Annual Report Highlights 2018

Sustainable Cocoa Production Program
Program Achievements

13,413 Farmers Trained in GAP
13,413 cocoa farmers were trained on Good Agricultural Practices (GAP), post-harvest handling, professional farm management, nursery management and certification. Total farmers trained since Program inception is 153,409 (93% of total project target). Cumulative women participation is 18%.

16,140 Farmers Trained in GEP
In 2018, 16,140 cocoa farmers have received training on Good Environmental Practices (GEP). Total farmers trained since Program inception is 110,282 (110% of total project target). Cumulative women participation is 20%.

16,368 Farmers Trained in GFP
16,368 cocoa farmers have received training on Good Financial Practices (GFP). Total farmers trained in GFP since 2014 is 69,936 (70% of total project target). Cumulative women participation is 52%.

11,275 Farmers Trained in GNP
11,275 cocoa farmers have received training on Good Nutritional Practice (GNP). Total farmers trained in GNP since 2013 is 65,687 (73% of total project target). Cumulative women participation is 68%.

46 Master Trainers
Cumulatively, 1,588 Master Trainers were trained on GAP, postharvest handling, and certification facilitation. The master trainers are comprised of program and private sector staff (643 staffs), and extension officers from government agencies (945 officers).

622 Yield (kg/ha/year)
Farm productivity has increased from a baseline value of 508 kg/ha/year to a post-line value of 622 kg/ha/year (productivity increase of 22%) after farmers joined training activities and applied the knowledge to their farms. By 2020, the Program is aiming to increase to 1,000 kg/ha/year.
Totally, 5,964 Cocoa Producer Groups (CPG) have been established and supported during the program period.

The amount of GHG emitted from agricultural practices has been reduced to 0.74 tCO2e/MT, surpassing the annual target of 0.87 tCO2e/MT and meeting the 2020 target of 0.74 tCO2e/MT. Compared to the new baseline level using the latest data (1.11 tCO2e/MT), there is a 14% decrease in emissions in 2018.

Program activities have positively affected the poverty level of cocoa farmers. The percentage of people living under $PPP 1.25 and $PPP 2.50 are 7.9% and 59%, respectively. These figures surpass the SCPP annual target for overall poverty reduction.

<table>
<thead>
<tr>
<th>Cocoa Producer Groups</th>
<th>2,519</th>
<th>124% Cumulative Achievement</th>
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<tbody>
<tr>
<td>Supported Area Cocoa Farms (Ha)</td>
<td>147,787</td>
<td>82% Cumulative Achievement</td>
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<tr>
<td>Farmers Certified</td>
<td>32,011</td>
<td>84% Cumulative Achievement</td>
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<tr>
<td>Nursery sqm</td>
<td>104,189</td>
<td>104% Cumulative Achievement</td>
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<tr>
<td>Premium Payments</td>
<td>956.5 Mio IDR</td>
<td></td>
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<tr>
<td>GHG Emission Reduction</td>
<td>14%</td>
<td></td>
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<tr>
<td>Poverty Reduction</td>
<td>34%</td>
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<tr>
<td>Reduction on $PPP 1.25</td>
<td>7.9%</td>
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<tr>
<td>Reduction on $PPP 2.5</td>
<td>59%</td>
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In 2018, IDR 956,552,760 of premiums were distributed to farmers through buying stations and certificate holders in Soppeng, Kolaka, and Kolaka Utara, generating additional profit for farmers. Since 2014, the total premium payments disbursed amounts to IDR 8,739,297,320.

104,189 sqm of nurseries for seedlings nursery gardens have been developed. The support covered training for agriculture technical skill and agribusiness.

Cumulatively, total potential seedlings that can be produced by nurseries are 898,000.

14% reduction on $PPP 1.25 and $PPP 2.50 are 7.9% and 59%, respectively. These figures surpass the SCPP annual target for overall poverty reduction.
Masnaeni, Facilitator Becomes an Agripreneur

“I am grateful for the knowledge and experience on cocoa farm business and financial management gained as a field facilitator, and I want to apply them for the community and into business,” said Ms. Masnaeni (33). She has been working in MARS-SCPP’s sustainability program since 2015, and busy managing two sizeable nurseries, 350 m² and 420 m² located in Noling Village, Bupon District, Luwu Regency, South Sulawesi. With the assistance of two employees, the nurseries produced around 8,000 cocoa seedlings per year in the beginning, and the capacity had grown into 18,000 seedlings in the following year. As she gained the profits, she increased the capacity to 28,000 in 2017 and then 30,000 seedlings in 2018.

Although the selling price remains below the expectation, in total, the government has outsourced at least 50,000 cocoa seedlings from Masnaeni’s nursery business with value more than 140 million Rupiah. In addition, approximately 8,000 seedlings are absorbed by the local market annually.

Cocoa Millennial Generation

Unlike other youth in village who mostly work in the city, Darwis (26) is determined to take care of his parents’ cocoa farm in the village. The declining cocoa production due to aging trees not only makes farmers switch to other livelihoods but also decreases the interest of young people to cocoa business. This young farmer is a member of Bunga Ejae farmer group in Goarie village, Maroriwawo, Soppeng district, South Sulawesi. He drew experiences from the successful farmers and earned knowledge from GAP field schools for youth. Facilitated by SCPP in 2017, he has gradually rehabilitated and replanted his cocoa farm.

Now Darwis is trusted by his parents to manage two cocoa farms, each covering half a hectare. One of the farm has been replanted a year ago. Cacao trees become more productive and begin to bear fruit. Since 2018, Darwis has been busy training cocoa farmers in Soppeng area while also motivating them to renovate their cocoa farms. He really hopes his fellow young people are willing to go back and manager their cocoa farms in the village as, proven by Darwis himself, cocoa farm can be their promising future.