

# **SWISSCO Roadmap 2030**

## "Tackling Challenges Together"

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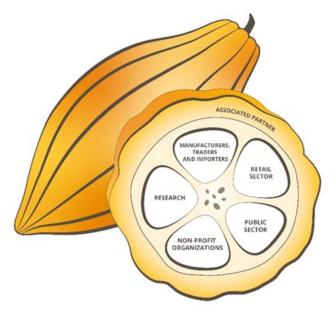


## 1 Following a Multistakeholder Approach

The creation of the Swiss Platform for Sustainable Cocoa ("SWISSCO") is based on Switzerland's deeply rooted democratic approach to **multistakeholder dialogue**. It stemmed from the conviction that an action-oriented network with short communication channels and pragmatic solutions is the best way to tackle the vast social, economic, and environmental challenges in the cocoa producing countries. Like hardly any other agricultural commodity, cocoa production is dominated by smallholder farmers, the vast majority of whom live in West Africa. Due to relatively low entry barriers and well-established global supply chains, cocoa offers concrete opportunities to generate cash income and provide better development prospects for cocoa farmers and their families.

However, the effective use of these opportunities requires the active contribution of all five sectors represented in SWISSCO and similar platforms in both producer and consumer countries in the sense of "shared responsibility".

At international level, the multistakeholder approach for a sustainable cocoa value chain was endorsed by the **Global Cocoa Agenda** launched at the first World Cocoa Conference in Abidjan in 2012. Under the key challenge Strategic Management, both producer



and consumer countries were invited to overcome the proliferation of uncoordinated initiatives and bundle the efforts through a fully inclusive, transparent, and participatory approach, involving all stakeholders in the cocoa value chain.

In 2015, the United Nations likewise adopted the multistakeholder approach in launching the **2030 Agenda for Sustainable Development**. In the aftermath, the 17 Sustainable Development Goals (SDG) and the 169 Targets evolved into the common framework for multistakeholder dialogue and action in both producer and consumer countries. In creating SWISSCO, the founding members sectors therefore declared to make a measurable contribution to the SDGs, focussing on:





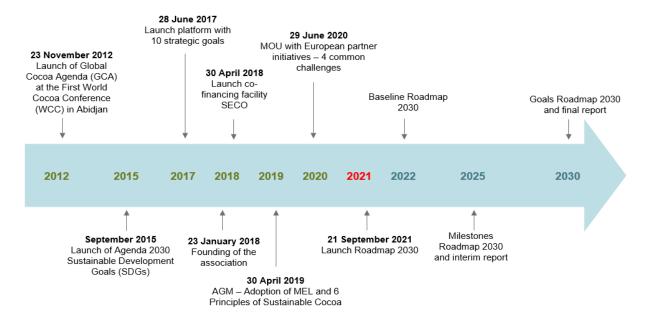
Following a multistakeholder approach, SWISSCO aims to build on its vast network and **to foster collaboration in the following areas:** 

- Projects: SWISSCO as multistakeholder platform is ideally positioned to pool funds, promote the implementation of innovative and cross-sectoral projects, enable joint learning, develop flagship initiatives, and ensure target-oriented accountability and impact measurement.
- Pear Learning and knowledge exchange at Swiss and European level: Topics such
  as traceability, income, climate, or child labour are of equal interest to member
  and our partner initiatives in Germany, Belgium, and the Netherlands. Working
  groups, workshops and other events increase the wealth of experience of good as
  well as instructive failed examples and practices.
- Accountability and center of competence: A credible sustainability initiative stands
  or falls with the transparent reporting and communication on progress as well as
  setbacks. The SWISSCO office conducts the annual collection of sustainable cocoa
  imports and consolidates project reporting and members surveys following selected indicators harmonized and aligned at international level. By collecting and
  processing first-hand information from members and partners, SWISSCO reinforces its role as a center of competence concerning sustainable cocoa.
- Policy dialogue: As multistakeholder platform involving the Swiss Government, SWISSCO contributes to the policy dialogue with local authorities and counterparts in the main sourcing countries for Switzerland. In key partner countries such as Ghana and Peru, SWISSCO seeks to support actively Switzerland policy dialogue to address factors that undermine enabling conditions for a sustainable cocoa value chain.



