



Swiss Platform for
Sustainable Cocoa

ANNUAL REPORT

2021



Foreword by the President

Dear members, partners, and stakeholders,

On behalf of the Board of the Swiss Platform for Sustainable Cocoa, allow me to extend our sincere gratitude for your valuable efforts to partner across sectors in our joint ambition to enable a viable and resilient cocoa value chain, for both present and future generations.

This annual report shares with you the latest insights into progress as well as challenges on our common journey over the past year.

The progressive return to a “new normal” in our post-pandemic society has allowed the cocoa community to come together again in person, and to actively promote exchange and cooperation again. This is what our platform is all about. The direction of travel of our community is set by our “SWISSCO Roadmap 2030 – Tackling Challenges Together”, an important milestone for our platform, approved by our members in late September 2021.

Enabling action and sustainable outcomes is at the heart of our activities across the cocoa value chain. This includes the incorporation of reporting data of our projects, of our imports, and of our platform by means of the member survey for the baseline of our Roadmap 2030. As you will read in the forthcoming pages, we are reporting a small step back in the proportion of sustainable cocoa bean equivalents imported into Switzerland from 2020 to 2021, as we moved from 74% to 71% of these imports being sustainably sourced, either by a certified sustainability standard or by an independently verified company sustainability program. We are determined to increase this sourcing rate to at least 80% by 2025, but are well aware that good, practicable sustainable procurement solutions for certain products such as cocoa butter remains a sticking point that we must tackle together.

Meanwhile, our value chain projects remain a cornerstone of our platform, as we implement them in strategic cooperation with SECO. The implementation of a total of 14 projects across 7 countries reached close to 90,000 cocoa farmers, a third of whom are women. After several years of practical experience in our partner countries, we can slowly reap the rewards. Not only do we see numerous concrete impacts at the origin at the farmer household level, but also our collective experience grows, which in turn can be further shared across the value chain, backed by the full appreciation of our project partners in Africa and Latin America.

In line with our members' desire to network, learn from each other, and tackle value chain challenges together, we successfully held events in our target areas of climate and living income, with diverse perspectives enriching discussions and follow-up actions. In the same spirit, we continued to dive into practical partnership talks with the European partner initiatives in Belgium, Germany, and the Netherlands. Instead of each one of us working on our own, five joint working groups have been developed in the last year to accelerate exchange of experiences and lay the ground for a deepened cooperation at European scale. We are equally encouraged by the strengthened dialogue with producer countries, in particular with Ghana, where we have started discussions about an extension of our bilateral agreement, which we hope to further deepen around framework conditions for sustainable value creation in cocoa.

Looking ahead, the Platform's Board, alongside the Coordination Office led by Christian Robin, will endeavour to continuously enhance the multistakeholder and solutions-oriented approach around our focus areas, and keep catering to your expectations and needs to the best possible extent. Thank you for your continued support and commitment to joint action by building bridges across stakeholder groups.

We look forward to collective and collaborative action across our ever-growing community, extending our best wishes of success for your endeavours to you all.

Filippo Veglio

Executive Summary

Our achievements and activities in 2021 as outlined in this report:



The platform's efforts are guided by the UN Sustainable Development Goals (SDGs) in the framework of the Agenda 2030. The path towards SWISSCO's vision is expressed in its **Roadmap 2030**, approved at the general member assembly in September 2021. The Roadmap (see chapter 1) defines 12 specific targets addressing the themes of living income, climate and forest, child labour and youth, transparency and traceability as well as innovation and gender equality.



SWISSCO members have committed to base in the long-term all (100%) cocoa and cocoa products imported into Switzerland on sustainable production and to ensure traceability. An intermediate target is set to achieve 80% by 2025.

In 2021, 71% of cocoa equivalents imported into Switzerland were sourced from sustainable production (see chapter 2).



All Members are actively participating in the development and implementation of innovative solutions with systemic impact. By the end of 2021, **88'112 farmers, whereof 26% women** were reached by the fourteen value chain projects from the Platform's two Calls for Proposals from 2018 and 2019 (summarized in chapter 3). As most projects are coming to an end in 2022, a new Call for Proposal will take place in mid-2022.



SWISSCO serves as network **to foster peer learning and exchange of knowledge** among members around key sustainability topics. In 2021, through member and learning events we have witnessed insightful exchanges among project leaders and partners of SWISSCO value chain projects on emerging topics of climate & nature finance as well as on living income (see chapter 4). Moreover, 2021 was characterized by the phasing over of the SWISSCO level WGs to joint WGs with the other European Initiatives for Sustainable Cocoa (ISCOs).



SWISSCO **promotes collaboration and dialogue** with local authorities and organizations in producer countries and coordinates its measures with other national and international initiatives. In 2021, SWISSCO strengthened its collaboration with its European partners, the German Initiative for Sustainable Cocoa (GISCO), the Belgian Platform Beyond Chocolate, and the Dutch Initiative for Sustainable Cocoa (DISCO) to prepare for the **launch of the joint ISCO Working Groups in 2022** (chapter 5).

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1 SWISSCO Roadmap 2030

Following the leitmotif “Tackling Challenges Together”, the Swiss Platform for Sustainable Cocoa has endorsed its Roadmap 2030 with targets regarding living incomes for farmer families, deforestation-free and climate-friendly cocoa production, prevention of child labour and increasing transparency and traceability.

Following a participatory process, involving inputs from the working groups, board discussions and a broad consultation among all SWISSCO members, the SWISSCO Roadmap was approved at the 3rd General Assembly Meeting in September 2021. Finding a common denominator while keeping our ambitions high was not easy. We are all the more pleased that we were able to approve our concise strategy, which revolves around 12 specific targets, thus defining a shared vision with common goals for all SWISSCO members

The adjacent timeline embeds the Roadmap 2030 in the history of SWISSCO, building on the Global Cocoa Agenda, SWISSCO’s 10 strategic goals, its six principles of sustainable cocoa and the common Monitoring, Evaluation and Learning (MEL) framework as well as the four key challenges jointly defined with the other European Initiatives for sustainable cocoa (ISCOS)

The SWISSCO Roadmap fosters accountability and informs in a transparent manner on progress as well as setbacks. All members are invited to report on their contribution to the Roadmap. On the basis of a baseline report that will inform an interim report in 2025 and a final report in 2030, the SWISSCO path will therefore be documented regularly and will be made available to the interested public.

Launch of Global Cocoa Agenda (GCA) in Abidjan

23 November 2012

Launch of Agenda 2030 Sustainable Development Goals (SDGs)

September 2015

Launch platform with 10 strategic goals

28 June 2017

Founding of the association

23 January 2018

Launch co-financing facility SECO

30 April 2018

AGM – Adoption of MEL and six Principles of Sustainable Cocoa

30 April 2019

Launch SWISSCO Roadmap 2030

21 September 2021

MoU with European partner initiatives – 4 common challenges

29 June 2020

Member Survey & Baseline Report for Roadmap 2030

2022

Milestones Roadmap 2030 and Interim Report

2025

Goals Roadmap 2030 and Final Report

2030

Joint action as a recipe for success for the challenges in the cocoa value chain

By tackling challenges together, the [Roadmap 2030](#) fosters SWISSCO's mandate to serve as network and competence center for sustainable cocoa, to enable joint learning and exchange of knowledge, to facilitate and implement innovative and scalable projects, to ensure target-oriented accountability and to engage in policy dialogue with partner countries.

In a participative process, and in response to the most pressing challenges within the cocoa value chain, the members of the Platform agreed on the strategic document defining 12 targets in line with the UN 2030 Development Goals. The targets highlight joint action in four target areas:

KEY TARGET AREAS



Towards a living income for cocoa farmers and their families

In order to ensure a living income for cocoa farmers and their families, we pursue a holistic approach that considers all determining factors such as crop price, diversification of income, and improvement of framework conditions and local governance.



Deforestation-free and climate-friendly cocoa supply chain

With the goal of a deforestation-free and climate-friendly cocoa supply chain, we engage in international efforts to halt deforestation and forest degradation and promote the adoption of climate-smart agriculture and agroforestry practices.



Tackling child labour and improving perspectives of youth

We implement innovative approaches on different scales to tackle the complex issue of child labour in cocoa-growing communities and to improve the perspectives of young people.



Enhancing transparency and traceability within the cocoa supply chain

We promote and gradually enhance the traceability of cocoa beans back to the farmer to facilitate development opportunities for cocoa farmers and to increase the level of transparency for consumers.

KEY TRANSVERSAL THEMES



Gender

Empowering women is key to resolving many challenges in the cocoa sector. We, therefore, promote women's access to better training, jobs, land, markets, education, and financial services.



Innovation

To increase value creation in producer countries, we endorse innovative approaches both in the production and processing of cocoa and in the greater diversification of the production steps as well as of the product range.



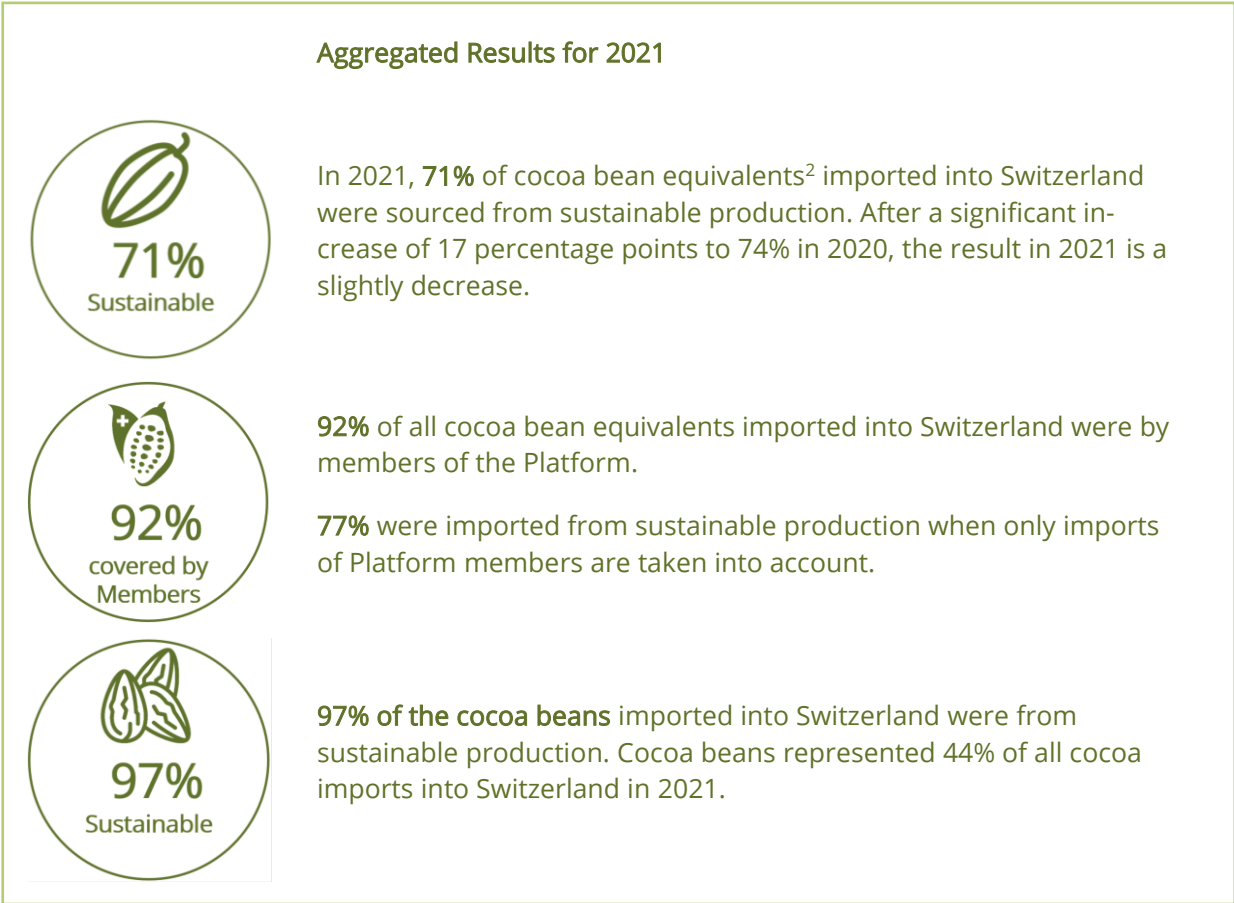
„The Roadmap 2030 gives us the opportunity to bring the Swiss chocolate manufacturers' commitments to bear in an interplay of various actors and sectors and to give the concept of shared responsibility a concrete and measurable form.“

Urs Furrer, SWISSCO Board Member

2 Monitoring of Cocoa Imports

The Swiss Platform for Sustainable Cocoa is committed in the long term to source all cocoa and cocoa products physically imported into Switzerland from sustainable production¹. The first milestone is set for 2025, where we aim at reaching 80% of cocoa equivalents physically imported into Switzerland based on sustainable production.

Swiss foreign trade statistics record the imports and exports of cocoa and cocoa products into and from Switzerland, but do not provide specific information on certifications and other qualitative indications. Therefore, for the Platform's monitoring of the cocoa imports from a sustainable production, the Coordination Office has been conducting an annual member survey since 2018, asking the members to report on more detailed information regarding methods of production and verification of compliance. The data collection and evaluation method allows to differentiate between cocoa beans and other cocoa products (e.g., cocoa butter) which reveals significant differences in terms of sourcing and traceability.



¹ *Cocoa sourced from sustainable production* is defined as cocoa equivalents produced and certified according to internationally recognized sustainability standards, or which are produced according to sustainability programs meeting the Principles for Sustainable Cocoa and being credibly verified by an independent third party (art.3, para.4 MEL Framework).

² The term cocoa bean equivalents refers to the sum of all imported cocoa products (i.e., cocoa butter, cocoa powder, etc.) converted into cocoa beans by the conversion factors set by the ICCO. The conversion factors used in determining the bean equivalent of cocoa products: cocoa butter 1.33, cocoa paste/liquor 1.25, cocoa powder and cocoa cake 1.18, chocolate and chocolate products 0.40, chocolate products identified as containing only half the normal quantity of cocoa 0.20. Source: ICCO, QBCS, Vol. XLVIII No. 1.

