



**Cocoa
Origins**
powered by IDH

COCOA ORIGINS PROGRAM

Final report

June 2022

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Preface

In 2017 IDH launched the Cocoa Origins Program, which was funded by the Dutch Ministry of Agriculture, Nature and Food quality. It was initiated and implemented with Equipoise and designed to help stakeholders reach the objectives of the 2010 Letter of Intent to support investments in sustainability projects at the origins of their cocoa supply and step-by-step, to achieve 100% sustainable cocoa consumption on the Dutch market by 2025.

As part of this Program, eight companies have been supporting investments in establishing suitable commercial relations between cocoa producers and cocoa users and improved sustainability at the farm and community levels. Cooperation throughout the supply chain is promoted, which contributes to closer and more stable, long-term trade relations. The Program seeks to limit the risks by providing funding for initial investments in creating, re-arranging or expanding cocoa supply chains from the cocoa origin to the final cocoa product and for projects with impact on economic, social and environmental conditions for cocoa production.

Understanding the impact of these interventions at the farm level requires a deeper understanding of the farmers we work with. An important way to do this is to gather insights about farmers' empowerment and sustainable trade relationships for supply chain innovations to change local practices and international markets. The Cocoa Origins partners also began pre-competitive collaborations to present alternatives to the mainstream cocoa market.

The main goal of this Program is to empower smaller cocoa users and create a positive impact on cocoa production systems as well as the supply chain through sector systemic change. This includes the added value and improved sustainability in origins through investments, and dynamics in the Dutch consumer market towards full sustainability.

These new insights offer all stakeholders who work in the cocoa sector much to gain. They reveal information about the bottlenecks as well as highlight opportunities to improve farmers' access to the Dutch market. IDH and the Dutch government will continue bringing different partners together under the cocoa Program, which deepens our understanding of what works and doesn't work for farmers, as captured in this report. The Cocoa Origins Program results are expected to advance IDH's strategy, and to enable small cocoa users to keep contributing to large sector-wide efforts spearheaded by multinational traders and manufacturers like DISCO or Beyond Chocolate.

Most importantly, this report shows results of the Cocoa Origins objectives. And looking ahead, the data and insights will enable companies (and their investors) to make smarter decisions in providing services. It will also make a positive impact on the lives of men and women in the farming community in our ongoing IDH work in current debates and context of the renewed ambitions. The lessons learned will serve as foundation for continuous work with a variety of projects. These Include Ghana Tony's Open Chain model in Ghana and Barry Callebaut, tree tenure work in CFI: Cocoa & Forests Initiative (CFI), the work with Kumasi Juice in CDI integrates learnings for the second phase of the Farmer & Cooperative Investment Program (FCIP), and in Cameroon and Colombia where learnings can be integrated within Agri-Commodities BU for coffee i.e. and expand within the Landscape approaches.

The report and this Preface were prepared by a team from IDH (Jonas Mva Mva and Bas Buurman) and Equipoise (Caroline Lubbers and Jack Steijn), and under the overall advice and guidance of the Cocoa Origins Program Advisory Committee (PAC). We would like to thank those who contributed to this final Program report.



Jonas MvaMva
IDH Cocoa Program Director



Executive Summary

Thank you for taking the time to read the Cocoa Origins Program (COP) final report. It highlights the evaluation of the projects and the Cocoa Origin Program itself: from business cases, impact and lessons learned to scalability and replicability. We are grateful to the Ministry of Agriculture, Food Safety and Nature for allowing the development of this innovative Program, which has made a positive impact on the lives of thousands of cocoa farmers.

The Cocoa Origins Program (COP) was designed to attract new stakeholders to develop sustainability projects at the origin of their supply chain.

The Program has an innovative approach as. The target group of potential project proposers consists of users of relatively small volumes of cocoa, as opposed to the stakeholders that are usually involved in sustainability projects. The formula 'relatively small' also includes retail chains, for whom cocoa is a relatively small section of their entire product range and who are seldomly actively involved in sustainability at the start of the Program.

Proposers needed to contribute to Key Performance Indicators (KPIs) of COP and were free to propose specific project KPIs that would fit in one or more of the ten sustainability principles as defined in the Letter of Intent. The Program financed up to 50% of eligible costs of the projects and focused on ones with a positive business case and that will likely continue after the public co-finance has ended. Relating the projects to new or amended supply chains has further extended the impact.

After the first call for proposals in 2018, four projects were selected: in Cameroon, Colombia, Peru and Sierra Leone. The second call in 2019 attracted projects from Colombia, Côte d'Ivoire, Ghana and Sierra Leone. COP was scheduled to end in June 2021. However, due to

the COVID-19 pandemic's significant impact on project implementation, a 12-month extension was agreed between with the Ministry and the project implementers.

The Royal Tropical Institute (KIT) has evaluated the impact of the projects and the Program itself. Overall, the eight-projects it supported were diverse, implemented innovative interventions, achieved ambitious business cases and offered valuable lessons. Supply chain innovation often dealt with developing traceable supply chains from a specific origin to the Netherlands, which improved partnerships between farmers and off-takers. Field level projects centred around trainings and coaching for farmers.

All projects also had scale-up and replication targets, including expanding business models and scaling of technology. The majority of farmers, have improved their business cases for growing cocoa. The evaluation found evidence that COP's contributions created positive outcomes and an impact on all eight projects. These would not have been possible if many of the Cocoa Origins companies and partners would not have been involved in interventions that the Program proposed and funded.

This report describes the Cocoa Origins Program in Chapter 1 and the projects and their results in Chapter 2. Chapter 3 includes the evaluation report of KIT, and Chapter 4 focuses on learnings, scalability and replicability. The conclusions are found at the end of the Report.



COP provided support to eight projects which use relatively small volumes of cocoa, to build a business case for and contribute to the overall sustainability of cocoa products linked to the Dutch consumer market, creating long-term trade relationships.



Results

farmers trained
(on key subjects for sustainable production, environmental and social sustainability)



Cocoa volume in origins (MT)



New Dutch supply chain partners in origin



New supply chains from origin to Dutch market



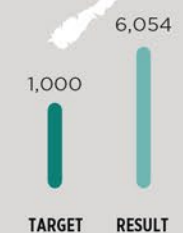
Replicable and scalable cases



Investments in origin - value



Volume on the Dutch market (MT)



1.0 Vision of Cocoa Origins

The Cocoa Origins Program supports company using relatively small volumes of cocoa to invest in sustainable cocoa production in origin countries. They also contribute to the Dutch government and the industry objective to achieve 100% sustainable cocoa consumptions in The Netherlands by 2025, as described in a Letter of Intent that was signed in 2010.

Table 1. Ten principles of a sustainable cocoa economy, presented in the Dutch Letter of Intent

1 	2 	3 	4 
Transparency	Compliance with laws and regulations	Good price for cocoa quality, improved productivity and incomes for farmers	Access to credit and rural development services and diversification
5 	6 	7 	8 
Market access and market information	Decent working conditions	Support for farmers and labor organizations	Unique land use planning and good infrastructure
9 	10 		
Wise management of natural resources	Conservation and wise use of biodiversity		





In 2017 and 2018, Cocoa Origins was in its start-up phase. This was followed by an implementation phase (2018-2021) including a one-year extension to adjust to the impact of the COVID-19 pandemic restrictions during its closing phase (2022). The Program supported eight projects that used relatively small volumes of cocoa. The goal was to build a business case for and contribute to the overall sustainability of cocoa products linked to the Dutch consumer market. They were financed through Cocoa Origins contributed improvements to one or more of the following objectives:

- 1. **Market share of sustainable cocoa**
- 2. **Level of traceability of sustainable cocoa**
- 3. **Impact of the sustainability of the cocoa**
- 4. **Public awareness of sustainability**

The eight projects were spread over six countries in Latin America and West Africa (Table 2). They included a variety of interventions and approaches, all aimed at improving the living conditions of farmers, and the quality and productivity of cocoa within a changing environment.

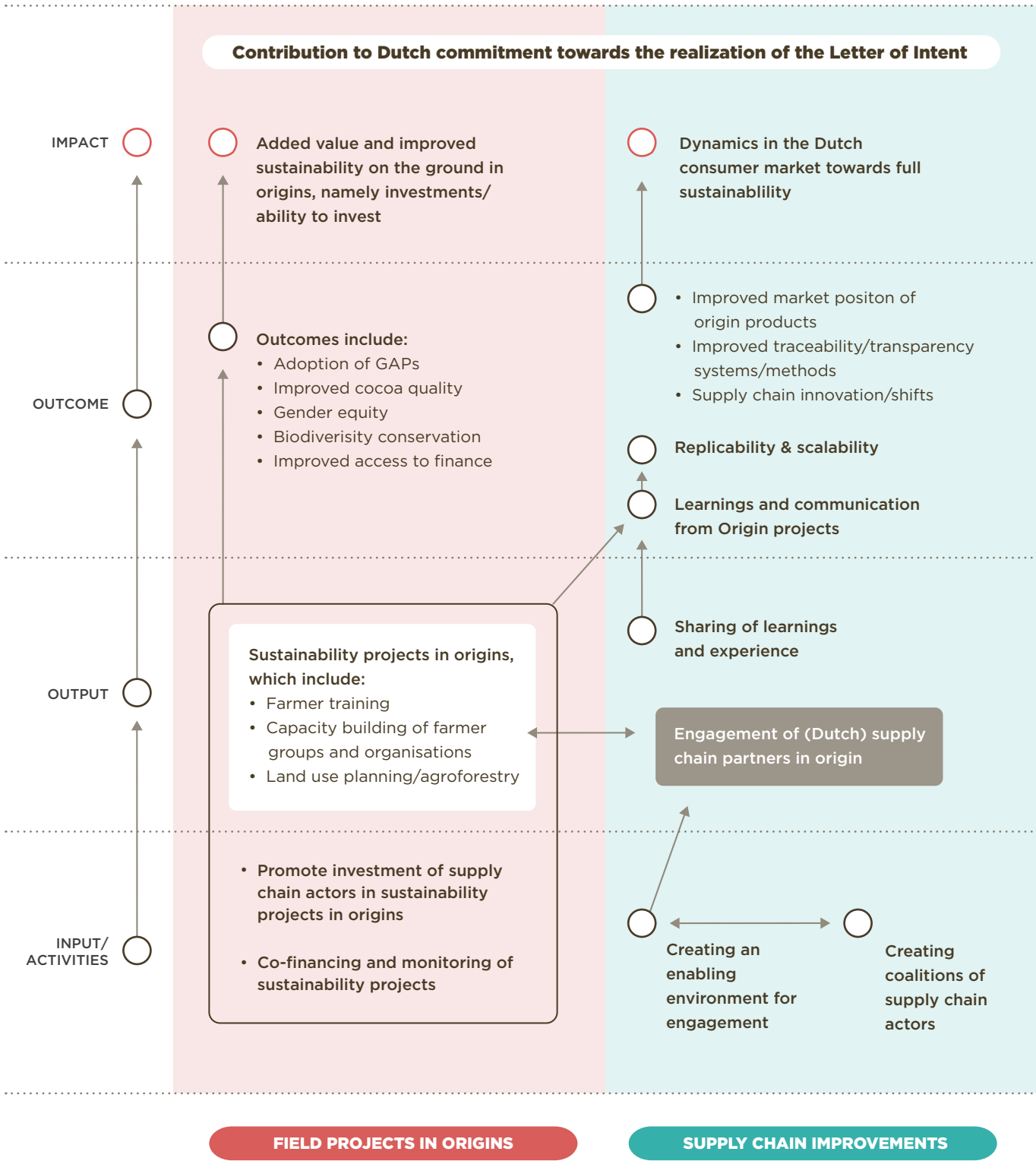
All eight projects were granted time extensions due to COVID-19 related restrictions in each country. Three (Cocoasmart, Original Beans and Progreso) ended in June 2021, while the other five ended in December 2021. Final reports were submitted two to three months after each project's end date.

