures to address sector constraints and boost incomes;

2) Scale up the reach and impact of our sustainability programs, by expanding our focus on new geographies like Latin America and mobilizing additional investment funds from development partners;

3) Stronger focus on environmental sustainability, particularly addressing the cocoa-deforestation linkage; and

4) Increase transparency and accountability among all actors in the supply chain, including WCF, member companies, and origin governments.

I was thrilled to see the growing alignment on the key issues among all actors in the supply chain, particularly the repeated focus of His Excellency Daniel Kablan Duncan, Prime Minister of the Republic of Côte d’Ivoire, Massandjé Touré-Litse, Director General of Le Conseil du Café-Cacao, Madame Dominique Ouattara, First Lady of the Republic of Côte d’Ivoire, and other speakers on sustainable livelihoods, deforestation, and women’s empowerment.

In some areas, it was clear that we have a good understanding of the necessary interventions to accelerate sustainability in the cocoa sector, and the core challenge is to move to scale – particularly in the areas of productivity, women’s empowerment,
community development, and child protection. But in other areas, additional analysis and research is needed to better diagnose the problems and pilot solutions – such as addressing deforestation and climate change, and alternative income generating activities for cocoa farmers.

One of the striking features of the discussions was the growing level of trust and commitment among all the stakeholders to work together. I was very pleased to see the repeated reference that CocoaAction provides a strong framework to strengthen public-private collaboration. One of the most exciting panels was the “chorus line” of some sixteen different actors in the supply chain who all gave concrete examples of how they are working differently as a result of CocoaAction, or the impact of specific CocoaAction interventions.

Another important message was that we need to look to the future and reflect on what cocoa production and processing will look like in 2030. Everyone loved the “Innovation Showcase” where eight innovators demonstrated new products, services, and technologies that are supporting transformation of the sector.

Most importantly, the meeting ended with a strong shared commitment to deepen collaboration, including more effective dialogue between private sector and governments on key policy issues, more active engagement between WCF and civil society organizations, and expanded collaboration with international financial organizations to mobilize the resources needed to scale up sustainability efforts.

Without doubt, the most inspirational part of the Partnership Meeting was the opportunity to listen to the large number of cocoa farmers who participated in panels and attended the discussions, particularly incredibly dynamic women farmers. Without them, none of us would be here.

There is an African proverb that says “Wisdom does not come overnight.” I hope many participants came away from the Partnership Meeting with a stronger sense of shared purpose, and a renewed energy to work harder to accelerate inclusive and sustainable growth in cocoa. I certainly did.

We hope you’ll join us again next year to continue the conversation on cocoa sustainability. Please save the date for the 2017 Partnership Meeting on October 24 - 25 at the Marriott Renaissance Hotel in Washington, D.C.

With regards,

Richard Scobey

President
“The Partnership Meeting is an opportunity to not only listen, not only learn, but to get engaged.”

MARIAM DAO GABALA
CO-MASTER OF CEREMONY
The Partnership Meeting kicked off with notes of excitement and energy for gathering in the world’s number one producer of cocoa. Cocoa sustainability stakeholders gathered in Abidjan – where cocoa serves as the true backbone of the economy - to tackle some of the major challenges and opportunities facing the sector including climate change and deforestation, women's empowerment, child labor, and disease eradication among others. While the meeting attracted leaders in the cocoa and chocolate sectors, media, government representatives, civil society organizations, and more, the most important stakeholders in the room were the cocoa farmers. Without them, the work of the cocoa sustainability professionals would not be possible.

WCF President Rick Scobey noted four key areas for WCF to deepen impact. See his opening remarks here.

Massandjé Touré-Litse, Director-General of Le Conseil du Café-Cacao, pointed to her country’s desire to find solutions to key challenges facing the cocoa sector. These included climate change and deforestation; women’s empowerment as a critical component in cocoa sustainability; convincing young people to choose cocoa farming as a career and, in so doing, ensure the legacy of their cocoa-farming foreparents; raising farmer incomes; and improving livelihoods for cocoa farmers and their communities. View her opening remarks here.