Global net imports of cocoa bean equivalents

The International Cocoa Organization, ICCO, annually publishes an overview of the net imports of cocoa products converted into beans equivalent worldwide. The net imports include cocoa products (beans, butter, powder and cake and paste/liquor) but exclude chocolate and chocolate products. These net imports to the respective year are calculated as follows before being converted according to the conversion factors of the ICCO:

$$net\ imports = gross\ imports - gross\ exports$$

Switzerland imported one percent of global net imports of cocoa bean equivalents in the harvesting season 2020/21 (Figure 2). This low percentage is due to the fact that Switzerland exports large amounts of chocolate products. As in 2020, the world's largest importers of cocoa bean equivalents are the United States (19%), Germany (11%), and Belgium (9%).

GLOBAL NET IMPORTS OF COCOA BEAN EQUIVALENTS (%)

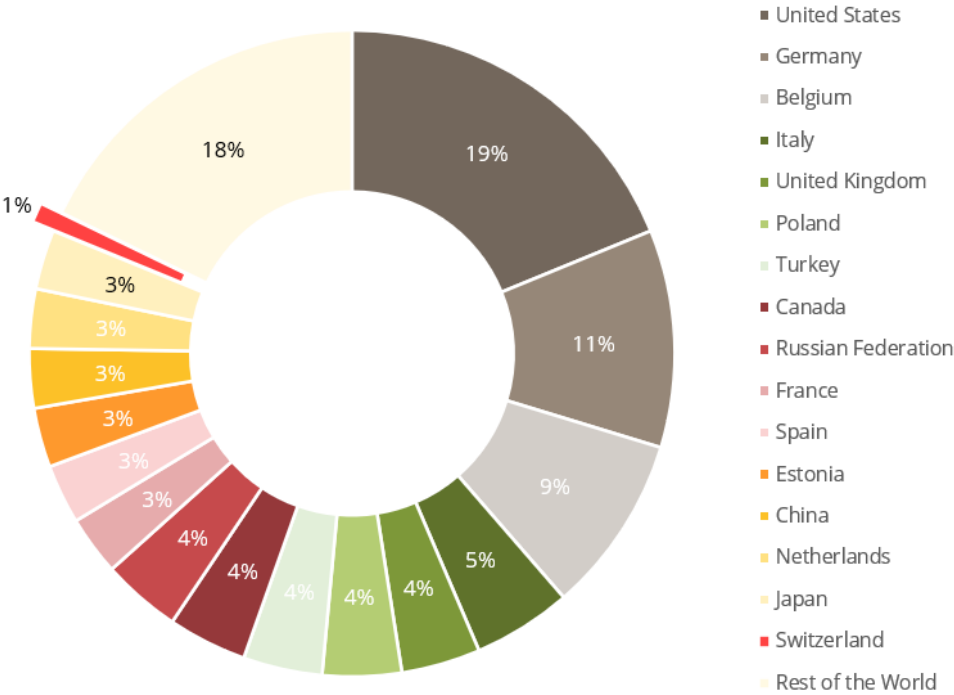


Figure 2: Global net imports of cocoa bean equivalents in the 2020/2021 harvesting seasons, expressed in percent. Source: ICCO, QBCS, Vol. XLVIII No. 1.

Swiss foreign trade statistics on cocoa and cocoa products

Cocoa and cocoa products imported into Switzerland are commodities which are directly imported and recorded by the Swiss foreign trade statistics. Cocoa and cocoa products are categorized according to the World Customs Organization Harmonized System codes (HS-Codes): HS-Code 18 for cocoa and cocoa products and HS-Code 17.04 for white chocolate.

Based on the Swiss foreign trade statistics, 136'836 tons of cocoa and cocoa products were imported into Switzerland in 2021³. This corresponds to 118'221 tons of cocoa bean equivalents (Figure 3). Cocoa beans (44%) and cocoa butter (32%) account for the largest share of imports, followed by cocoa paste (11%) and cocoa powder (5%).

Overall, in 2021, Switzerland exported 147'751 tons of cocoa and cocoa products, which corresponds to 65'852 tons of cocoa bean equivalents. The exports mainly consist of chocolate products, which contain additional ingredients such as sugar and milk powder. This explains the lower number of cocoa bean equivalents.

SWISS IMPORTS AND EXPORTS OF COCOA AND COCOA PRODUCTS (t)

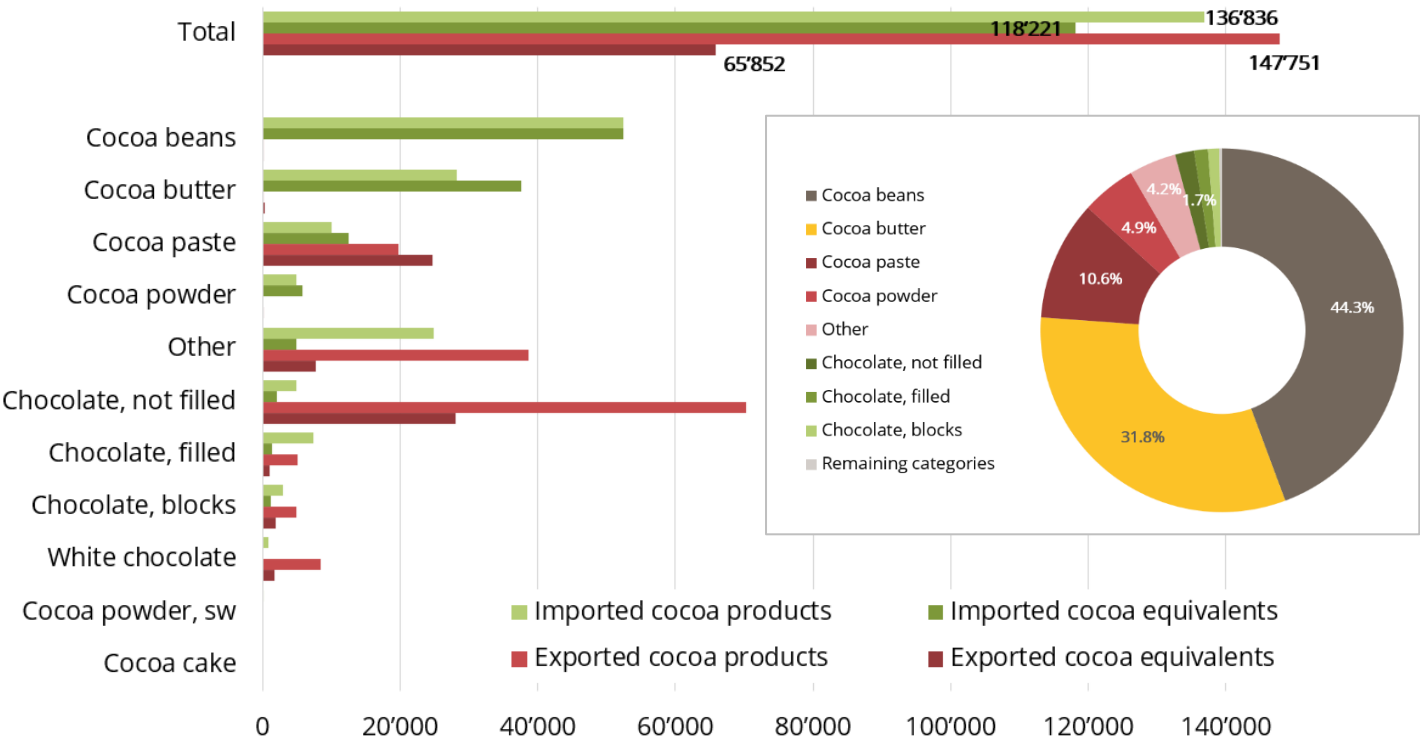


Figure 3: Main figure: Imports and exports of cocoa and cocoa products for 2021 (in tons). Inset figure: Share of segregated cocoa bean equivalents on total imports (%). Source: Swiss foreign trade statistics (data extracted on May 12, 2022).

³ Data extracted on May 12, 2022. These data are still provisional. Once final data are published, the Coordination Office will check for significant changes.

Imported cocoa sourced from sustainable production

Cocoa sourced from sustainable production is understood as cocoa equivalents produced and certified according to internationally recognized sustainability standards or produced according to sustainability programs comparable to internationally recognized sustainability standards and credibly verified by an independent third party. It is calculated as defined and described in the Platform’s [MEL framework](#) as follows:

$$\text{Cocoa sourced from sustainable production [\%]} = \frac{\text{certified} + \text{verified cocoa equivalents}}{\text{total imported cocoa equivalents}}$$

In 2021, **71%** of all cocoa bean equivalents imported into Switzerland were sourced from sustainable production (Figure 4). Whereas in 2020 the total had increased significantly to 74%, in 2021 it decreased slightly by three percentage points to 71%. Overall, the milestone target of 80% sustainable imports by 2025 is still within reach. However, further efforts still need to be made, especially concerning the import of cocoa butter.

IMPORTED COCOA BEAN EQUIVALENTS
SOURCED FROM SUSTAINABLE PRODUCTION (%)



Figure 4: Share of cocoa sourced from sustainable production (certified and verified) on total imported cocoa bean equivalents for 2017 through 2021. Source: Member survey cocoa sourcing statistics.

Looking at the proportionally most relevant cocoa products (beans, butter, paste and powder; see Figure 5), cocoa beans today are up to 97% sourced from sustainable production. While in the previous year a significant improvement of 48 percentage points to 77% was achieved for sustainably sourced cocoa paste/liquor, there has been a decrease of 11 percentage points to 66% sustainably sourced cocoa paste/liquor in 2021.

For the first time since 2018, a decrease in the share of sustainably sourced cocoa butter was recorded. While there was a significant improvement in 2020 to 59% sustainably sourced cocoa butter, the amount decreased by three percentage points to 56% in 2021. It remains a key challenge to further increase this share in view of reaching the Platform’s intermediate and long-term sourcing goal.

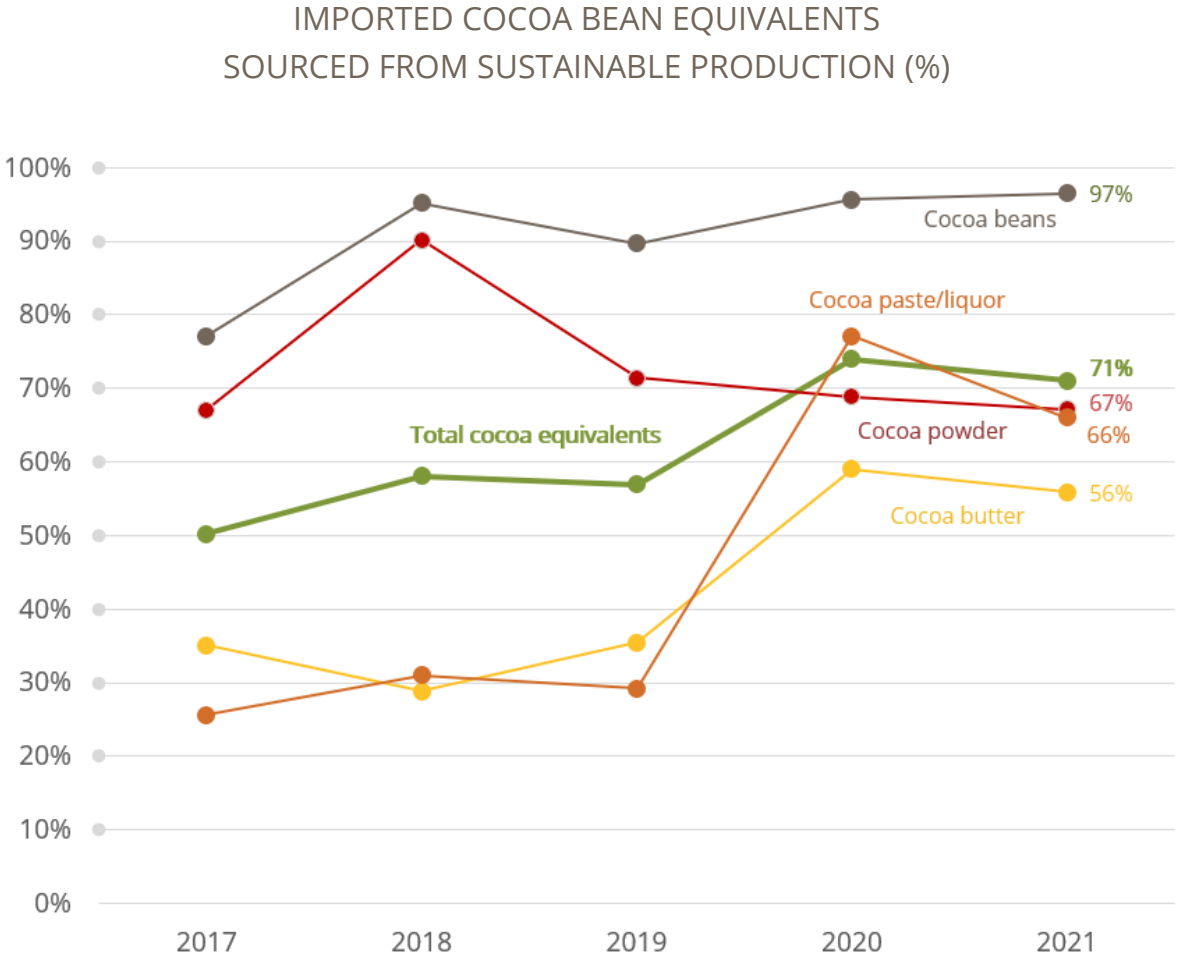


Figure 5: Share of main cocoa products and total cocoa equivalents sourced from sustainable production (certified and verified) on total imported bean equivalents for 2017 until 2021. Source: Member survey cocoa sourcing statistics.

All members of the private sector (chocolate manufacturers, importers and traders, food retailers) participated in the survey. As shown in below Figure 6, **92% of the Swiss imports of cocoa bean equivalents are covered by the members of the SWISSCO**. As the remaining eight percent are imported by non-members (importing mainly finished products), no data is available on the sourcing and production method of these cocoa bean equivalents (missing data).