## 2 Roadmap 2030

The Roadmap 2030 refers to the SDGs prioritised in the original Memorandum of Understanding as defined in the Strategic Goal 5. <sup>1</sup> The timeline below embeds the Roadmap 2030 in **the history of SWISSCO**, which was launched on 28 June 2017.



Roadmap 2030 identifies **four target areas** that are thematically aligned with the four key challenges defined in the MoU with the European partner initiatives in Germany, the Netherlands and Belgium addressing living income, deforestation, child labour, traceability, and transparency. Besides, the Roadmap 2030 identifies gender and innovation **as key transversal themes** for a sustainable cocoa value chain.

Furthermore, the target areas and the various targets are based on the **six Principles of Sustainable Cocoa**<sup>2</sup> and the joint **Monitoring, Evaluation and Learning (MEL)**<sup>3</sup> framework approved in the General Assembly in 2019. The Roadmap 2030 Targets, as presented in the following, aim to be measurable, ambitious, realistic, and clearly defined in terms of time. The Roadmap interim report foreseen in 2025 shall be used to potentially review the targets in view of emerging needs and opportunities and changing contexts in an increasingly complex system.

<sup>&</sup>lt;sup>1</sup> Swiss Platform for Sustainable Cocoa, Memorandum of Understanding of 28.06.2017 https://www.kakaoplattform.ch/fileadmin/redaktion/dokumente/Absichtserklaerung D F E.pdf

<sup>&</sup>lt;sup>2</sup> SWISSCO is committed to the six principles for sustainable cocoa production: 1. promoting decent living conditions and contributing to a living wage for cocoa farmers and their families; 2. avoiding the worst forms of child labour; 3. avoiding deforestation and sourcing from protected areas and promoting forest restoration; 4. promoting climate-smart agriculture and biodiversity on plantations; 5. increasing productivity and profitability of farms; and 6. Promoting participation, partnership and transparency along the cocoa value chain – <a href="https://www.kakaoplattform.ch/de/ueber-uns/unsere-ziele">https://www.kakaoplattform.ch/de/ueber-uns/unsere-ziele</a>

<sup>&</sup>lt;sup>3</sup> SWISSCO MEL framework - <a href="https://www.kakaoplattform.ch/fileadmin/redaktion/dokumente/MEL Framework.pdf">https://www.kakaoplattform.ch/fileadmin/redaktion/dokumente/MEL Framework.pdf</a>



## Target Area 1: Towards a living income for cocoa farmers and their families

Prioritized SDGs and targets















By 2030, all members actively contribute to enabling a living income for cocoa farmers and their families. We are pursuing **a holistic approach considering** all determining factors are (1) price, (2) yield increase, (3) reduction of production costs, (4) income diversification and (5) improvement of enabling conditions and local governance.<sup>4</sup>

Each member is expected to be active in at least in two of the above areas. In cocoa sourcing, supply chain partners contribute jointly to a living income by rewarding farmers and their families for their performance in terms of sustainability and quality (e.g. through premium payments for sustainability and quality, living income differentials, floor prices, risk sharing arrangements, etc.). To allow for a holistic approach, members are encouraged to assess how each driver is being addressed either directly (for example through premiums or farmer trainings) and indirectly by other members or initiatives. Eventually, a "smart mix" of interventions aligned with SWISSCO's multistakeholder approach can be adopted. In pursuing the goal of a living income, we bear however in mind that many determining factors are beyond the control of SWISSCO members.

The measurement of household income to assess whether a farmer has reached a living income is considered methodologically challenging. Therefore, it will be measured based on a representative sample basis as an approximation. To allow for a data driven and science-based discussion, the SWISSCO office in close collaboration with interested members and international partners will engage in **impact assessments** to answer the question if an intervention effectively contributes (among other factors) to impacts and specific outcomes concerning farmer income as defined in the joint MEL framework. Therefore, SWISSCO commits to assess from 2022 behaviour and systemic change by measuring at the level of outcomes and impact based on statistically representative samples covering all cocoa producing regions (i.e., Africa, Latin America, and Asia). National statistics will be involved to the extent possible to enhance the sustainability of data collection and maintenance.

