We are one of the world’s largest chocolate companies and buyers of cocoa. With that comes a responsibility and an opportunity to help create a vibrant cocoa supply chain. Through Cocoa Life, we’re transforming our cocoa supply chain by empowering cocoa farmers and creating thriving communities. And we’re investing $400 million USD by 2022 to enable this important work.

We launched Cocoa Life in 2012 with a bold ambition to ultimately source all of our cocoa sustainably, mainly via Cocoa Life, and thus, create impact at scale. In this 2016 Progress Report, I’m especially proud of how far we’ve come since 2012. By the end of 2016, we reached 92,000 cocoa farmers in 861 communities and 21 percent of our company’s cocoa was sustainably sourced. We have grown at a consistent pace while delivering high-quality interventions that will have a lasting impact.

Environment continued to be a key focus area as we developed a pilot program on forest protection with the Ivorian government in support of the UN REDD+ partnership we announced at the Paris Climate Summit in 2015. The program includes a tracking system to spotlight deforestation risks and forest restoration opportunities.

We also made progress on our journey to provide equal access and opportunity for the women in our Cocoa Life program. CARE International reported improved financial literacy, increased household income through access to financing, and more active participation in community-level decision-making among women in Ghana and Côte d’Ivoire. Additionally, Oxfam’s 2016 report on “Women’s Rights in the Cocoa Sector” cited Cocoa Life in five out of thirteen examples of best practices.

Partnership is key to achieving these results, which is why it’s one of Cocoa Life’s three core principles. I am grateful to our partners and origin leads, whose expertise, passion and perseverance are driving change. They have been instrumental in helping us connect with cocoa farmers and in teaching communities how to be resilient and plan for their own future.

Industry-level partnership is also essential to transform the cocoa sector. As a World Cocoa Foundation Board member, we continued to drive implementation of the CocoaAction approach through our Cocoa Life program in 2016 and to share best practices on environmental and social sustainability.

– Christine Montenegro McGrath, Chief Well-being, Sustainability and Public Affairs Officer, Mondelēz International
I witnessed this transformation on my latest trip to the Cocoa Life program in Côte d’Ivoire. The community we visited was incredibly different from ones we had met in years past. Community members spoke proudly of their progress and their future plans. The leadership of the community was balanced almost equally between women and men, and they all spoke with confidence and poise, advocating for themselves. It was truly inspiring to witness the impact Cocoa Life has had.

While there is still much to do, I am proud of the progress we are making.

Together, we grow: Cocoa Life

– Christine Montenegro McGrath, Chief Well-being, Sustainability and Public Affairs Officer, Mondelēz International
For Cocoa Life, 2016 was a year of action. Our focus has been on scaling up the reach of our program by increasing productivity and improving community development. We see these areas as inherently linked. The one can’t live without the other and our holistic approach is what makes Cocoa Life unique. So, what does this mean?

We now reach 92,000 cocoa farmers and have started to implement our strategy to provide the right inputs and training to the right cocoa farmers at the right moment in order to help them adopt what they learn and ultimately improve yields. This report tells the inspiring stories of these farmers and how our interventions impacted them. One of my favorite developments was the expansion of our seedling program, which allowed us to distribute more than 2.7 million cocoa seedlings to help farmers grow healthier trees. We also implemented a new coaching program in Côte d’Ivoire, offering one-on-one support to farmers, as well as access to fertilizer and financial services, to help them professionalize their business.

In addition, we mapped almost 115,000 hectares of cocoa farms. This is critical as it helps us understand if farmers’ productivity improves and gives us information on whether farmers are encroaching on protected forest areas, so that we can take action accordingly.

We made strides in community development as well, particularly with a focus on promoting gender equality and child protection. Both assessments, conducted by CARE International on women’s empowerment and by Embode on child protection, have deepened our understanding of these issues. We are committed to building a stronger infrastructure to help women and children have a voice. Our work is helping more women achieve leadership roles and we have established more child monitoring and remediation programs at the community level. Women are essential change agents and it is important that we focus on them.

And while delivering our interventions to create lasting impact has been our focus, we also want to show the world how and where Cocoa Life is making a difference. We launched our Interactive Cocoa Farm Map that brings our supply chain to life, including the number of farmers that are part of the program and the location of their farms. It’s an important part of our commitment to transparency.

This report not only represents the scale we achieved, but also how proud I am of the ongoing impact we are having. We’re enabling farmers to increase productivity, which helps them earn higher incomes in the long term and better support themselves and their families. Cocoa-growing communities also become more resilient as our interventions support them in leading their own development. By taking this farmer- and community-centric approach and collaborating with our partners, we’re creating lasting, transformative change in the cocoa supply chain.