Table 2. Projects supported by Cocoa Origins

#	Name	Country	Partner organizations	Goal
1	Colcocoa & La Equitativa	Colombia	Colcocoa & La Equitativa Fair Trade Company SAS	Improve the quality and sustainability of cocoa production by implementing innovative traceability from the farm and production to exportation and consumption in The Netherlands.
2	Original Beans	Peru	Original Beans, Norandino and Bioversity International Lima beans to keep them available as a single origin, fully traceable, and as a certified product for the European specialty market.	Reduce cadmium levels in Piura cocoa beans to keep them available as a single origin, fully traceable, and as a certified product for the European specialty market.
3	Divine Chocolate	Sierra Leone	Divine Chocolate, Gola Rainforest conversation, Royal Society for the Protection of Birds, Chocolate makers B.V.	Create stable, longterm trading relationships between a smallholder cocoa business and two premium and ethical chocolate companies serving the Dutch market.
4	ETG	Cameroon	ETG (formerly Cocoanect), Conseil Interprofessionnel Cacao Café and Natra	Secure a dedicated off-taker for sustainable and higher valued Cameroonian cocoa beans in the Dutch cocoa market.
5	Progreso Foundation	Colombia	Progreso Foundation, Original Beans, Cooagronevada, ANEI, Red Ecolsierra, Asoarhuaco, CIAT, Chocolatemakers B.V., Daarnhouwer, Belvas, Ethiquable.	Increase the volume and quality of cocoa to create additional sources of income, deliver high-quality organic product to the Dutch market and strengthen the technical skills of four beneficiary organizations.
6	Tradin Organic	Sierra Leone	Tradin Organic Agriculture B.V, Tradin Sierra Leone Ltd, Crown of Holland B.V, Kasiyatama, Koeyordondorya and We Yone	Contribute to the development of integrated and inclusive sustainable agroforestry value chains that can generate rural economic growth.
7	Albert Heijn	Ghana	Albert Heijn, Barry Callebaut, Tony's Chocolonely, UTZ, Rainforest Alliance	Promote more sustainable cocoa consumption in the Dutch market, and address low farmer incomes, child labor and deforestation.
8	Beyond Beans	Côte d'Ivoire	Stichting Beyond Beans	Strengthen a female-led cooperative (COVIMA) by introducing women to juice production and chocolate making.

Theory of Change

Intervention logic for the Cocoa Origins program

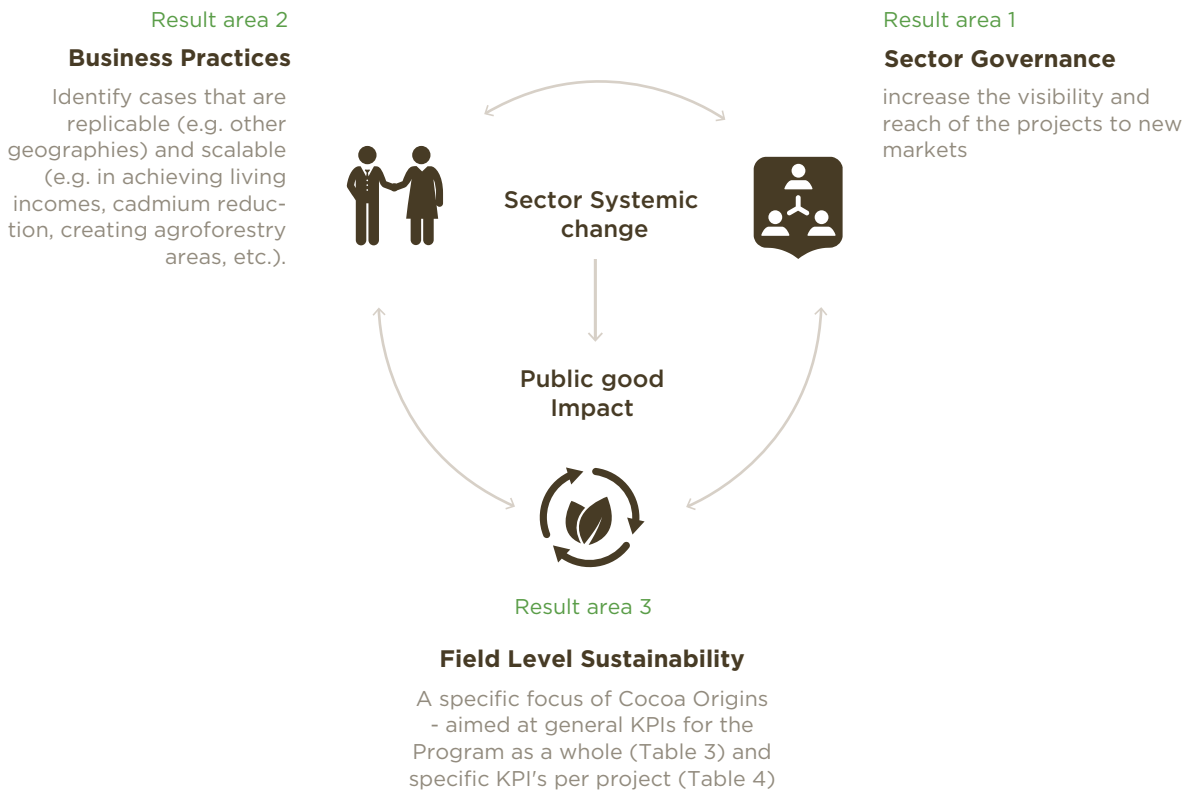


The Cocoa Origins Program's (COP) is based on public-private partnerships that establish stable commercial relations between cocoa producers and cocoa users and improve sustainability at the farm and farmer community level.

There are two main objectives of Cocoa Origins:

- To increase sustainable cocoa production by encouraging the private sector to develop new cocoa supply chains or re-arrange / expand existing ones.
- To improve availability of sustainable cocoa products on the Dutch consumer market.

The Program has defined overall Key Performance Indicators (KPIs) and targets to achieve optimal impact on the objectives of the Letter of Intent (Table 1). The results of the COP are also meant to advance IDH's strategy to enable small cocoa users to contribute to wider, large sector efforts that are spearheaded by multinational traders and manufacturers. To achieve this, we identified three Result Areas:



2.0

Results and achievements

The results have been measured and the overall impact has been very successful both at the Program and project levels. The variety of approaches and project designs led to a very rich Program with many learnings on different aspects. The focus of each project on one or more of the ten sustainability principles can be found page 18-25, Results of the projects.

Results and achievements are measured against the Program KPIs (Table 3) set at the start of COP. Next to the six general Program KPIs Table 4), projects defined their own dedicated project KPIs. See Annex 3 for a complete overview of the project KPI results.



Table 3. Program indicators








OUTPUT	KPI	Program targets	Program results
	Cocoa volume related to sustainability projects in origins	1,000 MT	6,684 MT
	Cocoa value related to sustainability projects in origins	1,5 times terminal market	€13,594.773
	New Dutch supply chain partners that are active in origin	10	16
	Number of new or strengthened supply chains from origin to Dutch consumer market	7	16
OUTCOME			
	Number of replicable and scalable cases developed to show success and further potential of origin	10	21
IMPACT			
	Investments in origin - value	€1,000,000	€6,588,848
	Volume of products on the Dutch market related to the cocoa origins	1,000 MT	6,054 MT
	Revenue of products on the Dutch market related to the cocoa origins	1,5 times terminal market	€44,256,756

Table 4. Cocoa Origins KPIs for field level sustainability

KPI level	KPI name Result areas	Results male / female
OUTPUT	3-1: # of producers/ workers/ community members trained on key subjects for sustainable production, environmental and social sustainability	# 19,454 (15,089/4,184)
	3-2: # of producers/ workers/ community enterprises reached by service delivery	# 7,210 (4,683/1,937)
	3-3: # of smallholder producers organized/aggregated by the Program	# 11,910 (9,440/2,487)
	3-4: # of trainers, auditors, and/or government staff trained in the Program	# 451 (367 80)
OUTCOME	3-9: Adoption rate by producers/ workers/community members of improved practices	% 70%

Program Results

Cocoa Origins' goal is to contribute to the transition of the Dutch consumer market towards fully sustainable cocoa consumption and provide added value and investment to improve sustainability of cocoa production. Currently we see that the consumer market requires sustainability efforts in the cocoa sector that go beyond certification. Cocoa Origins provides support and encourages companies using relatively small volumes of cocoa on the Dutch market to adopt an innovative approach to increasing sustainable production and investing at the location of origin.

Using social media and targeted email campaigns, the calls for proposals of the Cocoa Origins Program were announced at the Chocoa Conference in February 2018 and 2019. In the first-round concept, notes were received for a total finance request eight times higher than the Programs' budget. The Project Review Committee approved four projects in the first call and four more in the second round.

The COP had close to €1.8 million available for co-financing. Contributions could be up to 50% of the project budget. The target for private sector spending in the Cocoa Origins Program is €2 million. COP has managed to trigger investments that are worth close to €6 million, exceeding the initial expectations (Table 5).



Table 5. Private co-funding of projects

Contract partner	Project budget €	Cocoa Origins contribution €	Private co-funding €	Percentage of private co-funding
ETG	565,417	240,650	324,767	57%
Colcocoa Terra	526,705	232,090	294,615	56%
Original Beans	126,317	61,958	64,359	51%
Divine Chocolate	571,940	293,948	277,992	49%
Albert Heijn	4,443,117	251,223	4,191,894	94%
Tradin Organic	622,045	295,953	326,092	52%
Progreso	591,998	267,329	324,669	55%
Beyond Beans	288,116	140,001	148,115	51%
Total	7,735,655	1,782,792	5,952,503	58%

IDH collects information on KPIs for changes in outputs and outcomes in three areas, including business practices, sector governance, and sustainability at the field level. Results are collected using the Result Measurement Framework (RMF).