Overall, cocoa butter still accounts for the largest share of conventionally produced cocoa products, and therefore its traceability and sustainable production remain the biggest hurdle on the way to achieving the target of 80% sustainably produced cocoa by 2025 and 100% in the long term. Out of the reported 19.6% imports of conventionally produced cocoa bean equivalents, cocoa butter makes up more than two thirds with 14%. The remaining 5.6% are imports of conventional cocoa paste, cocoa powder, and cocoa beans.

SHARE OF CERTIFIED, VERIFIED AND CONVENTIONAL COCOA BEAN EQUIVALENTS ON TOTAL IMPORTS (%)

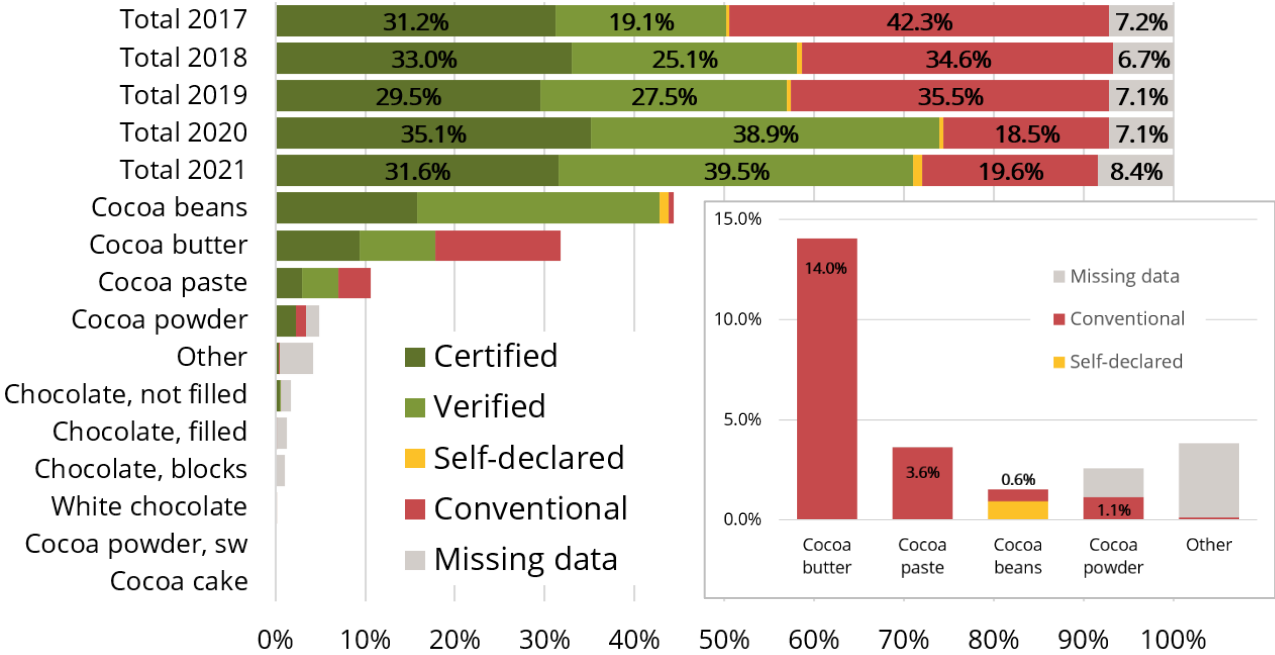


Figure 6: Main figure: share of certified, verified, self-declared⁴ and conventional cocoa bean equivalents on total imports (%). Inset figure: Potential for increasing the rate of cocoa sourced from sustainable production (share of self-declared and conventional cocoa bean equivalents plus missing data). Source: Member survey cocoa sourcing statistics.

⁴ Self-declared: imported cocoa and cocoa products which are produced by sustainable agriculture and which are credibly declared and documented by the first party (first-party declaration)

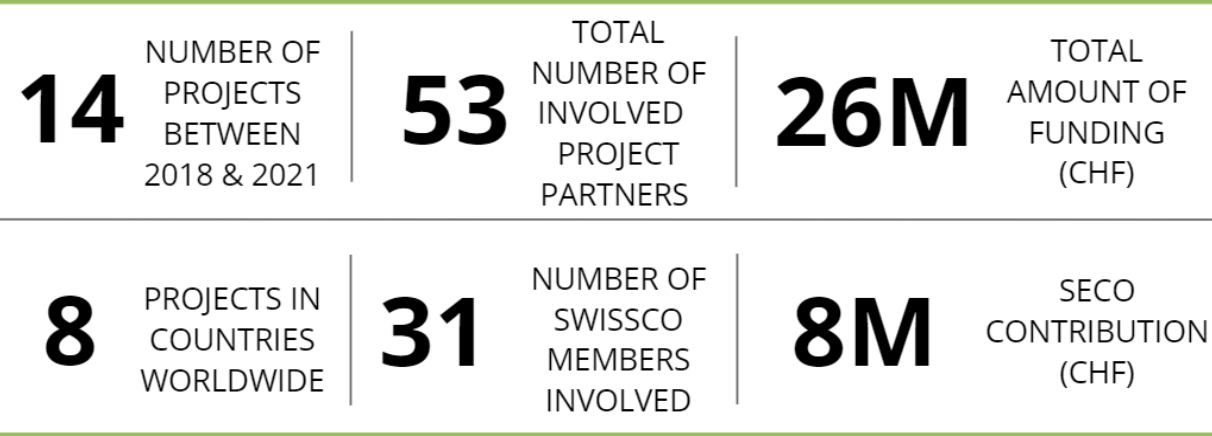


„Transparent communication about progress and challenges is crucial for us. For this, we need reliable measurement and the commitment of all members to share their information openly.“

Bernhard Kammer, SWISSCO Board Member

3 Value Chain Projects

Several SWISSCO members were involved in piloting innovative approaches to promote sustainability along the cocoa value chain. The projects were co-financed by the Swiss State Secretariat for Economic Affairs (SECO) to foster public-private partnerships.



Cross company cooperation and partnerships - piloting innovative solutions for a systemic change

Launched in 2018 in the scope of SWISSCO, SECO’s co-financing facility has been aimed at improving the living conditions of cocoa farmers and their families through innovative partnerships with the private sector. The selected projects are aligned with the Platform’s Monitoring, Evaluation and Learning (MEL) Framework and contribute to the United Nations Sustainable Development Goals (SDGs).

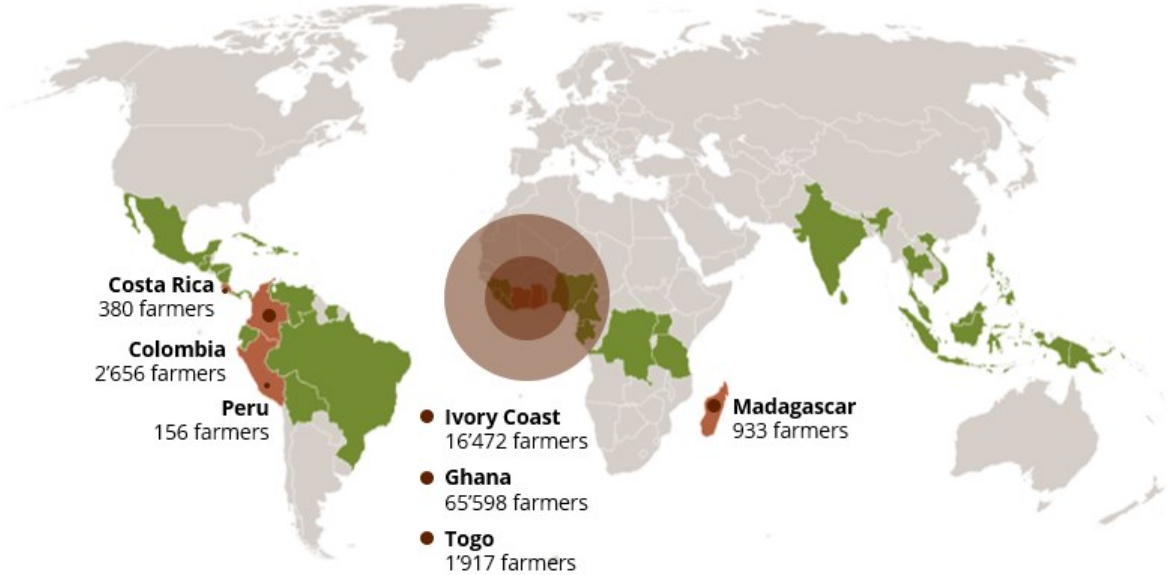


Figure 7: Green: Cocoa producing countries. Brown: Countries with projects approved in the calls for proposals 2018 and 2019, indicating the aggregated number of reached farmers per country. The size of the bubbles represents the number of farmer households reached.

Following two calls for proposals in 2018 and 2019, the current portfolio comprises **14 pilot interventions with a total funding of CHF 26 million, including a SECO contribution of CHF 7.6 million for the period from 2018 to 2022**. The projects are implemented in Ghana, Ivory Coast, Peru, Colombia, Costa Rica, Togo, Uganda⁵ and Madagascar and reach close to 90'000 cocoa farmers and their families, as shown in Figure 7. Please see page 22 for a concise overview of all 14 value chain projects.

The value chain projects aim to implement landscape approaches in Madagascar, Côte d'Ivoire and Peru, promote income diversification and cocoa rejuvenation in Ghana, pilot payments for ecosystem services in Côte d'Ivoire, develop and test a software for the payment of fair prices in Uganda and Ghana, implement risk based Child Labour Monitoring and Remediation Systems (CLMRS) and provide targeted income support to eradicate child labour, and apply digitalization, climate-smart agriculture and profit sharing for farmers in Togo.

Once all 14 value chain projects will have come to an end, a learning report with more detailed results on progress made, challenges faced and lessons learned will be published. A sneak peek into first lessons learned of three exemplary projects that had already come to an end at the time of the editorial deadline of this annual report is provided at the end of this chapter.

Project results for 2021

In 2021, the 13 innovative value chain projects reached a total of **88'112 farmer households of whom 26% were female headed farmer households** (Figure 8). The percentage of female farmers reported is highest in Ghana (31%) and Costa Rica (29%) and lowest in Côte d'Ivoire (6%). **92% of the targeted farmers were reached**, with some projects reportedly reaching more farmers than envisaged. Compared to the numbers of the previous reporting cycle (of activities in the year 2020) the total number of farmers reached, decreased from 90'747 (in 2020) to 88'112 (in 2021). This is especially due to the consolidation and thus condensation of farmers lists in the project with the largest beneficiary outreach. For all other projects, the reported number of farmers reached, increased steadily.



Figure 8: Total farmer households reached (and the proportion of female farmers) by the 13 value chain projects.

⁵ While a total of 14 value chain projects were implemented, the following section only refers to data from 13 value chain projects. As the value chain project of Schöki did not implement any farm-level interventions, but solely focuses on the development of the SusChain software, they did not report any data through the MEL reporting.

The results discussed further in this chapter represent the aggregated data from the 13 value chain projects in the reporting year 2021. While for some of the projects from the first call for proposals this marks already the end phase of their project, other projects will continue until the end of 2022. All 13 projects have shared and collected MEL data for their respective project. In some cases, however, there are gaps in the data that affect the external validity of the analysis results.

Due to the global Covid pandemic, many projects reported delays and hurdles in reaching the planned outcomes and impacts.



DEMOGRAPHICS

According to the analyses, an average household of cocoa farmers is composed of four family members. The average age of farmers varies between countries, ranging from 36 years in Ghana to 54 years in Costa Rica.

Further indicators related to the total numbers of farmers reached show that all farms enrolled in the projects have been **mapped by polygon and GPS**. This is an important step towards better traceability and to ensure that cocoa is not being sourced from forest lands and protected areas.

A total of 91% of the farmer households reached through the projects were covered by **Child Labour Monitoring and Remediation Systems (CLMRS)**, either as part of a company sustainability program or certification through a standard-setting organization to prevent worst forms of child labour. This indicates that the issue of child labour is being acknowledged by an increasing number of stakeholders in the cocoa value chain and that CLMRS are being implemented as part of the project, even though the focus of the project may not be specifically on child labour.

CAPACITY BUILDING

Farmers reached with income/crop diversification & training of farmers in climate-smart agriculture (CSA) practices

The promotion of income from other crops (vegetable farming, agroforestry), livestock or off-farm income activities is intended to increase and diversify farmers' incomes. Income diversification can reduce vulnerability to price volatility and environmental shocks while increasing the profitability of cocoa farms and improving food security and nutrition for farmers' families. Needs-based and tailored capacity building of farmers in good agricultural practices and financial skills can help farmers to increase their productivity and run a successful business.

Figure 9 shows that the **overall capacity building of farmers could be further developed** after the initial interventions reported in 2019. **Trainings in income diversification**, which enable farmers and their families to improve their income and household food security reached 36% of the farmers (including disseminated practices in vegetable farming, agroforestry / perennial crops, livestock and off-farm activities). This also included supporting activities for improved market access, e.g. for vegetables / perennial crops. More than twice as many farmers (84% of the total reached farmers) received **training in climate smart agriculture**, such as intensification practices and practices related to climate change adaptation and mitigation.