Targets for living Income	2025	2030
1a) All members are active in at least two areas critical to achieve a living income.	Reporting progress based on baseline 2021	Reporting progress since 2025
1b) Supply chain partners contribute jointly to a living income by rewarding farmers and their families for their performance in terms of sustainability and quality	Reporting progress based on baseline 2021	Reporting progress since 2025
1c) SWISSCO conducts impact assessment to measure household income	SWISSCO office and at least 5 members	SWISSCO office and at least10 members

<sup>&</sup>lt;sup>4</sup> These five determining factors have been defined in the scope of the SWISSCO WG Living Income and Child Labour.



#### Target area 2: Deforestation-free and climate-friendly cocoa supply chain

Prioritized SDGs and targets

















SWISSCO engages in international efforts to halt deforestation and forest degradation caused by cocoa production and by other drivers. The Accountability Framework has developed operational guidance on applying the definitions related to deforestation, degradation and other key definitions such as conversion, and protection of ecosystems; <a href="Definitions">Definitions</a> | Accountability Framework (accountability-framework.org). In West Africa, for example, SWISSCO aligns with the efforts undertaken by the EU and encourages member companies to actively participate in the scope of the Cocoa and Forest Initiative (CFI), coordinated by WCF and IDH and supported by the Swiss Government. CFI pursues a holistic approach to tackle deforestation in close collaboration and alignment with the Governments of Ghana and Ivory Coast with activities aimed at forest conservation and restoration of forests.

SWISSCO aims at spearheading the development of landscape approaches that set, pursue and measure sustainability, climate and forest targets at jurisdictional level (e.g. district, province or region) and rely on multistakeholder collaboration between private, public and civil sectors. SWISSCO, through its office and engaged members, commits to actively engage in cocoa sourcing landscapes most important for the Swiss cocoa supply chain that seek to end deforestation and forest degradation and to conserve and restore protected areas and High Conversation Value (HCV) – High Carbon Stock (HCS). The further engagement of sustainable cocoa sourcing landscapes requires a common understanding of the challenges, opportunities, and criteria for an effective engagement of SWISSCO (see SWISSCO task group on deforestation-free and climate-friendly cocoa).

At the level of farmers, SWISSCO members enable the effective adoption of **climate smart agriculture or agroforestry practices**<sup>5</sup> by at least 150'000 farmers which represents the approximate number of farmers being part of the Swiss cocoa supply chain.<sup>6</sup> As an intermediate target to be reached by 2025, 70'000 farmers are effectively adopting climate smart agriculture. The following type of farmers will be included in the reporting: 1) Farmers that supply cocoa to the Swiss market and 2) farmers that are supported through SWISSCO member funding, and which are not included in the reporting of other national initiatives.

SWISSCO member companies are guided by science-based targets that provide a clearly

<sup>&</sup>lt;sup>5</sup> For further definitions and operational guidance, SWISSCO members may allude to the resources provided in SWISSCO MEL framework (e.g. Factsheets provided by FiBL) and the Training Manuel for Field Officers "Climate-Smart Agriculture in Cocoa" prepared by WCF and Rainforest Alliance (2018): <a href="https://www.worldcocoafoundation.org/wp-content/up-loads/2018/08/climate-smart-agriculture-cocoa-training-manual.pdf">https://www.worldcocoafoundation.org/wp-content/up-loads/2018/08/climate-smart-agriculture-cocoa-training-manual.pdf</a>

<sup>&</sup>lt;sup>6</sup> The estimate draws from data from SWISSCO's Monitoring, Evaluation and Learning (MEL) framework, including the sourcing statistics. The estimate assumes an average area cultivated with cocoa of 2 hectares and an average yield per hectare of 0.5 metric tonnes.



defined path to reduce greenhouse gas (GHG) emissions in line with the Paris Agreement goals. SWISSCO seeks to foster peer learning and collaboration among companies on their journey towards net zero emissions with a focus on their own supply chain.

