



THE INTERNATIONAL COCOA INITIATIVE

ANNUAL REPORT 2013



A black and white photograph of a woman sitting and holding a baby. The woman is wearing a patterned dress and a headscarf. She is looking down at the baby with a gentle expression. The baby is sitting on her lap, looking towards the left. The background is a textured wall.

The International Cocoa Initiative is the leading organisation promoting child protection in cocoa-growing communities. ICI works with the cocoa industry, civil society and national governments in cocoa-producing countries to ensure a better future for children and contribute to the elimination of child labour.

Operating in Côte d'Ivoire and Ghana since 2007, ICI has worked in more than 890 cocoa-growing communities, where it has supported more than 3,000 community development actions to benefit more than 1 million people, more than half of whom are children. As a result of ICI's assistance, more than 50 000 of these children now have improved access to quality education.

Vision

ICI's vision is of thriving cocoa-growing communities where children's rights are respected and protected, and where child labour has been eliminated.

Mission

ICI works to improve the lives of children in cocoa-growing communities by supporting the acceleration and scale-up of child-centered community development and responsible supply-chain management throughout the cocoa-sector. ICI aims to safeguard child rights and contribute to the elimination of child labour through innovation, through the development, application and promotion of good practices, and through the building of partnerships.

*Putting child protection
at the heart of cocoa
sustainability*

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Highlights of the Year



Cocoa-Growing Communities taking control of their future

The main focus of our programme in 2013 was child-centred community development. Together with our partners, we worked directly in 269 communities (98 in Côte d'Ivoire and 171 in Ghana) contributing to the implementation of 1,097 community development actions in education, health, water and sanitation, child protection and livelihood diversification.



Training the industry and their national partners

In addition to the 436 people trained and the 5,294 community members who have participated in awareness-raising sessions in the framework of Nestlé's monitoring and remediation project, ICI implemented a significant number of training and capacity building projects for member companies in the course of 2013.

As part of **Barry Callebaut's Quality Partner Programme**, ICI trained 43 people from the entire management staff of two cooperatives in the San Pédro and Divo regions of Côte d'Ivoire, as well as teachers and parents. Community child labour awareness raising sessions were organized for 722 community members.

As part of the **Cargill Cocoa Promise programme**, ICI trained 436 extension officers from the *Agence Nationale de Développement Rural (ANADER)* of Côte d'Ivoire, who now have an improved understanding of the causes and consequences of child labour. They in turn trained a total of 60,000 cocoa farmers of the Cargill supply chain.

As part of **Mondelez International's Cocoa Life Programme**, ICI and CARE (Cooperative for Assistance and Relief Everywhere) have joined forces to reach 11 communities in three years in the Daloa Region of Côte d'Ivoire. In 2013, ICI trained over 60 people from CARE, Mondelez's supplier and cooperatives, as well as 201 members of the community development committees. Community child labour awareness raising sessions were organized for 755 community members.



Towards concrete solutions to child labour

In 2013 ICI and Nestlé rolled out their child labour monitoring and remediation system across eight cocoa cooperatives in Côte d'Ivoire, covering 363 villages and hamlets and 4,686 farming households. A key part of **Nestlé's Cocoa Plan**, the system is designed to create an environment where child labour is understood as a serious issue, and is identified and addressed throughout the supply-chain.





Sharing knowledge between ICI and UTZ

ICI and UTZ, a global certification program for sustainable farming, signed an agreement in early 2013 to share knowledge and expertise on effective approaches to address and reduce child labour in cocoa. ICI advised the certifier on its Code of Conduct revision process in order to strengthen the UTZ certification program regarding child labour. Both organisations are also looking into strengthening the child labour monitoring and remediation elements of UTZ certification schemes.



Innovative tools tested

In 2013, ICI rolled out the second version of its Protective Cocoa Communities Framework (PCCF), a tool that is under development to assess child labour risks in the communities where we work. It showed promising potential in its ability to track progress from one year to the next, and will be further refined in 2014.



Improving livelihoods for cocoa farmers

ICI joined forces with the Ghana Cocoa Board to establish Cocoa Farmer Field Schools in 71 communities in Ghana, reaching a total of 1'578 cocoa farmers, 381 of whom were women. The aim was to train cocoa farmers on modern agronomic practices to help increase crop yield and boost incomes. The project goal is for additional income to be used to improve children's access to school and to hire adult labour, both of which reduce the risk of child labour.



