

Rikolto in Indonesia

## Biannual Report 2020-2021



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## OUR MISSION



A sustainable income for farmers and nutritious, affordable food for everyone.

#### TRANSFORMING THE FOOD SYSTEM

To achieve our mission, Rikolto builds bridges between smallholder farmer organisations, companies, authorities and other actors across rural and urban areas. Together, we create innovative ways of accessing, distributing, and producing nutritious, quality food, so no one is left behind.

**Rikolto is its people.** With more than 200 staff across Asia, Africa, Europe, and Latin America, our teams focus on four global programmes: Rice, Cocoa, Coffee, and Food Smart Cities. Our programmes seek change in three key food system domains where Rikolto has its biggest strengths:

#### 1. Sustainable production

We equipped farmers with knowledge on sustainable practices that improves productivity, diversify income, reduce ecological footprints, and enhance resilience to climate change and other shocks.

#### 2. Inclusive markets

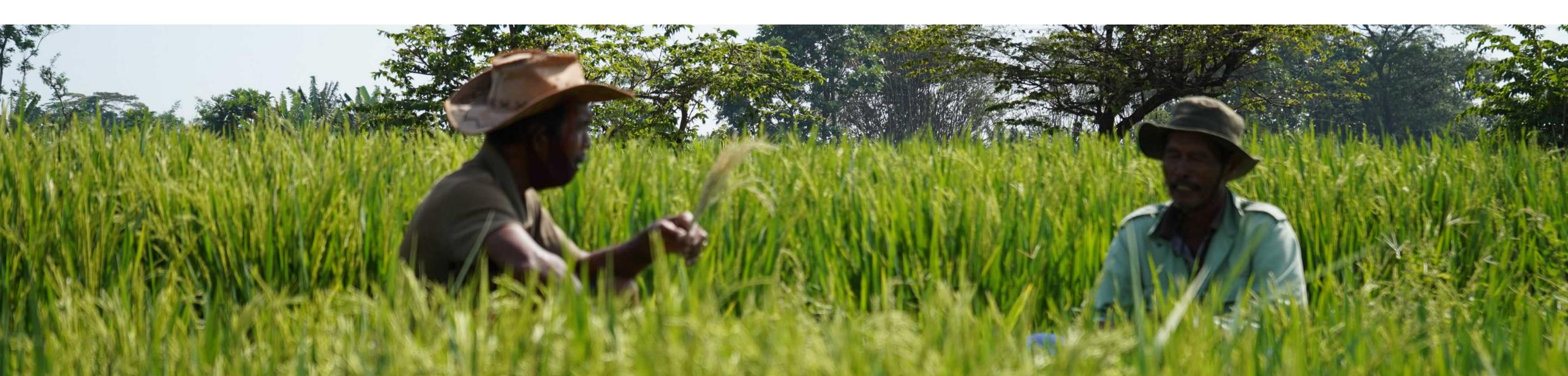
We professionalise farmer organisations, promote business relations that benefit all actors in the value chains, from producers to consumers, and encourage companies to participate in sustainability programmes.

#### 3. Enabling environments

We actively participate in national and regional multi-stakeholder platforms to influence policy and legal frameworks that mainstream sustainability, inclusion, and incentivise sustainable food innovations and practices.

Inclusive business is at the core of each of these programmes. In every aspect of our work, we pay special attention to the empowerment of women and young people, as well as to climate change and biodiversity.

We invite you to experience the work of Rikolto in Indonesia through activity highlights and stories of change. Welcome to our 2020-2021 Biannual Report.



## 2021, A SPECIAL YEAR

2021 marks the end of the five-year programme funded by our biggest donor, the Belgian Development Cooperation (DGD). In all countries where we ran DGD-funded programmes, endline evaluations took place under the guidance of ADE to evaluate the results and impact of our programmes. The complete endline evaluation reports are available on <u>our website</u>.

"These endline evaluations show us where our strategies have delivered and where we did not reach the desired results. This is extremely valuable to us as a learning organisation. They highlight how important it is to keep our boots in the field and do better. We learn by doing and are disappointed but proud of our failures, as long as we grasp these stumbling blocks as learning opportunities."



- Chris Claes, Rikolto International's Executive Director



# 104,217 farmers got a better deal in 16 countries

## Our Global Impact

144

organisations financially supported

206

farmer organisations are stronger business partners 19

cities involved in our Food Smart Cities programme 170

colleagues

€14

million operating budget 1,882

young entrepreneurs directly involved in our programmes

## Number That Speak

2021 was an impactful year for Rikolto in Indonesia.

15,316 farmers got a better deal.

2,092 young farmers involved in our programmes.

20 organisations financially supported.