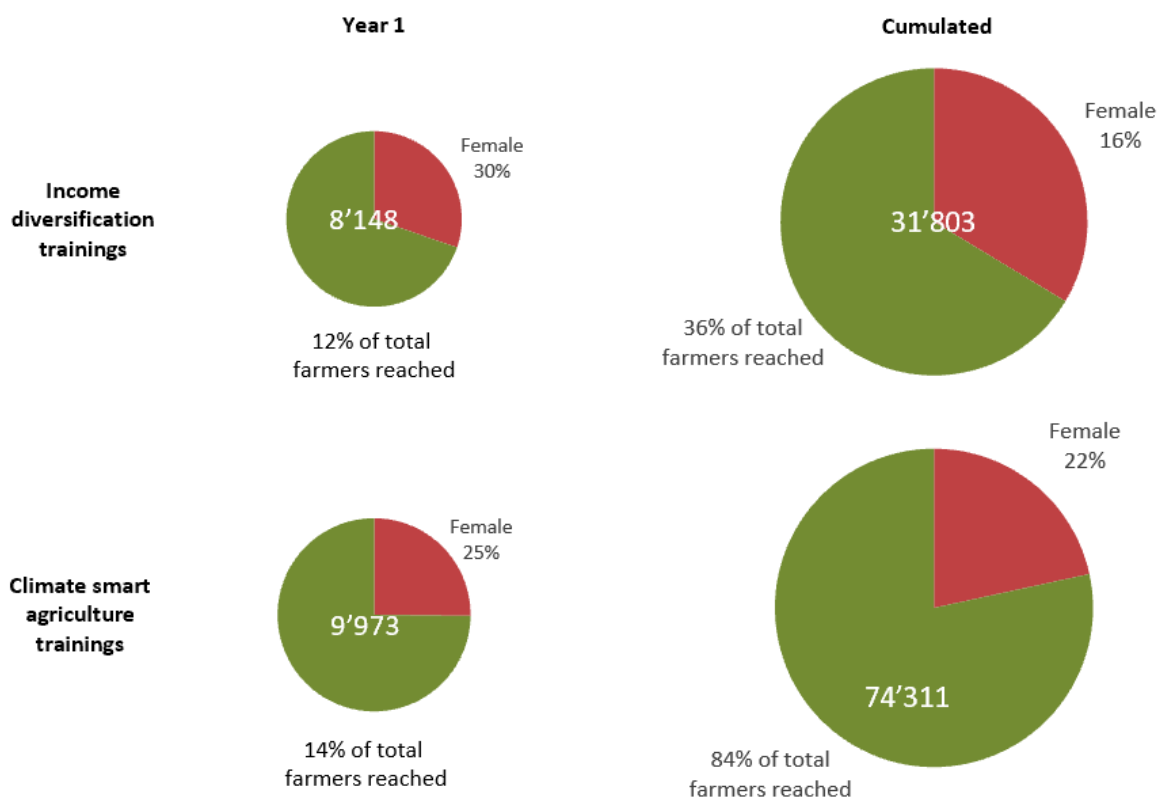


Figure 9: Numbers of farmers (and % of female farmers) reached with income diversification and climate smart agriculture trainings as reported in year one and cumulated over the total project phase (2018/19 – 2021)

Due to the Covid pandemic, group trainings mostly came to a halt or could only be held with a very limited number of farmers. However, based on the initial positive experience with the shift from the scheduled group trainings to **individualized farm visits and coaching sessions** in 2020, this was continued and built on in 2021. Overall, 42'383 individual visits/coaching sessions were reported for 2021. For some projects, the beneficial effects were highlighted, as individual coachings or visits could be better tailored to farmers' needs.

PROMOTION OF AGROFORESTRY AND INCREASED PRODUCTIVITY

Promoting agroforestry systems can increase on-farm biodiversity, promote carbon sequestration, significantly contribute to preventing pest and diseases, and can help farmers adapt to climate change by regulating temperature extremes. The systematic planting of shade and multi-purpose trees in cocoa farms also provides alternative products such as timber and fruit.



In 2021, the projects reported further progress on the **rehabilitation and rejuvenation of the farms** and the stepwise implementation of agroforestry systems to diversify farmers' incomes, promote on-farm biodiversity and increase their resilience to climate change. Farmers were supported through the **distribution of multi-purpose trees planting materials** (timber trees, fruit trees, cashew and biomass trees) and cocoa seedlings (Figure 10). On average, the projects reported seven different species of multi-purpose trees planted per ha of cocoa farms (compared to 3 species reported in 2019). For permanent (> 3 years) multi-purpose trees, an average of 12 different species were reported. Cumulatively from 2018 to 2021, close to 2.5 million multi-purpose trees and 253'263 plantain suckers were planted, and close to 7 million cocoa seedlings were distributed.

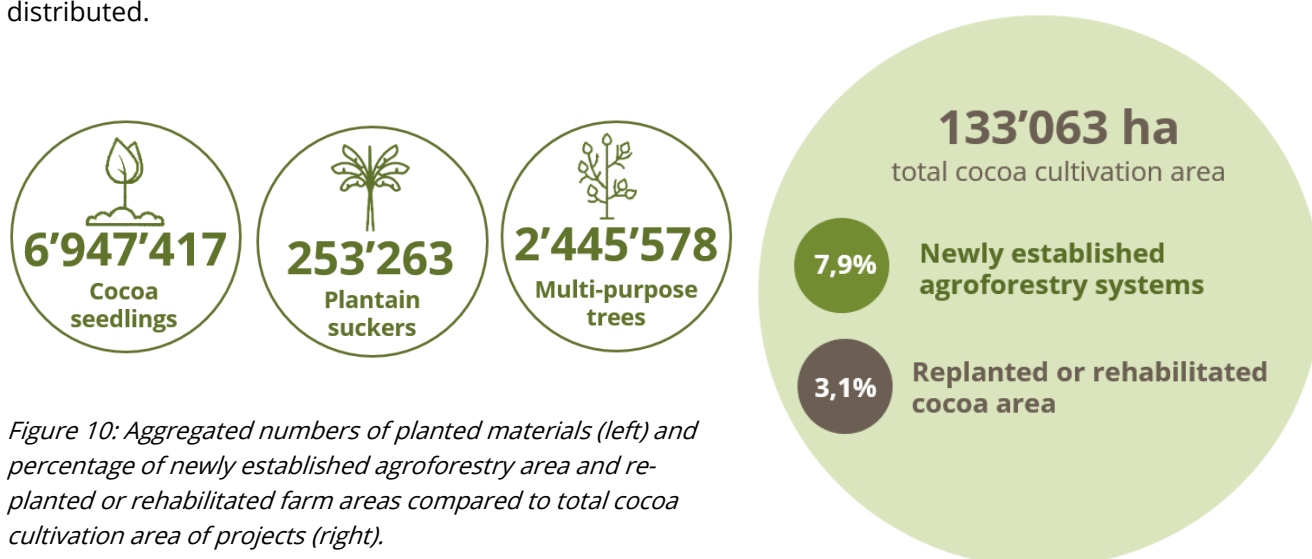


Figure 10: Aggregated numbers of planted materials (left) and percentage of newly established agroforestry area and replanted or rehabilitated farm areas compared to total cocoa cultivation area of projects (right).

Cumulatively until 2021, the projects covered a total cocoa farm area of 133'063 ha, compared to 101'012 ha in 2020 (Figure 10). In 2021 reported aggregated hectares of newly established agroforestry systems represent 7,9% of the total cocoa farm area of the projects. This is more than double the area compared to the reported 3.3% in the previous reporting year. The reported areas of replanted or rehabilitated cocoa farm areas make up 3.1% of the total reported project area which is a slight decrease from the previous year (3,7%). While these numbers indicate some progress in recent years, they also show that there remains a need and, at the same time, a great potential for investment in promoting climate-smart agriculture and agroforestry systems.

ACCESS TO FINANCE

Financial inclusion of cocoa farmers can lead to better access to financial services such as savings accounts, microcredits and insurances, including cash-free payment systems. It can help to increase farm productivity and create additional economic opportunities for farm reinvestments. Targeted income support to vulnerable households can reduce prevalence of child labour. By identifying the households most in need, remediation funds are channeled to increase farmers' income and their ability to meet basic needs. Those six value chain projects which included the component of improving farmers' access to finance in their farm-level interventions reported numbers which point to a positive impact of these measures on the respective farmers reached.

In cumulated numbers for 2021 (Figure 11), 11'661 farmers (13% of total reached) had access to saving accounts, while 6'990 (8% of total reached) and 8'640 (10% of total reached) farmers got access to loans and non-monetary loans, respectively. Women's access to financial solutions, represented 39% of the farmers with a saving account, 37% of the farmers with monetary loans and 34% of the farmers with access to non-monetary loans. Compared to the previous reporting year this shows a steady increase in the number of farmers having access to saving accounts. However, no increase in access to monetary loans was observed compared to the reportings of 2020, while the number of farmers receiving non-monetary loans almost doubled. Despite these overall positive results it must be noted that the total number of farmers targeted and reached by these interventions is relatively low in relation to the total of farmers reached through the 13 value chain projects.

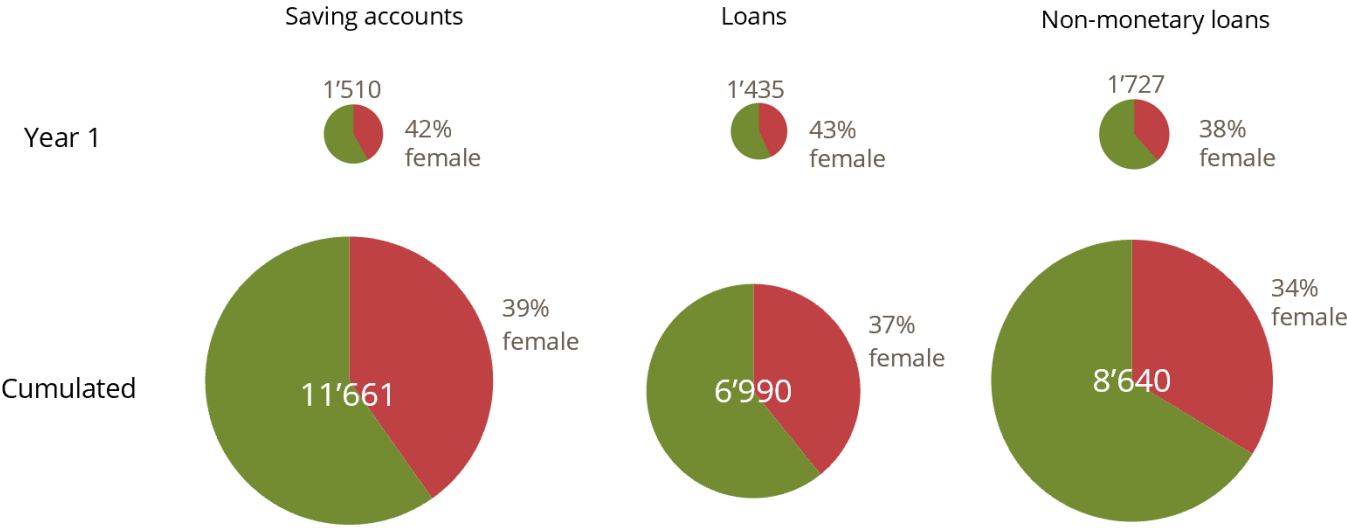


Figure 11: Cumulated number of male and female farmers with access to saving accounts, monetary or non-monetary loans for 2021 compared to reported figures from 2019.

The use of **mobile payment systems** is currently increasing in the cocoa sector. The projects reported 18'299 farm households using mobile payment systems in 2021. This represents approximately 21% of the total reported number of farm households. Based on the nature of the data, no differentiation between female and male headed households could be made. Project partners in Côte d'Ivoire reported a low acceptance rate of mobile payment systems, despite their benefit regarding security reasons.



Several projects reported that the establishment of **Village Loan and Saving Associations (VSLAs)**, in particular, has proved to work out well and reported positive outcomes on the achieved savings. The idea behind those VSLAs is to create self-managed and self-capitalised savings groups, often driven by women, that use members' savings to lend to each other. Key factors for the success of the implementation of VSLA's seem to be its simplicity and the community aspect.

The following table gives an overview over the 14 value chain projects reported on in this chapter.

Projects from Call for Proposal 2018 and 2019	Country	Project Lead
«Akuafuo Nkoosoo» (Farmers' Success) - Cocoa Rejuvenation & Income Diversification Program	Ghana	
Village Cocoa Competence Centers	Ivory Coast	
Sankofa: Empowered by Alliances for Action	Ghana	
Cocoa Tech Bridge	Costa Rica	
A new approach to improve cocoa farmer livelihoods in Ghana	Ghana	
Risk based CLMRS and targeted income support	Ghana	
Improve livelihoods of indigenous organic and Fairtrade cocoa farmers	Costa Rica / Panama	
Climate Resilient Cocoa Landscape in Madagascar	Madagascar	
Landscape approach to reduce deforestation and increase farmer income in the cocoa supply chain	Ivory Coast	
Rethinking Cocoa Farming: An integrated, non-competitive multi-sector consortium approach	Ivory Coast	
Sustainable Cocoa Sourcing Landscapes in Peru	Peru	
Colombian special cocoa for the Swiss sustainable market	Colombia	
Fair and sustainable chocolate through complete transparency – an open source software solution	Uganda	
Innovative approach to organic cocoa farming	Togo	

TARGETED INCOME SUPPORT TO VULNERABLE HOUSEHOLDS TO REDUCE CHILD LABOUR

Project partners: Nestlé, International Cocoa Initiative (ICI), ECOM
Co-financed by the Swiss State Secretariat for Economic Affairs (SECO)



May 2019 - December 2021

This project aimed at reducing the prevalence of child labour by strengthening the income of vulnerable cocoa-growing households in the Ghanaian ECOM-Nestlé cocoa value chain by using risk-based targeting mechanisms. In this context, two innovative approaches were piloted to improve the effectiveness and efficiency of efforts to prevent and address child labour in cocoa-growing communities in Ghana. These were:

(1) To develop a risk model to predict child labour, based on existing information about farming households.

(2) To design a cash transfer program for cocoa-growing households and test its impact on child labour.

Both approaches were found to be feasible, appropriate and effective, and are possible to scale up. Based on the learnings generated by this project, other stakeholders are already in the process of scaling up risk-based targeting and the use of cash-transfers.

