### Improving Farmers' Livelihoods by Mainstreaming Sustainable Cocoa

Soetanto Abdoellah



Amsterdam, The Netherlands, 9-13 June 2014



### Improving farmers' livelihoods

- Practising GAP consistently
- Intercropping/Diversification
- Providing soft loan without or smallest collateral
- Appraise farmers' crops and use it as collateral
- Buyers act as a credit guarantee institution
- Open minded bank or financial institution





### **Indonesian Standard for Cocoa Sustainability (ISCocoa)**

- Is an implementation of Indonesian laws/regulations
- To give more room for local wisdom
- To reduce farmers' confusion due to many standards
- To fill the economic pillars that got less attention from other standards





## The economic pillar in Indonesian Standard for Cocoa Sustainability (ISCocoa)

- 1. Business actors willing to help partner producers (farmers cooperatives) to be the credit guarantee institution in the amount of bank credit and payment scheme arranged in an agreement. The credit only for increasing cocoa production such as land expansion, replanting, purchase of inputs, etc.
- 2. Buyers with producer partners (cooperatives) held a training with subject SMEs or alternative income source for producers at least once a year



## The economic pillar in Indonesian Standard for Cocoa Sustainability (ISCocoa)

- 3. Buyers provide purchase procedures those are understood and approved by the certificate holder. These procedures include:
  - a. Pricing and quality classification
  - b. Technical and payment mechanisms
  - c. Complaints mechanism in case of deviation



### Special thanks for:

- · Swisscontact Indonesia
- Indonesian Cofffee and Cocoa
  Research Institute

## Whose support my attendance in the conference







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