14 farmer organisations are stronger business partners.

4 cities are involved in our Food Smart Cities programme.

**9,6 tonnes of food waste** saved from the food sharing programme.

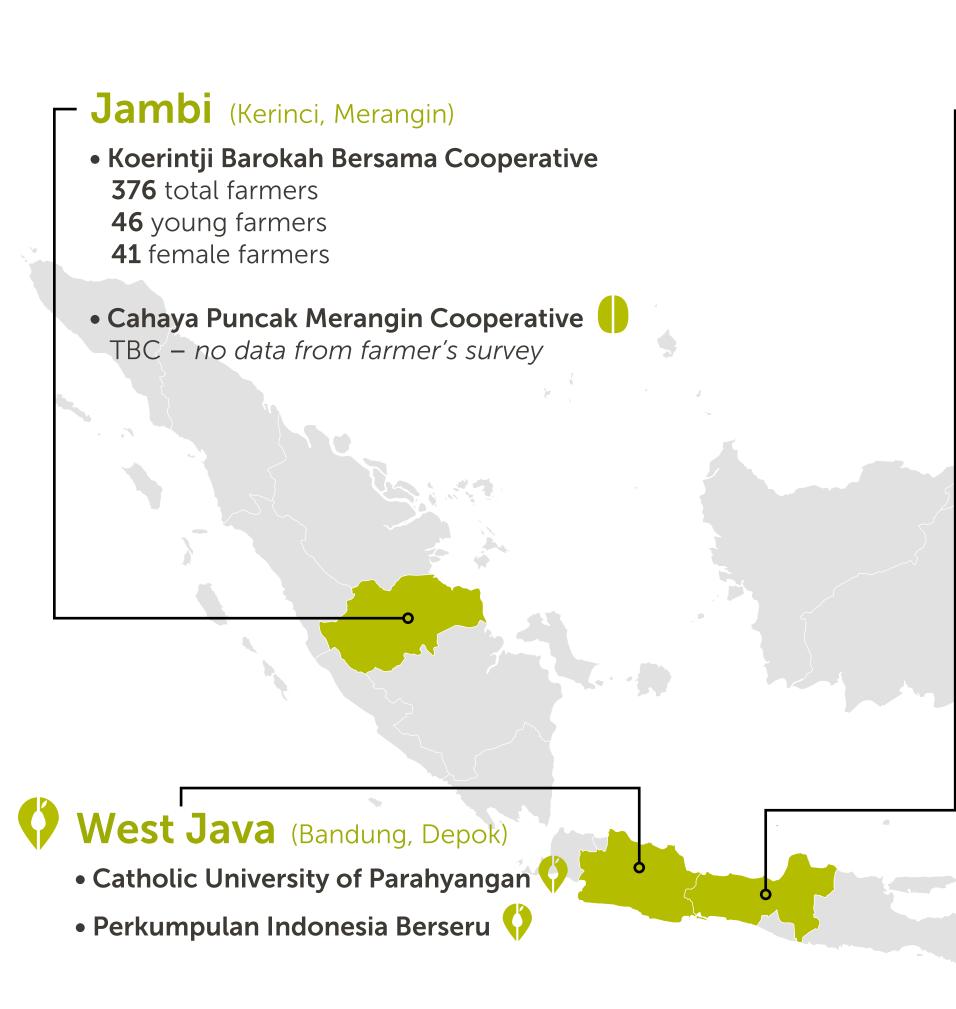
13 cooperatives have implemented the Internal Control System.

612 rice farmers have SNI organic certification.









### Central Java (Solo, Boyolali, Klaten)

#### **Rikolto Field Office**

- Asosiasi Petani Organik Boyolali **1,671** total farmers **44** young farmers **187** female farmers
- Koperasi Pemasaran APPOLI 1,364 total farmers **116** young farmers **186** female farmers
- Tani Pangan Lestari Cooperative 💎 **378** total farmers 9 young farmers **33** female farmers
- Gita Pertiwi Foundation

## Where We Worked

Bali (Denpasar, Klungkung)

**Rikolto Indonesia Country Office** 

- Pasar Rakyat Bali 😯
- PPLH Bali 😲



**Food Smart Cities** 



Cocoa

Coffee



Rice

#### **West Sulawesi**

(Enrekang - coffee, North Toraja - coffee, East Luwu - cocoa, North Luwu - cocoa)

- Koperasi Benteng Alla
  2,297 total farmers
  688 young farmers
  689 female farmers
- Koperasi Perhimpunan Petani Kopi Toraja (PPKT)
  1,741 total farmers
  22 young farmers
  449 female farmers
- Koperasi Tani Masagena
  2,247 total farmers
  288 young farmers
  279 female farmers
- Koperasi Cahaya Sejati
  844 total farmers
  140 young farmers
  156 female farmer