MAIN ACHIEVEMENTS & LESSONS LEARNED

- **Child labour risk prediction is possible (the final model correctly predicted child labour in 72% of cases)**, but only when complete, accurate and up to date information exists about targeted farmers.
- **Risk models to predict child labour can increase the efficiency of efforts to prevent and address child labour**, by reducing the time and resources needed to identify and support children.
- **Cash transfers reduced the prevalence of hazardous child labour** by 9.3%.
- **Cash transfers protected children against adverse events experienced by the household** and prevented households from using negative coping strategies such as reducing meals and using child labour when facing unexpected negative events, such as loss of income due to illness or poor harvest.
- The prevalence of child labour at endline remains relatively high. This suggests that **cash transfers alone cannot solve child labour** and that **income support should be embedded in broader strategies to prevent and address child labour in cocoa production**.
- This **cross-company collaboration** with a territorial approach to tackle child labour, including randomized control trials, proved to be very successful and fruitful for all involved stakeholders.

VILLAGE COCOA COMPETENCE CENTERS

Project partners: CABOZ AG, ETH Zürich, Hanns R. Neumann Foundation, CABOZ Action
Co-financed by the Swiss State Secretariat for Economic Affairs (SECO)



MAIN ACHIEVEMENTS & LESSONS LEARNED

- Two fermentation facilities were successfully constructed, however, the **quantities of cocoa fermented in the centres were below expectations**, at 42% compared to the target. The main challenge to convince farmers to deliver fresh cocoa to the centres is to gain their trust into the weight ratio between fresh and dried cocoa. Also gaining customers who pay for zero default and fully traceable cocoa from Ivory Coast a price that allows to offer farmers a price towards living income remains a challenge.
- The project invested into the planning of production plants to extract cocoa juice from fresh cocoa delivered to the centres. Revenues from the sales of cocoa juice will allow to keep the cost for the fermented cocoa at market prices, while still enabling CABOZ to offer farmers a higher price as a step towards a living income.
- Per farmer, an **average surface of 0.29 ha (total of 333 ha) was rejuvenated** with a survival rate of 98.6% of the cocoa seedlings.
- The diversification of cocoa plantations was more challenging. While the amount of distributed shade trees was more than triple of the expected number, the survival rate of 67% is good but significantly lower if compared to cocoa seedlings. This shows that farmers value cash crops over shade trees because immediate benefits and long-term financial returns are not evident. The next three-year cycle of the project will therefore focus on Dynamic Agroforestry to achieve immediate benefits from agroforestry that can be directly experienced by the farmer and his family. **The project shows that agroforestry is only widely accepted by farmers if productivity and income diversification are addressed together with environmental issues.**
- The originally intended creation of mobile savings accounts for the payment of premiums has been abandoned for technical and social reasons in favour of the **creation of village savings and loan associations (VSLAs)** which were very successful. 17 groups with 595 participants (47% are women) were created. The saving per participants grew from EUR 53 in the first year to EUR 80 in the last project year.

February 2019 - February 2022

In the competitive purchase environment of rural Ivory Coast, this project aimed to introduce village-based centralized fermentation centers that offer various services in the heart of the cocoa producing regions.

Based on quality-oriented fermentation and drying processes offered to farmers, the centers aimed to support them with (i) trainings in good agricultural practices, (ii) the distribution of improved planting material, (iii) access to agricultural tools and inputs, and (iv) access to mobile saving systems.

Overall, the project reached 1461 farmer households with its activities.

COCOA TECH BRIDGE

Project partners: Läderach, Farmstrong Foundation, Nahua Cacao & Chocolate
Co-financed by the Swiss State Secretariat for Economic Affairs (SECO)

Count	Region	District	Sub-district	Ruta	ID	Individuals
CR	San Jose	Nahua	Nahua	Victoria		
CR	San Jose	Nahua	Nahua	Pavas		
CR	San Jose	Nahua	Nahua	Pavas		
CR	San Jose	Nahua	Nahua	Victoria		
CR	San Jose	Nahua	Nahua	Yolillal		
CR	San Jose	Nahua	Nahua	Victoria		
CR	San Jose	Nahua	Nahua	Guatuso		
CR	San Jose	Nahua	Nahua	Yolillal		

April 2019 - December 2021

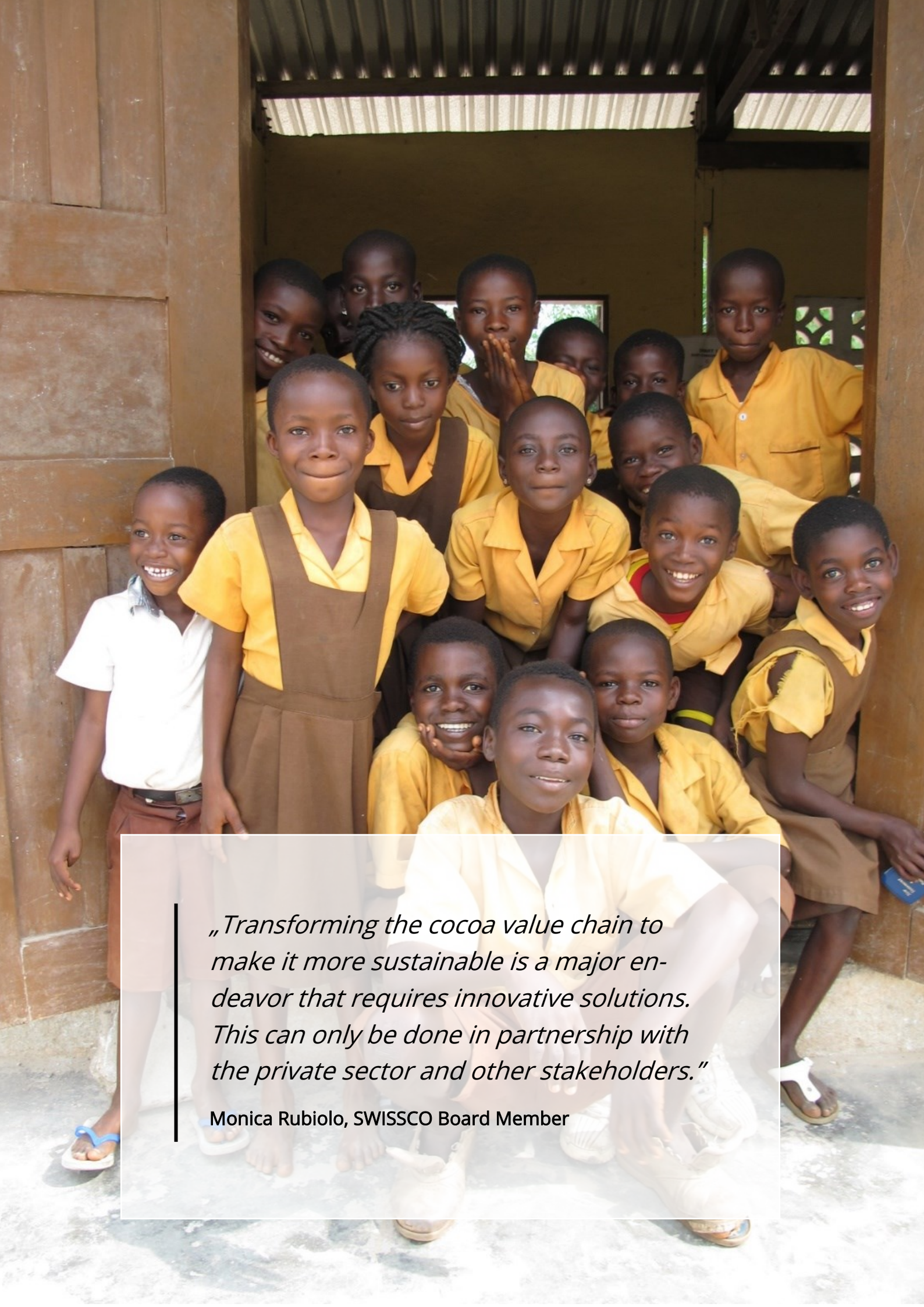
Together with its projects partners, Läderach has developed a reliable mobile application, the Cocoa Tech Bridge, which aims to enhance traceability in the cocoa value chain.

Farmers who register in the tool receive an ID card, allowing a clear identification. The ID card facilitates information collection as the code is scanned or the number typed in, respectively (depending on the reading device) and linked to the farmer profile, created at the backend of the app. The tool allows to digitally trace to cocoa procurement, processing and shipment from origin to Switzerland.

The cocoa is loaded into containers and shipped to the warehouse of Läderach (Switzerland) AG in Amsterdam. One container holds 12.5 metric tons and consists of multiple batches from several buying routes. The batches are marked with a unique code allowing identification and the granularity of traceability is not changed.

MAIN ACHIEVEMENTS & LESSONS LEARNED

- Over the course of the project, information of 291 farmers has been collected through the app.
- A big achievement which facilitates the implementation of the app is that it **works off-grid**. The gathered information is stored on the phone until the users reach a network, from where the information is uploaded to the cloud.
- The Cocoa Tech Bridge is a working tool, which requires a certain degree of training. Therefore, **trainings and guidelines are needed** for those users who are collecting information and doing the transaction, as well as training of users who are accessing the aggregated information, running analytics, and deriving conclusion.
- Collecting and processing the baseline information amounts to a big workload. However, this workload significantly reduces within the day-to-day use of the app.
- The **question of ownership and privacy of the farmer information** should be raised. The use of the information should be handled sensible and in accordance with the owner. This topic cannot be tackled by companies alone and should be gazette into legislation with government bodies.
- Using a single application for covering a vertical supply chain proved to be challenging. Different companies use different tools tailored to their supply chain management, value streams, capacity and needs. Therefore, the question arises about the practicability of a "one-size-fits-all" solution. Therefore, it should be explored how to channel information through an interconnective interface that can read and share information.



„Transforming the cocoa value chain to make it more sustainable is a major endeavor that requires innovative solutions. This can only be done in partnership with the private sector and other stakeholders.“

Monica Rubiolo, SWISSCO Board Member

4 SWISSCO Peer Learning & Events

The sustainability challenges in the cocoa sector require joint efforts and innovative solutions. To achieve measurable impacts, the members of the SWISSCO engage in thematic working groups and participate in topic-specific learning events to foster the exchange of knowledge and learnings and to develop and apply coherent approaches and best practices.

In the Peer Learning Network, SWISSCO members gain a common understanding of the key challenges in the cocoa sector and develop joint solutions. Knowledge and experiences are shared to elaborate best practice approaches in a non-competitive environment. Since 2018, SWISSCO members have been able to engage in five topic-specific working groups (WGs), discussing questions around the following challenges in the cocoa sector, identified by the SWISSCO members: (i) living income and child labour, (ii) climate resilience and biodiversity, (iii) access to finance, (iv) traceable/segregated cocoa butter and (v) cadmium residues and non-tariff measures. This chapter presents the activities of the two most active WGs in 2021, the Working Group on Living Income and Child Labour and the Working Group on Climate Resilience and Biodiversity. The groups were co-facilitated by SWISSCO members and open to all members for participation.

As of 2022, all SWISSCO working groups will be merged with the joint Working Groups of the European Initiatives for Sustainable Cocoa (ISCOs). The joint ISCO WGs will start to operate in 2022, covering the topics of (i) child labour, (ii) forest & agroforestry, (iii) traceability & transparency, (iv) monitoring & evaluation as well as (v) living income. Each ISCO will take the lead for certain WGs (see more in chapter 5). The SWISSCO Coordination Office, together with the ICI and UNICEF Switzerland and Liechtenstein as co-leaders, will take the organizational lead for the ISCO WG Child Labour. While the ISCO WGs will replace the current SWISSCO WGs, the SWISSCO Coordination Office will make sure to facilitate a SWISSCO internal exchange on the most important topics.

An important added value of the platform is its network, which enables informal contacts, promotes the exchange of knowledge and strengthens trust among members and partners. The Platform organizes regular events for its members to support the dissemination of new knowledge and translate it into tangible impact. SWISSCO also regularly participates in public events to increase awareness of the topics among consumers. In 2021, unfortunately, all public events were canceled due to the Covid pandemic. With few exceptions, member events were held in virtual format, using a variety of tools for interactive participation.



SWISSCO Working Group Living Income and Child Labour

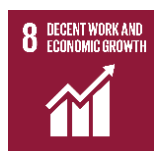
Context of the Working Group



SWISSCO members are committed to take on a pioneering role in jointly developing innovative solutions and implementing measures, which contribute to a significant progress towards a living income of cocoa farmers in cocoa-producing countries. Insufficient income to afford a decent standard of living is a root cause of human rights violations at smallholder farmer level. Generating a living income for farmers and their families constitutes a precondition for effectively addressing human rights issues, including the fight against child labour and forced labour.



The WG aims at contributing to the achievement of the Sustainable Development Goal (SDG) 1 (no poverty), SDG 2 (zero hunger), SDG 4 (quality education) and SDG 8 (decent work and economic growth - specifically SDG 8.7 on eradicating child and forced labour) by fostering exchange, generating and sharing knowledge and evidence, peer learning, and coordination among the SWISSCO members on the issues of child labour and living income.



In 2021, the WG on Living Income and Child Labour has been led by Fairtrade Max Havelaar Switzerland and UNICEF Switzerland and Liechtenstein. 23 member organizations from the private sector, non-profit organizations, research institutions and the government actively participated in the WG.

Activities and main results

2021 marked the finalization of the [CLMRS benchmarking study](#), commissioned by SWISSCO and conducted by ICI. The main results were presented during a WG meeting in May 2021 and the study is available to the interested public on the SWISSCO website.

As part of the SWISSCO 2030 Roadmap, a set of targets for tackling child labour and improving perspectives of the youth have been set, focusing on:

- 1) active engagement and progress reporting of all SWISSCO members active in producer countries with incidence of child labour in cocoa production
- 2) sustainable cocoa sourcing landscapes involving efforts to tackle child labour
- 3) signing and operationalization of cooperation agreements aimed at child labour prevention with local authorities and multilateral organizations

Furthermore, the last quarter of 2021 was dedicated to preparations for the transition towards the merging of the SWISSCO level WG to the joint ISCO (European level) WG on Child Labour. The members were asked to actively contribute to design the Terms of Reference with goals and objectives for the ISCO WG Child Labour.

As part of the activities of 2021 a member event on living income was conducted in December 2021 which aimed to provide some guiding steps and share information on tools and experiences to strengthen SWISSCO member's actions to contribute towards a living income for cocoa farmers and their families.



