

## CEPF Final Project Completion Report

<b>Organization Legal Name:</b>	Rainforest Alliance, Inc.
<b>Project Title:</b>	Strengthening Biodiversity Conservation in Coffee and Cocoa Production Systems in Bantaeng Regency, Indonesia
<b>Grant Number:</b>	66300
<b>CEPF Region:</b>	Wallacea
<b>Strategic Direction:</b>	3 Support sustainable natural resource management by communities in priority sites and corridors
<b>Grant Amount:</b>	\$105,329.00
<b>Project Dates:</b>	July 01, 2016 - December 31, 2017
<b>Date of Report:</b>	February 28, 2018

### Implementation Partners

List each partner and explain how they were involved in the project

Implementation partners that were involved in the project include the following:

- **Balang – Local partners for coffee farming – RA worked closely with Balang and BUMDES for coffee farmers’ training sessions.**
- **Local Government – Agriculture & Forestry Department (DISHUTBUN), Local Development & Planning Agency (Bappedas) – The RA team worked closely with this government department to complete forestry maps through ArcGIS, analyze project results, and create new maps for resource management. Bappedas provided agricultural maps and the RA team worked closely with this government agency to develop natural resource maps and develop integrated management plans.**
- **Local Buyers – Mars, Olam and Comextra – The project worked closely with Mars and Olam to incorporate quality standards into the RA technical trainings. Comextra bought cocoa beans from local farmers involved in the project.**

### Conservation Impacts

Summarize the overall impact of your project, describing how your project has contributed to the implementation of the CEPF ecosystem profile

**At the conclusion of the project “Strengthening Biodiversity Conservation in Coffee and Cocoa Production Systems in the Bantaeng Regency, Indonesia,” Rainforest Alliance (RA) has successfully**

achieved and, in some cases, surpassed, initial project deliverables and four short-term impacts, which RA hopes will continue to support sustainable, longer-term impacts in the region. Key achievements include the following: (1) a total of 1,102 cocoa farmers were trained on the topics of financial literacy and record-keeping practices; gender equity; and introduction to the 2017 SAN Standard, as well as other topics related to Good Agricultural Practices (GAP) (e.g., Pest and Diseases Management, Chemical Handling, Water Source Preservation); (2) a total of 350 coffee farmers were trained, which, together with the cocoa farmer trainings, surpasses the training target of 1,000 cocoa farmers and 300 coffee farmers under the project’s first short-term impact goal; (3) All three flip-charts and pocket book sets have been finalized, printed and distributed to 350 coffee farmers via the 13 farmer groups; (4) The second short-term impact goal was also achieved – improving management of 1,023.5 hectares of cocoa farms and 351 hectares of coffee farms; (5) RA supported the creation of an integrated natural resource management (INRM) plan in Bantaeng (attached as Annex 10) with the hiring of three consultants in the last quarter period, and in line with this, a Memorandum of Understanding (MOU) was developed with the local government to support integration of the INRM after the close of this project; (6) RA has created a strong link between the cocoa cooperatives and Olam and Mars to further strengthen market access for farmers’ cooperatives, which, together with the aforementioned achievements, have improved capacity and support services to farmers and communities in the Bantaeng, achieving the fourth short-term impact.

Planned Long-term Impacts - 3+ years (as stated in the approved proposal)

Impact Description	Impact Summary
(1) Cocoa and coffee production does not encroach on the Gunung Lompobatang protected area buffer zone.	Natural ecosystems are compromised when cocoa and coffee farmers expand their cocoa or coffee plots into neighboring forests or eliminate native tree species from their farms. Our introduction of the SAN Standard addresses this problem by requiring farmers to protect natural ecosystems and maintain adequate shade cover, tree species diversity, and connectivity in crop areas. RA has also encouraged the government to develop sustainable blueprints for the future through providing socio maps for reference (included in Annex 8).
(2) Increased conservation value on 1,599 hectares of farmland (3) 80% of smallholder cocoa and coffee farmers participating in training and technical assistance experience an increase in yield/income from cocoa and coffee production.	The first steps in preventing further decline in ecosystems (and the services they provide) are to recognize that they have economic value. Armed with this information, we hope to make better-informed conservation decisions, and increase public awareness in Gunung Lompo Battang surrounding area of the value of conservation land and sustainable farming. Cocoa and coffee producing farming methods in Bantaeng are often outdated and inefficient. Our training, conducted by skilled people, has helped disseminate modern, efficient farming techniques to over 52 cocoa-growing communities and 13 coffee communities , which will help smalholders improve

	their livelihood by improving their yield and income capacity.
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Planned Short-term Impacts - 1 to 3 years (as stated in the approved proposal)