I look forward to having more cocoa farmers work alongside us as part of our Cocoa Life journey.

– Cathy Pieters, Program Director, Cocoa Life
MAKING PROGRESS ON OUR ROADMAP

Cocoa Life is Mondelēz International’s long-term journey to create a vibrant cocoa supply chain while transforming the lives of cocoa farmers and their communities. Since launching in 2012, Cocoa Life has focused on achieving scale and driving impact in cocoa-producing countries: Côte d’Ivoire, Ghana, Indonesia, Dominican Republic, India and Brazil. This effort builds on the Cadbury Cocoa Partnership, which was founded in 2008 in Ghana. 2016 was another year of growth and learning.

GOAL

- 21% sustainably sourced cocoa in 2016
- 92,000 cocoa farmers reached in 861 communities by the end of 2016

GHANA
active since 2012

- 30,100 farmers
- 447 communities

Le Conseil du Café-Cacao
government partner

INDONESIA
active since 2013

- 16,100 farmers
- 132 communities

Indonesian Coffee & Cocoa Research Institute (ICCRI)
research partner

CÔTE D’IVOIRE
active since 2013

- 20,600 farmers
- 229 communities

Ghana Cocoa Board (COCOBOD)
government partner

DOMINICAN REPUBLIC, BRAZIL, INDIA

- 25,200 farmers
- 53 communities

• All cocoa will ultimately be sustainably sourced, mainly through Cocoa Life
• 200,000 cocoa farmers and 1 million community members reached by 2022
MEASUREMENT AND VERIFICATION

Cocoa Life drives change by helping farmers and communities adopt interventions across five focus areas: **Farming, Community, Livelihoods, Youth and Environment**. Additionally, Cocoa Life embeds **women’s empowerment, child protection** and **climate change resilience** as cross-cutting themes to support each of these focus areas. Mondelēz International believes these are keys to sustainable improvement.

**COCOA LIFE IS INDEPENDENTLY VERIFIED:**

**SUPPLY CHAIN VERIFICATION**

FLOCERT, a leading global certification body, verifies the flow of cocoa from Cocoa Life communities into the supply chain and the benefits received by farmers.

**IMPACT ASSESSMENT**

Ipsos, a third-party research agency, annually assesses outcomes on the ground against Cocoa Life’s 10 global key performance indicators (KPIs), which correspond to the five focus areas.

“**VERIFICATION DIRECTLY SUPPORTS COCOA LIFE’S MISSION TO TRANSFORM THE GLOBAL COCOA SUPPLY CHAIN BY WORKING WITH FARMERS, COMMUNITIES AND OTHER PARTNERS TO HAVE A POSITIVE IMPACT ON LIVELIHOODS, COMMUNITIES AND THE ENVIRONMENT.**”

— David W. McLaughlin, Managing Director and Vice President of Agriculture, World Wildlife Fund
2016 PROGRESS IN NUMBERS

This infographic demonstrates the scale achieved by the end of 2016 and how Cocoa Life is making progress in three key cocoa origin countries: Ghana, Côte d’Ivoire and Indonesia. Cocoa Life monitors the below output indicators under five focus areas. These are interventions we put in place with our partners. Cocoa Life routinely collects monitoring data from our partners as part of the ongoing review of program performance at the local level, so we can apply learnings to improve program outcomes in the future.

**FARMING**

We mapped almost 115,000 hectares of cocoa farms. This is critical, as it helps us measure farm productivity more accurately and understand farmers’ proximity to protected forest areas, so we can take action.

**COMMUNITY**

All Community Action Plans (CAPs) are owned by the community. We supported the activation of 854 CAPs and ensured these were included in the public development plans to help secure resources. 434 communities have already completed one or more of their CAP projects.

**YOUTH**

Beyond our critical child protection interventions, we trained 6,414 youth on cocoa-related enterprises and created opportunities for them to work in nurseries and provide services to farmers.

**LIVELIHOODS**

Village Savings and Loan Associations (VSLAs) have proven to be a real success in providing access to finance and improving financial literacy. We established 1,208 VSLAs with 22,367 community members participating, of which nearly 80% are women. Members of VSLAs use the funds for a broad range of investments. start-up capital for new businesses, rehabilitating cocoa farms, children’s school fees and hiring labor.

**ENVIRONMENT**

Increasing cocoa farming communities’ resilience to climate change is urgent. We have trained 34,744 community members on Good Environmental Practices to conserve natural ecosystems and provide viable environments and farmland for future generations.
COMMITMENT TO TRANSPARENCY

For even greater visibility into the supply chain, Cocoa Life launched an Interactive Cocoa Farm Map. In the click of a button, anyone can see where farmers in the Cocoa Life program are located, as well as farm locations and sizes. This tool brings real farmers and their communities to life at a worldwide scale. It’s also an example of Cocoa Life’s commitment to transparency.
PARTNERING FOR IMPACT

Partnership is the key to build lasting change — one of the core principles of Cocoa Life. Each year, Cocoa Life and its partners scale up the program by helping new farmers and communities, as well as evolving the program against the five focus areas. Here are some ways Cocoa Life inspired change and progress through partnership in 2016.