Learning by playing

Right to Play, an international non-governmental organisation using sport and play to educate and empower children, launched a new project with ICI in the Central and Ashanti Regions of Ghana. The goal is to use sport and play to impact positive change in the lives of children and youth in cocoa-growing communities at-risk of child labour. Having started in July 2013, it had already reached more than 800 children by the end of the year.

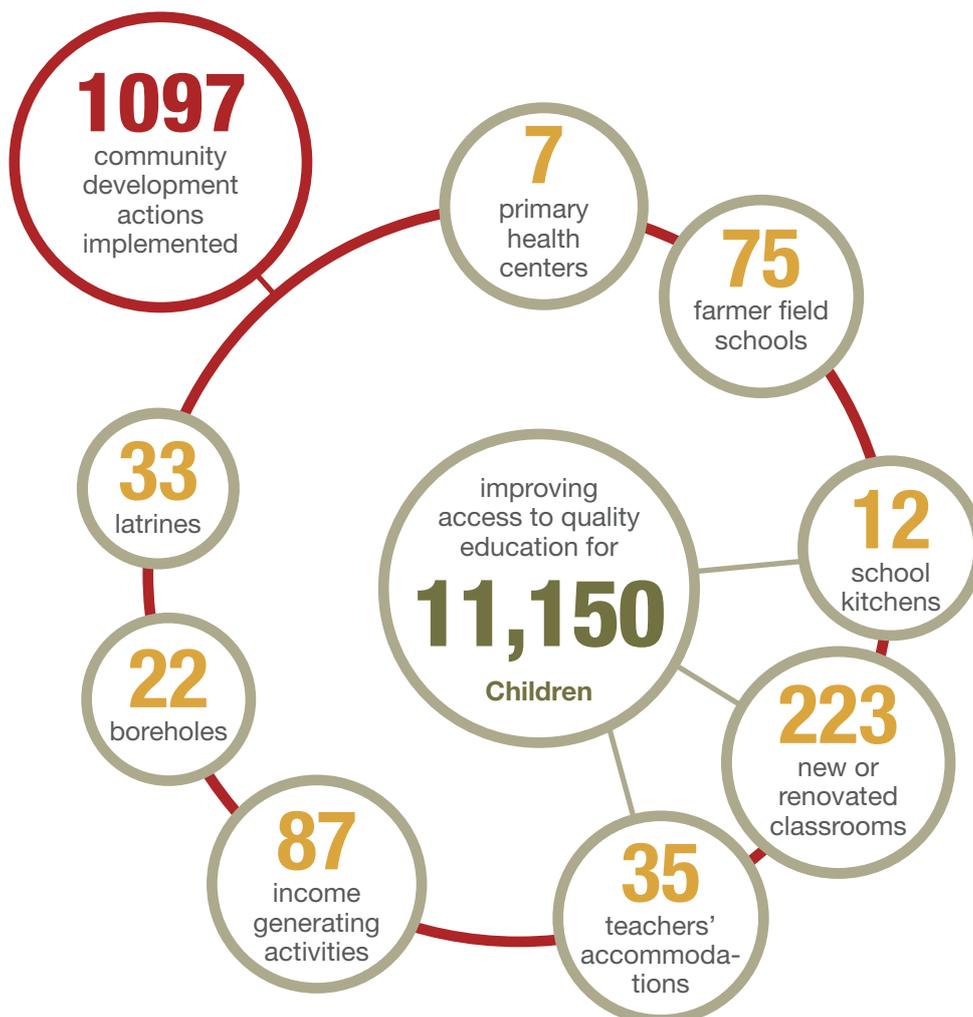
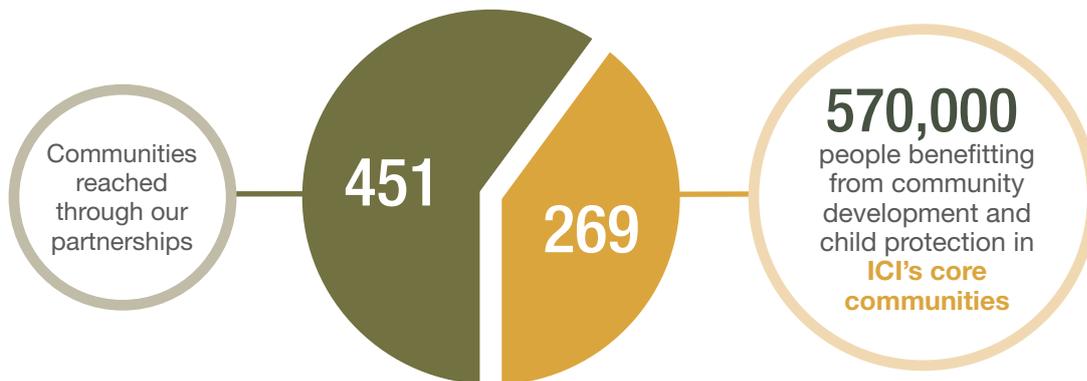