December 14, 2021 Living Income Member Event

Guiding steps, tools and experiences to strengthen SWISSCO member's actions to contribute towards a living income for cocoa farmers and their families.

The Living Income Member Event was split into three parts:

Part I: During the first part, a representative from GIZ gave a presentation on guiding steps towards living income in the cocoa supply chain, thus offering interested SWISSCO members an insight into how to mainstream living income in their company's/organization's activities.

Part II: The second part encompassed three short presentations from Fairtrade International, Rainforest Alliance and Schöki.

- In their presentation on "Fairtrade's Offer to Business for Living Income", Fairtrade International presented their **Living Income project framework** and their **Cocoa & Living Income Programme**. For more information click [here](#).
- Rainforest Alliance introduced the [Sustainability Differential \(SD\) and Sustainability Investments \(SI\)](#) and provided an overview into the different phases of introducing SD & SI. A minimum SD of 70 USD will be introduced for any RA/UTZ certified cocoa sold from the 2022/23 harvest onward starting in October 2022 (African countries) and in the rest of the world already from July 2022 onwards.
- Schöki then presented the [SusChain initiative](#) and called for anyone interested in getting more information or joining the initiative to get in touch with them. The SusChain initiative aims to make cocoa fully traceable from the bean to the bar, by using QR codes along the cocoa supply chain and thus contributing to a living income for producers of all involved raw materials.

Part III: During the third part, Max Havelaar, Fairtrade International and Oxfam shared information about current living income studies with the participants of the event.

- Max Havelaar gave an insight into their current **Living Income Benchmark Study in Peru** and announced to get in touch with SWISSCO members in the first quarter of 2022.
- Fairtrade International presented the results of their [second Ivorian household income study](#) (first study in 2016/17, second study in 2020/21). A key finding was that **85% of cocoa farmers earn below the living income**, thus pointing to the urgent need for action to enable a living income for cocoa farmers and their families.
- Lastly, Oxfam gave an insight into their recent study on "[Living Income: From Right to Reality](#)", published in the context of a briefing for business series. **Eight core critical areas for companies with regards to living income** were highlighted, encompassing amongst others **the adoption of HRDD approaches, elevating pricing and a call for stronger government and sector level action**.

The presentation encompassing all contributions to the event as well as the studies that were presented during this event can be found [here](#).

SWISSCO Working Group Climate Resilience and Biodiversity

Context of the Working Group



The Climate Resilience and Biodiversity Working Group develops best practice solutions to foster sustainable cocoa cultivation practices, halt deforestation and forest degradation, promote biodiversity and increase the climate resilience of cocoa farmers.



Since the WG started convening in 2018, the WG's activities have been led by the goals to (i) raise awareness of the urgency to act on the above mentioned overarching goals of the WG, (ii) elaborate possible research content on the topic in order to better understand the problems and to be able to better work out possible solutions, (iii) enable exchanges on potential finance opportunities through national and international funds, and (iv) develop and measure a set of common climate and biodiversity related indicators. By doing so, the WG contributes to the achievement of the Sustainable Development Goal (SDG) 13 (climate action) and SDG 15 (life on land).

In 2021 the WG on Climate Resilience and Biodiversity has been led by representatives of Helvetas and IDH. 18 organizations from the private sector, non-profit organizations, research institutions and the government, with a total of 24 representatives actively participated in the WG.

Activities and main results

2021 was a year of transition for the WG, with the development of the SWISSCO 2030 Roadmap at its heart. Most of the activities were dedicated to helping shape the Roadmap and the way forward for SWISSCO. After several rounds of consultations among the SWISSCO members, the following targets for forest and climate friendly cocoa have been set in the Roadmap 2030, focusing on:

- 1) halting deforestation, forest degradation caused by cocoa production area expansion
- 2) landscape approaches, and engagement of companies in landscape programs in cocoa producing countries
- 3) farmer adoption of effective climate smart agriculture and/or agroforestry practices
- 4) net zero emissions with focus on the supply chain in line with the Paris Agreement by adhering to initiatives such as SBTi or by undertaking equivalent efforts

Activities also included the organization of a learning workshop on climate finance (see next page), which aimed at introducing the principles and key definitions of climate & nature finance, its relevance to the cocoa sector, as well as concrete examples from companies, NGOs and governments. The event was informed by a [Technical Paper on Climate & Nature Finance](#).

Some solid feedback was also collected from members on the agenda of the ISCO WG on forests & agroforestry, which will start operating in 2022.



October 22, 2021: Learning Workshop Climate & Nature Finance

Fostering the understanding and knowledge of members in the dynamically evolving field of climate & nature finance.

The learning workshop organized in collaboration with South Pole and Earthworm provided the participants with the latest insights about climate finance for mitigation and adaptation within the cocoa supply chain. We were delighted to welcome Roselyn Fosuah Adjei (second from left in the below photo), Director Climate Change of the Forestry Commission of Ghana at the event.

As a complement to the Learning Workshop, South Pole and Earthworm developed a [technical paper](#) offering guidance on the topic. The paper includes (i) an insight into the topic of Climate & Nature Finance and (ii) an overview that brings together many of the Climate & Nature Finance initiatives into a more coherent narrative, such that stakeholders are empowered to take action to tackle the climate emergency, regenerate ecosystems, alleviate poverty and build resilience in the cocoa sector and lastly (iii) some thoughts on concrete actions that SWISSCO and its members could take to lead this Climate & Nature agenda going forward.

Overall, the paper concludes that more cocoa and chocolate companies are committing to radical transformation of their business models to deliver strong economic, social, and environmental performance. There have never been as **many potential opportunities for cocoa & chocolate companies to seek and gain co-financing from 3rd parties**, or as many financing vehicles aligned to the shared objectives of addressing the climate and nature emergency. Depending on the projects, their size and activities, **Climate & Nature Finance could potentially provide a 20-40% co-financing additionality** based on South Pole experience.

The paper provides recommendations on concrete actions that SWISSCO and its members could take to lead the Climate & Nature Finance agenda forward. In relation to companies' strategies, commitments, management frameworks and sector initiatives the paper suggests for SWISSCO and its members to develop a **collective commitment for all SWISSCO company members to have validated Climate Net Zero and Science-Based targets by 2025** and to develop a **collective commitment for all SWISSCO main sourcing cocoa landscapes to be Climate Net Zero by 2040 latest (50% of them by 2030)** and be aligned to the emerging new UN Global Framework for Managing Nature and its 2030 and 2050 targets. In relation to companies, the paper strongly recommends to **collaborate to create new and innovative financing mechanisms**. Furthermore, the paper entails several recommendations regarding the collaboration with cocoa exporting and importing governments as well as with regards to cocoa farmers and their communities.



Picture: Participants and speakers at the learning workshop on climate & nature finance.

General Assembly 2021

The third annual General Assembly Meeting was held in Zurich on September 21, 2021. Kindly hosted by Migros, the meeting at the innovative gastro venue the BRIDGE led to animated discussions and an insightful exchange among close to 60 on-site participating members. Due to the Covid-19 pandemic, the members also had the possibility to follow the meeting via stream.

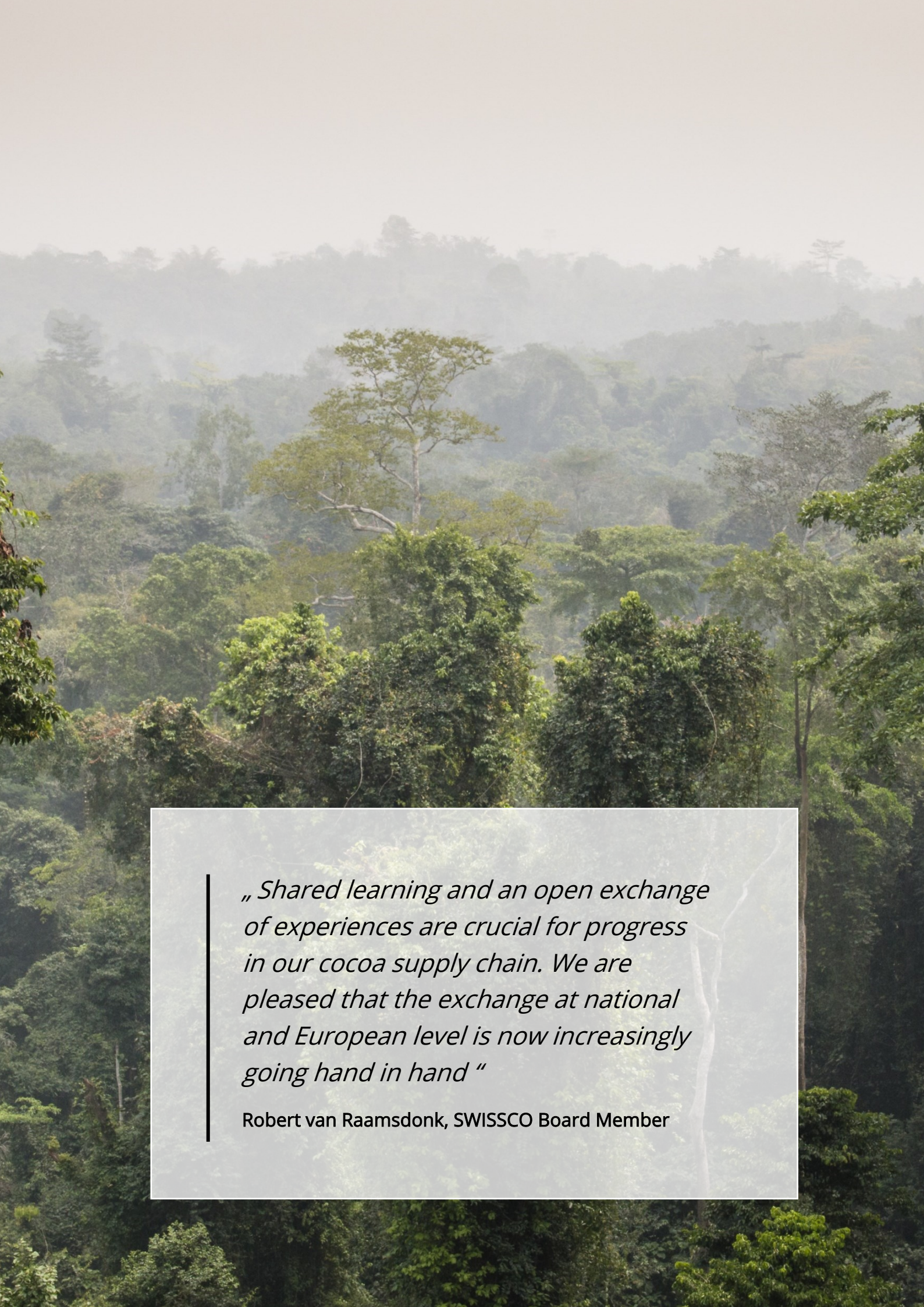
The most important agenda item of this year's meeting was the **open discussion and approval of the SWISSCO Roadmap 2030 following the leitmotif «Tackling Challenges Together»**. According to Filippo Veglio, reconfirmed president of SWISSCO, "the SWISSCO Roadmap 2030 means a very important milestone for the further development of our association. Even though a lot will happen in the next few years, and we will have to adapt to external circumstances from time to time, the roadmap provides us with an important orientation framework."

Through a written approval process, the members of the Platform elected Michiel Hendriksz and Bernhard Kammer as **new board members**, representing the civil society (sector D) and retailers (sector B).

An **afternoon event** organized back-to-back to the General Assembly Meeting was devoted to a **peer learning session involving the value chain projects co-financed by SECO**. In a first part, project partners presented an input on what they have learnt so far in their co-financed value chain projects. In a second part, the Coordination Office gave an overview on SWISSCO's landscape pilots, and four project partners presented the perspectives to scale at landscape level. Both parts were finished with a panel discussion.



Picture: Group photo AGM 2021 at the BRIDGE, Zurich



„ Shared learning and an open exchange of experiences are crucial for progress in our cocoa supply chain. We are pleased that the exchange at national and European level is now increasingly going hand in hand “

Robert van Raamsdonk, SWISSCO Board Member

5 International Collaboration

Key stakeholders from consumer and producer countries need to take collaborative action to overcome the barriers to a sustainable cocoa value chain. SWISSCO promotes the dialogue with local authorities and organizations in producer countries and coordinates its measures with likeminded national and international initiatives.

European Collaboration

Similar to the Swiss Platform for Sustainable Cocoa, other national cocoa platforms have taken shape in Germany, Belgium and the Netherlands. The four European Initiatives for Sustainable Cocoa (ISCOs) are engaged in aligning their activities and bundle their efforts for a sustainable cocoa value chain through collaborative action.



GISCO, Germany

The German Initiative on Sustainable Cocoa (GISCO) is a multi-stakeholder initiative of the German Federal Government, the sweets and confectionary industry, the retail grocery trade, and civil society. Jointly, GISCO's members aim to improve the livelihood of cocoa farmers and their families as well as to increase the proportion of cocoa certified by sustainability standards.



Beyond Chocolate, Belgium

Beyond Chocolate is the Partnership for a sustainable Belgian chocolate industry. Partners in the initiative are working to end deforestation, stimulate education for future generations and provide a living income for cocoa growers.



DISCO, Netherland

The Dutch Initiative for Sustainable Cocoa (DISCO) is a partnership of companies, public sector organisations and civil society active in the Dutch cocoa and chocolate sector. The central objective of DISCO is to sustainably improve the livelihoods of current and future cocoa farming families. The partners are working to creating sustainable solutions to living income, child labour and deforestation in the cocoa sector.

Alignment and collaboration of the European cocoa platforms

The European Initiatives for Sustainable Cocoa (ISCOs) are engaged to align their activities on both, a strategic and operational level in order to leverage synergies and to avoid duplication. Therefore,


the national initiatives in Germany (GISCO), Belgium (Beyond Chocolate) and Switzerland (SWISSCO) have further underlined their collaboration efforts in June 2020 by signing a Memorandum of Understanding (MoU). The Memorandum was amended in January 2021 to include the Dutch Initiative on Sustainable Cocoa (DISCO) after its founding in September 2020. By cooperating, the ISCOs want to bundle their efforts to address the key issues in the cocoa industry.