IN INDONESIA

Swisscontact, Cargill, Wahana Visi Indonesia and Cocoa Life embarked on a three-year plan to reach 6,000 farmers and at least 16,000 community members in Southeast Sulawesi. Their goal: develop sustainable livelihoods, promote women’s empowerment and youth participation.

They completed the first phase in 2016, developing Community Action Plans and forming Community Development Committees. Together with the Indonesian government, communities will chart their own course for success and help create environments that cocoa farming families want to live in.
“I’M ALREADY WITNESSING CHANGES FIRSTHAND. COCOA FARMERS UNDERSTAND THAT THEY HAVE AN OPPORTUNITY FOR A BETTER LIFE. AND THE PROGRAM’S EFFORTS ARE BEING MEASURED AGAINST COCOA LIFE’S KEY PERFORMANCE INDICATORS, SO WE CAN TRACK OUR PROGRESS AND CONTRIBUTE WITH THE COUNTRY SUSTAINABLE DEVELOPMENT GOALS. FARMERS ARE SEEING THAT THESE PLANS ARE NOT JUST WRITTEN AND STORED IN A LIBRARY — THEY ARE COMING TRUE.”

— Maria Eugenia Morales, Program Officer for Environmental and Climate Change Portfolio, United Nations Development Programme (UNDP), Dominican Republic

IN THE DOMINICAN REPUBLIC

Crop yields are not as competitive in the Dominican Republic, making it difficult for farmers to earn a living. Cocoa Life, Fundación Reddom and the United Nations Development Programme partnered to address this issue. They are helping 120 farmers improve farming practices that will increase yields and in turn raise incomes. In particular, Fundación Reddom and Conacado, a cooperative of 10,000 cocoa farmers, created field schools to teach farming techniques and Good Agricultural Practices. Fundación Reddom also worked with the Peace Corps to develop a business training program for youth.

IN WEST AFRICA

In 2014, with support and governance from the World Cocoa Foundation, Mondelēz International joined forces with the world’s leading chocolate and cocoa companies to create CocoaAction — an industry-wide strategy to transform the cocoa sector. Successes and challenges of CocoaAction’s first year are shared in CocoaAction’s first Annual Report, published in 2016.
DRIVING CHANGE FROM THE GROUND UP

Cocoa Life designs and implements interventions to create transformative change within cocoa communities. Interventions can vary — starting from the ground up with seedling distribution to giving opportunities for cocoa farmers to gain knowledge and skills that improve their livelihoods beyond farming practices.

EXPANSION OF SEEDLING PROGRAM

One of Cocoa Life’s most successful interventions is its seedling program. In 2016, Cocoa Life expanded this program from Ghana to Côte d’Ivoire and Indonesia to improve the cocoa trees in those regions. Using professional nurseries, Cocoa Life produces seedlings that grow into healthier trees with better survival rates. In turn, farmers improve their yields and earn larger incomes.

By the end of 2016, Cocoa Life distributed 2,731,348 total improved seedlings:

- **GHANA**: 1,450,730 seedlings
- **CÔTE D’IVOIRE**: 914,135 seedlings
- **INDONESIA**: 366,483 seedlings
ONE-ON-ONE COACHING FOR FARMERS

Cocoa Life and its supply chain partners offer productivity packages to farmers in Côte d’Ivoire and Ghana. In addition to providing necessary farming inputs, such as fertilizer, seedlings and planting materials, Cocoa Life introduced a new one-on-one coaching program to teach farmers about Good Agricultural Practices, as well as banking services to help farmers access finances and run their farming businesses.

“SINCE WE STARTED THE COACHING PROGRAM, WE HAVE RECEIVED MORE AND MORE REQUESTS, CONFIRMING THE VALUE OF THIS ONE-ON-ONE SUPPORT. WE SEE FARMERS GETTING BETTER AT IMPLEMENTING THE RECOMMENDATIONS OF THEIR TRAINING. AS A RESULT, THEIR YIELDS HAVE INCREASED AND THUS INCOMES…THIS GIVES FARMERS MORE ACCESS TO HEALTHCARE AND EDUCATION FOR THEIR CHILDREN.”