After this overarching view on the Program results, we dive into the **Results of the projects**





1

COCOASMART COLOMBIA: Creating a transparent, sustainable, and traceable value chain in Colombia

CocoaSmart's goal was to increase farmer incomes in Huila and Tolima by improving cocoa quality, sustainability certification and transforming into organic farming related to innovative traceability concepts from the farmer to consumption in The Netherlands. Colcocoa and La Equitativa Fair Trade Company (Equiori) partnered in consolidating a high quality and organic sustainable value chain in Huila and Tolima, organized six producer organizations (POs) (of which two were women-led). The project impacted 170 families, and reached 1,000-1,200 families through technology and multiplier agents.

Project outcomes targeted the following areas: working conditions, natural resource management, post-harvest processes at farm level, full traceability, and 'livable farmer incomes,' Targets were related to productivity and total annual production of sustainable and traceable cocoa. Precision farming interventions and GPS models were implemented at field level, which helped farmers improve cocoa farming techniques and sustainability.

The KPI results are summarized in Annex 2. The project performance has been successful as all targeted KPI were exceeded and several targets were even tripled. A volume of 992MT was reached, with a value of €2,405,210. The Dutch market products included Ferrero Nutella, NoName chocolate and Equiori chocolate.



Colcocoa & La Equitativa Fair Trade Company



**Colombia
Latin America**



**195
Farmers Impacted**
M/F - 149/46
**+ 825 farmers with
commercial channel**
M/F - 622/203



€294,615

Private Sector
Investment

€232,090

Contribution
Cocoa Origins

Sustainability principles: 1 3 5 7 and 9
(see principles in Annex 3)

Business case

COP intervention resulted in new supply chains that will likely continue and make a positive impact on farmer income in the coming years.



**Supply chain
improvements**



**Yield and Quality
of cocoa**



**Reliability for
partners**

Results

- Farmer income increase from €1,095 up to €1,399/year
- Improved business case due to COP interventions
- COP funds invested in products and services to improve efficiency

Key success features

- High adoption rate of Good Agricultural Practices (GAPs).
- Associations developed into references for other cacao associations.
- Farmers perceived positive improvements in many areas
- Trainings and certification activities are more cost-efficient through digital solutions developed in COP.
- New supply chain created paying sustainability premiums, with Ferrero as main partner.
- Construction of first milling plant will be pillar of learning curve - to be extended to producers in Colombia.
- Valuable lessons on new markets: Dutch consumer taste preferences and improved sales resources to push future sales with retailers, distributors and traders.



2

Assuring market access and growth for cocoa from Piura, Peru, a world leading specialty cocoa region

Chocolate maker Original Beans uses Piura Blanco cacao from the Peruvian Piura region. The socio-economic infrastructure in Piura has been changing as cacao is becoming a main cash crop as well as the socio-cultural identity of thousands of farmers. The Piura Blanco, a fine flavor cacao variety, is threatened by regional cadmium (Cd) levels in cocoa beans, leading to cocoa products with levels that exceed EU requirements (max. 0.8mg/kg).

At the start of this project, the implementers reported that most of the cacao in Piura contained between 1.0 and 3.5mg/kg and was therefore unsuitable for producing single origin dark chocolate for the EU market. Partners set the goal of using currently applied scientific research on in site reduction of cadmium.

By reducing cadmium levels, farmers can sell their cocoa as a single origin, fully traceable, certified product for the European and Dutch specialty market. Project results showed it benefited 200 households, who can keep receiving the price differential of a single origin vs. blended cacao of EUR 1,350/MT. Another major outcome has been the possibility to separate batches of cacao based on a detailed mapping of cadmium levels on each farm and over time, to select batches with the acceptable cadmium levels.

The KPI targets were met and often exceeded, with a volume of 88MT of cocoa worth €421.000. The product brought on the Dutch market is the Original Beans Piura chocolate bar.



**Original Beans, Norandino and
Bioversity International Lima**



**Peru
Latin America**



**340
Farmers Impacted**
M/F - 210/130



€61,958

Private Sector
Investment

€64,359

Contribution
Cocoa Origins

Sustainability principles: 1 5 7 9 and 10
(see principles in Annex 3)

Business case

The project has successfully shown that the uptake of cadmium can be decreased significantly by using a combination of organic fertilizers and Biochar. However, the project has also shown the complexity of cadmium reduction measures and the dependence on soil characteristics.



**Supply chain
innovations**



**Decreased
cadmium levels in
cocoa**



**Innovative solutions
for business case
unique Piura cocoa**

Results

- In Results the price should be 2.550 to 3.330 USD/ton, whereas the price for Piura Blanco beans used for blends/Butter is 2.550 - 3.000 and the part that is sold as pure Piura Blanco is 3.050 - 3.300 USD/ton (farm gate)
- Largest part of farmers achieve a profitable and sustainable business case

Key success features

- Innovative interventions can further strengthen business case: Cocoa butter on the European specialty market, from beans with too high Cd contents. Special fermentation protocol can obtain a similar flavor profile of cocoa, company is selling the blend.
- With high cadmium levels, interventions don't bring enough difference.
- Interventions are labor intensive and costly, business cases vary per farmer.
- High demand for Piura cocoa products guarantees the continuity of supply chain, benefitting some of the farmers that participated in the project.



3

Developing ‘Forest Friendly’ premium cocoa value chains from Sierra Leone

Divine Chocolate and its partners aimed to improve the livelihoods of farmers’ families by creating stable, longterm trading relationships between a smallholder cocoa business owned and controlled by farmers on the edge of the Gola rainforest and two premium and ethical chocolate companies serving the Dutch market. The objectives were to create a quality, Fairtrade and organic certified cocoa product that returned more value to producers and protected the natural resources and biodiversity of the Gola National Rainforest Park (GRNP) and buffer zone. The project reached 2,150 farmers who had very low yields of 100kg/ha annually. It developed a holistic approach at field level, supporting producer organizations to become self-reliant. Trainings addressed business basics, good governance, gender justice, sustainable agriculture, quality upgrading and market access.

It was impacted by circumstances that included discontinuity of the main project implementor, some deteriorated partner relations as well as the COVID-19 pandemic, Brexit, and a new Divine owner with a different perspective on sourcing. Half of the KPI targets were reached. KPI 1 was partially reached (volume target 213MT and result 142MT with a value of €345,567,-). KPI 3 (new supply chain origin to Dutch consumer) and KPI 6 (products to Dutch market) partially lagged behind due to the COVID-19 restrictions and Brexit consequences. The product that reached the Dutch market is the Divine Forest Friendly chocolate bar.



Divine Chocolate, Gola Rainforest Conversation, Royal Society for the Protection of Birds, Chocolate Makers



**Sierra Leone
West Africa**



**1,743
Farmers Impacted**
M/F - 1,344/399



€277,992
Private Sector
Investment

€293,948
Contribution
Cocoa Origins

Sustainability principles: **6 7 9 and 10**
(see principles in Annex 3)

Business case

This business case is likely not strong enough to guarantee continuity of the project. Further support for NGOCFU is needed for continuation. Other off-takers from this COP project have successfully introduced forest friendly chocolate products on the UK market. The prospect is positive beyond the Dutch market.



**Forest Friendly
chocolate concept**



**Increased independence
of farmer cooperative**

Results

- Improved farmers’ business case for growing cocoa
- Profitability unlikely soon, due to very low yields

Key success features

- Large dependence of the farmer organization NGOCFU on its supply chain partners (and potentially on donor support) so the business case is still weak.
- COP led to improvements in NGOCFU’s professionalism, achieved certification and established key new partnerships, indicating potential for the organization to have a profitable business case in the medium to long term.
- Risks and weaknesses to be addressed include: high costs of ongoing support on business practices to NGOCFU managers, complexity of internal management systems combined with insufficient skills of NGOCFU staff.



4

The FIRCAM project: empowering financial resilience for Cameroonian farmers

The project aimed to increase financial resilience of cocoa farmers in four farmer groups by creating new dedicated supply chains between the Dutch consumer market and Cameroon, as well as supporting farmers to add value to their beans and other income generating activities. To achieve this, it focused on supply chain innovation to improve bean production processes and establish more stable cocoa industry partnerships. Field level projects aimed to diversify farmers’ income by establishing ten Village Savings and Loans Associations. These were developed to improve access to micro-loans for 300 households and facilitated investments in better agricultural practices and other income generating activities. A Gender Action Learning System (GALS) approach was introduced through the VSLAs to focus on personal development, entrepreneurship training and gender equality.

Four supply chains were created; two of which were between the Kumba cooperative and two others between cocoa off-takers CCQ and SOCAM 5C, and FERRERO. The Dutch market products include Bagels & Beans chocolate bars, Earth chocolate bars and Ferrero Kinder.

The Project KPI targets were exceeded as a volume of 1.616MT was achieved with a value of €2,636,053. While Cameroon suffers from a bad reputation on the world cocoa market, this project has helped create confidence in the supply chain, which has attracted new supply chain partners to the country.



ETG, Conseil Interprofessional Cacao Café and Natra



**Cameroon
West Africa**



**4,239
Farmers Impacted**
M/F - 3,511/641



€324,767
Private Sector
Investment

€240,650
Contribution
Cocoa Origins

Sustainability principles: **1 2 4 and 6**
(see principles in Annex 3)

Business case

The project has significantly improved circumstances, even though the short-term business case has not been profitable yet, due to the COVID-19 pandemic restrictions.



**New supply
chains**



**Improved quality
and productivity**



**Village Savings and
Loan Association
groups (VSLA)**

Results

- Improved business case for farmers but no profitability during project period due to external conditions: prices of inputs and the costs of living increased due to COVID-19 restrictions
- Positive business case for partners; stakeholders have access to higher volume and higher quality cocoa

Key success features

- In time, GAP training will increase productivity and farmer revenues (project implementation period too short to see results).
- Introduction new off-takers contributes to a growing volume and number of farmers that benefit.
- Positive business cases assume supply chains and impact for the farmer families will continue after COP project.



5

Fine flavor cocoa as a sustainable alternative for indigenous coffee farmers in northern Colombia

Extremely low international prices drive coffee producers to additional or alternative sources of income. While cocoa is the only legal and sustainable alternative in the Sierra Nevada region in Colombia, coca is illegal and is responsible for much violence in the region. Cocoa rehabilitation that was already grown in the forest is a viable option. And there is demand for high quality cocoa with low cadmium levels. This will result in more sustainable income for the farmers and greater volumes of organic fine flavor chocolate for the Dutch market. The cocoa will be shipped to Amsterdam by the climate neutral Tres Hombres sailing ship..

Cocoa production will be improved on 80 ha of degraded cocoa land and 80 ha of new cocoa plots, using local, high-quality cocoa varieties. The cocoa farm gate price should increase by 65%, and productivity by 40% on existing plots. At the household level, target outcomes improved cocoa production systems and diversified income for 74 families in the first year and 400 in the second year..

The Dutch market products include: a carbon neutral, ‘female-certified’, single origin, organic, fine flavor chocolate bar by Chocolate Makers; the Arhuaco chocolate bar by Original Beans; and various chocolate bars from Daarnhouwer, Belvas and Ethiquable.

Since the project started , it was agreed that due to the longer lead time for rehabilitated cocoa, the KPI results could be achieved beyond the deadline of the Program. The duration of the COP was too short to generate tangible effects of the renovation (80ha) and rehabilitation (80ha) activities. A volume of 37MT was reached with a value of €136,335.