#### West Sulawesi (Polewali Mandar)

Mitra Agribisnis Mandiri (cocoa icon)
 1,413 total farmers





Asosiasi Petani Kopi Manggarai
1,062 total farmers
55 female farmers



Kopan Sikap
308 total farmers
29 young farmers
31 female farmers

• Romeo Cooperative TBC – no data from farmer's surve



**Food Smart Cities** 



Coffee





Cocoa

## Covid-19 Response

The COVID-19 pandemic drastically disrupted our lives and magnified the vulnerabilities already existing in food systems worldwide. When the pandemic struck, we set up a COVID-19 response team with colleagues from different offices. First, we focused on the urgent, short-term needs of ourpartners.

Secondly, we started supporting our partners in finding ways to set up innovative initiatives to strengthen their resilience to this and future crises.

Globally, our COVID-19 response actions reached 4,954,233 people between March 2020 and January 2021.

- 16,681 people supported through COVID-19 response actions in Indonesia.
- 329 farmers benefitted from Rikolto's support for input supply during the COVID-19 pandemic.
- 10,000 cocoa seedlings were distributed to 100 cocoa farmers affected by the flash flood in the North Luwu regency.
- 1,000 vegetable and 1,000 ginger seedlings were distributed to 200 cocoa farmers in North Luwu and Polewali Mandar regencies.



### **Nutrition garden**

Across West and South Sulawesi, our support helped relieve food scarcity by providing free seeds to be planted in people's homes and community gardens. In addition to free seeds, we also gave training on food nutrition, organic farming techniques, and product marketing. Families could reduce their expenses, eat nutritious food, and the local community could access organic vegetables at affordable prices.

### Innovative responses to transform our food systems in the long run

Relieving these short-term needs of our partners amidst a pandemic was paramount. Yet, it was equally important to make sure they are resilient to other crises in the future. Globally, Rikolto has supported 17,887 farmers to establish and adopt e-commerce and food distribution practices to strengthen their market access.

### Badami food sharing

In Bandung, Badami food sharing, launched in December 2020, offers an innovative solution to reduce food waste while supporting those who need it most. Supported by Rikolto and promoted by the Bandung City Government, <a href="BADAMI">BADAMI</a> connects food suppliers and consumers through their platform and functions as a donation hub for sharing food surpluses.

Four months after its launch, the Badami food sharing has donated surplus food to **more than 1,558 people, saving 779 kilograms of food** that would otherwise go to landfills.

- 9,590 people benefitted through food donations in Depok and Solo.
- 4.7 tons of food waste were saved from food donations in Solo, Depok, and Bandung.



