

Minutes

Meeting of the WG PRO PLANTEURS

1st September, 14:00 – 16:00 Uhr (Skype-Call)

Date: 1st September 2020, 14:00 – 16:00 Uhr

Topic: Meeting of the WG PRO PLANTEURS

Participants

Bahn, Evelyn (INKOTA)
 Comino, Silvana (Myclimate)
 Christiansen Felix (H.C.C.O)
 Dobringa Francesca, (TransFair e.V)
 Dr Elwers Silke, (Lubeca)
 Dr Erbrath, Torben (BDSI)
 Freeborn, Silvia (Myclimate)
 Glaab, Elise (Ferrero)
 Hellar, Dr. Christiane (Stiftung Wirtschaftsethik)
 Hütz-Adams, Friedel (Südwind Institut)
 Kiewisch Manuel (Mondelez)
 Laudenklos, Judith (Schokinag)
 Munoz Catalan, Natalia (Nestlé)
 Reichert, Andreas (Rübezahl)
 Schierwagen, Beate (Cargill)
 Schnick, Janina (GFA)
 Schulze-Kalthoff, Imke (Hofer)
 Schuh, Manuel (Nestlé)
 Von Rhein, Annalena (Aldi Süd)
 Von Reden, Bettina (TransFair Germany)
 Wißner, Roman (Haribo)

Weiskopf, Beate (Secretariat)
 Lehmann, Sonia (PRO-PLANTEURS)
 Bodewing, Johanna (Secretariat)
 Doll, Johanna (Secretariat)

Chair of the meeting: Felix Christiansen (H.C.C.O)
 Minutes: Johanna Doll

Agenda	
Item 1	Introduction and antitrust statement
Item 2	News from Côte d'Ivoire
Item 3	Presentation of the Matching Funds und the submitted project proposals
Item 4	Feedback and discussion round on the submitted project proposals
Item 5	Various topics and further steps
Item on Agenda	Responsible for To Do's
Item 1: Introduction and antitrust statement Felix Christiansen welcomes the meeting participants warmly to today's meeting. After that Beate Weiskopf reads out the antitrust statement.	
Item 2: News from Côte d'Ivoire Felix Christiansen informs the participants about news from the Ivory Coast.	
Upcoming Presidential election	

Prime Minister Amadou Gon Coulibaly [unexpectedly died on 8 July](#), depriving the governing Rally of Houphouëtists for Democracy and Peace (RHDP) of their leading candidate for the [31 October presidential election](#). President Ouattara announced he is taking back his promise to not run for another term, since no other candidate is available. Political opponents have challenged the legality of [President Alassane Ouattara's decision to run again](#), also because the country's constitution stipulates a two term limit for a the President's term in office. The presidential election will take place on 31st October with a potential second round on the 30th November. The political situation is tense and turbulent, but cocoa exports will most likely not be affected.

Living Income Differential, Sustainability Differentials

In the forthcoming 2020-2021 cocoa season, chocolate producers have agreed to pay a [Living Income Differential of 400\\$ per tonne of cocoa beans for both Ghana and Côte d'Ivoire](#). From July 2022 onwards, Rainforest Alliance charges a new [Sustainability Differential](#) of \$70 a tonne as cocoa specific requirement that will be paid to the individual farmer. [Fairtrade](#) also revised their minimum payments and premiums in October 2019. [The minimum price](#) per tonne was set at 2400 US Dollar and the Fairtrade premium rose from 200 US Dollar to 240 US Dollar and were already introduced last season.

Cocoa Markets and Prices

This season, the volume of cocoa beans sold has gone down a bit in comparison to the season of 2019. This is mostly due to restraints and precaution from the side of cocoa buyers in light of the current COVID crisis. Banks are getting a lot more restrictive in Côte d'Ivoire, because of defaults and bankruptcy issues, so locally it becomes difficult to obtain financing lines. The export licenses are currently being renewed, with the tendency that there will be fewer small exporters to the benefit of bigger cocoa exporters. There are also large international banks that are withdrawing from cocoa financing, including the Société General and ABN Amro and Rabobank, which caused trouble on the global markets.

Impacts of the Coronavirus crisis

According to [official numbers from the WHO](#), as of September 1st there were 17.984 cases of COVID 19 with only 115 deaths. There was a quintuplication of cases in the last weeks, but very few people that get tested, so estimations about the real impact are very difficult. According to a local employee in Côte d'Ivoire every third person who is testing is tested positively.

Sonia Lehman gives a project update from PRO-PLANTEURS:

Update PRO PLANTEURS

The 2nd phase of the project PRO PLANTEURS started on the first of June, and on the July 15th the handover of Judith Steffens to Sonia Lehmann took place. She is now the project responsible and will depart to Côte d'Ivoire on September 14th. Despite the political tensions, workshops and trainings of PRO PLANTEURS cooperatives and farmers are still taking place.