Progreso Foundation, , Cooagronevada, ANEI, Red Ecolsierra, Asoarhuaco, CIAT, Chocolatemakers, Crafting Markets, Belvas, Ethiquable, Original Beans



Colombia Latin America



453 Farmers Impacted
M/F - 377/76



€324,669

Private Sector Investment

€267,329

Contribution Cocoa Origins

Sustainability principles: **1 2 3 4 5 6 7 8 and 9**
(see principles in Annex 3)

Business case

This business case has been very successful due to high GAP adaption rate and a strong link to the market for quality cocoa.



Rehabilitation local cocoa species



Sampling for cadmium levels



High cocoa quality



Consistent access to fine cocoa market

Results

- Positive business case for farmers. Average prices are EUR 3,660/MT (EUR 1,700/MT on conventional market before), above international market prices and in line with fine flavor prices that reward quality.
- Positive business case for partners, including knowledge dissemination, testing cocoa samples for cadmium levels and training local technicians.
- 3 out of the 4 cooperatives were listed in the final of ‘best quality cocoa from Colombia in 2021’, a huge achievement in short time.
- For all organisations access to markets was organized

Key success features

- Recurring costs for testing cocoa samples can be absorbed by high prices and quality premiums.
- Costs of equipment are one-off investment. 78 nurseries were built and 160 ha of land was renovated/rehabilitated.
- Although volume targets have not been achieved (partly due to COVID-19 effects), demand for ‘competition cocoa’ is strong.
- Producers’ organizations received price guarantees from cocoa buyers involved, who provided consistent access to fine cocoa markets and assure a strong business case.
- Progreso ensured enabling environment for cocoa and quality finance, markets and risk management
- Sustainable path to further upscale created since knowledge is embedded at cooperative level, nurseries are created, a quality lab, internal funds and credit lines are set up.



6

Professionalization of Fairtrade organic cocoa small holder cooperatives for rural economic growth

The project contributed to developing integrated and inclusive sustainable agroforestry value chains in rural Sierra Leone that can generate rural economic growth. Activities targeted sustainable yield increases and food security, reducing farmers’ debt, enhancing professionalism, certified (Fairtrade and organic) cooperative structures.

In addition, the project aimed to stimulate demand for sustainable organic Fairtrade cocoa from small origins available in the Dutch and European markets. Targets included three organic and Fairtrade certified producer organizations, training 3,000 farmers and purchasing 900MT of certified cocoa by the end of the project with a EUR 500/MT premium. Scaling goals included adding other farmer groups, with a total of 20,000 members.

Farmer field schools (FFS) were established to provide interactive training on organic GAP, Climate-smart agriculture (CSA), quality (post-)harvest practices and basic business skills as well as support with rehabilitation, reforestation and replanting in optimal agroforestry systems that combine cash- and food crops.

Dutch market products include Lush body butter. This collaboration with Lush including dedicated consumer communication on the value chain in their retail outlets.

The KPI targets of this project were met and in several cases they were even exceeded. A volume of 2.398MT was reached with a value of €6,281,400.



Tradin Organic Agriculture B.V, Tradin Sierra Leone Ltd, Crown of Holland B.V, threefarmer cooperatives: Kasiyatama, Koeyordondorya and We Yone



Sierra Leone West Africa



10,255 Farmers Impacted
M/F - 8,204/2,051



€326,092

Private Sector Investment

€295,953

Contribution Cocoa Origins

Sustainability principles: **1 2 3 4 5 6 7 8 and 9**
(see principles in Annex 3)

Business case

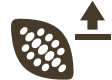
Yield and prices clearly increased, but the business case is not yet sufficient for all farmers.



Agroforestry



Farmer service centers (FSCs)



Improved yield and quality of organic cocoa



Strong link to Dutch market

Results

- Business case for farmers has improved.
- The business case for partners is positive as there is a firm demand for organic Sierra Leone cocoa. However, ongoing technical assistance is required.

Key success features

- Farmers in the project area own on average 2ha of land. Before the COP interventions, a very low productivity was reported, averaging 150-175kg/ha per year. Local prices for individual farmers were €1,250/MT. It was not possible to replace old trees or to invest in farms.
- The COP interventions directly addressed these challenges and there is evidence that the business case for farmers improved. However, growing cocoa as a main income generating activity does not yet seem to be profitable for a majority of targeted farmers.
- An indicator of an improved business case for the POs is the reported involvement of a Tradin cocoa customer, who began financially supporting activities that were similar to the COP ones.



7

Frontrunner project, cocoa beyond certification

The purpose of the project was to address the root causes of low farmer incomes, child labor and deforestation by implementing Tony’s Chocolonely’s system of sustainability principles and traceability - Tony’s Open Chain - to third parties.

Tony’s Open Chain Is an Industry-led Initiative that helps chocolate brands, like Albert Heijn with their Delicata brand to become sustainability frontrunners. The Open Chain platform facilitates the sourcing of cocoa beans according to the 5 Sourcing Principles for Albert Heijn. The concept has been professionalized to allow new buyers In the near future to easily enter the system. By adding a new co-op to the Open Chain, it increased the number of farmers that are benefiting and we ensured new Open Chain members could quickly source volumes of Rainforest Alliance certified cocoa that comply with Tony’s five Sourcing Principles from Ghana.

As for market access for sustainable cocoa, AH raised public awareness through its brand Delicata (on-pack), the AH Allerhande magazine, its website and reports. The products introduced to the Dutch market were the Open Chain Delicata chocolate bars (Albert Heijn private label brand). The cocoa target to be produced related to the COP project was 700MT. The target to reach the Dutch market (in Delicata bars) was set at 1,400MT.

The project KPI targets were met and significantly contributed to the overall Program KPIs thanks to their relatively high total budget. A volume of 675MT was reached with a value of €930,225.



Albert Heijn, Barry Callebaut, Tony’s Chocolonely, UTZ, Rainforest Alliance



Ghana
West Africa



1,750
Farmers Impacted
M/F - 1,015/735



€4,191,894

Private Sector Investment

€251,223

Contribution
Cocoa Origins

Sustainability principles: 1 3 4 5 6 8 and 10
(see principles in Annex 3)

Business case

The business model was successfully developed and the Tony’s Open Chain model is more easily accessible to other players.

Tony’s living income model for business case includes: living expenses, farming costs, farm size and other income sources. The Open Chain model sets a productivity target and the project supported farmers to achieve it through trainings, coaching, input and a LI premium (FT premium and additional premiums as well as a co-op fee).

Results

- The business case for farmers was very clearly addressed.
- The business case for project partners was based on reliable access to good quality cocoa in volumes that are needed to meet market demands and brand reputation.

Key success features

- Important productivity gains were achieved before the COP, from 260 to 625kg/ha. The steps taken during the COP showed that a holistic, data driven and tailored approach was taken for the productivity Program.
- The project aimed at making the Open Chain accessible for third parties. This was successfully achieved.
- The business case was positive for both farmers as project partners, and it is expected that the impact on farmer livelihoods will continue to exist after COP closes.



8

The Cocoa Fruit Lab: establishing a female-owned micro-factory in Côte d’Ivoire to produce cocoa juice and specialty chocolate for the Dutch market

This project strengthens the Ivorian women-led cooperative ‘Cooperative des femmes pour la production, la transformation et la commercialisation des produits Vivriers de la Marahoué’ (COVIMA) by introducing them to juice production and chocolate making, while enhancing their capacity and supporting them to access higher value niche markets. It aims to diversify and increase cocoa farming households’ income by selling a new product made from ‘waste’ cocoa juice and selling part of the cocoa as ‘origin cocoa’ at a premium price.

Kumasi, Rokbar, Beyond Beans along with chocolate-making expert, Alexandre Bellion introduced an innovative way to improve the quality of cocoa beans by integrating juice extraction and box fermenting. Using this method COVIMA women learned how to make artisan chocolate that is unique in Ivory Coast. Outcomes also included increasing women’s participation and female entrepreneurship in the cocoa and juice value chain, and giving the women cooperatives ownership (and profit share) over the value chain by making them shareholders of the end product. The products to the Dutch market include Kumasi cocoa juice and Rokbar chocolate bars.

The members of COVIMA (490 households) earned approximately just one-third of the necessary income. Through this project the partners aimed to help close this income gap. Training of farmers aimed at achieving a more sustainable cocoa production, increasing yield and optimizing quality of both the beans and the pulp. It also innovated by introducing new income streams from juice and chocolate production in a newly built facility, the Cocoa Fruit Lab.

Most of the KPI targets were met and some came close. A volume of 737MT was reached with a value of €438,984.



Beyond Beans, Kumasi Juice, Rokbar and Doehler



Côte d’Ivoire
West Africa



427
Farmers Impacted
M/F - 342/85



€148,115

Private Sector Investment

€140,001

Contribution
Cocoa Origins

Sustainability principles: 1 3 4 5 7 9 and 10
(see principles in Annex 3)

Business case



Cocoa sales



Introduction of new products



Female empowerment



income diversification

Results

- Due to external factors the business case for growing cocoa likely worsened during the COP period.

Key success features

- Project’s focus shifted completely from increasing productivity (which initially was a small component) towards piloting the Cocoa Fruit Lab to be owned by COVIMA. Only regular annual certification trainings were organized.
- The COVIMA region was heavily affected by Cocoa Swollen Shoot Virus Disease (CSSVD), which caused a significant negative impact on farmers’ yields, income and cocoa business case.
- Costs of living in Côte d’Ivoire increased rapidly due to COVID-19 and could not be matched by rising income from farming.
- Project implementation period was too short to measure impact. Preparations were made to produce and sell products, but revenue of cocoa juice and craft chocolate was not at robust level yet.
- In view of the market potential, starting on national market, positive results are expected soon.

3.0

Impact Evaluation

The evaluation, commissioned by the Sustainable Trade Initiative (IDH) and conducted by The Royal Tropical Institute (KIT) presents the final evaluation findings of Cocoa Origins. Its objective was to gain insights into the effectiveness of Cocoa Origins from its startup phase in 2017/2018 until the final implementation phases. To this purpose, the report follows a theory-based approach, analyzes all eight individual projects and uses these insights to assess the Cocoa Origins Program as a whole. Three main types of data sources are underly the evaluation: a comprehensive desk review; semi-structured interviews with all (but one) projects and with Program management; and focus group discussions conducted in the context of five projects. Following pages provide a brief summary of the full evaluation report.



Key findings

Overall, the eight projects supported by the Program were quite diverse, and they all succeeded in focusing on supply chain innovation and field level interventions. The majority of the 19,454 farmers reached with trainings, and 7,210 reached with inputs and services, improved their business cases for growing cocoa. Many of the Cocoa Origins companies and partners would not have been involved in interventions without the Program's funding.

The COVID-19 pandemic significantly impacted global trade and production. Its movement restrictions and social distancing were the top measures that resulted in negative effects on agricultural value chains.

In evaluating the Cocoa Origins' effectiveness in contributing to the Dutch Letter of Intent, the conclusions are that the Program was effective on all principles.