— Ghislain Romuald Rabe, Agronomist & Operations Manager, Barry Callebaut
ADVOCATING FOR WOMEN AND CHILDREN

Cocoa Life believes women’s empowerment and child protection are critical to sustainable community development. Over the years, Cocoa Life has raised awareness of the issues faced by women and children, while finding ways to help them grow and thrive. In many respects, they are the keys to the future of cocoa farming. By providing them with more opportunities, they’re better able to support their families and contribute to the development of their communities.

CELEBRATING INTERNATIONAL WOMEN’S DAY

For International Women’s Day in March 2016, Mondelēz International brought together 540 women and men in the small cocoa farming community of Amponsaso in Ghana to celebrate, support and recognize women of the Cocoa Life program. Yaa Peprah Amekudzi, Country Lead, and Matilda Nyantakyi Broni, Community Development Manager, for Cocoa Life in Ghana spoke about the importance of gender equality — in farmer cooperatives and community decision-making processes — and how empowering women benefits the entire community. They touched on several themes also addressed in an Oxfam report, published just a week earlier, about women’s rights and emerging best practices as seen in Cocoa Life.
“AS AN IMPLEMENTING PARTNER, I’VE WITNESSED HOW TRAINING WOMEN IN GOOD AGRICULTURAL PRACTICES, THE BUSINESS OF FARMING, AND GROUP MANAGEMENT MOBILIZES THEM TO BECOME CONFIDENT ROLE MODELS. THE CARE REPORT REINFORCES HOW EMPOWERING WOMEN IS A CATALYST FOR CHANGE IN COCOA-GROWING COMMUNITIES, SO I AM EXCITED BY COCOA LIFE’S RENEWED COMMITMENT TO ITS PROGRAMMING.”

— Rose Mensah-Kutin, Ph.D., Director, West Africa Regional Office, ABANTU for Development

CARE INTERNATIONAL: WOMEN’S EMPOWERMENT REPORT

CARE International published a report, commissioned by Mondelēz International, on Cocoa Life’s women’s empowerment efforts in Ghana and Côte d’Ivoire. The assessment found Cocoa Life has:

- Increased cocoa yields from giving women better access to agricultural training
- Improved financial literacy and resilience, and increased household income
- Driven equal access and opportunities for active participation in community-level decision-making bodies
- Implemented a women’s extension volunteers program, instrumental in promoting access to finance, community mobilization and Good Agricultural Practices

Based on CARE’s recommendations, Cocoa Life published its evolved approach on empowering women in cocoa-growing communities. It outlines what has been learned and how the program will strengthen the interventions that have been identified as effective. It also describes the new actions that will be implemented at scale across the five focus areas, including further improving women’s access to training, farm inputs and finance, and also ensuring their inclusion in decision-making processes and environmental programming.
EMBODE: CHILD PROTECTION ASSESSMENT

Over the years, Cocoa Life has worked to help eliminate child labor in cocoa-growing communities. As part of its commitment, Cocoa Life has partnered with Embode, an independent human rights consultancy, to analyze the environment and national child protection infrastructure in key cocoa-producing countries: Côte d’Ivoire and Ghana. Embode commends Cocoa Life’s uniquely holistic approach and direct work with cocoa communities, and recommends continuing to build on its existing approach to tackle the root causes of child labor.

Based on Embode’s recommendations, Cocoa Life is working together with government authorities and its program partners to harness the strengths of its community model to bolster its approach to child protection:

- Implementing community-based Child Labor Monitoring & Remediation Systems (CLMRS)
- Improving children’s access to education
- Linking into and helping to strengthen local child protection systems
LOOKING TO THE FUTURE

Cocoa Life works with a group of strategic advisors to help develop the program’s approach and oversee its implementation. Mondelēz International thanks them for their guidance and counsel since Cocoa Life was created in 2012. Together with its partners and advisors, Cocoa Life will continue aiming to reach 200,000 cocoa farmers and one million community members by 2022. The ultimate goal is to source all cocoa sustainably, mainly via Cocoa Life.

ANDREW BOVARNICK
Lead Natural Resource Economist and Global Head, United Nations Development Programme’s Green Commodities Program

DAVID MCLAUGHLIN
Managing Director and Vice President of Agriculture, World Wildlife Fund

AIDAN MCQUADE
Director, Anti-Slavery International

MIL NIEPOLD
Human Rights and Mediation Expert, The Mara Partners

JANE NYAMBURA
Regional Manager Africa, Ethical Tea Partnership
WE BELIEVE

Integrity and transparency are as important as sun and water.
A sustainable cocoa supply begins with thriving farmers.
	Partnership is the key to lasting change.
Efficient farming practices lead to financial security.
The work of children is education and play.
	Gender equality benefits everyone.
Conserving the land is a promise to future generations.

Together we grow: Cocoa Life