WCF Chairman Barry Parkin, outlined four “C’s” outlining reasons for the cocoa sector to be concerned: competitiveness, child labor, cocoa swollen shoot virus, and climate change. He also outlined four “C’s” outlining reasons to be cheerful: commercial farming, clones, consumption, and CocoaAction. He stressed that in order to drive sector-wide change, we need more innovation, and more countries, companies and farmers involved. Collaboration is key. See his remarks here.
KEYNOTE ADDRESS

Poverty reduction in Côte d’Ivoire is an important focus of the government, with the agricultural sector playing a major role in addressing this issue. Building efficient and effective agricultural production, decreasing unemployment, and fighting deforestation are main priorities. In the cocoa sector, investments in research and technological innovation are key to developing crops that will adapt to the impacts of climate change. Focusing on people is also critical, in order to build the next generation of farmers and cocoa entrepreneurs.

Mr. Duncan thanked everyone for their dedication to building a sustainable cocoa sector. He was especially grateful for the many cocoa farmers present.

View The Prime Minister’s speech.

INVESTING IN PEOPLE I: COCOA’S NEXT GENERATION
ENCOURAGING YOUTH ENGAGEMENT

Making cocoa farming an attractive career for young people and providing training for careers in cocoa are important drivers for the long-term longevity of the sector. Some of the ways we can ensure cocoa farming is attractive to youth in Côte d’Ivoire and Ghana is by providing a reasonable price and wage as well as approaching cocoa farming as a business.

Youths must be aware that opportunities go beyond farming – there are opportunities along the supply chain including developing new farm-level technologies to improve efficiency, provide transportation options between farm and markets, storage opportunities, and more.

The role of the cocoa industry is to establish programs that provide training and materials to young cocoa farmers, while governments must provide access to land. Reinforcing partnerships between public and private entities will provide accountability for real impact. In Ghana, 40,000 young cocoa farmers have been reached through programs providing agrochemicals, training and research with the help of WCF.
The challenge in access to finance may appear homogeneous, but on a closer review, the underlying reasons that drive this need are heterogeneous, influenced by gender and other social factors. Women farmers in cocoa growing communities face a unique set of social constraints in accessing capital.

More than 40% of women working in the cocoa sector in West Africa do not have access to financial services. On a broader scale, available commercial credit for agriculture in Africa is less than 10% compared to other sectors. Providing financial services to low-income rural women gives women equal opportunity to serve as productive contributors to the agricultural sector in West Africa. There is a clear case for putting more of a focus on agricultural financing, especially for women.

Climate change is a very real threat to farm productivity and farmer livelihoods. Agricultural insurance could help protect farmers from the effects of climate change on their land, trees and crop. Issues like climate change, and other factors and needs of farmers, should be taken into account when designing financial products and services. Farmers should be involved at the start of the process to ensure products and services are better designed based on need. In addition, farmers should receive training on financial literacy and a clear understanding of available products.

Banks and micro-finance institutes must facilitate financial inclusion in order to successfully reach cocoa farmers. To facilitate financial inclusion of women, banks and micro-finance institutions should challenge the existing models and encourage women to take advantage of products that would help them improve their businesses. A common dialogue for stakeholders working on promoting financial inclusion should be developed in order to give a stronger voice to gender concerns for access to finance.
PROTECTING THE PLANET: DEFORESTATION AND THE COCOA SECTOR

According to the Food and Agriculture Organization (FAO) of the United Nations, earth has lost more than 132 million hectares of forests since 1990 with agricultural commodities playing a major role in global deforestation. Some of the indirect drivers of deforestation include policies and laws established by governments, and economic decision making by farming. Within the past 20 years, 20% of all global forests have disappeared.

Commercial agriculture and illegal conversion of forest land for agriculture make up a high percentage of the drivers of deforestation. As a result, cocoa, among other commodities, is a driver of deforestation.

Key players along the coca value chain in both Ghana and Côte d’Ivoire are coming together to address the issues and identify solutions to deforestation. The newest initiative related to deforestation as a result of cocoa involves REDD+, or Reducing Emissions from Deforestation and forest Degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries.

Deforestation occurs as a function of the economic interests of the producer, among other complex pressures such as government policies, land tenure, degrading soil fertility, and more. It is important to establish a balance between population, agriculture and the forest. The sustainability of the sector depends on the preservation of the forest, and vice versa.

If the farmer sees more value in cutting down trees to grow more cocoa than to maintain existing trees, there is an economic driver to deforestation. In order to manage agriculture, culture and forests, the local population must be involved in managing their agricultural space. Good policies should be established by the government with public and private sector support in order to find a sustainable solution. Each sector has different needs, perspectives, and resources, so partnerships are key to seeing collaborative results.