Impact Description	Impact Summary
(1) 1,000 cocoa farmers and 300 coffee farmers have improved skills and knowledge in sustainable production and strengthened commitment to protect the natural ecosystem and wildlife.	Over the course of the project, RA has provided trainings to a total of 1,102 cocoa farmers, surpassing the original goal of 1,000. Trainings have also been provided to a total of 350 coffee farmers, surpassing the original goal of 300. These trainings focused on Introductory of SAN Standard, GAP Practices, Biodiversity and Wildlife Conservation, as well as the structure of cooperatives and financial literacy.
(2) 1,099 hectares of cocoa and 500 hectares of coffee farmland impacting the Gunung Lompobatang protected area are under improved management, including 750 hectares of cropland legally cultivated within the protected forest.	As of December 2017, a total of 1,452 farmers have been registered by the project, including 1,084 cocoa farmers from 52 farmer groups, representing 1,023 hectares in total, and 350 coffee farmers from 13 farmer groups, representing 351 hectares in total. As a result, 179 hectares of coffee farmland impacting the Gunung Lompobatang protected area are under improved management, including cropland that is legally cultivated in the protected forest. Rainforest Alliance did not meet its targets under this short-term impact, due to the fact that farmers in the Bantaeng regency owned properties that were smaller in size (0.3 – 1 hectare) than estimates that had been provided by local government authorities (0.5 – 2 hectares) at the onset of the project. Further, RA has completed an assessment report, attached as Annex 8, measuring the “improved knowledge & skill of trained farmers on sustainable production & strengthened commitment to protect the natural ecosystem & wildlife.” This assessment of participating cocoa and coffee farmers’ knowledge and skills in Bantaeng District aimed to understand awareness, ability, and implementation knowledge post-training, which will help smallholders improve their income and yield capacity.
(3) An integrated natural resource management (INRM) plan in Bantaeng is strengthened, developed in close coordination with Bappeda and with buy-in from key local stakeholders. This plan will identify complementary activities to support INRM and guide investment to help safeguard key ecosystem services supporting cocoa and coffee production, local and downstream communities and biodiversity in the Gunung Lompobatang	At the beginning of the project, RA held meetings with Bappeda to introduce the project framework. In addition, representatives from Bappenas were closely involved in the project launch meetings across 15 villages. RA signed a Memorandum of Understanding (MOU) for advancing the action plan, and to integrate INRM practices into the next government planning document. RA developed the comprehensive INRM Plan Document and provided it to the head of Bappeda. Both the head of Bappeda and head of Banteng Regency were positive about the document, really appreciated

protected area.	RA support and were committed to follow up on recommendations noted in the document. They also hope RA will further support them in delivering follow-up activities to ensure the plan is implemented.
(4) Producer groups in Bantaeng have improved capacity to provide support services to farmers and communities, establish internal management systems and implement policies to promote participation of women and youth in cocoa and coffee production.	Action plans developed over the course of the project have encouraged women and youth participation. To date, women/farmers' wives have been provided with trainings on the 2017 SAN Standard, financial literacy, and gender inclusion training sessions for the 16 villages involved in the project, representing a total of 178 participants. In addition, a total of 114 youth participants have joined training sessions on Nurseries and Side-Grafting (for cocoa only), GAP (for coffee), Biodiversity and Wildlife Protection in December 2017. These trainings further built capacities of women and youth in cocoa and coffee sector production.

Describe the success or challenges of the project toward achieving its short-term and long-term impact objectives

**The project successfully delivered all targeted outputs as planned. Additionally, after speaking informally with both cocoa and coffee farmers, as well as government officials, who were involved in the project, the general consensus was that a majority of them felt that they had benefitted from the project's intervention. Yet, despite these achievements, the project encountered challenges with smallholders being unable to obtain RA certification through cooperatives, due to low productivity caused by climate conditions and low global cocoa prices. Additionally, the formal SOP under Deliverable 2.3 was not met due to political instability and lack of organizational structure. However, the foundation has been created for the creation of an SOP for BUMDES and local cooperatives into the future. Overall, farmers have increased their awareness of sustainability farming standards and practices, which will have benefits now and going forward.**

Were there any unexpected impacts (positive or negative)?