A **SWISSCO task group** on deforestation-free and climate-friendly cocoa production will be established to create a common understanding and definitions on the following:

- **Sustainable cocoa sourcing landscapes:** Agreeing on challenges, opportunities, criteria, and governance for an effective landscape engagement of SWISSCO.
- Climate smart and agroforestry practices: Based on the existing resources (e.g. MEL framework), further defining criteria and operational guidance for climate smart and agroforestry practices in cocoa among SWISSCO/ISCO.
- Investment plan: Creating a common understanding of investment needs and solutions in climate smart agriculture, agroforestry, and forest restoration at landscape and/or supply chain level.
- SME involvement: Enabling an effective involvement of SMEs in activities, including reporting (e.g. CFI), to achieve a deforestation-free and climate friendly supply chain.

Targ	gets for forest and climate friendly cocoa	2025	2030
2a)	SWISSCO members actively engage, directly or through supply chain partners, in international efforts to halt deforestation, forest degradation caused by cocoa production area expansion (e.g. the Cocoa and Forest Initiative in Ghana and Ivory Coast or the Forest Positive Coalition of Action <sup>8</sup> ) and logging inside cocoa plantations.	Members report on their engagement since 2021	Members report on their engagement since 2025
2b)	SWISSCO engagement in cocoa sourcing landscapes, involving at least 3 member companies and active facilitation by SWISSCO office	At least 5 sourc- ing landscapes are operational	Reporting progress since 2025
2c)	SWISSCO members enable farmers to adopt effective climate smart agriculture or agroforestry practices.	At least 70'000 farmers ena- bled	At least 150'000 farm- ers enabled
2d)	Swiss cocoa supply chain partners are on the pathway towards 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	Member com- panies report on their path- way since 2021	Member companies report on their pathway since 2025

<sup>&</sup>lt;sup>7</sup> According the Science-based Target Initiative (SBTI; <a href="https://sciencebasedtargets.org/">https://sciencebasedtargets.org/</a>) targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

<sup>&</sup>lt;sup>8</sup> For further details, see; <a href="https://www.theconsumergoodsforum.com/environmental-sustainability/forest-positive/">https://www.theconsumergoodsforum.com/environmental-sustainability/forest-positive/</a>



#### <u>Target Area 3: Tackling child labour and improving perspectives of the youth</u> *Prioritized SDGs and targets*















Despite manifold industry and government efforts, to date the progress made to eradicate child labour in cocoa production in West Africa has been only limited and the elimination of child labour targeted in SDG 8.7 is still far from reach. To this end, all members active in producing countries with incidence of child labour have committed themselves to contributing to tackle child labour and to improve the perspective of youth by 2025. In the UN International Year for the Elimination of Child Labour, SWISSCO underlines the importance of this challenge by **joining the Alliance 8.7** a global partnership committed to take immediate and effective measures to eradicate forced labour, modern slavery, human trafficking and child labour, in accordance with SDG Target 8.7. With this step, SWISSCO aims to scale up efforts to tackle child labour and improve the perspectives of youth in the main producing countries.

SWISSCO favours holistic approaches based on national, landscape and community-based approaches to tackle the problem of child labour. This includes the use of Child Labour Monitoring and Remediation System (CLMRS) <sup>9</sup>, community development programs, human rights due diligence processes and other instruments. Only through shared responsibility and involvement of the relevant public and private stakeholders and economic prosperity in rural areas the elimination of child labour is achievable. In the areas of child labour prevention and policy dialogue with local authorities, SWISSCO aims to strengthen the cooperation with the International Labour Organisation (ILO), UNICEF, ICI, and multilateral development banks.

The complexity of the challenge which has systemic root causes beyond cocoa requires a smart mix of measures and instruments, which focus on education, health, social security, improvement of income and overall framework conditions. Besides, SWISSCO seeks to pilot innovative financing approaches, such as targeted performance-based financing schemes (e.g. social impact bonds) to strengthen the education and development prospects of children and young people.