In order to tackle deforestation, value should be placed on existing land to protect existing forests, and farmers must be at the center of the process driving programs that benefit them, their land, and the forest. Alignments between economic interest and ecological motivation of the forest is vital for the development of the cocoa sector. Maintaining forests, reforesting and implementing agroforestry provide opportunities to curb deforestation while maintaining cocoa farmer livelihoods. View session presentation here.
Sustainable livelihoods for cocoa farming families and poverty eradication go hand-in-hand, giving the cocoa sector and important priority in the grand scheme of global development. A distinction should be made between protecting people and protecting the cocoa sector with priority given to sustainable livelihoods for cocoa growing families.

Some of the challenges contributing to an unsustainable cocoa sector are the high costs of living, lack of transparency along the supply chain, non-competitive market place, and gender inequality within the system. In many cases, farmers cannot afford to take on additional costs so existing practices, which may not be sustainable, are maintained.

Training and improving human capital can support sustainable livelihoods by improving skills and resources. Certification is also important for cocoa farmers because it provides stability and good working conditions.

“A difference should be made between protecting people and protecting the cocoa sector. Priority should be sustainable livelihoods for cocoa growing families.”

FRIEDEL HÜTZ-ADAMS, SÜDWIND INSTITUTE
“We need to look to the future with confidence and trust.”

RICHARD SCOBEEY, WORLD COCOA FOUNDATION
WHERE IS THE SECTOR TODAY? COCOAACTION VOICES: FOCUSING ON ACTION

Moderator:
CHRISTINE MCGRATH
MONDELEZ INTERNATIONAL

Speakers:
BEATRICE MOULIANITAKI
SOLIDARIDAD
CATHY PIETERS
MONDELEZ INTERNATIONAL
CHRISTOPHE KOUMÉ
ICRAF
ELAN EMANUEL
FAIR TRADE USA
EUPHRASIE AKA
INTERNATIONAL COCOA INITIATIVE
FRANCIS BAAH
GHANA COCOA BOARD
HAZEL CULLEY
MARKS & SPENCER
JACK STEIJN
CEN/ISO
JEAN-MARIE DELON
CARGILL COCOA & CHOCOLATE
RICHARD ROGERS
THE BILL & MELINDA GATES FOUNDATION
ROBERT YAPO ASSAMOI
LE CONSEIL DU CAFÉ-CACAO
TAWIAH AGYARCO-KWARTENG
THE HERSHEY COMPANY
HÉLÈNE KLA AMENAN
COCOA FARMER
YVETTE AYEKOUE ANIN
COCOA FARMER
ABOU FOFANA
COCOA FARMER
TIMOTHÉE LANTA
COCOA FARMER
MACARTHUR DOH KOJO
COCOA FARMER

A broad and diverse group of stakeholders was featured to demonstrate how CocoaAction is changing the way companies work and how farmers are seeing benefits of coordinated actions.

CocoaAction provides a space for learning and transparency. This is an important way the community can grow and improve. Stakeholders need to be humble in order to do this successfully, and need to learn from each other to focus on successes and avoid making the same mistakes.

Focus must be put on sustaining relationships between public and private sector partners, measuring outputs and outcomes in order to see impact, and encouraging more youth to get involved. In Ghana, “cocoa is Ghana, and Ghana is cocoa.” This idea encourages youth to see opportunity in cocoa and supports long-term success of the sector.

A main highlight was the importance of having a unified vision in order to have a greater impact and move faster together. The African proverb “If you want to go fast, go alone. If you want to go far, go together” supports this notion and describes CocoaAction’s multi-stakeholder approach of working together.”
WHERE IS THE WORLD HEADING? WHAT NEEDS TO BE ON OUR RADAR IN THE NEXT 10-20 YEARS?

Presenter:
YOUNES ZRIKEM
BCG CASABLANCA

Some of the biggest influencers in the future of agriculture are social and political trends such as health impacts of agricultural products and the impact of regulations on commodities. Agricultural demand will change with increased urbanization, rising middle class, and eating habits of urban populations in the next 20 years, especially in emerging markets.

Climate change will have a big effect on agriculture in the future, with both crop yield and the land area suitable for agricultural development being impacted. A shift in farming practices could come from increased small holder access to markets, as well as greater automation and technological influence on farms.