Together, the European Initiatives aligned on four common challenges.

Common challenges

- Contribute to a living income for cocoa farmers and their families
- Halt cocoa-related deforestation and promote sustainable reforestation and biodiversity
- End child labour and forced labour in the cocoa value chain
- Enhance the transparency in the cocoa value chain

National Initiatives on Sustainable Cocoa In Europe (ISCOs)

-  **GISCO**
German Initiative on Sustainable Cocoa
June 2012
-  **SWISSCO**
Swiss Platform for Sustainable Cocoa
January 2018
-  **Beyond Chocolate**
Partnership for a more sustainable Belgian
cocoa sector
December 2018
-  **DISCO**
Dutch Initiative on sustainable cocoa
August 2020



One of the Memorandum of Understanding's cornerstones is the harmonization of monitoring frameworks. The past year has therefore been characterized by ongoing work on the harmonization of their frameworks while also trying to align them with the monitoring frameworks of other international initiatives in the cocoa sector. GISCO and Beyond Chocolate have launched a tailor-made monitoring tool for their first joint monitoring round in 2021. The upcoming years foresee an increasing alignment on common indicators and definitions to monitor and report on the four main challenges in the cocoa sector.

Another objective of the partnership is to coordinate and align activities on the operational level and among the working groups of the individual platforms. In order to avoid constant repetition of inputs for those companies and organisations that are member of several or all ISCOs and to create a stronger spill-over effect regarding learnings and best practices between members of the four national platforms, the ISCOs agreed to set up joint working groups starting in early 2022.

The ISCOs have created five work streams (see Figure 13), reflecting the common challenges identified in their MoU: (i) traceability & transparency, (ii) living income, (iii) forests & agroforestry, (iv) child labour, and (v) monitoring & evaluation. For each work stream a working group will be created which will foster peer learnings and support members in reaching their commitments. These ISCO working groups are an important addition (and in some cases replacement) to national working groups. Within a working group, several task forces can be created. These are small groups of dedicated experts with a high level of expertise that work on a specific time-bound task. The creation of task forces will be decided within the working groups. In addition, the ISCOs will organize learning events that will be open to all ISCO members. A document providing a full overview of the work streams and joint ISCO events for 2022 can be found [here](#).

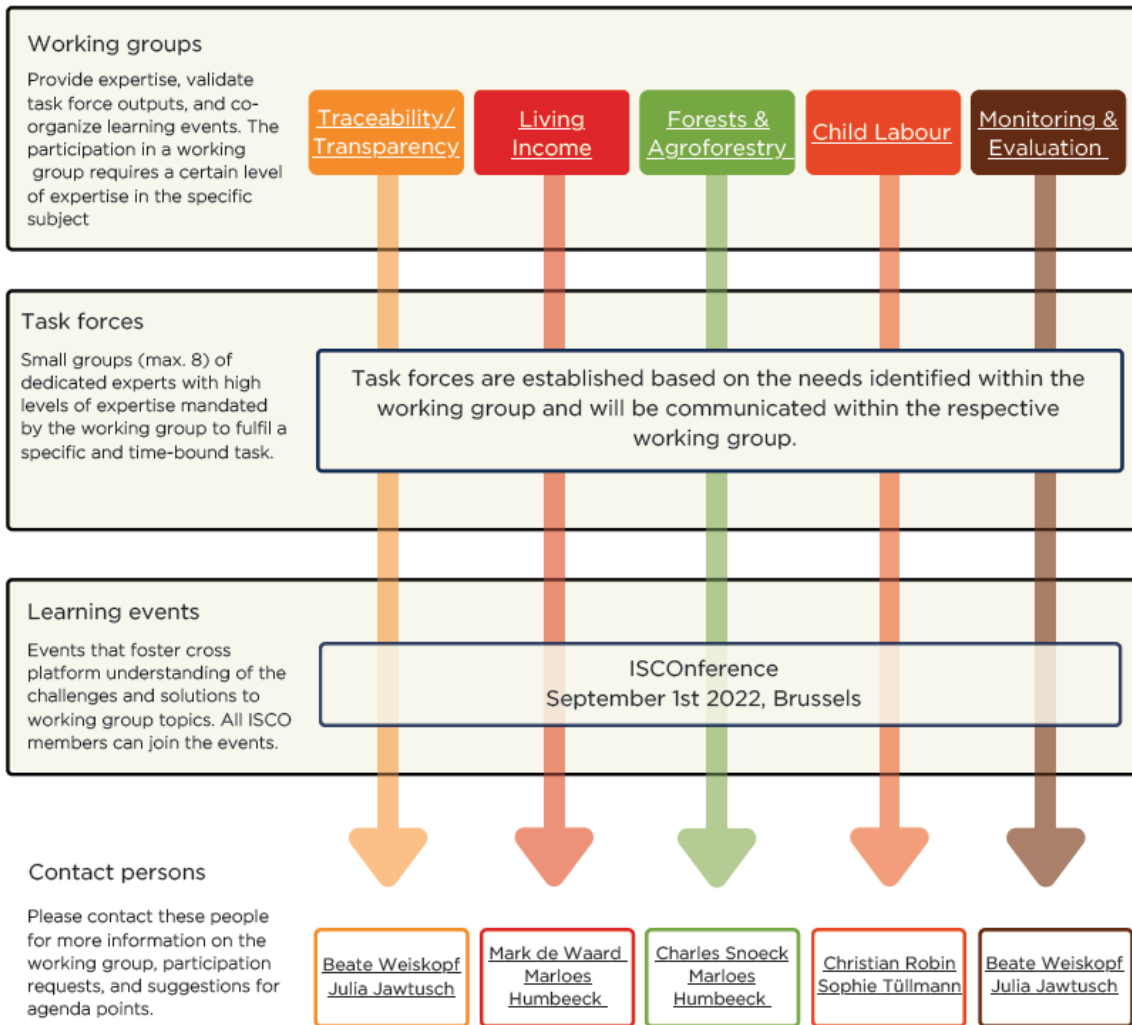


Figure 12: Overview on the work stream of the ISCO collaboration starting in 2022.

Dialogue with cocoa-producing countries

In 2021, intensive dialogue was conducted with partners in the countries of cocoa origin. The exchange took place at various levels. The Swiss embassies and cooperation offices in the individual countries played a paramount role to conduct the political dialogue. Important technical input came from individual projects by the many members of SWISSCO.



Picture: Anne Schick, Deputy Head of Cooperation at the Swiss Embassy, Joseph Boahen Aidoo, CEO Ghana COCOBOD and Christian Robin, Executive Director of SWISSCO

Facilitated by the Swiss Embassy in Accra, Christian Robin, SWISSCO's Executive Director, participated in the Political Consultation between Ghana and Switzerland in November 2021 and held a high-level meeting with the Ghana Cocoa Board (COCOBOD). These exchanges allowed to inform the Government of Ghana on the priorities of the SWISSCO Roadmap 2030 and to facilitate initial discussions on the renewal and further development of the bilateral Memorandum of Understanding between


Ghana and Switzerland, which shall be implemented through the cocoa-related cooperation between Ghana and SWISSCO. Consequently, the Roadmap and its key target areas have been confirmed as a valuable framework to renew in 2022 the original Memorandum of Understanding signed in 2018.

At project level, the partners of the **SANKOFA** project had the opportunity during a joint field trip to share and compare the agronomic practices with those of the ongoing National Cocoa Rehabilitation Project of the COCOBOD in communities where both projects are co-located. COCOBOD and its research arm, the Cocoa Research Institute of Ghana (CRIG) acknowledged the positive performance of the dynamic agroforestry approach in enhancing biodiversity, improvements in soil health, diversification of crops for food security sale, and overall climate change mitigation. As a result, the Sankofa team established a model DAF plot at the premises of CRIG for critical study and analysis. Besides, the CRIG team plans regular visits to the Sankofa DAF plots to foster the exchange of ideas and the joint evaluation of results observed in the field.



Picture: Group photo after successful DAF plot establishment at CRIG, by GRIG and SANKOFA teams

Dialogue was also intensified in **Peru**. Through the SECO office in Lima, SWISSCO closely followed the key steps in the implementation of the National Plan for the Peruvian Cocoa and Chocolate Value Chain 2020-2030. A Multisectoral Working Group (GTM) with a wide range of actors from the public and private sector, under the lead of the Ministry of Agrarian Development and Irrigation of Peru, has made dedicated efforts to define indicators and goals for 2030 in line with national development priorities and the Sustainable Development Goals. SWISSCO has contributed through its own experiences in defining a fitting accountability and governance framework for a national multistakeholder initiative.



„Understanding the reality on the ground allows us to analyze the root causes of the problems cocoa farmers face. This is crucial in finding adequate solutions with positive impacts.“

Michiel Hendriksz, SWISSCO Board Member

6 Organization

The Swiss Platform for Sustainable Cocoa association was founded in January 2018 to promote sustainability in the cocoa value chain. Solutions are developed in a participatory process and decisions are made by the members at the General Assembly.

The Swiss Platform for Sustainable Cocoa counted 69 members in 2021. The members of the Platform are organized in five sectors: chocolate manufacturers and traders, food retailers, the public sector, non-profit organizations, and research institutions (see Figure 14). Each member sector represents a stakeholder group along the cocoa value chain. Our associated partners are international organizations that are active in the cocoa sector.

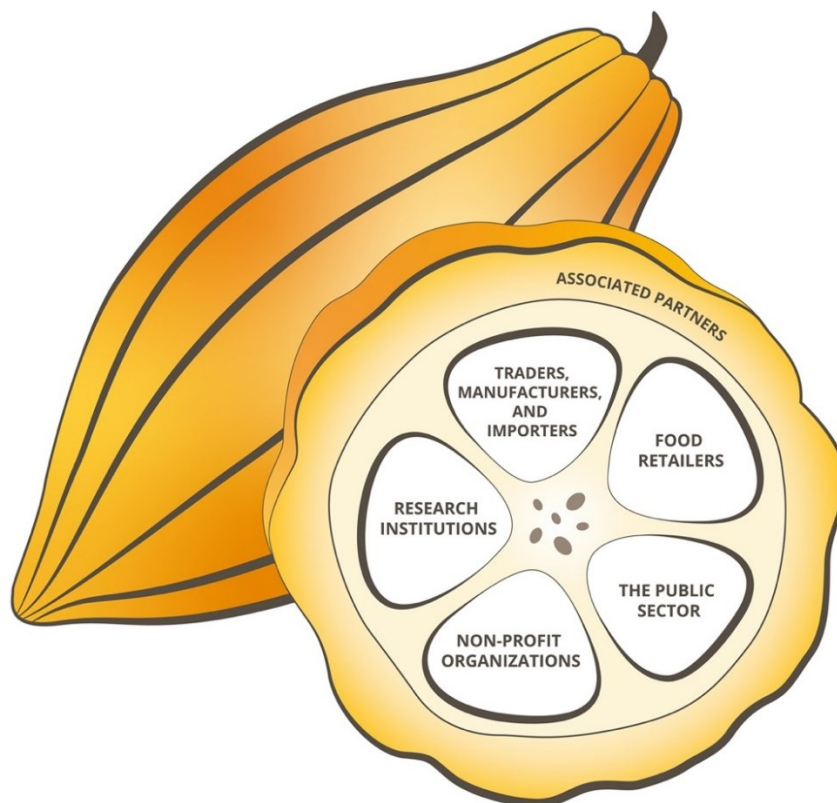


Figure 13: The members of SWISSCO are organized in five sectors. Each member sector represents a stakeholder group along the cocoa value chain. Our Associated Partners are international organizations active in the cocoa sector.

The association is headed by the Board, which is constituted by an independent President and representatives of all member sectors. The Coordination Office is responsible for the management of the activities, monitoring, reporting, and communication. It is the hub between the members, the Board, the national and international partners and the public. The Peer Learning Network consists of an open and frank exchange of knowledge and experience to develop best practice solutions. The Peer Learning Network is organized in topic-related working groups and is open to all members of the SWISSCO. SWISSCO Members come together once a year for the General Assembly. In the statutory part of the assembly, decisions are taken, and elections are held.

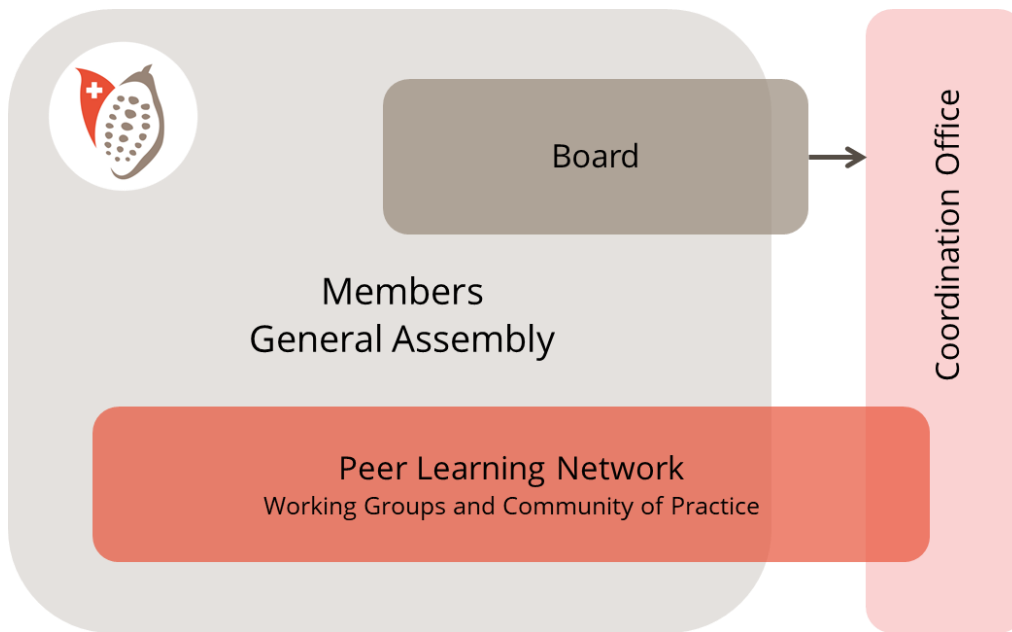


Figure 14: Organigram of the Association Swiss Platform for Sustainable Cocoa.