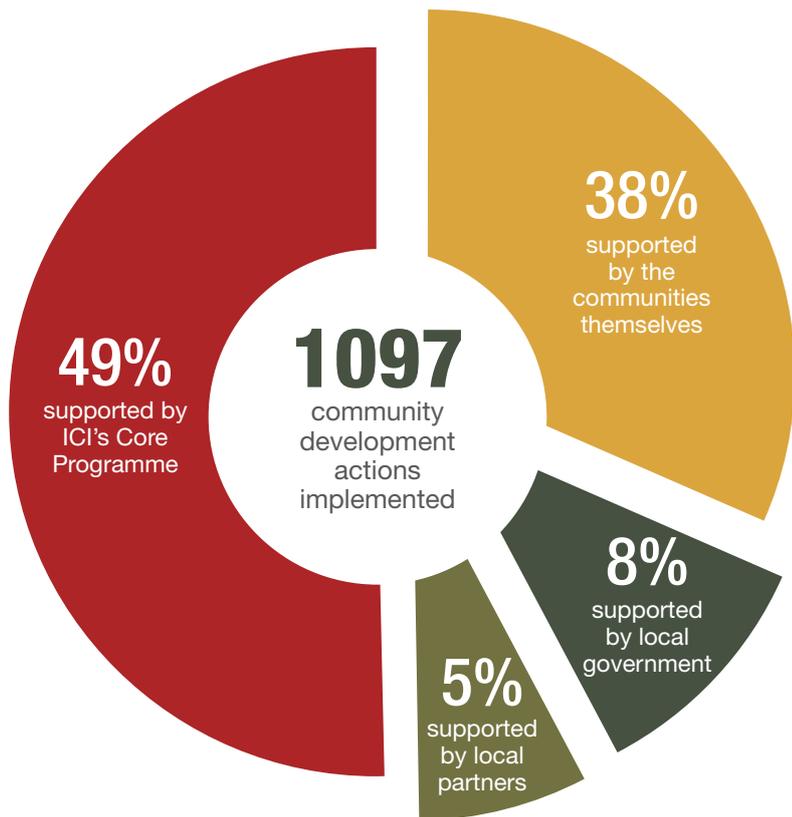
Looking ahead, together

A process to define a new vision and strategy for ICI from 2015 – 2020 was launched in April 2013 at the bi-annual meeting of the Foundation board. Recognizing that the needs of the sector and the environment in which ICI operates are evolving, ICI convened more than 200 representatives from industry, civil society, cocoa-producing governments, development actors, academia, media, and cocoa farmers, at two separate stakeholder meetings in Geneva and Abidjan, to guide its future thinking. Participants helped define priorities for tackling child labour over the next six years, the expected roles of different actors, and the potential added value that ICI could bring.

The Year in Numbers

720 cocoa-growing communities assisted





1,177

supply-chain actors trained

6,410

farmers and community members trained with ICI's awareness-raising tools

73%

increase in field staff (from 15 in 2012 to 26 in 2013)

24%

increase in revenue

6
new board members

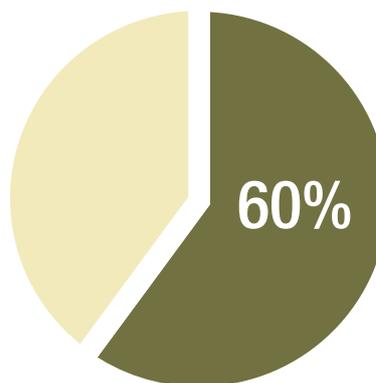
- Solidaridad
- Save the Children (Sweden)
- Mil Niepold
- Cargill
- ADM
- Cocoa Traders (Armajaro, Olam, Touton)