These are some of the major global trends that could impact the way companies do business and farmers approaching production by 2030. View session presentation here.

INNOVATION SHOWCASE: TECHNIQUES & TECHNOLOGIES FOR A MORE PROSPEROUS COCOA FUTURE

Moderator:
MARIAM DAO GABALA

Timekeeper:
MURIELLE AHOURÉ
2016 Olympic Ivorian flagbearer, Olympic sprinter

The Innovation Showcase featured a rapid-fire format for companies to demonstrate farm-level goods and services that could change how farms operate. The innovations demonstrated how their products and services would help transform the cocoa sector under several categories.

Innovations Included:

- Biotechnology Trends

- Banzai Biostimulant: a product that increases cocoa tree productivity and strengthens cocoa pods against external diseases and stresses, presented by Arysta Callivoire.
JOINING FORCES TO TACKLE CHILD LABOR

Child labor is the act of forcing children to work, particularly on farms, which is a universal violation of human rights. It is important to have effective collaboration between public and private sector actors to reduce child labor and address poverty eradication on a greater scale.

While some progress has been achieved in recent years to fight child labor in cocoa communities, much more needs to be done to match the scale of the challenge. This effort requires collaboration across all stakeholders, and cannot be left to farmers alone. Regret was expressed for not having been able to understand the totality and complexity of the phenomenon when it first emerged, which hindered an open and appropriate response. With more proven approaches and resources directed at sustainability to tackle many of the root causes, work can and should be scaled up. This requires some navigation of reputational risk, but transparency is essential to keep the problem visible, the diagnosis accurate, the response appropriate and the narrative balanced.

Through public-private partnerships and investments in school and education, advancements in economic growth and prosperity in cocoa communities can be realized.
The Partnership Meeting is an opportunity to understand the challenges of sustainable development in the cocoa economy, one of which is the elimination of the worst forms of child labor. By devoting a special session to this issue, WCF provides an opportunity for all stakeholders to discuss achievements and focus our efforts to achieve our common goals.

Cocoa production is facing many questions related to child labor. Côte d’Ivoire, along with the governments of Ghana and the United States and the chocolate and cocoa industry, have established a partnership designed to fight child labor. The agreement, called the Harkin-Engel Protocol, is the institutional framework of reference of the industry’s efforts in the fight against the worst forms of child labor. Many companies are already implementing projects to tackle this, including WCF’s CocoaAction strategy.

In Côte d’Ivoire, extensive awareness campaigns have been conducted among producers, and legislation has been passed to strengthen the legal framework. In addition, media campaigns are being implemented to raise awareness, traffickers are being apprehended, training seminars for different actors across the sector have been organized, and bilateral agreements have been signed with neighboring countries to prevent cross-border trafficking.

All partners were thanked for their continued commitment with Côte d’Ivoire to fight trafficking and the worst forms of child labor. View the full speech here.
BREAKOUT SESSION A: MODERNIZING THE COCOA SECTOR THROUGH STRATEGIC INVESTMENTS IN RESEARCH

Moderator:
ISABELLE ADAM
TOUTON

Speakers:
GARY GUITTARD
GUITTARD CHOCOLATE COMPANY
REMY ALLEMANE
SOLEA
ROBERTO GRANJA
TRANSMAR ECUADOR

Cocoa research is not only lab work and science. To envision a more modernized cocoa sector, strategic focus on future-oriented research will need to be prioritized and resourced.

Research provides opportunities to learn about cocoa varieties, genetic markers and diseases, and allows us to better understand cocoa flavor, best practices for fermentation, water management by cocoa farmers, and improvements in cocoa productivity.

Grafting and cuttings are two technologies being implemented in Latin America that are benefiting farms through increased productivity. Farmers can be taught how to graft and make cuttings with improved genetic material existing on farms. This will increase the availability of seedlings.

West Africa and Latin America face many of the same issues with a need for the government to be more strongly involved in safeguarding genetic varieties of cocoa and investing in research. Disease can destroy cocoa production by up to 90%, so it is critical to invest in disease eradication and development of disease-resistant cocoa varieties, in addition to prioritizing non-traditional research to help modernize the cocoa sector.