The Board

The Board is heading the association and giving strategic direction. It consists of seven members - the independent President and representatives of the five member sectors. Due to the large number of members in their sector, the chocolate manufacturers and cocoa traders are represented by two Board members. The Board members are nominated by the members of their respective sectors and elected by the General Assembly.



President

Filippo Veglio
 Union of European Football
 Association (UEFA)
 Senior Expert on Football Social Respon-
 sibility

Filippo Veglio, a Swiss national, a Senior Expert on Football Social Responsibility at UEFA, the Union of European Football Associations, and the governing body of football in Europe. Before joining UEFA in September 2021, he was a Managing Director at the World Business Council for Sustainable Development (WBCSD), the global, CEO led community of the world's leading sustainable businesses working collectively to accelerate the system transformations needed for a net-zero, nature positive, and equitable future. Filippo holds an M.A. in International Relations from the Graduate Institute of International and Development Studies in Geneva and was formerly a professional tennis player and a member of the Swiss Davis Cup team.



Sector A Manufacturers and traders

Urs Furrer
 CHOCOSUISSE
 Director

Urs Furrer is the Director of CHOCOSUISSE, the Association of Swiss Chocolate Manufacturers, and the Managing Director of the Swiss Foundation of the Cocoa and Chocolate Industry since 2014. Before joining CHOCOSUISSE, he was a member of the Executive Board of the Swiss Business Federation Economiesuisse. He is an attorney-at-law and worked for several years for KPMG.



Sector A
Manufacturers and traders

Robert van Raamsdonk
Barry Callebaut
Cocoa Trader

Robert van Raamsdonk started his career in cocoa more than 8 years ago. He has been dealing with a wide range of topics, such as sourcing in origin countries, the implementation of certification programs and quality management. Since 2015 he works for Barry Callebaut as a cocoa trader, with a focus on sustainable cocoa. Robert holds a Master in Business Administration, with a specialization in Sustainability (Erasmus University Rotterdam), as well as European Master in Law and Economics (Università di Bologna).



Sector B
Food retailers

Bernhard Kammer
Federation of Migros Cooperatives
Head of Ecology & Sustainability Labels

Bernhard Kammer is an experienced hands-on practitioner in the field of sustainable raw materials. With a background as a farmer, business education and 20+ years of experience in sustainability in the retail, he brings a keen eye for consumer needs and the changing market environment, as well as a strategic vision to the SWISSCO table.



Sector C
Public sector
(non-voting observer)

Monica Rubiolo
State Secretariat for Economic Affairs
(SECO)
Head of Trade Promotion

Monica Rubiolo is the head of Trade Promotion and leads SECO's efforts to make trade in developing countries socially responsible, environmentally friendly, inclusive and thereby sustainable. She holds a PhD from the University of Tübingen, Germany and worked as an Assistant Professor at the Catholic University in Cordoba (Argentina) as well as in the private sector in Argentina, Taiwan and Spain, before joining SECO in 2003.



Sector D
Non-profit organizations

Michiel Hendriksz
FarmStrong Foundation
Executive Director

Michiel Hendriksz is a tropical agronomist, cocoa trader, and sourcing and sustainability director of a leading multinational. He is the founder and executive director of the FarmStrong Foundation (CH). He has more than 22 years of experience in cocoa origin countries, his work is focused on improving the position and lives of cocoa farmers, their families, and their communities. He spends half of his time with Farm-Strong staff in Côte d'Ivoire.



Sector E
Research institutes

Ingrid Fromm
BFH Bern University of Applied Sciences
Research Associate and lecturer

Ingrid Fromm is a research associate and lecturer at the School of Agricultural, Forest and Food Sciences (HAFL) of the Bern University of Applied Sciences. For the past 15 years, her research has focused on the sustainability of agricultural value chains and commodity trade, particularly in cocoa and coffee. She holds a Bachelor's degree in Agronomy from Zamorano University in Honduras (where she is originally from) and a PhD in Development Economics from Leipzig University in Germany. Dr. Fromm has led research projects and consultancies in numerous countries in Latin America, Africa and Asia.

The Coordination Office

The Coordination Office manages the association's activities, coordinates, and participates in the Peer Learning Network. It also serves as the direct entry point and information center on sustainable cocoa.



Executive Director as of June 2021
Christian Robin

Christian Robin is the Executive Director of the Swiss Platform for Sustainable Cocoa. He holds a PhD in Political Science of the Center for Comparative and International Studies (CIS) of the University of Zurich. Christian joins the Platform from the Swiss State Secretariat for Economic Affairs / SECO, where he served as Deputy Head Trade Promotion, leading SECO's engagement in the cocoa value chain as well in the area of private, voluntary sustainability standards and labels. Christian has held a variety of positions across SECO in his 14 years, including as Head of Swiss Economic Development Cooperation in Peru.



Office Manager as of July 2021
Nicole Bohren

Nicole Bohren the Office Manager of the Swiss Platform for Sustainable Cocoa. She holds a BSc in Business Administration with a Specialization in Management and Law. Before joining the SWISSCO, she worked for the Economic Cooperation and Development Division of the State Secretariat for Economic Affairs SECO. Before, Nicole worked for the Political Directorate and the Swiss Humanitarian Aid of the Federal Department of Foreign Affairs FDFA.



Scientific Collaborator as of October 2021
Sophie Tüllmann

Sophie Tüllmann holds an M.Sc. in Development Studies from Lund University. Before, she studied for her Bachelor's in Human and Physical Geography at the Ruprecht-Karls University of Heidelberg and the Eötvös Loránd University of Budapest. Throughout her academic career, Sophie conducted an internship in the Department for Human Rights and Gender Equality of the German Federal Ministry for Economic Cooperation and Development and an internship in a Humanitarian Aid NGO in the Philippines. Next to her studies, Sophie is voluntarily engaged as an active board member for World-Horizon, a German volunteer service organization.

The Members

The Swiss Platform for Sustainable Cocoa welcomed three new members in 2021, one from the chocolate manufacturers and traders' sector, one from the research sector and one new associated partner. The Platform now counts 69 members: 62 full members and 7 associated partners. Only full members have a voting right at the General Assembly. The 62 full members represent five different sectors: 36 chocolate manufacturers and traders, six retailers, the federal government (represented by the State Secretariat for Economic Affairs, SECO), 13 non-profit organizations, and six research institutions (see Figure 16).

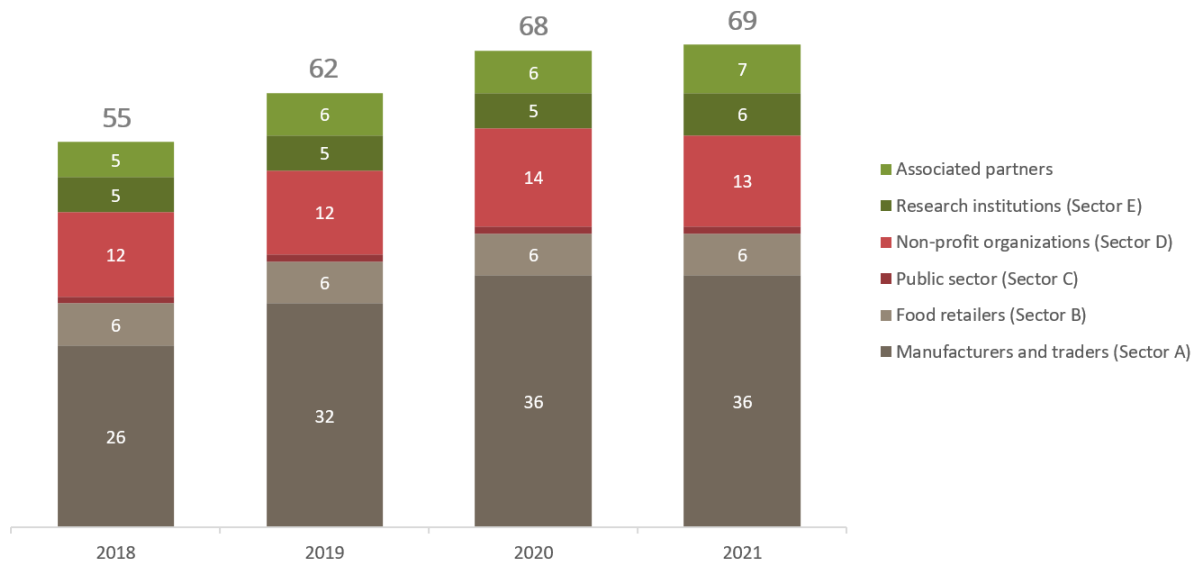


Figure 15: Distribution of the members of SWISSCO by member sector (December 2021) compared to the previous years (December). The State Secretariat for Economic Affairs (SECO) is the only member in the public sector.

Sector A

Manufacturers, traders, and importers

Manufacturers, traders and importers play a crucial role in the cocoa value chain not only by buying and trading cocoa beans and cocoa-based products, but also through their involvement in the countries of origin.

Agroforce Commodities S.A.
 Barry Callebaut Schweiz AG
 Barry Callebaut Sourcing AG
 Caboz AG
 Choba Choba AG
 Chocolat Alprose SA
 Chocolat Bernrain AG
 Chocolat Stella SA
 Chocolats Camille Bloch SA
 Chocolats Halba
 CHOCOSUISSE
 Cocoasource SA
 Colcocoa Sàrl
 Delica AG (ehemals Chocolat Frey AG)

EAB Management
 ECOM Agroindustrial Corp. Ltd.
 Farmer Connect SA
 gebana AG
 JB Cocoa
 KOA
 Koltiva AG
 Läderach (Schweiz) AG
 Lindt & Sprüngli (Schweiz) AG
 Maestrani Schweizer Schokoladen AG
 Max Felchlin AG
 Minka SCS AG
 Mondelez Schweiz GmbH
 Nestlé Suisse SA
 Olam Cocoa
 Pakka AG
 Pronatec AG
 Puratos AG
 SCHÖKI AG
 Villars Maître Chocolatier SA
 Walter Matter SA
 Wander AG

Sector B

Food retailers

Food retailers exert a big influence on the product range and are directly linked to consumers, which makes them an important element in the cocoa value chain.

Aldi Suisse AG
Coop Cooperative
Denner AG
Lidl Schweiz AG
Federation of Migros Cooperatives
Valora Holding AG

Sector C

The public sector

The federal government supports various initiatives enabling sustainable growth in cocoa countries of origin through public-private partnerships.

State Secretariat for Economic Affairs (SECO)

Sector D

Non-profit organizations

Non-profit organizations such as development, consumer, and label organizations have an important voice in stressing the challenges in the cocoa sector and represent the concerns of civil society in the association.

Earthworm Foundation
Eos Entrepreneur Foundation
FarmStrong Foundation
HELVETAS Swiss Intercooperation
International Cocoa Initiative
Committee for UNICEF Switzerland and Liechtenstein
Lindt Cocoa Foundation
Max Havelaar
myClimate
Rainforest Alliance & UTZ
Swiss Foundation of the Cocoa and Chocolate Industry
Solidaridad
Swisscontact

Sector E

Research institutions

Swiss universities, research institutes and consultancies are working intensively on innovative approaches to sustainability. As members of SWISSCO, their expertise is channeled into practical projects.

ETH Zurich
Research Institute of Organic Agriculture FiBL
Bern University of Applied Sciences, School of Agricultural, Forest and Food Sciences BFH-HAFL
Bern University, Centre for Development and Environment (CDE)
South Pole Carbon Asset Management Ltd.
Zurich University of Applied Sciences ZHAW

Associate partners

SWISSCO is committed to a close cooperation with all major actors in the global cocoa sector and therefore enters into partnerships with associated partners at an international level. Associated partners can include governments, producer organizations, and international organizations active in the cocoa sector. Associate partners have no voting right at the General Assembly.

Beyond Chocolate
Committee on Sustainability Assessment
DISCO Dutch Initiative on Sustainable Cocoa
GISCO German Initiative on Sustainable Cocoa
IDH the sustainable trade initiative
ITC International Trade Center
World Cocoa Foundation

A close-up photograph of a cocoa pod. The left side shows a cross-section of the pod, revealing several white, fleshy cocoa beans inside a yellowish, fibrous husk. The right side shows the exterior of the pod, which is a deep red color with a bumpy, textured surface. The background is blurred, showing more of the pod's structure.

„The collaboration and exchange between all stakeholder groups are crucial to achieving SWISSCO’s goal of promoting sustainability. By providing evidence-based results and piloting innovative solutions the research sector can build bridges between stakeholder groups along the cocoa value chain. “

Ingrid Fromm, SWISSCO Board Member

7 Finances

Balance sheet

Assets	CHF
Cash Bank EEK	640'272
Receivables	37'646
Accounts paid in advance	4'841
Total assets	682'759

Liabilities	CHF
Payables	30'501
Other short-term liabilities	11'946
Accrued expenses and deferred income	8'078
Fonds SECO Contribution	329'824
Current liabilities	380'349
Capital	262'689
Annual result	39'721
Organizational capital	302'410
Total liabilities	682'759

Statement of operations

Income	CHF
Membership fees	213'000
SECO contribution (office, projects / peer learning network)	300'000
SECO Contribution Fonds Movements	-26'314
Total income	486'686

Expenditures	CHF
Staff costs	-178'526
Expenses Board	-24'610
Project and Administrative Support	-59'509
Personnel Expenses	-262'645
Office costs	-27'907
Communication	-5'005
External consulting services	-
Events	-263
Logistics, general and travel expenses	-11'929
Other operating expenses - Office	-45'104
Working Groups co-facilitation	-73'758
Monitoring, impact measurement and information sharing	-12'196
Small Grant Facilities	-53'250
Other operating expenses – projects / peer learning network	-139'204
Total expenditures	-446'953
Operating result	39'733
Interest income	0
Interest expenses, bank charges	-12
Annual result	39'721

Imprint

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Swiss Platform for Sustainable Cocoa, June 2022

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