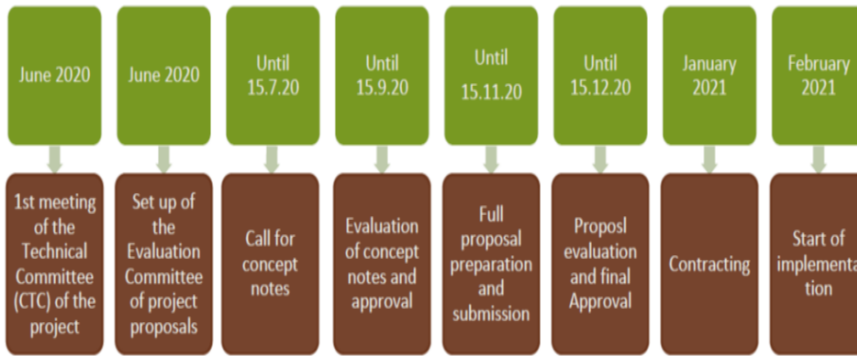
There is a number of studies that have been commissioned (on the roles and tasks of women in cocoa production with the aim to increase women's participation in trainings; another one with INA (Initiative für Nachhaltige Agrarlieferketten) on the diversification of cocoa and cashew; and an evaluation on diversification activities). Different factsheets on the experiences and lessons learned of the project have been uploaded on the website of GISCO. Both the [summary of the endline study](#) as well as [the BMEL project progress review](#) are available on the GISCO website. Due to the Covid-19 virus, the 3 events planned to share the results of the first project phase with the farmers had to be postponed. Possible formats to implement the exchange in this year in spite of the virus are currently examined. The Steering committee and the technical committee of the project are been validated for the second project phase (*Comité*

de pilotage and the comité technique) and will have their first meetings in the last trimester of 2020.

Item 3: Presentation of the Matching Fund and submitted proposals

Sonia Lehmann presents the process and the submitted proposals for the Matching Fund. The full presentation, including an overview of the proposals, is attached to the minutes. (Annex 1)

Preliminary timetable of the first call for proposals



Until the 15.07 five project proposals were submitted and an Evaluation Committee to examine the proposals was organised in Côte d'Ivoire. The Evaluation Committee (Comité d'Evaluation) consists of

- 2 representatives of the Conseil du Café Cacao (CCC),
- 1 representative from the Ivorian Agriculture Ministry (MINADER),
- 2 GISCO representatives (Fairtrade and Mars);
- 2 representatives from the project PRO-PLANTEURS (Elvis Coré and Sonia Lehmann)

In total, 7 Members of GISCO have submitted proposals. 4 of the five proposals were submitted in collaboration with other members, which is a very pleasant result. The topics of the projects are related to GISCO's objectives, e.g. Income improvement, climate smart production, deforestation free production, elimination of child labor, gender & youth. The total volume of the submitted proposals is EUR 2,715,000, with a requested co-funding of EUR 997.000 (37 %). The requested sum is significantly higher than the foreseen BMZ budget of the fund so far, which is 600.000.

In principle, all five projects meet the Matching Fund selection criteria but the given budget will determine the final decision. This will be taken within the next weeks. by the evaluation committee. Comments of the Working Group PRP-PLANTEURS will be taken into consideration.

The objective is to have the detailed concepts of the projects by mid-December latest so that contracts can be concluded, and implementation can start in January/February 2021.



Item 4: Feedback and discussion round on the submitted project proposals

GISCO Members are giving their feedback on the content and design of the proposed projects for the Matching Fund.

Project 1: Household Income Accelerator with a project duration of three years. (Nestlé, Cargill)

The Household Income Accelerator aims to improve four key areas in cocoa production and income generating. Farmers receive training in GAP adoption including pruning and yield improvement. In addition, between 18 to 30 shade trees are planted on each cocoa farm. Lastly, farmers are trained in income generating opportunities leading to an increase of non-cocoa income. Thus, the risk of child labour will be mitigated and monitored. If the KPI's for each area are fulfilled, farmers will receive a premium payment of 100 euros per year/ per area with an additional 100 euros if the KPIs for all four areas are fulfilled.

Feedback:

- It needs to be clearly defined what varieties of trees will be planted. All kinds of trees can be declared as "shade trees" . It needs to be defined whether the trees planted create permanent or temporary shade.
- The number of shade trees planned is relatively low in comparison to other regions (in South America you would plant up to 70 trees for it be called an agroforestry system)
- The timespan of the project needs to be examined critically. If you plant tree seedlings, they might hardly reach significant heights in only three years.
- long-term vision needed on how to increase farmers income is missing in the project proposal
- need to clarify how the 500 US Dollar Incentives will be paid.
- **The gender component** could be stronger in the project proposal, especially regarding alternative income sources (important for women in the cocoa sector).
- Also, it was suggested to examine if it is possible to include an indicator on the number of jobs created e.g. by developing the nurseries.