Targets for child labour	2025	2030
3a) All members active in producer countries with incidence of child labour in cocoa production are contributing to eliminate the root causes of child labour and therefore child labour and to improve the perspective of youth.	Members report on the progress made since 2021	Members report on the progress made since 2025
3b) SWISSCO engages in sustainable cocoa sourc- ing landscape involving efforts to tackle child labour effectively	At least 2 landscapes operational and progress reported	At least 2 landscapes are reporting pro- gress since 2025

<sup>&</sup>lt;sup>9</sup> For an overview and definitions, see the ISCO-Benchmarking Study prepared by ICI; <a href="https://www.kakaoplattform.ch/filead-min/redaktion/dokumente/2021\_CLMRS\_Benchmarking\_study\_ICI\_.pdf">https://www.kakaoplattform.ch/filead-min/redaktion/dokumente/2021\_CLMRS\_Benchmarking\_study\_ICI\_.pdf</a>



3c) SWISSCO signs and operationalizes cooperation agreements aimed at child labour prevention with local authorities und, where appropriate, with multilateral organizations such as ILO, UNICEF, and development banks.

MoU with Alliance 8.7 pathfinder country (preferably Ghana)

Reporting progress on MoU with pathfinder country (preferably Ghana)

## <u>Target Area 4: Transparency and traceability within the cocoa supply chain</u> *Prioritized SDGs and targets*







By 2030, the entire physical flow of products containing cocoa into Switzerland (beans, butter, mass, finished products, etc.) should be traceable based on sustainable agricultural production.<sup>10</sup> The previous milestone target of 80% of imports by 2025 remains as stipulated in the Declaration of Intent (2017).

The ambitions concerning the level of traceability should be harmonised as far as possible and appropriate with the other European platforms in the scope of the joint ISCO Working Group on Traceability. SWISSCO member companies are committed to promote and gradually enhance "first mile traceability" as a means to underpin growth perspectives of farmers and to increase the level of transparency for consumers. Furthermore, SWISSCO member companies strive for adequate levels of traceability along the supply chain. This includes the considerations of benefits for consumers and farmers alongside the efficiency and practicability of pursued traceability measures. <sup>11</sup>

	Targets for transparency and traceability	2025	2030
4a)	The entire physical flow of products containing cocoa into Switzerland (beans, butter, mass, finished products, etc.) should be traceably based on sustainable agricultural production (see references under 1, 2 and 3).	80% (retained from Declara- tion of Intent, June 2017)	100%

<sup>&</sup>lt;sup>10</sup> According the Declaration of Intent, acceptable schemes are: 1) an internationally recognized sustainability standards (e.g. Rainforest Alliance, Fairtrade), a corporate programme which has been credibly verified (e.g. corporate programs), and 3) another form of sourcing that makes a measurable and credibly verified contribution to SWISSCO targets and prioritized SDGs (third schemes not yet operational); <a href="https://www.kakaoplattform.ch/fileadmin/redaktion/dokumente/Absichtserk-laerung\_D\_F\_E.pdf">https://www.kakaoplattform.ch/fileadmin/redaktion/dokumente/Absichtserk-laerung\_D\_F\_E.pdf</a>

<sup>&</sup>lt;sup>11</sup> At present, a distinction is made between conventional cocoa (level 0), mass balance (level 1), segregation (level 2) and identity assurance (level 3). In the Joint Technical Brief on cocoa traceability (2021), a new form of segregation has been outlined, which is based on the concept of "information preserved". In the processing steps, the cocoa-containing products of different origins are mixed, but all ingredients used are adequately documented and guarantee basic criteria regarding sustainability. The resulting production volume (e.g. of cocoa butter) would then be a transparently traceable blend of traceable sustainable cocoa. The concept of "information preserved" is of interest for SWISSCO member companies. However, it requires a common understanding of the basic sustainability requirements for traceable products. The Joint ISCO Working Group has the mandate to provide answers and definitions. The basic sustainability requirements may cross-reference to the challenges of deforestation and child labour. For further details, see 2021 Technical Brief on Cocoa Traceability IDH GISCO C-Lever pdf (kakaoplattform.ch)



4b) Enhanced traceability along the supply chain, involving first mile traceability and – where efficient and practical - segregation of physical flows.