Impact evaluation results by KIT

This study's aim was to collect evidence on the effectiveness of the Cocoa Origins Program. The evaluation objectives were to assess:

1. **The effectiveness of Cocoa Origins through its eight projects by collecting and analyzing output, outcome and impact data and then comparing the results against the ten cocoa sustainability principles of the Dutch Letter of Intent.**
2. **The performance of Cocoa Origins against the key research questions of Relevance, Coherence, Effectiveness, Efficiency, Impact and Sustainability.**

TOC: field level activities and supply chain innovations

This question is answered partly in each of the eight project impact pathways (Chapter 3, Evaluation Report Cocoa Origins), while the contributions on environmental outcomes, evidence is presented under principles 2 and 9 in (Table 7). The impact pathways identified in this evaluation follow the COP's theory of change but have been adapted to each project based on actual interventions that stood out, including changes made along the way, as presented in the progress and annual reports.

Added value and improved sustainability on the ground in origins

Field level projects centered around trainings and coaching for farmers to improve farming practices (e.g. applying relevant information and guidance from IDH at farmer level), precision farming interventions, strengthening producer organizations, and supporting premium-priced cocoa production. All projects also had scale-up and replication targets, including expanding business models and

Impact of Program

scaling of technology used. The project evaluations in Section 3 highlight the contribution of Cocoa Origins to outcomes achieved, which indicates the relevance of the support provided.

Dynamics in the Dutch consumer market towards full sustainability

All projects successfully focused on supply chain innovation and field level interventions, as requested by the Cocoa Origins Program. Supply chain innovation often dealt with developing traceable supply chains from a specific origin to The Netherlands (e.g. through using different software applications). This improved partnerships between farmers and off-takers, and strengthened access for specific cocoa varieties or products to The Netherlands (e.g. fine or flavor cocoa; cocoa with reduced cadmium levels; etc.).

Indications show that many companies and partners would not have been involved in this kind of work without the COP. Many participating companies are part of bean-to-bar supply chains, characterized by limited sales volumes, high labor and equipment costs, and often high production costs. As bean-to-bar constitutes a relatively small and crowded market, investments are difficult to make profitable. Therefore, many implementers indicated they would not have invested in sustainability projects without the COP's support. Meanwhile, challenging access to the Dutch market, especially with limited market share of specialty cocoa in The Netherlands, became a barrier for companies to contribute to the objective of Cocoa Origins to make Dutch chocolate consumption more sustainable.

Relevance

Several projects had major relevance for the Dutch market, such as AH and the Open Chain model and replicated with ALDI. Another example with promising results was the Cocoa Fruit lab (juice) project. It had a clearly defined business case, was ready for scaling up, and Kumasi is now becoming an established drink on the Dutch market.

All projects successfully focused on supply chain innovation and field level interventions



Coherence

Most existing IDH Programs as well as others, can benefit from the innovative, replicable business cases (KPI 4) created in the COP's most ambitious projects.

Effectiveness

The average score is 4/5, which means we can confidently assume this Program shows strong evidence that reveals its effectiveness by contributing to all ten principles. Highest scoring points were mainly on field level activities, while some lower scoring points were on the supply chain innovations. For example, market access seemed very difficult, especially for stakeholders that wanted to access the specialty market in The Netherlands due to limited market share.

Impact

Most interventions will achieve their intended effects at field level. This evaluation found strong evidence that the COP had already contributed to positive outcomes and impact.

Costs and efficiency

Total project costs – which can be considered as investments in origin countries – are estimated at around €6.6 million.

Sustainability

In general, field level and supply chain innovations showed the most evidence of sustainable business cases in field level interventions. Less convincing evidence was found on innovations at the time of evaluation, but nevertheless there were some very promising cases.

KIT conclusions and recommendations

The evaluation developed a set of recommendations to support future Programs and interventions that aim to learn and build on the experiences and results of Cocoa Origins, its Program Management Team (PMT) and the implementers, for their own scale-up and replication, or for replication by other cocoa users who benefit from Cocoa Origins' shared learnings.

Program design

Future Programs and interventions may increase their effectiveness and impact by defining and targeting specific cocoa markets, i.e., conventional versus fine flavor. 'Small cocoa users' versus 'medium or large cocoa users' may also be more clearly defined in terms of the volumes and types of cocoa used and prices paid. It should be noted that conventional and fine-flavor (direct trade) cocoa markets are quite distinct, especially considering the price differences received by farmer groups (e.g., the majority of buyers operate exclusively in one of the two markets, and very few operate in both).



Nurseries have been a key asset in several of the COP projects

To convince farmers to join the interventions and understand their importance (e.g., of reducing cadmium levels), a more in-depth application process is recommended that requires applicants to engage with local stakeholders and consult beneficiaries. For example, the Divine project lacked adequate buy-in from farmers who were initially targeted and during the first year of implementation, as side-selling by farmers was still very high (70%). Earlier meetings or even contracts with farmers, as well as an assessment of the local value chain (e.g. other buyers and prices in the area) could have better prepared the project partners.

Future Programs are recommended to either simplify the application form, or to assign resources to support implementers with reporting high quality data on key indicators. The application forms asked for extensive information, and the Cocoa Origins Program included a long list of Program and project indicators.

This allowed for a variety of projects and interventions and enabled the piloting of innovations, but resulted in a complex and time-intensive effort from implementers and the Management Team, in reporting and reviewing complete, accurate and clear qualitative and quantitative data. For example:

- To achieve and prove scalability and replicability requires quantitative data on business cases at farm and producer organization levels. In addition to the difficulties in achieving scalability and replicability, it was also a challenge to prove their

achievement in narrative Program reports. That's why external analyses would have been more appropriate.

- Prices should be reported in standard ways at farm gate or free-on-board (FOB), and volumes (at specific conventional or fine flavor prices) as percentages of total volumes sold by farmers.

Sharing of lessons learned

Future Programs should consider publishing results and lessons learned in short papers and materials for the public domain. Partly as a response to COVID-19 challenges, projects used WhatsApp groups to deliver audio, video and written visual training materials, and connect producers, producer organizations and the project partners. These channels should also be made available and promoted through the networks of Program managers and implementers.

Use of technology

Guidelines for activities that involve the first-time use of digital solutions by cocoa users should be much stricter and developed with experts. Program managers should have a technical understanding and previous experience with technologies (e.g., mobile applications and software) used for digital: plot mapping, farm and farmer registration and management, technical assistance, data collection, traceability, etc. The Program should also employ experts that can guide applicants when choosing technology providers and solutions.

- The focus on traceability (a principle in the Dutch Letter of Intent) led the Program management to allow implementers to try and adopt various digital tools that ultimately were too complex or time and cost intensive. The technology also did not provide optimum solutions (e.g., Smallholdr, Farmforce). Larger cocoa users can assign human and financial resources and successfully digitize their supply chain over the long term, while small cocoa users and less skilled producer organizations may not be ready for such investments or may need expert support.

4.0

Learning & Innovation

In this chapter, we share Program innovations as well as how many of the projects can benefit others, as they are scalable and replicable. Each project shows strong and weak points, opportunities and treaths. The Program has triggered many innovations. Its foundation is the requirement that all projects are linked to viable supply chains with positive business cases of stakeholders that use relatively small volumes of cocoa and that lead into the Dutch consumer market. This requirement is replicable in relation to other consumer markets, including the European market, and scalable to mainstream cocoa industry in Europe and even to the cocoa industry, which has no intrinsic motivation to improve sustainability.





Colcocoa & La Equitativa

Colombia, Latin America

Improving the quality of the cocoa, sustainability certification, improved traceability and transformation into organic farming led to higher incomes for farmers. A stronger link to the consumer market would allow farmers to benefit even more.

CocoaSmart Colombia included self-management and training tools, where a connection with farmers was generated through audiovisual content such as videos, audios, GIFs and SMS, which allowed remote assistance, involving a greater investment in technology and time, which brought producers to new communication technologies.

STRENGTHS

Community equipment, improved digital literacy and alternative marketing channels for cocoa.

WEAKNESSES

Maintaining a close relationship with cooperatives and associations is essential so they use the project software on a regular basis.

OPPORTUNITIES

Off-take agreements between implementers and cooperatives raise interest from farmers, link to the market.

THREATS

Dutch market is difficult as stakeholders are used to low prices.

KEY FEATURES



Adoption of technology in cocoa farms to improve quality and increase productivity.

- + Achieve higher income through Echar Pa'lante certification and organic farming.
- + The relationship model that we have developed with the associations was critical to the successful implementation of our program.
- + The implementation of a Cocoa central mill is an economically viable strategy that benefits producers from the social and economic sphere.



Equiori team in the field for training


Technicians trained by the Pakka Foundation in the CocoaSmart Colombia program





Piura Blanca specialty cacao was ‘rescued’ for the European market by reducing cadmium levels in the cacao beans, by separation on farm level and by purchasing cacao from areas with very low cadmium. The income from cacao sales doubled for those farmers selling to European markets. In addition the biochar and fertilizers applications caused a 40% increase in productivity.

KEY FEATURES



Cadmium reduction

- + Increased quality
- + Agroforestry
- + European market access

STRENGTHS

Combining organic fertilizers and Biochar resulted in a positive impact on cadmium levels of cocoa.

WEAKNESSES

Reduction is not enough when cadmium levels are very high. There would be an increased impact in more humid regions than Piura.

OPPORTUNITIES

Adapting nurseries to a longterm cadmium mitigation strategy, with shade, timber and leguminous tree species that improve soil quality.

THREATS

Producing Biochar locally and small-scale has several challenges.

ORIGINAL BEANS

2

Original Beans

Peru, Latin America

The interventions safeguarded access to European specialty chocolate markets for farmers, except those who would have been excluded because of the cadmium level in their beans. This means they still benefit from the high cocoa prices that are paid on these markets.

Production of organic fertilizers by women



Training during COVID-19 pandemic with restrictions





3

Divine

Sierra Leone, West Africa

The project succeeded in improving the cooperative capabilities for export and introducing a new product to the market. It values the efforts of farmers who live on the fringes of natural reserves to safeguard the forest and improve the volume and quality of their cocoa.

The project has brought empowerment of the union and its farmers, supporting the farmer organisation to go from being highly dependent to being largely independent, and efficient with farmers having skills themselves to participate in and run their own business.

STRENGTHS

‘Forest Friendly Chocolate’ developed to help farmers benefit from the protection of the forest. The role of women is crucial to collecting data on living income benchmarks as they are most accurate and consistent.

WEAKNESSES

Risk and low volumes, limit number of ethical lenders in Sierra Leone but they are needed to pre-finance cocoa purchases from farmers.

OPPORTUNITIES

Producing high quality, certified cocoa by smallholder farmers in Sierra Leone is possible, challenging its reputation for low quality cocoa.

THREATS

Unclear roles and responsibilities and partners not focused on their roles and deliverables are a threat to good project governance.



KEY FEATURE

Forest Friendly chocolate is a label that indicates that the chocolate contributes to protecting rainforests to trigger consumers to pay a higher price in order to finance forest protection.