Project 2: Catalyzing climate smart and forest friendly cacao supply chains for improved farmer livelihoods (Myclimate)

Development of a model for deforestation-free and climate-positive cocoa production using FARM-TRACE, a software platform and app that maps farmers' sustainability activities and feeds them into the value chain. This enables transparency and traceability, the calculation of a carbon footprint, and enables efficient impact monitoring. Furthermore, the income of cocoa farmers will be increased through the Payment for Environmental Services (PES).

Feedback:

- Suggestion to seek for a GISCO member company to participate as industry partner in the full proposal, because they can offer valuable know how on the supply chain and in return, they could receive a real marketing advantage.
- Provide more details on the PES system in the full proposal of the project

Project 3: Biochar application trials for Cocoa Farming Resilience - from greenhouse and farmer field trials to farmer upscale (Solidaridad, Barry Callebaut)

Nestlé, Cargill

Myclimate

Solidaridad/ Barry Callebaut



The main objective is to conduct field trials in cocoa plantations with biochar. This will measure the effects on the trees with the aim to obtain better effects for the yield. The expected results are that farmer yields will increase by 10-20% during the duration of the project of 1 year. A special focus is given to women empowerment and strengthened resilience for cocoa farming households.

Feedback:

- this is a focused project where you are able to obtain a clear result at the end.
- concerns about the limited duration of the project (one year) It might be difficult to measure results in such a short period
- Who would in the long term bear the cost of this biochar and the potential biochar system and how can this be integrated at farm level?
- A Cost-benefit analysis is missing. For the very high sums that are spent, only a very limited number of farmers is reached. (is the efficiency given?)
- The biochar is produced in Europe and then shipped to Africa: It would be good to examine local alternatives for production.
- The question of how biochar will be made available for farmers (especially from poorer households) is raised.

Project 4: Improving the resilience of cocoa producing households and their communities in Cavally region, Côte d'Ivoire (Rittersport, Cargill)

Rittersport/Cargill

The project is mainly dedicated to the establishment of agroforestry systems on cocoa farms. By establishing these agroforestry systems, cocoa productivity will be secured, and women will particularly benefit from commercializing shade tree distribution. The relevant farming households will be able to sell agroforestry products, which will help to increase their non-cocoa income resources.

Feedback:

- There needs to be a clearer definition of the term agroforestry and a long-term perspective: The success of the introduction of AF Systems largely depends on how sustainable they are and if they works in the long run.
- **Please include more detail on the timeline from when on farmers will reach additional incomes from other products from the agroforestry systems**

Project 5: Contribution to eliminate child labor in cocoa producing communities and improving the social and economic status of youth

Solidaridad West Africa / Mondelez International

This project is two-folded. Component A will **strengthen the community child protection system** by revitalizing existing community child protection mechanisms (CPC) in collaboration with the Ministry of Women, Family and Children and the Ministry of Education as well as with communities. Component B: will empower youth to offer **market-oriented services**. Their SMEs will be supported to undertake additional and profitable services, including full farm management services, certification support, mapping, +10 additional services).

Feedback:

- Explicitly dedicated to the important topic of child labor with new child labour monitoring systems that can be explored.
- Strong link with PRO PLANTEUS cooperatives, which is seen as an advantage: New services offered by young entrepreneurs are tested (going beyond the ones offered by PRO PLANTEURS).

Sonia Lehmann/
PRO
PLANTEURS

General Feedback on the Project Proposals:



<ul style="list-style-type: none">• There are not <u>enough funds available to finance</u> all the proposed projects.• The Comité d’Evaluation is discussing simultaneously the <u>projects and will give their opinion on it</u>. The results will be shared with the WG.• There is the suggestion that BMZ as the single donor of the Matching Fund should have a word in <u>the selection of the projects</u>• There is also the proposal to ask for a <u>second round of the Matching Fund</u> with more time for the members to prepare the project proposals. GISCO should try to ask for more financial resources from BMZ after the good reception of the 1st call for proposals.• There is a proposal to <u>finance only 4 of the 5 proposed projects within the first round due to budget restrictions</u>.• <u>Thus, a survey with the WG members on their three preferred projects should be done</u>. (only those who are not personally involved in the project proposals should participate). This could serve as a recommendation for the Comité d’Evaluation. Here the link to the survey.	Secretariat/BMZ Secretariat/BMZ Secretariat
<p>Item 5: Diverse and further steps</p> <p><u>Presentation of the WG PRO PLANTEURS on the General Meeting of GISCO on the 8th September. Content:</u></p> <ul style="list-style-type: none">• Review of the year on 2-3 slides• Results of the Monitoring of the 1st phase of PRO PLANTEURS• Short overview of project proposals of the Matching Fund would be interesting and will be included in the slides• Presentation will be shared with the WG (<u>see Annex</u>) <p><u>Agreement on the next meeting of the WG PRO PLANTEURS</u></p> <ul style="list-style-type: none">• Next WG meeting will be scheduled <u>shortly after the 15th of November, when full proposals will be presented</u>.	Secretariat / Felix Christiansen Secretariat / Felix Christiansen Secretariat Secretariat/ WG PRO PLANTEURS