Report on progress since 2021 (baseline)

Report on progress since 2025 (midline)

#### Key transversal theme 1: Gender

Affected SDGs and targets





Gender is given special importance as a key transversal theme. SWISSCO plans to develop a gender strategy by 2023. The aim is to ensure that gender aspects are comprehensively considered when programmes and projects are planned, implemented, and monitored. Specifically, SWISSCO seeks to promote women's access to better training, jobs, land, markets, high education, and financial services. In the projects supported by SWISSCO, it is essential to systematically include gender aspects and to be aware of and consider social norms, legal requirements, gender-specific opportunities and risks.

#### Key transversal theme 2: Innovation

Affected SDGs and targets







A second key transversal theme is innovation to increase value creation in the producer countries. The potential and the need for further innovations arise both in the production and processing of cocoa beans and in the greater diversification of the production steps and the product range.

## 3 Implementation

The implementation of the Roadmap 2030 requires the strengthening and further development of the existing structures and vessels of SWISSCO. True to the principle "form follows function", the following aspects should be strengthened.

#### Network

For many members, the most important added value of SWISSCO is its **network**. It facilitates informal contacts, promotes knowledge exchange and transfer and strengthens trust among members and partners. Member events, which are to take place two to three times a year in addition to the general assembly, serve to continuously strengthen this core network function. These events should address current, burning topics and stimulate informal exchange among members.



#### **Projects**

SWISSCO is action-oriented and strives for sustainable impacts in the cocoa producing countries. Due to its networking, the **multistakeholder platform is ideally positioned** to pool and mobilise funds, promote the implementation of innovative and cross-sectoral projects, enable joint learning, develop flagship initiatives, and ensure target-oriented accountability and measurement. The portfolio should include small, innovative projects as well as comprehensive public-private partnership programmes with a variety of partners. The procedures for planning, decision-making, implementation, and reporting should be adapted to the different realities and needs.<sup>12</sup>

#### Peer learning and exchange of knowledge

To foster peer learning and the exchange of knowledge, the cooperation with the European Initiatives for Sustainable Cocoa (ISCOs) is to be strengthened. Topics such as traceability, monitoring, deforestation, climate, and biodiversity, living income and child labour are of equal interest to our partner initiatives in Germany, Belgium, and the Netherlands. Joint working groups of experts increase the wealth of experience of good practices as well as instructive failure examples.

These new working groups will gradually replace the purely national working groups. However, the SWISSCO office ensures effective internal alignment and participation in the ISCO level working group through the convening of mirror groups when deemed necessary and useful. Besides, the SWISSCO Board shall continue to form temporary tasks groups on the proposal of members to deal with special and urgent topics such as to ambition to achieve a deforestation-free and cocoa supply chain with net zero emissions. The composition of SWISSCO internal mirror and tasks forces should be as equal as possible and involve expertise of all member sectors. The individual sectors are encouraged to meet and coordinate internally.

#### Reporting and communication

A credible sustainability initiative stands or falls with the transparent reporting and communication on progress as well as setbacks. To credibly measure the implementation progress, **member surveys** will be conducted in 2022, 2025 and 2030 to capture the contributions of all members in the four target areas and the two transversal themes. In including all members, the member surveys will complement the annual data collection through the project specific MEL monitoring and the measurement of sustainable imports ("sourcing statistics"). The member survey in 2022 will take the form of a baseline report, collecting data from 2021.

The annual measurement of sustainable cocoa imports will be **merged** with project MEL reporting no later than 2023. All members with projects in cocoa producing countries are encouraged to join the MEL reporting and peer learning. The current reporting format is to be further simplified for SMEs and small organisations by means of digital data collection and a set of key indicators adapted to the essentials. For large companies and organisations, the aim is to align and merge the current MEL reporting as far as possible with the monitoring efforts at European level and the Cocoa & Forests Initiative facilitated by IDH and WCF. The table below outlines the main reporting formats which are aimed to mutually reinforce and complement each other.