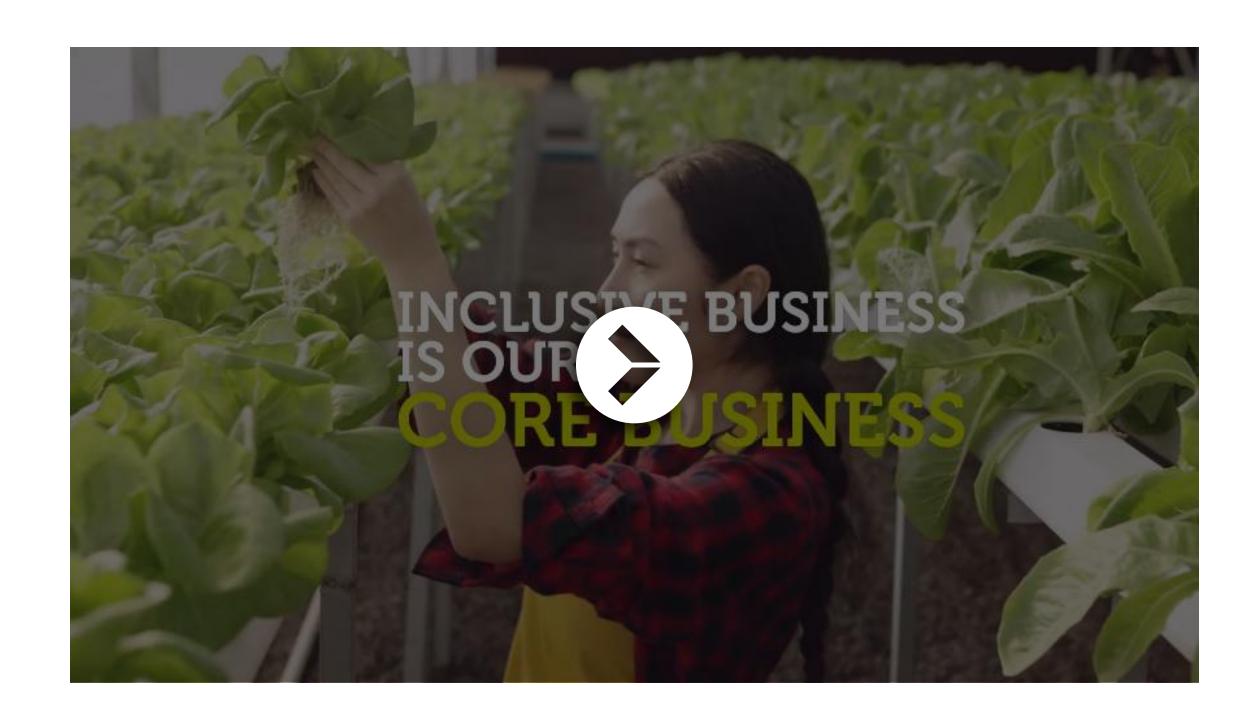




### **Inclusive Business**

## Equitable sharing of risk and profits between chain actors

Rikolto has facilitated inclusive business models by engaging private and public stakeholders for over ten years. Discover some of the cases we've brokered in our 2017-2021 programme period and how companies and food actors work with us to build win-win business relationships.



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#### From Flores to the Netherlands

At Rikolto, we encourage technology innovation to transform traditional ways of doing business. In 2020, our coffee partner, farmer organisation ASNIKOM operating in Flores, struggled to access new markets because buyers could not visit the site due to the pandemic. Thanks to the launch of a global coffee trading platform, Beyco 'Beyond Coffee', ASNIKOM secured a deal with This-Side-Up, a Dutch-based coffee buyer, to export 36 tons of green beans. ASNIKOM also received a loan via the platform from Progresso, a Dutch-based social lender.

### A continuous partnership based on professionalism, inclusiveness, and trust

Koerintji Barokah Bersama Cooperative (KKBB) <u>exported 15.9 tonnes</u> of Arabica Specialty coffee worth US\$ 97,000 to Antwerp, Belgium, in the second semester of 2020. Despite the pandemic, Barokah worked professionally to maintain quality, deliver the product on time, and maintain good communication with clients. Sucafina Specialty, a coffee trading company, also agreed to pay a sizeable down payment of 75% to assist Koerintji Barokah Cooperative in working capital.

"Koperasi Koerintji Barokah formed in 2017, and we partnered with them that same year. Our relationship relies on a high level of trust and shared values. We communicate transparently regarding cost, risk, logistics, and marketing while collaborating on improving quality, sustainability, efficiency, and increase in production." - Daniel Shewmaker, Sucafina Specialty Manager for Indonesia and East Timor

Koerintji Barokah Cooperative is acknowledged as one of the official exporters of Sucafina, which has driven the cooperative to establish a new business entity, Cindaku Kembali Berjaya Ltd., that focuses on the premium green bean business.



### Building resilience with market expansion and income diversification

Dependency on one big buyer is risky. Having business relations with more than one committed private sector can minimise the threat of business disruption. Rikolto equips farmer organisations with business capacities to broaden their market and reach more potential buyers. First, we

conducted a SCOPEInsight assessment to measure their capabilities. Then we identified which capacity building they needed from the result.

We also encourage farmer organisations to be more resilient by diversifying their businesses. Since 2018, the cocoa farmer organisation Mitra Agribisnis Mandiri has started diversifying their earnings by selling organic fertilisers, animal feed, cocoa-ginger powder, and fermented cocoa beans.



## Food Smart Cities 🗘

Building bridges for sustainable and fair food in cities.

- In 2021, we supported 19 city-regions in their transition toward sustainable, inclusive, healthy food systems.
- 9.61 tonnes of food were rescued and shared with people in need through food sharing and donations initiatives.
- Supported the conversion of 29,900 m<sup>2</sup> of vacant land into urban farms.
- 7,400 citizens in Solo, Bandung, and Depok City got access to nutritious and safe food from the urban farming initiative.
- 599 households were involved in urban farming activities.
- Four schools in Solo implemented healthy canteen standards.
- Eight research were conducted related to the sustainable food system.





## Food sharing a as solution to reducing urban food waste

In Indonesia, Rikolto and its partners responded to a double set of issues: access to food, particularly for low-income consumers, on the one hand, and food surplus and waste, on the other hand. Indonesia is the world's second-largest food waster, dumping 13 million tons of food waste annually. On average, the city of Bandung alone produces 1,447 tonnes of waste daily, of which 63% is organic.