Ngoleagorbu became the First Farmer-Led Organization in Sierra Leone to Directly Export Forest-Friendly Fairtrade-Certified Cocoa

Forest-Friendly approach means working together to farm sustainably and protect the rainforest, in order to support the sustainable livelihoods of forest-frontier farmers and their organisation





4

ETG
Cameroon, West Africa

The project raised farmer revenue by GAP training and helping communities to create VSLAs. The link with off-takers in mainstream industry developed later in the project and made a larger impact than the two smaller supply chains related to specialty chocolate.

Chocolate makers have been attracted and four new supply chains ensure the continuity of community activities. Partnerships were created with NGOs and local institutions, leading for example to the creation of the CocoaSoils Program, teaching communities to have a better yield without extension of their farms.

STRENGTHS

Village Savings and Loans Associations and GAP trainings led to improved entrepreneurship with famers, higher productivity, better quality and higher revenues.

WEAKNESSES

Lack of expertise and experience in certification in Cameroon is a limiting factor in implementing activities. Experts are rare and not always available to give trainings.

OPPORTUNITIES

VSLAs became successful and inspired other groups to create new ones.

THREATS

Side selling can impact the successful development of the project.

KEY FEATURES



The VSLAs were strengthened with GALS (Gender Action Learning Systems) approach, a community-led empowerment methodology with a focus on personal development, entrepreneurship training and gender equality. From the election of the leaders, more women (64%) have been elected for leadership positions than men.

- + VSLA with GALS method
- + Improved quality and productivity



Field visit to the FIRCAM project in Cameroon The VSLA has brought many advantages. The group meeting was held just before the weekly meeting, all participants to the group discussion are members of the VSLA.





5

Progreso
Foundation

Colombia, Latin America

The project aimed at diversifying and raising the income of coffee farmers by GAP and Post-Harvest training. This contributed to higher productivity, better cocoa (of specialty cocoa quality), renovation of old cocoa plantations and converting idle land into cocoa plantation while conserving nature and biodiversity.

The direct impact of this project for the organisations and their farm members is also reflected in the fact that in the short project period 3 out of 4 cooperatives in this project have made it to the list of best quality cocoa from Colombia.

STRENGTHS

Central guidelines (eg. for fermentation boxes, irrigation channels, centralized fermentation) were developed and then tailor-made for local implementation.

WEAKNESSES

Planning is very important; long lead times can result in project implementation in less favourable conditions of the rainy season.

OPPORTUNITIES

Adapting trainings, material and support for online delivery and interactive sessions helped replace physical meetings during pandemic restrictions and led to efficiency and cost reduction.

THREATS

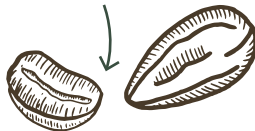
Grafting cocoa seedlings is key step to introduce gene of the varietal (fine aroma cacao) to the base pattern. Grafting techniques must be validated and standardized with all organizations.

The cocoa is being shipped by the climate neutral Tres Hombres sailboat, taking the cocoa from Colombia to Amsterdam as a means of sustainable transport.

74 individual nurseries were created for the beneficiary members and 4 centralized nurseries in two organizations.

KEY FEATURES

Combining coffee and cocoa production provides a higher income to coffee farmers due to low coffee prices.



- + Cocoa renewal format that can be adjusted to the environment
- + Cocoa renovation format

Progreso





6

Tradin
Organic

Sierra Leone, West Africa

The project raised farmer incomes by training Good and Organic Agricultural Practices and certification as well as (farmer) institution building, along with supply chains going into the European and Dutch market.

“We are happy with the increase in our cacao revenues due to Tradin’s Technical Assistance and training, especially on good and effective agricultural practices.”

Farmers from Sierra Leone undergoing the training programs

STRENGTHS

Basic GAP training, introducing organic fertilizer and support to cooperative management has large impact on quantity and quality of the production.

WEAKNESSES

Community spirit is difficult when some communities are selected to produce seedlings that also benefit other communities.

OPPORTUNITIES

Farmers are willing to sell all cocoa to co-operatives if co-operatives can assure benefits through off-take agreements with exporters.

THREATS

Accessibility is very important both physical (road infrastructure, motorcycles, boats) and virtually (mobile phone network).

The farmer service center (FSC) are providing services such as cocoa beans weighing facility, jute bags for standardisation and drying facilities



High standards achieved a 98 percent germination percentage in the nursery establishment process. Farmers continue using the knowledge to set up nurseries.



**KEY
FEATURES**

Nursery establishment was completed in January 2021 with a total of 63,000 Mercedes cocoa seeds nursed in 30 nursery communities.

- + Developing trusted relationships between co-ops and Tradin Organic through the model of Farmer Field Schools and Farmer Service Centres.





Albert Heijn

Ghana, West Africa

The project contributed to improving the Open Chain model developed by Tony's Chocolonely and allowed other chocolate brands to align and to use the model to source cocoa that meets the sustainability criteria designed by Tony's. Albert Hein was the first party to access the Open Chain.

93% of the households at Asunafo have been interviewed, which is a testament to the commitment of the team to implement the CLMRS, with support from the Cocoa Origins project. The project also enabled the team to quickly implement remediation activities for 780 children in the last quarter of 2021, to ensure that they were able to return to school.

STRENGTHS

Reliable farmer data, among others based on farm mapping, as a starting point to develop professional farmer organization.

WEAKNESSES

Two certification organizations Rainforest Alliance and Fairtrade are involved; leads to administrative burdens for farmer (organisation) and project partners.

OPPORTUNITIES

Project opens Tony's Chocolonely sustainability system to third parties: the Open Chain. Albert Hein was the first new organisation to join the Chain. Other will follow.

THREATS

If the Open Chain does not attract new off-takers, the potential benefits of scale will not materialize and costs remain relatively high. Market potential for farmers will not be converted.

In 2020 a 5-year Memorandum of Understanding was signed with the Asunafo cooperative.

To prove the level of traceability of sustainable cocoa, the cocoa in Delicata bars will be traceable back to coop via the Beantracker.

KEY FEATURES



Open Chain model





8

Beyond Beans

Côte d'Ivoire, West Africa

The project contributed to diversifying and raising of farmer income as well as gender equity by training Good Post-harvest Practices, introducing a new product based on what was considered waste before (cocoa juice) and artisanal chocolate sales. The concept of extra income from the new products can help

to strengthen the farmer organization (that manages to production and sales), directly channelling extra income to participating families instead of through the head of the family who owns the cocoa plantation (mostly men), and empower the positions of the woman in the household.

“As we add value into the chain of production, we add value into our personal lives as producers”

Zouzou N’Guessan Helene

STRENGTHS

Extra income from new products helps to strengthen farmer organisation. Channelling extra income directly to participating families instead of through head of the family who owns the cocoa plantation strengthens positions of women.

WEAKNESSES

Cocoa juice and artisanal chocolates : new products find their place in the market; the magnitude of additional income for farmer families can’t be validated during the project period.

OPPORTUNITIES

Combination of juice pressing and quality cocoa production complicates the juice pressing process but is an interesting way to put quality West-African cocoa on the map.

THREATS

Export and scaling require additional investments and strong partnerships between the co-operative that manages the juice, chocolate production and the off-takers.

KEY FEATURES

Cocoa juice producing hub



+ Quality improvements for specialty chocolate



Training of Trainers on usage and the maintenance of the equipment including delivery of safety materials.

Training on juice making covered the entire process from field to market. The cooperative now produces 150 liters of cocoa juice per day.



Cocoa Origins Program

STRENGTHS

- Cocoa Origins is the first sustainability Program that is specifically designed to attract new stakeholders to develop sustainability activities at the origins of their supply chains: the users of (relatively) small volumes of cocoa, such as craft chocolate makers and small traders and stakeholders whose cocoa products are a relatively small part of their product portfolio, such as retail chains.
- The core of the Program is the link between the sustainability project, a viable supply chain and a profitable business case.
- The Program was open to projects in all origin countries and not focussed on large cocoa producers and traditional focus regions.

WEAKNESSES

- The Program supply chains should reach the Dutch consumer market, which is relatively small (compared to the chocolate markets in Germany, Switzerland or even Belgium). The Dutch consumer market is not accustomed to higher prices for better quality and is very difficult to access.
- Some project implementation periods were too short to reveal the impact of trainings on Good Agricultural Practices on productivity and on the business case or to show the impact of product innovations such as cocoa pulp juice and artisanal chocolate.

OPPORTUNITIES

- COVID-19 related travel restrictions pushed implementing partners to adapt on site trainings to virtual sessions, which in many cases turned out to be very efficient and cost-effective delivery options.
- Regional and temporary travel restrictions, often related to the pandemic, should be standard in risk assessment in project proposals as well as mitigation strategies, such as strong local partners and online alternatives for onsite activities.
- The European chocolate market is highly saturated. Any growth is only found in specialty chocolate, such as organic, higher quality, and craft, although these markets remain small, they do provide in general a higher cocoa content than mainstream cocoa. The COP focussed on these markets and helped improve access for cocoa products origination from farmer organizations.

THREATS

- Basing the Program only in the Dutch consumer market restricts the potential impact, whereas the European market offers many more opportunities for successful supply chains and positive business cases.



Innovative solutions and products leading to more sustainable production in origin such as Kumasi cocoa juice from the Cocoa Fruit Lab project in Côte d'Ivoire.

Program innovation

COP's focus is on making a longterm impact, beyond the Program's duration, by creating a relationship between sustainability projects and supply chains that feed into the Dutch consumer market and a have profitable business case. The Program is designed to attract stakeholders in the supply chain that are not actively involved in sustainability projects at the origins of their supply chains, such as users of small volumes of cocoa or retail chains whose cocoa products are a fairly small part of their product portfolio.

Reaching out to this new group meant that the Program would offer maximum flexibility for any stakeholder at any position in the supply chain. They could apply for COP support, including: cocoa producers, traders, processors, retailers or even NGOs that work with producer groups. Applicants that passed first selection benefited from active support from the PMT to draft a solid application. The projects had two types of KPIs:

for the actual Program and KPIs that applicants could propose themselves in their applications that related to the ten principles of sustainability in the Letter of Intent. This way, the projects could be developed to meet the requirements of the target groups in the regions where they would be implemented, and achieve maximum impact.

During the Program implementation, the PMT organised meetings for implementing partners to share learnings and discussions on the Theory of Change as well as public meetings in parallel to large cocoa events, to inform the public on progress and (upcoming) results. In the closing session, the Program will organize a meeting between implementers and impact investors, to further contribute to the continuity of the projects.



Lessons learned, scalability and replicability

COP was not designed for the specialty chocolate market, although stakeholders in this sector are a perfect match with the requirements related to the use of small volumes of cocoa. COP is a Program that allows for innovative approaches to sustainability and caters to both mainstream and specialty chocolate. COP has attracted a wide variety of stakeholders to develop sustainability projects at the origin of their supply chains, who would otherwise not have been involved. The focus on the relationship with viable supply chains and profitable business cases is scalable and replicable.