<sup>12</sup> For the period 2022 to 2025, SWISSCO seeks to renew SECO's popular co-financing mechanism for both large and small grants. The promotion of public private partnerships shall be a key priority in the coming years to drive scale and innovation aimed at achieving the targets defined by the Roadmap 2030. The nature of public-private partnerships with small organisations should unbureaucratic and respond to innovative approaches and to common interests for the benefit of the SWISSCO community.



	When	Who	What
Member survey	2022 (Baseline), 2025 (Midline), 2030 (Endline)	All members (mandatory)	All target areas and key transversal themes
Sourcing statistics	Annual data collection, Q1	Sectors A and B (mandatory)	transparency and traceability
MEL reporting, for large companies aligned with ISCO/ WCF/CFI	Annual data collection, Q1	All members implementing projects on the ground (voluntary)	living income, deforestation and climate, child labour, gender
Impact assessments (contribution or attrib- ution analysis)	To be defined, as a comple- ment to MEL re- porting	Selected mem- bers, coordinated by SWISSCO/ISCO offices	Living income (house- hold income)

**Communication** about the hands-on experiences and examples from members will be strengthened within the framework of existing channels such as member events, newsletters, LinkedIn, and Twitter. In addition, media work will be enhanced to bring the contribution of SWISSCO and its members to the challenges of the 2030 Agenda closer to members and the interested public.

#### International coordination and policy dialogue (SDG 17)

The existing agreements with the **European partner initiatives** as well as with the **WCF** provide a good basis for deepening cooperation. European cooperation at ISCO level is taking on concrete forms and touches on the areas of peer learning and knowledge exchange, reporting, communication, and policy dialogue with partner countries.



In the policy dialogue with partner countries, SWISSCO intends to deepen its engagement with selected countries. The existing Memorandum 2022 with **Ghana** shall be renewed and deepened. The annual exchange is sought to be strengthened and experiences from projects are to be discussed in an open and constructive manner. In addition, SWISSCO is willing to actively engage in the Cocoa & Forests Initiative in Ghana.

There are also promising niches for intensified policy dialogue in Latin America. Based on common interests such as the promotion of fine flavoured cocoa or climate-friendly cocoa production, policy dialogue should be strengthened. In Peru, Switzerland is already part of the steering committee for the preparation of the National Development Plan for Cocoa. In the case of Colombia, there is an intense cooperation within the framework of the National Action Plan for Cocoa. In SECO's non-priority countries such as Ecuador, Honduras, Nicaragua, the Dominican Republic and Costa Rica, opportunities for targeted forms of policy dialogue involving the Swiss embassies and cooperation offices are also to be exploited.



## 4 Financing

The organisation of SWISSCO should remain as lean and as member driven as possible. The available funds for the implementation of the Roadmap 2030 should be used in a concrete and impact-oriented manner in the countries of origin. However, SWISSCO strives to strengthen its membership base in the long-term and to attract more members with an attractive offer tailored to needs and interests of the different sectors and members.

The lion's share of the financial resources is to flow into concrete **projects on the ground.** To achieve the ambitious goals, SWISSCO is also striving to forge alliances with external partners to mobilise additional funds. This is particularly true for the ambitious goal to reach a deforestation-free and Swiss cocoa supply chain with net zero emissions, addressing the climate emission along the cocoa value chain.

Substantial funds from public and private **climate finance** are needed for this. The current boom in **sustainable finance** should also be increasingly directed towards the cocoa sector. The risk profile of the agricultural sector, which is dominated by smallholders, should be improved in a targeted manner through innovative partnerships in this prospering sector in Switzerland. Concerning **climate finance**, SWISSCO seeks to actively use the possibilities of co-financing climate-relevant projects within the Swiss climate policy and the pooling of member sources to leverage climate funds in the voluntary carbon market.

The **coordination office** is crucial to unlocking the potential of projects. Although members are responsible for implementing projects, the coordination office acts as a central service unit and hub for monitoring, knowledge sharing, communication and, in some cases, contract and financial management. These **project-related services**, complementing the core services to be covered by membership fees, shall be borne by the beneficiary members in the most cost-efficient way possible. In the case of co-financed public-private partnerships, the costs shall be equally shared.