**One buyer (PT Olam Indonesia) opened a purchasing unit located near the project area, which had an unexpected positive effect on project efforts. Not only did this new unit facilitate farmers selling their cocoa beans, but also it showed farmers that there are significant price differences between good- and bad-quality cocoa beans, stemming from agricultural practices and post-harvest handling.**

## Project Components and Products/Deliverables

Describe the results from each product/deliverable:

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
1	Application of best management practices on cocoa and coffee farms, based upon the updated SAN standards	1.1	Database documenting training activities produced and reviewed by project team monthly, including date and location of training, name and signature of trainer, summary of training contents, name, gender, and proof of attendance for each participant	Over the course of the project (July 1, 2016 – December 31, 2017), the Rainforest Alliance (RA) field team conducted refresher trainings to a total of 1,102 farmers from 52 farmer groups in the cocoa sector and 350 farmers from 13 farmer groups in the coffee sector, surpassing the project’s first short-term impact goal. As part of implementing training activities, the RA team made monthly updates to an offline spreadsheet database, which records training activities and beneficiary data.
1	Application of best management practices on cocoa and coffee farms, based upon the updated SAN standards	1.2	Printed training materials for coffee farmers, including: 3 flipcharts for 7-course topics and 300 pocket books	A completed final set of flip-charts, meeting the original goal of three, was printed and used during training sessions in August 2017. Over the course of the project, a total of 350 pocket books were distributed to coffee farmers and stakeholders, surpassing the original goal of 300. Examples of the distributed pocket books and flip charts have been attached to this report as Annexes 1 through 6.
1	Application of best management practices on cocoa and coffee farms, based upon the updated SAN	1.3	Internal inspection reports produced and digitized as key element of IMS	Internal inspections were carried out from November to December 2017. Although inspections were originally targeted to begin in September, to be conducted through the Internal Management System (IMS) of the newly-created cocoa cooperative, they could only take place after the cooperative was legalized in October 2017. A total of 1,110 cocoa farmers (including a total of 24 cocoa farmers who had participated in the previous projects

	standards			with RA) were inspected. Of these 1,110 cocoa farmers, a total of 1,012 passed internal inspection with only minor conditions to be corrected, while 98 farmers failed and were disqualified for various reasons (e.g. changing commodity, selling their farms, not meeting GAP requirements, etc.). Thus, 91% of inspected farmers are expected to meet the requirements to pass external 2017 SAN audits, which are scheduled to take place after the end of this project.
2	Strengthened cocoa and coffee producer group structures	2.1	1,300 cocoa and coffee farmers documented as group members	By the end of the project in December 2017, a total of 1,452 farmers, surpassing the original target of 1,300 farmers, have been documented as group members – including 1,102 cocoa farmers from 52 groups and 350 coffee farmers from 13 farmer groups.
2	Strengthened cocoa and coffee producer group structures	2.2	Report delivered demonstrating progress on inclusion of women and youth in project activities, producer group membership and community-led action	Gender inclusion trainings continued through December 31, 2017 for wives/women of both cocoa and coffee farmers. From July through December 2017, two additional villages and 24 new individuals participated in refresher trainings focused on harvest and post-harvest management topics. Over the course of the project, a total of 178 people (162 women and 16 men), representing all 16 villages of the project area, benefited from trainings on gender integration. Apart from participating in gender inclusion trainings, women also helped with internal inspections (a total of 3 out of 13 inspectors). In addition, 3 out of 5 data-entry officers supporting the training database (Deliverable 1.1) are women. RA also delivered TA trainings to 114 youth participants (29 women and 86 men) from 3 villages on the topics of: (1) Biodiversity and Wildlife Protection; (2) GAP Practices for Coffee; (3) Chemical Handling; and (4) Nurseries and Side-Grafting for Cocoa. Out of the 114 youth participants, a total of 15 farmers were between the ages of 15-24 years old, while 41 farmers were between 25-30 years old. A woman's success story is attached as Annex 11 to this report.
2	Strengthened cocoa and coffee producer group structures	2.3	New policy and Standard Operating Procedures (SOP) formalized in BUMDES, village level	Through the end of the grant in December 2017, only one Badan Usaha Milik Desa (BUMDES) and two coffee cooperatives worked together with RA. Though the original goal of a new policy for the Standard Operating Procedures (SOP) in BUMDES was not met due to political challenges within the respective villages and lack of organizational capacity. Yet, RA scheduled a workshop on December 27, 2017, which discussed establishing a joint