Badami food sharing connects food suppliers and consumers through its platform. It functions as a marketplace for micro, small, and medium enterprises (MSMEs) and a donation hub for sharing food surpluses. 82 MSMEs that joined Badami were trained in food hygiene, healthy food processing and waste management.

As of April 2021, four months after its launch, the Badami food sharing has donated surplus food to more than 1,558 people, saving 779 kilograms of food that would otherwise go to landfills. The achievement of Badami is a result of a strong collaboration involving the City Government, Parahyangan Catholic University, support from Rikolto, and active community participation.

Smart City programme, initiated by the City Government to integrate innovative tech-based solutions to address urban challenges, promote sustainable solutions, and improve citizens' livelihoods. Internationally, Badami also became one of the initiatives showcased by the Milan Urban Food Policy Pact (MUFPP) committee as part of the Milan Pact Awards 2020.







### Improved waste management through urban farming

Rikolto and our partners Parahyangan Catholic University and Ketapang Kita empowered communities in Bandung to grow nutrition gardens and reduce organic waste through urban farming. Named the "School of Life", the urban farming project follows the principle of human-centred design to engage and improve women's participation in solving food waste challenges in their area. The activities include composting workshops, gardening and assistance, waste management, and lessons on utilising organic waste.

A total of 599 empowered urban households have been implementing urban farming, converting 29,900 m2 of vacant land into urban farms. The nutrition gardens generated 542 kilograms of vegetables and fruits. In addition, the engaged communities collected and transformed a total of 3.33 tonnes of food waste into organic fertiliser

### Improved waste management through urban farming

GoodFood@School is one of the flagships of our Food Smart Cities programme. We provide tailored support to schools, so they make healthy and sustainable food for the students and promote upscaling of good practices through city-wide and national multistakeholder initiatives.

In the city of Solo, we kicked off a healthy canteen initiative with governmental stakeholders from the Education and Health Departments in 2019. By the end of 2021, we co-created standard operating procedures for healthy food for children in Solo's school canteens. The Mayor of Solo circulated an official letter on the subject to all schools in Solo. By 2021, four schools have implemented healthy canteen standards, bringing better nutrition and safe food to more than 10,300 students.

"We are proud to see that our efforts in the past five years to unite food actors from different sectors around the table have materialised and that external evaluators recognise the impact we've achieved in our DGD-funded Food Smart Cities programme."

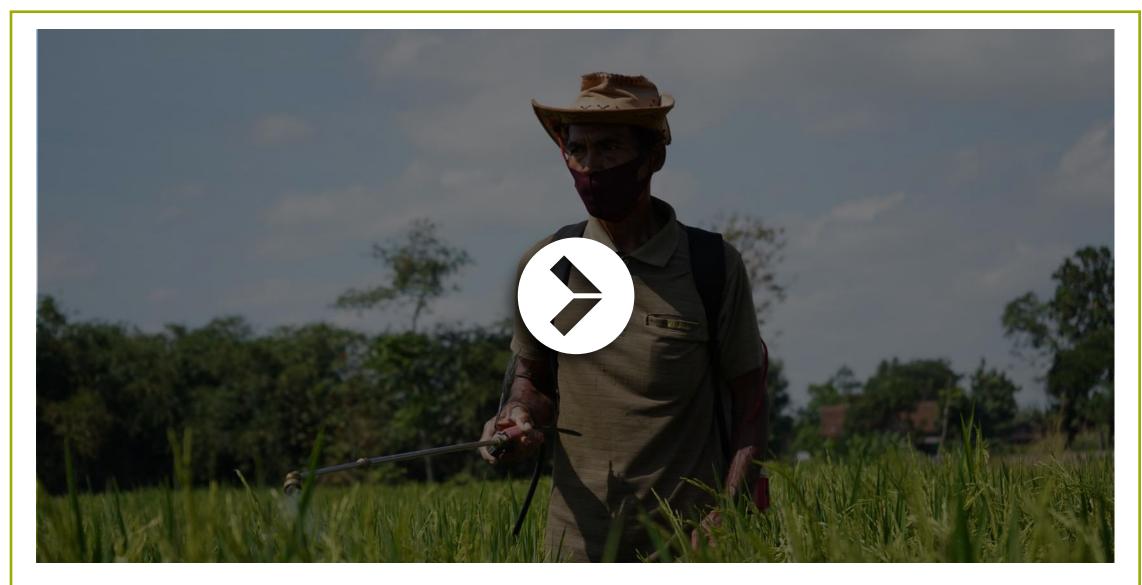
- Charlotte Flechet, Global Food Smart Cities Director



## Sustainable Rice for All @

Fewer greenhouse gas emissions from rice fields and better market access for farmers.