The diversity of learnings of the small projects will also benefit the mainstream industry. The conditions that specialty cocoa and chocolate industry operate in allow more room for manoeuvring than bulk industry with low margins and large volumes. That's why it's positive that innovations which were applied in COP projects are now available for the bulk industry. Several implementing partners are operating in niche markets, and many of the projects focussed on quality improvements.

With the existing cocoa overproduction and stagnating mainstream consumer markets, programs that focus on higher productivity solely, should be reviewed. Meanwhile, specialty markets of organic and craft chocolate are significantly growing. Quality may be an alternative for farmers to improve their income. And COP projects are a source of inspiration. The quality improvement has led to

higher than usual prices paid to farmers in the region where projects were implemented. Changes first happen in the niche industry and can be later implemented in the bulk sectors. Mainstream training programs often put GAP central but should include more post-harvest improvements in their efforts to attain a living income.

One of the Program objectives was to understand how to expend the speciality market. The Program budget was designed to be spent on projects in origin and not on market enlarging activities in The Netherlands, to create more impact for stakeholders in cocoa producing countries. However, the Dutch consumer market for specialty products is restricted and needs further development before it can contribute to subsistent impact on the income of a large number of farmers. The impact would have been larger if the projects had been related to supply chains that feed the European market instead of the small Dutch market. The co-operation platform of the National Initiatives for Sustainable Cocoa (ISCOS) offers a perfect environment to take the Program to a European level and create access to larger markets for farmers that have improved the quality of their cocoa. Consumers in most markets where ISCOS operate are more used to spending money on quality products than the Dutch consumers, so an extension of COP to these countries will allow projects to create more of an impact.

There are no recent statistics about the market share of Dutch sustainable cocoa consumption. It is evaluated by CBS; Centraal Bureau voor Statistiek (of Statistics Netherlands), using the market share of sustainable cocoa products in supermarkets as a proxy for the total market share. Estimates still show a gap between 20 and 25%. Will this gap automatically be closed through the upcoming European legislation on imported deforestation and human rights infringements? While it is not clear why the gap remains and which stakeholders should be activated to close it, a simple answer to the question is not possible. It is important that policy makers understand the underlying causes of the stagnating growth of the sustainable cocoa market. The answer may even partially lie in the pharmaceutical and cosmetic sectors, where cocoa butter is an important ingredient, or bakery products (cocoa butter and powder). COP has proven credentials for activating stakeholders that were not involved in sustainability projects before, so it would be worthwhile to explore if the experience with COP can be replicated.



The Cocoa Fruit Lab: a women-owned factory in Côte d'Ivoire producing cocoa juice and specialty chocolate.

A COP for the European market would not only reach a larger specialty market, but would also make the Program more suitable for mainstream industry. Bulk industry doesn't produce for national markets anymore, but for a Europe without frontiers and beyond. The few mainstream companies that were involved in COP faced challenges of showing which part of the production related to COP projects was sold on the Dutch consumer markets. A COP-like program for the European market would be much more attractive for mainstream industry and still be innovative and an addition to existing programs.

As Europe is the world's largest consumer market for cocoa products worldwide, the new EU legislation will make a big impact on sustainability of cocoa supply chains, but this is at best around 50% of consumption worldwide. Should European policy makers look beyond their jurisdiction and constituency to have impact on the other half? This can better be achieved with a carrot than with a stick motivation, as there is no mandate for sanctions. By contributing to start-up costs and reducing overhead costs in the initial phases, COP has triggered projects that would otherwise not have taken off. This report shows positive business cases for the cocoa producers as well as for the implementers and other Program partners: a win-win situation. The positive business case may attract stakeholders to join a Program such as COP, even if local authorities, NGO's and consumers are not pushing for sustainability, as they will benefit as well as the farmers they source from.

5.0

Conclusions

The Cocoa Origins Program is the first of its kind to support users of fairly small volumes of cocoa to develop sustainability projects at the origin of their supply chains. The Program selected eight projects that were implemented in six countries in Latin America and West Africa.



All of the projects were related to viable supply chains that feed (directly or indirectly) into the Dutch consumer market and that had profitable business cases. COP provided co-financing to support startup costs and high overhead during their development phase. The positive business case ensure continuity and have a lasting impact. All projects succeeded in creating new supply chains or innovating existing ones.

The projects in general have delivered on the Program and project specific KPI targets and in many cases, have exceeded them. Meanwhile, the COVID-19 pandemic restrictions had a negative impact on implementing COP projects. They all faced delays, but with a 12-month Program extension, the implementing partners were able to execute most of the planned activities and meet the project targets.

The evaluation of business cases shows diverse results. In the West African projects, the farmers' business case was threatened in the short term, as the increase of income that resulted from the project could not keep pace with the rising costs of living and input prices. This is mainly due to the impact of the pandemic on inflation and availability of labor. The supply chain partners in these projects have been committed to continue sourcing their cocoa in the project communities, which has established their continuation. The specialty cocoa that is key to the projects in Latin America receives higher prices than West African cocoa, but it has smaller volumes. Business cases are positive for many of the farmers and the project partners. COP contributed to improved entrepreneurship with participating farmers in all continents, which allows them to produce better quality, access to new markets and attain a higher income. This demonstrates that the factor of quality could potentially play a larger role in living income projects

The lessons learned offer a wide variety of interesting experiences, such as the focus on cocoa quality through post-harvest training next to GAP and introducing new products, like cocoa juice, that contribute to income diversification and gender equity. In a saturated chocolate market where quality is one of the few growth factors, this offers possibilities for scaling and replication. Indeed, most projects have met their targets on scalable and replicable cases. And the overview of lessons learned and of scalable and traceable cases will be available to a wide audience. Apart from the Program presentation at the Cocoa Origins session at Chocoa on June 23, 2022, excerpts and summaries in newsletters, IDH and Equipoise will publish this report on their websites that is always accessible.

Equipoise focusses on market related sustainability projects and promotion of market access for sustainable cocoa and cocoa products, the core of the Cocoa Origins Program. Continuing in the spirit of Cocoa Origins, Equipoise will build on the lessons learned in our main focus to support specialty cocoa producers and chocolate makers in their way to the European market. Reenforced by the conclusions of this report we will further support the development of the specialty cocoa sector in cocoa producing countries and consumer awareness.

The Dutch market for specialty cocoa is small and consumers are not used to paying a higher price for higher quality chocolate. Many project implementers have struggled to get market access in the NL. COP could have achieved a better impact if the target had been the greater European consumer market. The cooperation between national initiatives for sustainable cocoa (ISCOs) offers a platform to extend the experience of COP with the existing target groups to a larger market.

A European approach would also make COP more suitable for the bulk industry. The few mainstream companies involved in COP faced challenges to identify which part the production related to COP projects was sold on the Dutch consumer markets, as their production and sales are not divided per national market within Europe. A program like COP for the European market would be much more attractive for the mainstream industry. The core of COP is the relationship between sustainability projects, viable supply chains and profitable business cases, which could be applied in a much larger context.

In many cases, a focus on quality objectives instead of quantity could be the way forward to improving farmer income. The bulk sector goals to attain a living income should take this perspective into account. Meanwhile it would be valuable to create consumer awareness that a higher price for better quality is a fair development.

The focus on positive business cases could even make COP suitable for improving sustainability in markets without pressure from authorities or from NGOs. Despite the large cocoa consumption in Europe, this only represents about half of the world's cocoa consumption. Large parts of the other half are barely involved in sustainability.

The objective of COP is to contribute to closing the gap between the market share for sustainable cocoa on the Dutch consumer markets that existed at the start of the Program and the 100% objective in 2025. Since the CBS has not recently published new statistics, it is not possible to see the results in the percentage. In fact, close to 20,000 farmers have benefited from the Program's impact already and they are likely to continue benefiting from it, as their communities are linked to the Dutch consumer market through viable and profitable supply chains.

Recommendations

I COP successfully attracted new stakeholders in the cocoa sector to implement sustainability projects at the origin of their supply chains. Many are active in the specialty cocoa sector that pays better prices for cocoa than the bulk sector. They have more impact per farmer but reach fewer farmers due to their small volumes. By taking COP to a European level, or to the collaborating national platforms for sustainable cocoa, it will translate into a greater impact.

II COP achieved success in triggering projects that relate sustainability projects in cocoa origins to viable supply chains and positive business cases, ensuring continuity and lasting impact after the Program has ended. The same format can be applied to projects of the bulk industry. In which case, it would be better to launch the project at a European level, as bulk does not produce for national markets.

III If stakeholders don't feel pressure from governments, NGOs or consumers, they may not actively consider sustainability activities. The COP format helps them reduce risks of sustainability investments by supporting startup costs and high overhead on initially low volumes, coupled with a positive mid- or long-term business case. It can be an instrument to extend sustainability in markets that would otherwise not be interested.

IV COP has contributed to the growth of the volume of sustainable cocoa products in the Dutch consumer market. As there are no statistics on this market, it is unclear if stakeholders in the Letter of Intent are on track to achieve the objective of 100% sustainability in 2025. However, it seems unlikely that the gap of 'unsustainable cocoa products' has been closed. Further research must show which cocoa products and stakeholders are involved in the gap, as a basis for a policy designed to target this group.

Annexes

- 1. Project KPI overview
- 2. Replicable scalable cases
- 3. Program evaluation

Annex 1
Project KPI overview

Cocoa Origins Program			01. Colcocoa		02. Original Beans		03. Divine		04. ETG		05. Progreso		06. Tradin Organic		07. Albert Heijn		08. Beyond Beans		OVERALL project targets		Program target
#	KPI	Unit	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target	Current status	Overall target
1	PROGRAM INDICATORS																				
	Cocoa Volume	MT	295	992	90	88	213	142	1.500	1616	250	37	900	2.398	700	675	500	737	4.448	6.684	1.000
	Cocoa Value	€	540.000	2.405.210	360.000	421.000	506.088	345.567	1.800.000	2.636.053	1.059.000	136.335	2.340.000	6.281.400	1.000.000	930.225	600.000	438.984	8.205.088	13.594.773	1,5 times terminal market
2	New supply chain partners in origin	#	2	2	-		2	2	1	1	5	4	1	1	3	3	3	3	17	16	10
3	New supply chains origin to Dutch consumer	#	2	2	1	1	2	-	2	2	5	4	3	3	4	3	2	1	21	16	7
4	Replicable & scalable cases	#	2	1	4	4	1	1	2	2	2	2	1	1	2	1	2	2	16	20	10
5	Investments in origin - Volumes	MT	295	1.234	-				-		250	37	2	0	1.605						
	Investments in origin - Value	€	300.000	537.777	80.000	85.000	525.000	617.356	540.793	244.208	1.230.368	1.166.625	531.450	531.450	4.142.600	2.978.821	185.000	77.000	6.796.611	-	1.000.000
6	Volume products on Dutch market*	MT	236	856	0	0	24	1	200	3	200	21	180	1.605	1.400	3568	250	0	2.490	-	1.000
	Value products on Dutch market	€	400.000	2.036.775	250.000	550.000	709.096	12.194	0	193.400	5.000.000	535.000	450.000	4.142.600	38.165.265	36.786.787	-	-	44.256.756	-	

*in some projects still calculated as MT cocoa; final volume will increase.
Progreso's targets will be reached in the following years.