			farmers' groups and in cocoa and coffee cooperatives	marketing system for coffee in Bantaeng. Results from this workshop will be discussed between BUMDES and the cooperatives into the future. In collaboration with the IMS and group leaders from KOPERPINDO, a new cocoa cooperative, Bunga Biraeng, was legalized by the government on October 9, 2017 (profile attached as Annex 7). This cooperative will strive to strengthen farmers' capability and joint market initiatives, as well as to meet members' needs and facilities. Membership is IDR 1,000,000 and the monthly fee is IDR 50,000. RA hopes that the new cooperative established under the project will continue to build farmers' capacity into the future.
2	Strengthened cocoa and coffee producer group structures	2.4	Cooperative purchasing contracts from buyers	RA has facilitated discussions with both Mars and Olam on establishing purchasing contracts with the cooperatives; however, a purchasing agreement was not established since these formalized agreements would require cooperatives to provide the quantity and standards required by the traders, since prices might rise and individual farmers can practice supplying high-quality cocoa beans. In addition to these discussions, cooperatives met with Olam to ensure the quality of their cocoa beans, so that these could eventually be sold to Olam. Despite the challenges, RA has established a strong foundation for partnerships and hopes that these partnerships will continue to establish new sales contracts in the future.
3	Integrated natural resource management (INRM) planning	3.1	Report delivered on 2012-2016 change in farm practices and land use to guide INRM planning in Bantaeng Regency	In October 2017, RA hired three consultants to further develop tasks as follows: <ul style="list-style-type: none"> <li>• Consultant 1 conducted a survey at the field level to collect data on farmers located near/adjacent to the Gunung Lompobatang protected area.</li> <li>• Consultant 2 conducted key stakeholder interviews to gather information on activities undertaken near the protected area.</li> <li>• Consultant 3 gathered meta data from the Bantaeng regency to develop a map that delineates the protected area.</li> </ul> The results were compiled into an assessment report (attached as Annex 8), which was adapted into a PowerPoint presentation used at the Multi-Stakeholder workshop (further described in Deliverable 3.2 below).
3	Integrated natural resource management	3.2	Report delivered on multi-	On November 20, 2017, RA conducted a multi-stakeholder workshop in Bantaeng to present the INRM assessment results, as well as compile inputs on the plan

	(INRM) planning		stakeholder INRM workshop, including an action plan integrated with government plans	from workshop participants. A total of 30 participants attended, including representatives from the Bantaeng local government, both coffee and cocoa farmers, local non-governmental organizations, and private sector partners. The workshop was also led and facilitated by two consultants. Following the workshop, the consultants prepared a workshop summary report and developed the INRM Plan, which was presented to the Head of the Bappeda in Bantaeng (further detailed in Deliverable 3.3 below) in December 2017. This workshop summary report is attached as Annex 9.
3	Integrated natural resource management (INRM) planning	3.3	Agreement with local authorities to advance action plan	<p>A Memorandum of Understanding (MOU) was signed with local government authorities on November 20, 2017. The first section of the MOU was a renewed project agreement with the chief agriculture agency, while the second section concerned Integrated Natural Resource Management (INRM) integration in the next government planning document. In the third week of December, RA conducted a consolidation meeting with the Head of Bappeda in Bantaeng, where the INRM Plan was presented and the handover of implementation to the local government discussed. Bantaeng local government representatives attended, as well as farmer leaders, local non-governmental organizations including local NGOs that focus on agriculture and natural resource management in Bantaeng and local news networks. The Head of Bappeda was greatly appreciative of RA's work and committed to implementing the INRM Plan into the future.</p> <p>Some media coverage related to this event included:</p> <ul style="list-style-type: none"> <li>• <a href="http://nusakini.com/news/satu-lagi-terobosan-baru-kabupaten-bantaeng-tentang-pengelolaan-sumber-daya-alam-terpadu">http://nusakini.com/news/satu-lagi-terobosan-baru-kabupaten-bantaeng-tentang-pengelolaan-sumber-daya-alam-terpadu</a></li> <li>• <a href="http://rakyatsulsel.com/kabupaten-banteng-miliki-konsep-mpsats.html">http://rakyatsulsel.com/kabupaten-banteng-miliki-konsep-mpsats.html</a></li> <li>• <a href="http://suaracelebes.com/2017/12/ini-terobosan-pemkab-bantaeng-di-akhir-tahun-2017/">http://suaracelebes.com/2017/12/ini-terobosan-pemkab-bantaeng-di-akhir-tahun-2017/</a></li> <li>• <a href="https://daulatrakyat.id/pemda-bantaeng-terima-dokumen-mpsats/">https://daulatrakyat.id/pemda-bantaeng-terima-dokumen-mpsats/</a></li> </ul>

Please describe and submit any tools, products, or methodologies that resulted from this project or contributed to the results.