3
new contributing partners

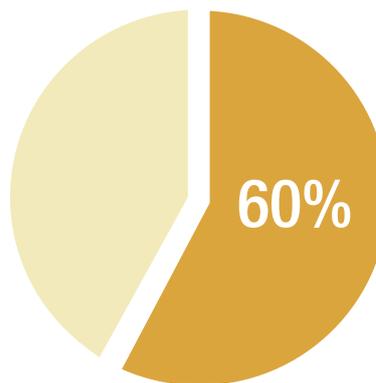
- OLAM
- Touton
- Twining's

6
new operational partnerships

- Barry Callebaut
- CARE
- Cargill
- Nestlé UK
- Right to Play
- Twining's



of the world's 168 million child labourers are in agriculture



of world cocoa production originates from small farms in Côte d'Ivoire and Ghana



Between one and two in every ten children in cocoa growing communities is estimated to be engaged in some form of child labour in Côte d'Ivoire and Ghana.

*“ICI enables
communities to
take control of
their future”*



Message from the Executive Director

ICI in 2013: continued growth, expanded influence, deeper impact

Nick Weatherill, Executive Director of the International Cocoa Initiative

2013 was a year of more results and greater impact. It was the year when we reached the expansion in activities and field team capacity that I have prioritised over the last two years, confirming ourselves as a front-line partner with the governments of cocoa-producing countries, with the companies operating there and with cocoa farmers themselves.

With enhanced stakeholder engagement key to our evolution, 2013 also saw a gratifying diversification of our membership. On the industry side we welcomed our longstanding contributors ADM and Cargill as they took their own seats on the ICI board, as well as Olam and Touton who joined forces with Armajaro to take a shared cocoa traders' board seat. On the civil society side we were joined by Save the Children (Sweden), Solidaridad and Mil Niepold; and we also benefitted from UNICEF joining as a non-voting Observer to the ICI board, providing guidance to strengthen our child rights and child protection work. ICI continued to grow in 2013 and at its fastest rate ever, with revenue up 24% on 2012. This was driven primarily by an impressive expansion in ICI's project work, translating into more activities on the ground, more results and more impact, as evidenced in this report. Across all our activities, ICI reached 720 cocoa-growing communities in 2013. Those communities were supported by ICI, but importantly, many of them also took their own actions and initiatives to protect their children, and also managed to attract support from the local authorities as well as other local partners and businesses. This is a potent success story that demonstrates ICI's impact on the ability of communities to acquire resources, mobilise support and take control of their future.

These positive results, and the lessons we have learnt, give us an increasingly clear sense of the actions needed in cocoa-growing communities to make them protective of their children, and to bet-



ter prevent and respond to child labour. In 2013 we launched a strategic review in order to define ICI's 2015-2020 Strategy and I am confident that, based on this experience, we will emerge in 2014 with a strong operational model and orientation that will help to bring about change at a larger scale.

Most notably our Abidjan Stakeholder Meeting in November offered a glimpse of the formidable teamwork that underscores ICI's greater achievements in promoting child protection, and tackling child labour, in the Ivorian and Ghanaian cocoa sectors. It was also a strong reminder of how the concept of "Shared Responsibility" can serve as a banner under which forces can unite to accelerate progress on child labour in cocoa. It remains our conviction that everyone who derives revenue, profit or pleasure from chocolate should be part of the solution, and that ICI represents a unique and dynamic platform on which that solution can be built.

From our National Teams

ICI Côte d'Ivoire -- Change happening on the ground

Euphrasie Aka, National Coordinator, Côte d'Ivoire

Over the last two years, ICI has undertaken a major restructuring of its operational strategy that has led to some exciting and challenging new collaborations.

Since 2012, ICI has been actively involved in supporting the National Oversight Committee (CNS) and has also been appointed Secretary of Child Labour Working Group of the Public Private Partnership Platform (PPPP) set up by the Coffee-Cocoa Board (CCC).

Many operational partnerships have also been continued, including with the International Labour Organization (ILO), aiming at building capacities of several public entities and providing support to 42 communities. ICI has also designed new approaches to help the private sector tackle child labour issues in the cocoa supply chain management. ICI has thus continued to roll out , in collaboration with Nestlé, a Child Labour Monitoring and Remediation System that aims to better understand, identify, prevent and address child labour in cocoa production.

In October 2013 I accompanied a TV crew from CNN International and we visited a number of target communities as part of a documentary on child labour in cocoa, *Cocoanomics*. It was extremely rewarding and challenging to look at our work on the ground through the eyes of a journalist and see the concrete results we are having.

