

Ensuring sustainable cocoa farming in Indonesia

By engaging multiple partners in its Cocoa Life program, Mondelez International supports farming communities in finding real solutions that lead to transformation and sustainability.

A corporate approach allowing farmers to share their problems has become increasingly popular these days as companies want to make their community assistance programs run effectively.

Through shared problems, such as infertile land, low yields and poor access to a market, for example, companies can design a program that meets the farmers' needs, which they commonly undertake under their respective sustainability initiatives.

Many companies, however, are apt to focus on one or two areas in regard to the relevant aid they give through an average three-year project. Its has led to the frequently raised question as to whether a program has a significant impact on the farming communities in the context of sustainability.

Given the increasingly varied and complex issues facing farming communities, the right strategies and approach are therefore needed by companies to significantly contribute to a long-term impact on sustainable farming.

This explains why global chocolate company, Mondelez International, is currently running Cocoa Life in six cocoa-producing countries, including Indonesia, with a holistic approach being adopted to support sustainable cocoa supply. Under the holistic approach, a range of concerns facing farming communities are handled through a focus on five pillars: farming, community, livelihood, youth and environment.

Cocoa Life is a holistic sustainability program that reinforces the future of cocoa by empowering today's farming communities and inspiring tomorrow's cocoa generations. Globally, it started three years ago and in Indonesia, it kicked off in September 2013, with the program aimed at cocoa-farming communities in Sumatra, Sulawesi and Papua.

Cocoa Life is part of the Call for Well-Being strategy - a platform that Mondelez International uses as a reference in running

their business and ensuring environmental safety.

"Call for Well-Being is the company's commitment to marrying sustainability with company growth. This strategy helps Mondelez operate a more sustainable business, not only for us but also for the environment in countries where we operate," said Mondelez Indonesia's managing director Jiri Hejl.

"As the world's largest chocolate company, we are committed to supporting the success of Cocoa Life and helping ensure a qualified and sustainable cocoa supply."

Mondelez International's Cocoa Program Development Manager for Southeast Asia, Andi Sitti Asmayanti (Yanti), explained that Cocoa Life aimed to strengthen and develop cocoa farmers in Indonesia and ensure sustainable cocoa by embracing young generations around farming sites to become the next farming generation.

The 10-year program will run until 2022, targeting more than 200,000 farmers in the six countries, with more than 40,000 farmers in Indonesia.

To reach the goal, Cocoa Life works based on three principles: holistic farmer centric, partnership and sourcing alignment.

"Whatever we do with Cocoa Life is intended for farmers and should be seen from the standpoint of farmers, what they really want, so we do not apply top-down but a bottom-up approach in this regard," said Yanti.

According to Yanti, Mondelez, through its partners, is frequently engaged in a discussion with farmers and local governments in the respective provinces to learn their perspectives on what value Cocoa Life will have for farmers, and "certainly from our side what benefits farmers will reap from this program. From the standpoint of productivity, the farmers can adopt the knowledge they have gained to boost their output. We also provide much-needed fertilizer and other plant materials, etc."

With the current insignificant role of women in the life of farming



Courtesy of Mondelez International

Long-term growth: A woman waters cocoa seedlings at a nursery in Sulawesi. Women's empowerment and the next generation are keys to sustainable community improvement and the future of cocoa farming.

communities, efforts should be made to empower women because they have a vital role in developing the next cocoa-farming generation. While, with regard to the environment, "the challenge is how to boost production without causing damage to the environment," she said, adding that each pillar was interrelated.

Multi-partners

In implementing the program, Mondelez engages many partners to enable the program to develop and scale up sustainable cocoa supply so as to meet the objectives. Each pillar entails relevant expertise from the respective partners, which include local and international NGOs.

By creating partnerships with communities, governments, national and international NGOs and supply-chain partners, "we can support Cocoa Life communities in finding real solutions that lead to measurable transformation," the company says.

"Partnerships are vital for best practice, sustainability, synergy and scale – they bring competence related to the program objectives – institutions and connectivity with our supply chain. We believe partnership is the key to lasting change," it says.

Apart from partners representing experts in the respective five pillars, the program is also being run in

partnership with government bodies including the Ministry of Agriculture, Coordinating Economic Ministry and Indonesian Coffee and Cocoa Research Institute.

Yanti emphasized the importance of transparency in the program in the sense that the partners with their respective fields of expertise work to take a look at the existing issues based on their respective areas.

"For example, at the level of adoption. They have to find out how the farmers do the farming and find the best ways of farming," she said.

She described farmers' various problems and challenges in each targeted province following an assessment by its partner, CARE Indonesia, an international NGO whose key programmatic area of focus includes economic empowerment.

When Cocoa Life entered Lampung, local cocoa farmers had abandoned their land, which they considered unproductive following the last yields of their cocoa trees that have a life span of between 25 and 30 years, but after receiving education under the Cocoa Life program, they began to realize that the area had more choices in terms of land for cocoa farming.

"Based on input that they gave, they have frequently received training and so we assess the extent of the level of knowledge they

have and we adjust our training to this level," she said. "The biggest challenge in this regard is to invite them to join the program and see how the program can give added value to them."

While in Sulawesi, most farmers are already knowledgeable about cocoa agriculture and so "our great challenge is how to conduct training and at the same time adopt theory into practice on the ground. Room training is conducted for approximately seven days and the rest is direct training in the cocoa farms."

Each area is similar in terms of measuring activities through the key performance indicators (KPI) and the difference rests on the program focus, which will depend on the stakeholders, according to Yanti.

Verification

To ensure that Mondelez runs the program in a correct way, the program is subject to verification by an independent party after three years, apart from internal

monitoring and annual evaluation.

"A Harvard University team conducts research on the program to verify the program itself, whether it has an impact or not, without Mondelez's intervention," said Yanti, adding that they could publish their research results without Mondelez's approval.

According to CARE International Indonesia's Country Director, Helen Vanwell, the independent verification of the program supports Cocoa Life's commitment to the objectives and the KPI that have been set-out.

"Verifying Cocoa Life's impact on the lives of cocoa farmers and their communities, especially women and youth will build greater confidence to increase participation in the program and benefit more communities to join," she pointed out.

On the role that CARE Indonesia plays in the program, Vanwell said that while CARE looked at farming issues in the assessment, "our key focus was on communities including women and youth. Mondelez through its Cocoa Life program and CARE know that enabling resilient, thriving communities are essential foundations for sustainable cocoa thus benefiting all stakeholders including communities and providing shared value for all.

"If for example there are no opportunities for youth in cocoa-livelihood opportunities, and to assist a cocoa community they leave, then cocoa farming will not survive," she said.

"Cocoa Life aims to identify livelihood opportunities and to assist cocoa communities in building communities that are desirable places to live including for young families."

"The Cocoa Life program is a good example of how global corporations like Mondelez can transform a business challenge around sustainability of their cocoa supply to provide development solutions that positively impact the lives of thousands of cocoa farmers in their supply chain," she added.

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