- In 2021, **3.413 farmers** improved their farming business capacity.
- 169 youth were involved in the programme activities.
- 406 female farmers participated in the programme.
- 636 rice partners obtained SNI organic certifications.
- 1,762 farmers are implementing the Sustainable Rice Platform (SRP) standard.
- 1,313 rice farmers are using Internal Control System (ICS).



As rice remains a low-priced crop, producers in Java lack the incentive to adopt more sustainable practices. Many smallholder farmers are still unaware of the benefits of sustainable rice farming methods and the technical knowledge to implement them. Through our rice programme and collaborative projects, Rikolto is working to ensure that rice production benefits farmers economically and the environment.

## Reducing environmental impacts and improving rice farmers' livelihoods with Sustainable Rice Platform (SRP) Standard

As rice remains a low-priced crop, producers in Central Java Province lack the incentive to adopt more sustainable practices. Many smallholder farmers are also unaware of the benefits of sustainable rice farming methods and the technical knowledge to implement them. Through Rikolto's rice programme and our **collaborative project with CISU** (Civil Society in Development) and Preferred by Nature, we introduced sustainable rice production methods that benefit farmers economically as well as the environment.

We do this in the Boyolali, Klaten, and Sragen districts of Central Java, focusing on two main activities:

1) Training of trainers (ToT) to pass the knowledge further to more farmers in the local area and demonstration plots. The training materials cover farm preparation, nutrition, pest and disease management, water management, and harvesting and post-harvesting. Through our collaborative project, 300 farmers were trained in each of the three regions (100 farmers per region).



establishments for farmers to experiment with the SRP farming techniques. Demonstration plots have been proven to be an effective educational tool for rice farmers to practise and observe how the SRP principles can improve rice production compared to traditional methods



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The result of the SRP survey we conducted in 2020, which involved 300 respondents, showed an increase in the average SRP score from 77 to 81. As of December 2022, 1,762 farmers were empowered to adopt the Sustainable Rice Platform (SRP) standard.

From our years of experience working directly with farmers, we learned that providing smallholder farmers with access to practical and localised information helps them understand and implement sustainable practices best suited to their context and realise how it can directly benefit their livelihoods. Rice could be grown more efficiently – reducing unnecessary water, agrochemicals, and other inputs while sustaining or increasing current yields. The farmers in Central Java could produce at a lower cost, increase their net income by selling higher quality and healthier rice, and protect their health while reducing rice cultivation's environmental footprint.

"We use what we learn when coaching farmer organisations to influence change at the enabling environment level. The external endline evaluation of our DGD-funded rice programme has highlighted important advances at that level. This motivates us to continue on this path in the future."

- Catur Utami Dewi, Global Rice Director.

## Reaching more farmers and influencing policymakers

Rikolto's global rice programme works in 9 countries in Asia and Africa to ensure sustainable rice for all, reducing greenhouse gas emissions and improving market access for farmers. At Rikolto, we realise the importance of a multi-sectoral partnership to promote the sustainable rice agenda. Since 2019, we have collaborated with Preferred by Nature and others to advocate to the Indonesian government and encourage the adoption of the SRP standard, including its designation as a "special" rice category that will allow farmers to receive a higher price.

Rikolto in Indonesia has been partnering with local government, farmer organisations, rice millers and other private companies to introduce SRP rice into the market. We have presented SRP to other NGOs such as API (Indonesian Farmers Alliance), KRKP (People's Coalition for Food Sovereignty), Penabulu Foundation, ICCO Indonesia, and GIZ Indonesia, as well as taken part in policymaking that supports sustainable rice.

## Sustainable Cocoa ()

Building resilient cocoa farming communities.

- In 2021, 4,812 farmers implemented the agroforestry method and improved their farming business capacity.
- 90 tonnes of fermented cocoa beans successfully marketed by farmer organisations.
- 654 youths were involved in the programme activities
- 50 youths in Polewali Mandar Regency received Internet of Things (IoT) and digital farming training and developed four prototypes.
- 718 female farmers empowered through the programme.





In our cocoa programmes, we gather evidence about successful models for the professionalisation of producer organisations, investments in diversified cocoa production systems and the inclusion of young people so that other stakeholders can replicate our proven experiences. This way, we move forward the political agenda and national policies in favour of a more competitive and resilient cocoa sector.

"In 2020, the Cocoa Sustainability Platform (CSP), which reaches over 200,000 cocoa farmers, established -with Rikolto's support- a national cocoa curriculum for farmers to give standardised technical recommendations concerning cocoa cultivation and subsidies for fertiliser at a national level. The recommendation to subsidise fertiliser formulated specifically for cocoa was approved by the government. As a result, in 2021, production costs decreased, and cocoa productivity increased."