BREAKOUT SESSION B: FUTURE TRENDS IN TRANSPARENCY & ACCOUNTABILITY FOR THE COCOA SECTOR

Moderator:
KATARINA KAHLMAN
TECHNOSERVE

Speakers:
AMPONSAH TAWIAH
MINERALS COMMISSION GHANA
ANTONIE FOUNTAIN
VOICE NETWORK
JENNIFER GOLDEN
WORLD COCOA FOUNDATION
NATHAN BELLO
NESTLÉ

Transparency is defined as demonstrating openness among stakeholders and sharing of information. It is important to show respect and sustainable relations across the supply chain.

For industry and private companies, this means getting more information, more knowledge sharing, and knowing what is working and what is not. It allows companies to ensure people are focusing on what matters in order to prioritize efforts. Transparency among companies has received positive response from consumers, and it demonstrates a more trusted relationship among stakeholders.

For the government, transparency demonstrates a clear understanding of what people are doing and who is involved. Trust between government and society is an important part of being transparent and accountable.

CocoaAction is demonstrating transparency by bring companies together to collaborate, by bringing governments, civil society organizations, and communities together, and by sharing data internally and externally. Consolidating data allows users to see aggregated results across stakeholder groups – not just within individual companies.

Reputational damage is a potential risk of not being transparent, which many companies would actively avoid. Sharing information across stakeholders is important before we can assess successes.
BREAKOUT SESSION C: SCALING UP FINANCING – DO COCOA FARMS NEED FINANCING FOR REHABILITATION & RENOVATION?

Moderator:
CASSANDRA COLBERT
IFC

Speakers:
BRIAN MILDERS
ROOT CAPITAL

JOHN MAGNAY
OPPORTUNITY INTERNATIONAL

MICHAEL SCHLUP
BARRY CALLEBAUT

SIMPLICE CHIGBO
IDH – THE SUSTAINABLE TRADE INITIATIVE

Mobilizing blended finance mechanisms will provide opportunities for rehabilitation and renovation of small holder cocoa farms. There are many similarities between the cocoa and coffee sectors with a hybrid of traders, financial institutions and NGOs investing in agriculture and financial literacy. Age of trees, heavy burden of pest and disease, and a lack of fertilizer affects farm productivity in Africa and Latin America facing similar problems. By providing economic and financial training, farmers can improve their businesses and increase productivity.

Assisting farmers and cooperatives with access to sustainable and affordable investment programs will help develop farm-level capacity. Many programs exist to provide financing and help people invest in the farm and improve productivity.

Banks should be able to propose long term loans for revenue generating activities. They should assist cocoa farmers in each step to better understand products and services.

Medium term financing for alternative activities to compensate losses that farmers are facing will help make cocoa more competitive. It is important to train farmers in financial literacy so they can understand what options and opportunities are available by banks and lenders. There is a strong need for creative credit programs that can assist cocoa farmers to renovate and rehabilitate old and diseased cocoa farms. This effort and the need to establish such a facility were widely endorsed by the panel.

MEETING CLOSE

Reflections:
MASSANDJÉ TOURÉ-LITSE
LE CONSEIL DU CAFÉ-CACAO

RICHARD SCOBHEY
WORLD COCOA FOUNDATION

Official Meeting Closure:
APPORTURE KOUAKOU
DEPUTY CHIEF OF STAFF, MINISTRY OF AGRICULTURE, CÔTE D’IVOIRE

Collaboration, facing challenges, investments in science and research, and improvements of quality were some of the key themes shared during the two-day meeting. Also important were the need to work together in order to move in the same direction. All stakeholders in the cocoa sector need to work together to boost productivity, empower women, and fight child labor. Partnerships among different actors are key for true, sustainable change.
THANK YOU TO OUR SPONSORS

COCOA PLATINUM SPONSOR

BARRY CALLEBAUT

COCOA GOLD SPONSOR

HERSHEY
THE HERSHEY COMPANY

COCOA SILVER SPONSORS

Cargill
Cargill Cocoa & Chocolate

Mars
incorporated

Mondelez International

Tachibana International

COCOA BRONZE SPONSORS

Callivore

CEMOI

Diamond
Your Bank

ECOM

Ferrero

IN KIND SPONSORS

giz
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

South African Airways
A STAR ALLIANCE MEMBER
Visit the WCF Website for the full agenda, speaker biographies, participant list, and more:

www.worldcocoa.org/2016-partnership-meeting-abidjan

SAVE THE DATE:
2017 Partnership Meeting
October 24 – 25, 2017
Washington D.C., USA