Annex 2

Table 6. KPI 4: Replicable scalable cases

	Target	Status	#	Case	Leading to
Colombia - Colcocoa & La Equitativa	2	1	1	Achieving higher income through certification and organic farming	Documented cases of sustainable and high-quality cocoa clusters
Peru - Original Beans	4	4	2,3,4,5	Cadmium reduction, increased quality, agroforestry, European market access	Higher income, cadmium reduction, European market access and agroforestry
Sierra Leone - Divine Chocolate	1	1	6	Forest Friendly, 2 products using Forest Friendly and Forest of Hope	Biodiversity and conservation, living income, new supply chains
Cameroon - ETG	2	2	7,8	VSLA with GALS method, improved quality and productivity	Higher income, new supply chains, improved quality and productivity
Colombia - Progreso	2	2	9,10	Cocoa renewal format that can be adjstuted to the environment and cocoa renovation format	Higher income, conservation and biodiversity
Sierra Leone - Tradin' Organics	1	1	11	Developing trust relations between coops and Tradin Organic through the model of Farmer Field Schools and Farmer Service Centres	Agroforestry, living income, farmer professionalization
Ghana - Albert Heijn	2	1	12	Open Chain model	New supply chains, living income, conservation and biodiversity
Côte d'Ivoire - Beyond Beans	2	2	13,14	Cocoa juice producing hub, quality improvements for specialty chocolate	Higher income, gender equity, producer co-ownership, monetizing a waste product
TOTAL	16	14			

Annex 3

Program evaluation

Relevance

Three projects are very relevant in the Dutch market. These are project 7: Albert Heijn, as well as projects: 4 and 8, if ETG succeeds in tracing the cocoa through Ferrero's supply chain, who is the main buyer in both projects and is believed to reach the Dutch market with COP cocoa traded/processed under mass balance. While AH and ETG have their own sufficient resources to invest in embedding sustainability, Cocoa Origins was important to scale up their innovative concepts (e.g., the Open Chain initiative developed by Tony's Chocolonely; the Cocoa Fruit Lab). By now, AH's Delicata supply chain has transformed according to Tony's Open Chain. In previous discussions, ALDI, another retailer with Cocoa Origins, is now pursuing the Open Chain model, which suggests that the Cocoa Origins project with Albert Heijn acted as an accelerator. The Cocoa Fruit Lab received significant interests from public and private players, and has a clearly defined business case, ready for scaling up, with Kumasi becoming an established drink on the Dutch market.

Coherence

Most existing IDH Programs as well as others, can benefit from the innovative, replicable business cases (KPI 4) created in the COP's most ambitious projects. The pilots, their results and lessons learned have already attracted significant interest from the cocoa and chocolate sector and international media:

- **Project 2: Original Beans** – mitigation of cadmium problems, for maintaining EU market access for fine flavor cocoa, through separate cocoa collection and soil sampling, and by providing solutions for farmers without the ability to invest in cadmium reduction, such as fine flavor blends and cocoa butter production and export.
- **Project 3: Divine** –creation of a standalone Forest-Friendly Cocoa concept with ‘off the shelf’ solutions for conscious brands looking for solutions that differentiate.

- **Project 7: AH** – the Open Chain concept that takes a social enterprise's principles of sustainability, and creates a tool for retailers to easily use to create shorter, more equal and fair cocoa value chains, while meeting new and upcoming African and EU legislations, standards and sustainability commitments.
- **Project 8: Beyond Beans** – the Cocoa Fruit Lab's innovations of producing waste-saving cocoa juice and uniquely flavored chocolate, while creating new living income pathways for farmers.

Effectiveness

The main evaluation question addressed in this section is **E1: how effectively did COP achieve progress (outputs, outcomes, impact) that contribute to the 10 Principles of the Dutch Letter of Intent?** The evidence is summarized and scored in Table 7. The average score is 4/5, which represents strong evidence of the Cocoa Origins Program's effectiveness.

Table 7. Effectiveness of Cocoa Origins in relation to the 10 Principles of Dutch Letter of Intent

PRINCIPLES	EFFECTIVENESS OF THE COCOA ORIGINS PROGRAM	Score
1  Transparency	Various digital solutions implemented during the COP were successfully piloted and have already been scaled. Some are innovative and worth being scaled up, such as the incentive-based Colcocoa platform where producers can earn and redeem points (against agri-inputs). The increase in cocoa volumes traced with new, integrated digital tools, has led to more efficient certification and audit processes and improved supply management in most projects. Effects on the transparency of cocoa value chains, and COP contributions to this principle, can be partly evidenced through the results on KPI 3 (new or strengthened supply chains from origin to Dutch consumer market).	3
2  Compliance with laws and regulations	This evaluation identified sufficient evidence to assess that COP's contributions to this principle have been positive and significant. The principle partly falls under 'Sector Governance' (especially KPI RA2-8), which is outside the scope of this evaluation.	5
3  Good price for cocoa quality, improved productivity and incomes for farmers	The COP projects reached 19,454 farmers with at least a yearly certification related training, and the large majority through individual coaching and farm development plans or monthly farmer field schools (KPI RA3-1). Overall, most farmers reached achieved market prices for conventional cocoa, plus various amounts of quality and sustainability premiums	3
4  Access to credit and rural development services, and diversification	The COP funded two projects where implementing partners worked towards farmers' access to credit and rural development services. The ETG project in Cameroon invested in increasing farmers' access to financial services by creating VSLAs, which resulted in positive outcomes on incomes and livelihoods (Table 10 Evaluation report).	4
5  Market access and market information	The findings described under principle 1. Transparency, specifically on KPIs 1 and 6, show that the COP achieved moderate results to improve market access for farmers. One of the implementers stated that the COP should have included a stronger and more structured match-making component, with more resources allocated "on the Dutch side, to identify customers." The annual Chocoa event in Amsterdam, the Netherlands is considered as a great opportunity for matchmaking.	3
6  Decent working conditions	This principle is interpreted as referring to hired workers. The evaluation did not identify any data on workers hired on the farms targeted by COP interventions. Most projects targeted smallholder farmers. This evaluation could not find references to hired workers and as a result, did not assess the COP's effectiveness on this principle.	N/A
7  Support for farmers and labor organizations	Almost all COP projects strengthened producer organizations.	4
8  Unique land use planning and good infrastructure	This evaluation could not define the term "unique land use planning" and as a result, did not assess the COP's effectiveness on this principle.	N/A
9  Wise management of natural resources	This evaluation considered = using voluntary standards (see principle 2) as evidence of a wise management of natural resources. Six of the eight projects reported having interventions related to this principle.	5
10  Conservation and wise use of biodiversity	The evidence in principle 9 applies here too. None of the projects invested in monitoring or evaluating the impact of their interventions on biodiversity. The use of voluntary sustainability standards in all projects (see principle 2) implies that land conservation under cocoa production was viewed as a minimum requirement.	5

Impact

Did the Cocoa Origins Program contribute to field level changes on beneficiaries' behavior and wellbeing, and on preventing environmental degradation?

This question is partly answered in each impact pathway of the eight projects (Chapter 3), while in the contributions on environmental outcomes, evidence is presented under principles 2 and 9 in (Table 7). The impact pathways identified in this evaluation follow the COP's theory of change but are adapted to each project based on actual interventions that stood out, including changes made along the way and presented in the Progress and Annual Reports.

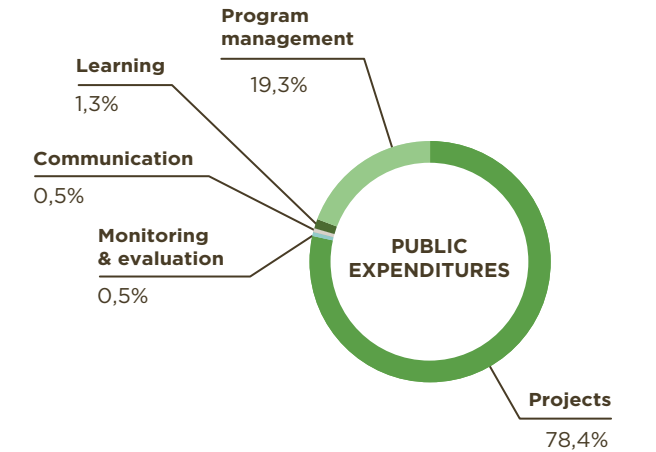
Various external risks affected the projects (e.g. COVID-19 and Brexit), which led to unforeseen challenges, changes in interventions and budget allocations. Due to the COVID-19 pandemic, projects had to consider a longer timeline to achieve the desired effects, and this evaluation took this aspect into account. The majority of interventions will achieve their intended effects at field level. This evaluation found good evidence that the COP already contributed to positive outcomes and made an impact, as well as to outputs which will most likely lead to future positive outcomes and impact (Table 7)

Evidence of changes in behavior and wellbeing were also directly obtained in focus group discussions. They showed that in five of the eight projects where such data was collected, farmers indicated positive changes as a result of COP's interventions. Counterevidence was gathered on the topic of prices. And farmers in FGDs in West Africa perceiving that the increase in cocoa income cannot match the rise in the cost of living and the prices of inputs. This poses the largest barrier to achieving positive outcomes on their livelihoods. FGDs in Cameroon and Côte d'Ivoire (Projects 4: ETG and 8: Beyond Beans) showed that premiums related to sustainability (7-20%) paid over a 30-year low market price, cannot have much impact in farmers' lives, as food and living costs in local communities have considerably increased. The low yields and prices affecting the COP's conventional cocoa supply chains (e.g. ETG) are being addressed by implementers'

alignment with the new DISCO approach and targets that focus on holistic living income roadmaps and strong service delivery models.¹ In the DISCO recommendations and examples, the ambitions go beyond what most COP implementers aimed at: yields of 800 kg / ha, prices which include living income differentials and premiums and diversification activities with net positive income.

Cost and efficiency
The majority of public expenditures (78.4%) was invested in the implementation of the eight projects (Figure 1). Communication, monitoring and evaluation and learning constitute negligible Program expenses, with a total forecasted spending of around €55,000 (2.3% of public expenditures).

Figure 1: (Expected) public expenditures in Cocoa Origins, 2017-2022 (in %).



Source: Data provided by IDH.

Close to one-fifth of public expenditures (around €450,000) were allocated to Program management, i.e., overhead costs. This is similar to the overhead percentage for IDH at large, which was at 16% in 2019, and 18% in 2020 respectively (IDH Annual Report, 2020)

¹ <https://www.idhsustainabletrade.com/uploaded/2021/09/DISCO-Roadmap-on-Living-Income-2.pdf>

Thanks to the implementing partners and their associates
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Ministerie van Landbouw,
Natuur en Voedselkwaliteit



the sustainable
trade initiative

EQUIPOISE
MARKETS IN BALANCE

**Get in
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