### - Peni Agustijanto, Cocoa programme manager in Indonesia



### Collaboration to improve cocoa farmers' livelihoods in East Nusa Tenggara

Since 2020, Rainforest Alliance, Kalimajari, Rikolto, and a renowned French chocolatier Valrhona, along with the Jembrana District Government in Bali, have worked in coalition under the support of the Netherlands Government to address issues in the cocoa value chain. The project "Transforming the Cocoa Sector in Indonesia through Value Addition for Smallholders-Tractions ", so-called TRACTION, encourages the improvement of cocoa quality by implementing good agricultural practices that can reduce production costs and increase farmers' income.

TRACTION, funded by RVO (The Netherlands Enterprise Agency), is a five-year project (2020-2025) and is expected to reach 13,600 members of 3,400 smallholder farming households in Bali, Sulawesi and East Nusa Tenggara provinces. Through this project, Rikolto aims to empower 1,000 farmers in Sikka and Ende districts in the East Nusa Tenggara province.

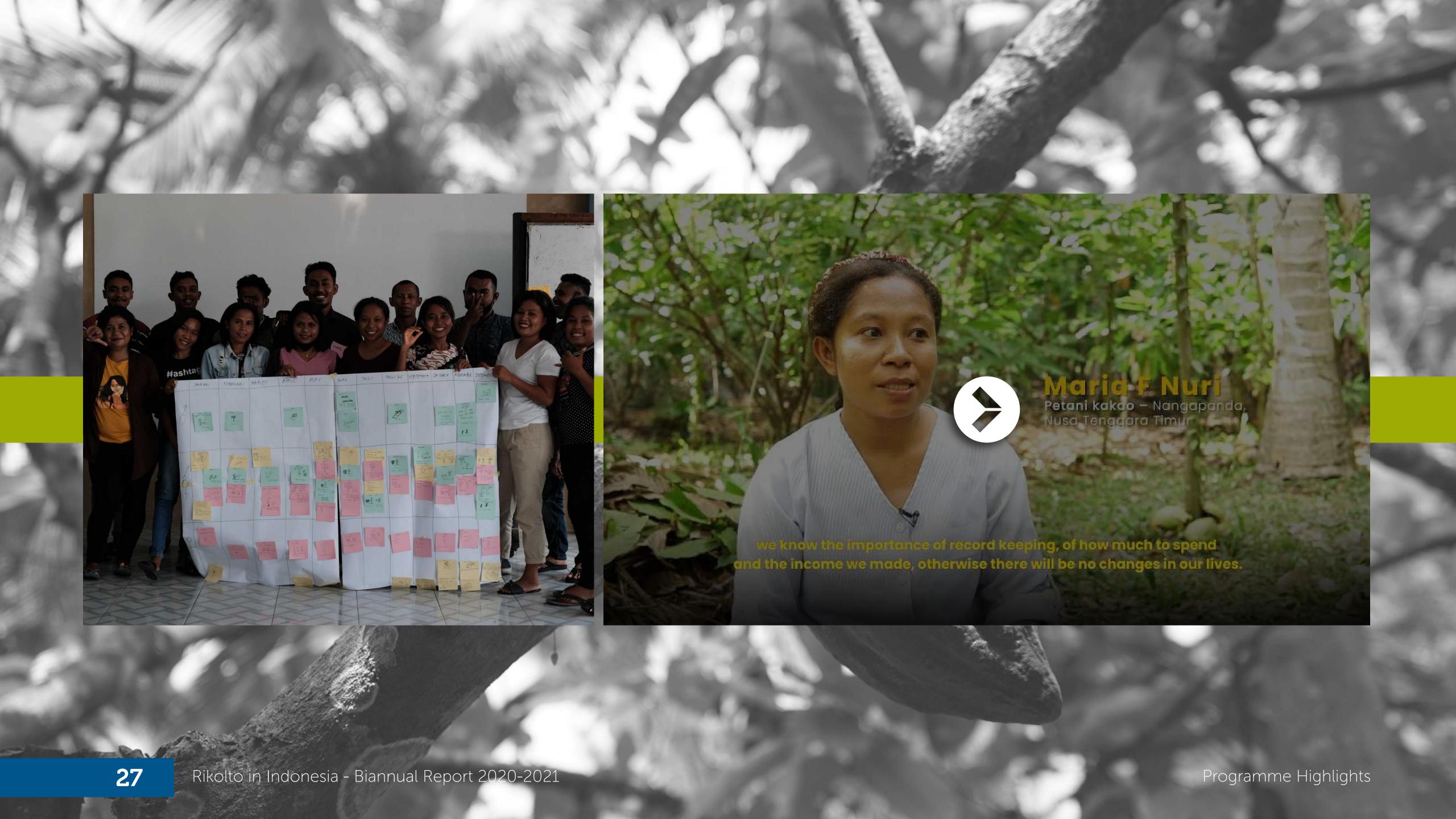
As of 2021, Rikolto has reached 685 farmers through capacity building on Climate-Smart Agriculture, Post-Harvest, and Farming as a Business (FaaB). The project has developed two demonstration plots with a total of 1.25 ha applying Climate Smart Agriculture (CSA) practices and functioning as an extension means for knowledge transfer to the cocoa smallholders in Sikka and Ende.