We took this opportunity to explain ICI's activities and achievements at national and community levels, but also to be upfront about the many challenges we face which require a synergy of actions in order to make progress. We believe that the media has a critical role to play in reporting on the change that is happening and what lies ahead.

We are aware of the complexity of child labour issues. That is why we would like to express our

appreciation to the Government of Côte d'Ivoire for all its efforts in establishing a protective environment for children. We commend the leadership role of the First Lady Dominique Ouattara in improving the lives of children, a commitment which was once again reaffirmed when she chaired the 3rd ICI Stakeholder Meeting on 18 -21 November 2013 in Abidjan. ICI stands side by side with the Ivorian Government to assist in all their child labour elimination efforts.

It is clear to me that our Ivorian partners in both the public and private sector are increasingly satisfied with the actions we lead and implement, and we welcome this in all humility. This reinforces our motivation to work tirelessly in order to promote the emergence of prosperous cocoa-growing communities that better protect the rights of children.



ICI Ghana -- A year of vigorous effort brings us a step closer to realising our dream

Bernice Sam, National Coordinator, Ghana

Children in school, teachers housed, communities using their own resources to construct libraries, potable water from a borehole, healthy farmers thanks to a health clinic, communities protecting children and farmers strengthening their livelihoods, using good agricultural practices to increase cocoa yields. These are testimonies that inspired our work in 2013.

It was a year of vigorous effort towards achieving our strategic objectives including the consolidation of our work with six implementing partners in nine districts, and the strengthening of partnerships with district and national child labour actors. We trained 25 staff from our Implementing Partners to use our Protective Cocoa Community Framework tool, which was successfully applied to collect information from 171 communities about their level of protectiveness towards children. We will be using this in the future to measure the impact of our work and track our progress in strengthening child protection. Additionally, 42 local actors from 14

districts increased their knowledge on the Ghanaian Hazardous Activity Framework.

We helped the media, traditional leaders and policy makers join voices to say no to child labour during the World Day against Child Labour commemorated in collaboration with the Child Labour Unit of the Ministry for Labour and Employment Relations.

As a new member of ICI, one of my first visits to the field was in Abroadzirum in the Wassa East District in Ghana. I was impressed by the power of ICI to bring together its staff, implementing partners and cocoa-growing communities to give their best to the cause of eliminating child labour.

The chief told us about the projects the community had initiated including a school and construction of gutters. A role play by school children, which I found most insightful, made connections between child labour and education, and child labour and family life. A farmer showed us his farm where he spoke passionately about the benefits of the farmer field school which has increased his yield, and increased his income thus enabling him to send his three children to school.

The above is only one of many projects that show the added value of ICI's community empowerment approach in Ghana which targets children but ends up transforming the lives of everyone -- youth, men and women. Helping people to improve their lives has remained the core of my professional life and I am grateful to ICI for another opportunity to help children lead better lives.

ICI Ghana thanks the Government of Ghana, CO-COBOD, district assemblies, implementing partners and stakeholders in the cocoa sector for sharing in the ICI dream. We will continue to count on their support for the years ahead.

Photo: Euphrasie Aka, center, and Bernice Sam, right, visiting communities in Gogohouri, Côte d'Ivoire



Messages from the Co-Presidents



ICI -- Building a protective environment for children

Jeff Morgan, Director of Global Programmes, Mars Incorporated

Looking back on ICI's work for the year 2013 brings to mind the challenge of describing genuine progress within a difficult piece of work that is only partially done. Signs of real advancement can clearly be seen within the countries and communities where ICI works, and yet the scope of the child labour challenge in the cocoa sector, and beyond, remains daunting. The highlight of 2013 for me was the board meeting that took place in Côte d'Ivoire in November and the tangibly positive results that we witnessed in the ICI-assisted communities we visited.

Our accompanying stakeholder meeting in Abidjan demonstrated the high regard in which the work of ICI is held by all those in Ghana and Côte d'Ivoire who also work on the issue. It goes without saying that this respect is due in large part to the committed staff that ICI has on the ground. Their calibre was on display throughout that week and it is clear that their knowledge of child labour and their appreciation of its context in the everyday lives of people living in cocoa growing communities is that of genuine and caring experts.

Our trip to the field highlighted ICI's painstaking and productive work at the grass-roots level and displayed how involved and successful communities can become in addressing the challenges they face. For me, the community visits were also a demonstration of how important the work of ICI will be in two critical areas in the year ahead: its development of the Protective Cocoa Community Framework (PCCF) as an innovative tool to profile communities and measure improvements in child protection; and its plan to conduct in depth research into the use of labour, and the child labour risks, on cocoa farms with increasing productivity.