RA developed coffee booklets as a technical guideline for coffee farmers to improve farmers' skills and knowledge (attached as Annex 2 to this report). In addition, RA developed a socio-economic map for the Local Government (included in Annex 8) related to natural resource management, which included an overview of the natural landscape in Bantaeng and linked current land-use data with forest to show overlaps. Further, the assessment report (Annex 8) can now serve as a basic reference for local government officials as the strategic INRM plan (Annex 10) is established into the future.

## Lessons Learned

Describe any lessons learned during the design and implementation of the project, as well as any related to organizational development and capacity building.

Consider lessons that would inform:

- Project Design Process (*aspects of the project design that contributed to its success/shortcomings*)
- Project Implementation (*aspects of the project execution that contributed to its success/shortcomings*)
- Describe any other lessons learned relevant to the conservation community

### **1. Strengthen community-based commodity organizations (lessons learned from cocoa and coffee producers in Bantaeng)**

Small farm enterprises (i.e., cocoa and coffee) can be developed by using a participatory approach. The process for communicating and selecting an appropriate group business idea (e.g., joint marketing or buying agro input) gives members an opportunity to better understand the advantages, disadvantages and risks of running a group business as well as identifies the critical questions to ask when choosing a business idea.

### **2. Set up clear goals and objectives and highlight the benefits of farmers' cooperatives for their livelihood.**

RA used media to promote farmers' cooperatives as a means to improve farmers livelihoods. At the beginning, farmers hesitated because of a negative history associated with cooperatives. However, by showing benefits via a combination of marketing and in-depth discussions with key stakeholders, farmers gained confidence to build their own organizations.

### **3. Link cooperatives to cocoa buyers to understand market requirements.**

Most farmers only produced cocoa and coffee based on their knowledge without consideration for buyer preferences. By connecting smallholders to buyers, farmers better understood what standard buyers required, as well how to meet those standards. This knowledge is a prime necessity before making a long-term partnership.

### **4. Introduce the concept of conservation value.**

Introducing conservation value gives the farmers in-depth knowledge correlating environment with productivity. It also can support them in taking action to mitigate climate risk (e.g, planting more shade trees, making compost).

## Sustainability / Replication



Summarize the success or challenges in ensuring the project will be sustained or replicated, including any unplanned activities that are likely to result in increased sustainability or replicability.

1. **By undertaking training in this project, the skills and knowledge gained (e.g., best planting materials, appropriate fertilizer) will enable cocoa and coffee farmers to increase their yield and maintain sustainable income into the future.**
2. **Involving cocoa farmers in cooperatives will strengthen farmers' bargaining position with local traders and facilitate effective communication with government and other stakeholders**
3. **The introduction of sustainable farming practices will ensure farmers will continue to reap the benefits going forward.**

## **Safeguards**

If not listed as a separate Project Component and described above, summarize the implementation of any required action related to social, environmental, or pest management safeguards

**RA has not needed to take any actions to mitigate anticipated or unanticipated environmental or social safeguard issues over the course of the project (July 1, 2016 – December 31, 2017).**

## **Additional Comments/Recommendations**

Use this space to provide any further comments or recommendations in relation to your project or CEPF

**CEPF has an opportunity to respond to the Bantaeng Regency government's desire for further support to deliver the three follow-up activities to ensure the INRM plan implemented for the future benefit of all parties.**

## **Additional Funding**

Provide details of any additional funding that supported this project and any funding secured for the project, organization, or the region, as a result of CEPF investment

**Total additional funding (US\$)**

*\$0.00*

**Type of funding**

*Please provide a breakdown of additional funding (counterpart funding and in-kind) by source, categorizing each contribution into one of the following categories:*

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- A *Project Co-Financing (other donors or your organization contribute to the direct costs of this project)*
  - B *Grantee and Partner Leveraging (other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF funded project)*
  - C *Regional/Portfolio Leveraging (other donors make large investments in a region because of CEPF investment or successes related to this project)*

N/A

### **Information Sharing and CEPF Policy**

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned, and results. Final project completion reports are made available on our Web site, [www.cepf.net](http://www.cepf.net), and publicized in our newsletter and other communications.

1. Please include your full contact details (Name, Organization, Mailing address, Telephone number, E-mail address) below

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