This project also focuses on increasing women's and youth's participation in the cocoa sector by integrating the GALS (Gender Action Learning System) approach. By the end of January 2022, SIKAP Cooperative in Ende had given GALS training for 36 people, and Romeo Cooperative had given the training to 23 people by January and February 2022. We are continuing the facilitation process and training to raise the communities' awareness towards gender issues and promote greater gender equality and sustainability in the sector.





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## Harnessing digital solutions to get more youth engaged in agriculture

In 2021, Rikolto was selected as one of the partners for the eMpowering Youth Across ASEAN (EYAA) Cohort Two, a collaboration project initiated by the ASEAN and Maybank Foundation dedicated to empowering ASEAN youths and communities towards inclusive and sustainable development. Through this project, Rikolto sought to attract the young generation's interest in agriculture through digital-based farming and agripreneurship.

Young people have enormous potential to adopt innovations and new technologies that can provide added value and increase agricultural production. However, Rikolto's assessment showed little interest among educated youth to work in the agricultural field. In the cocoa sector, there's a lack of attractive job opportunities and support, which as a result, drove young people to seek better opportunities elsewhere.



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Rikolto carried out this project with one of the cocoa partners, Mitra Agribisnis Mandiri (MAM) cocoa cooperative in Polewali Mandar Regency, West Sulawesi Province. One of the exciting aspects of the project was the involvement of the ASEAN young volunteers' who collaborated virtually to strengthen the capacity of young farmers in Polewali Mandar, particularly in developing a digital platform that can help expand Mitra Agribisnis Mandiri Cooperative's cocoa business.

From October to December 2021, ten young farmers in Polewali Mandar participated in online knowledge cafes and an intense 12-day Internet of Things (IoT) workshop. Each of the ten champions then trained four other young people, resulting in 50 young farmers equipped with the essential knowledge of digital technologies and entrepreneurial spirit. 20 out of 50 trained young farmers were female.

Under the supervision of a technical expert, the young cocoa farmers and ASEAN youth volunteers discussed the problems of cocoa farming and potential innovative technologies to solve those problems. The young farmers successfully developed four prototypes of digital technologies to improve cocoa processing:



1. The main monitor that displays the temperature and humidity sensors which measure outside conditions. The monitors are placed in the drying and fermentation houses and linked to the internet. By comparing the two readings, we can decide whether it is necessary to replace the air in the drying room with fresh air.

2. Temperature sensor for fermentation house. The readings will appear after the sensor is covered with damp cocoa beans. The sensor is waterproof with an accuracy of 0.5 °C, and it is measured every five seconds.

**3. Drying house sensor.** This tool has four sensors: temperature, humidity, light intensity, and air pressure. The readings from the four sensors are displayed simultaneously through the display.

4. Relay control tool that uses eight relays to control four fans in the solar drying house through the internet. It can also connect to remote devices like room heaters, lights, and water pumps.



## Financial Summary

	Source of Income	Percentages %
1	DGD	83.15%
2	11.11.11	3.59%
3	OWN MEANS	0.13%
4	OVO	0.73%
5	VANDERSYPEN	1.40%
6	FAO	2.06%
7	TRDS	5.28%
8	FDOV	0.40%
9	TRIPPER	0.59%
10	PROGRESSO	0.28%
11	RIKOLTO IDO FUND	0.00%
12	SDGP	2.39%
	TOTAL	100%



## Financial Summary

Source of Income		Percentages %
1	DGD	83.70%
2	11.11.11	0.14%
3	OWN MEANS	2.31%
4	OVO	0.31%
5	VANDERSYPEN	1.19%
6	OVO	0.00%
7	TRDS	3.46%
8	FDOV	0.31%
9	PROGRESSO	0.62%
10	SDGP	2.60%
11	ASEAN FOUNDATION	1.85%
12	SUCAFINA	0.13%
13	CISU	1.88%
14	UNEP	1.30%
15	TRDS	0.13%
16	PROGRESSO	0.07%
	TOTAL	100%



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