ICI and its supporters have come a long way in understanding the need to collectively build a protective environment for children, and how that can best be done. This bold endeavour demands the creation of alternatives to children's hazardous participation on the family farm, supporting families in changing behaviours and farming practices, whilst recognising that work will always be a feature of labour-intensive cocoa-farming, so understanding where the labour will come from is fundamental to a sustainable cocoa future. We will hear and see more about these issues as ICI continues to advance its work during 2014.

While 2013 becomes a distant memory, the hard work of ICI's staff does not. Thanks to each of you.

ICI -- Unfailing commitment to children in 2013

Kwadjo Cléophas Mally, WAO-Afrique Director

2013 is now behind us. All members of ICI and their partners have again brought hope to thousands of children and their communities in Côte d'Ivoire and Ghana.

Over the past year, we have successfully played our role as a catalytic platform for the exchange of best practices. These good practices may be used by other stakeholders seeking to improve their programs and projects, or to undertake new activities to better protect children.

Our resolution for 2014 is to continue our mission to defend the cause of vulnerable children in cocoa production.

The meeting between ICI and its partners in Abidjan in November 2013 was a great success, not as a meeting of political rhetoric but as a real "exchange market", an opportunity to give and receive, to interact and to consider approaches and strategies, - an enabling opportunity to exchange views and learn from each other.

Through ICI's field work over the past two years, we have realized that local solutions are often simpler and more effective in meeting the needs of local communities. This is because we can find at the local level the appropriate capacities and decision-making opportunities to genuinely mobilize grass-roots action against child labour.

I want to take the opportunity to commend ICI's Executive Director Nick Weatherill and his teams in Geneva, Abidjan and Accra for their unfailing commitment to children and cocoa communities. Their common global vision has sustained ICI actions in 2013. I wish them great luck and success in their work in 2014.



Voices for ICI

“In 2013, Nestlé decided to work with ICI to create a robust monitoring and remediation system to better understand, identify and respond to child labour in Nestlé Cocoa Plan communities. We greatly value our partnership with ICI and, beyond what they do for Nestlé, support their fundamental role in developing best practices that tackle child labour and promote an industry-wide change.”



Mr José Lopez, Executive Vice President, Nestlé

“Thanks to ICI and Nestlé UK more than 500 children from the Gagnoa and Divo regions are now enjoying new schools as part of a joint project to turn our two cooperatives into a model for best practice in child protection and sustainable cocoa production.”



Mr Yobouet Faustin, chief of Yobouekro, Coopradi's farmer

“I would like to thank you on behalf of all the women in Djoboakrom for changing the lives of our villagers. We are now fully aware of the risks and consequences of child labour and carrying heavy loads in particular. Our experience has opened our eyes about the need to get women together and organised. Our newly formed association of women now has 19 members from all ethnicities, and we hope that we will attract more members in future.”



Aunte Matilda Kortey, Women association, Djoboakrom, Ghana



“For Solidaridad, ICI represents an essential practice-oriented platform that provides the space for Industry and civil society to collaborate on the various social challenges within cocoa sustainability, including child labour.”

Mr Hans Perk, Global Cocoa Programme Coordinator, Solidaridad

Members and Contributing Partners

ICI owes its authority and technical credibility to the combined strength of its members and partners – civil society, governments and industry as well as the cocoa-growing communities it exists to assist. In 2013 this unique coalition grew strong-

er, with new contributing partners and new board members joining ICI, new projects being launched, and new stakeholders bringing their expertise to ICI's convenings.



Board advisor



Our Finances

2013 Financial Statement	in CHF
Revenue	4,302,864
Expenditure	
Programme (direct operations)	1,962,515
Strengthening the evidence base	67,808
Empowering Cocoa Communities and Supporting Child Protection	1,339,354
Building National Capacities	112,717
Promoting Child Labour mitigation in supply-chain management	376,423
Advocacy	66,213
Programme (direct support costs)	1,319,011
Staff, office, administration and logistics	1,285,972
International travel	33,039
Indirect support costs	1,014,809
Staff	552,873
Office, administration and logistics	330,612
International travel	63,378
Communications and advocacy	67,947
TOTAL EXPENDITURE	4,296,334
Earnings before non operating and financial results	6,531
Other income	30,079
Financial results	-3,206
Excess of revenue over expenditure	33,404



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DEVELOPMENT



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