



Hershey Income *Accelerator* Program

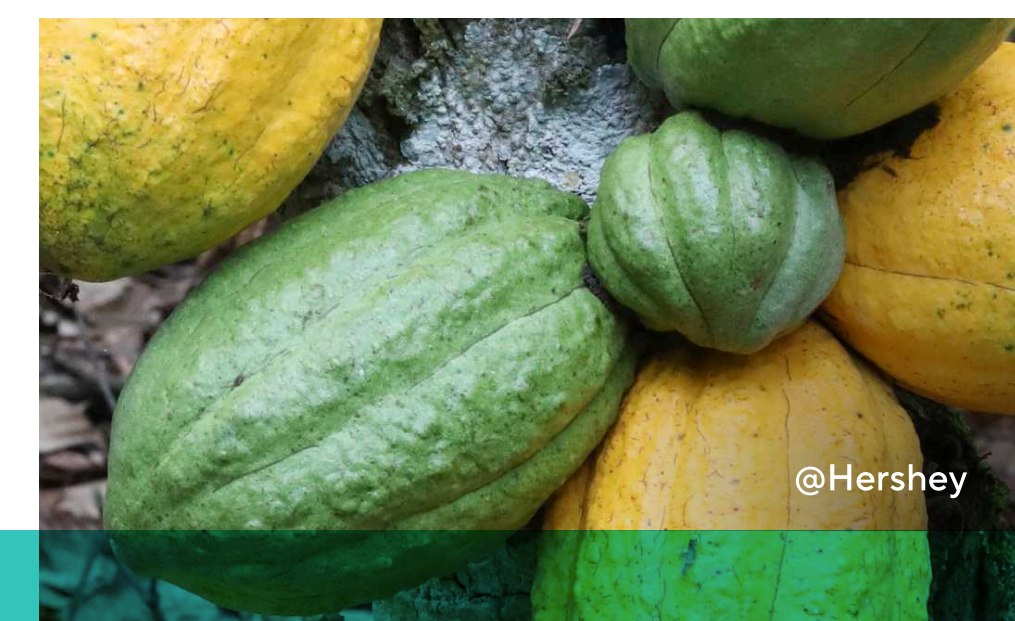
Progress Briefing, April 2023 – May 2025

December 2025

Executive summary

As part of our efforts to improve cocoa farmers' incomes and financial resilience, we launched the Hershey Income Accelerator Program (HIAP) in Côte d'Ivoire in April 2023. HIAP is a five-year multidimensional \$40M initiative aligned with government priorities and is implemented in partnership with the Rainforest Alliance, CARE, PUR, and the Conseil du Café-Cacao, among others. HIAP promotes farmer professionalization, financial inclusion, and access to education. The program combines cash transfers that are conditional on the adoption of sustainable farming practices with community interventions, such as Village Savings and Loan Associations (VSLAs) and school incentive payments to boost school enrollment.

Hershey commissioned a [HIAP progress report from Wageningen Social & Economic Research \(WSER\)](#) that covers the period from launch to May 2025. The report considers monitoring data from implementing partners and qualitative data from focus group discussions and semi-structured interviews with farmers and cooperative representatives. The report is intended to draw lessons for scaling up HIAP, but not evaluate HIAP's impact thus far. An impact evaluation is anticipated for 2027.



The report details key early achievements that lay the groundwork for sustained future results, including:

- High farmer engagement and loyalty, supported by premiums, inputs, equipment, and coaching
- Farmer willingness to adopt good agricultural practices (GAPs), notably pruning, supported by conditional cash transfers and farm enterprise plans (FEPs)
- Increased awareness and initial uptake of agroforestry practices
- Strengthened financial inclusion through VSLAs
- Positive reaction by farmers to entrepreneurship and financial training, which resulted in income diversification and improved household financial management

Farmers reported several challenges to their work, including:

- Declining cocoa productivity due to pests, diseases, and climate change
- Labor shortages
- An uneven understanding of the conditions required for receiving cash transfers

Hershey is learning from the recommendations of the report and applying these in the following ways:

1

Beginning in March of 2025, subsidizing labor crews for pruning, thereby helping to address labor constraints

2

Continuing a focus on household ownership of FEPs as a key mechanism for sustaining the program's impacts

3

Strengthening the role of HIAP cooperatives as critical partners, while continuing to invite cooperative representatives to learning events with implementing partners

4

Increasing communications with farmers and cooperatives, with additional support from our implementing partners and from Farmerline

5

Harmonizing efforts among partners, with the HIAP data platform supported by data sharing agreements among partners



@Hershey

This update summarizes key findings and recommendations from the recently [published progress report by WSER](#) while also laying out the next steps for Hershey and our partners as we continue to deliver the HIAP in Côte d'Ivoire.

Hershey engaged WSER to provide an independent and robust assessment of progress during the early phase of HIAP. The report includes actionable insights and recommendations for HIAP in Côte d'Ivoire, while also identifying learnings that can be applied at a wider scale.

While preliminary, these findings are deeply valuable to Hershey as we consider the most effective ways to invest in cocoa farmers, supporting farmers, their families, and their communities to thrive. The findings have been reviewed with partners and the report's recommendations will inform Hershey's next steps for continuous improvement.

In addition to improving our work through learning, we also intend to continue to share reports on our progress, including an impact evaluation in the final year of the current program commitment.





HIAP's approach to driving change

Developed in collaboration with our implementing partners and in consultation with the Conseil du Café-Cacao, Hershey launched HIAP in Côte d'Ivoire in April 2023, with fieldwork engaging farmers starting in November of that year.

HIAP is a multidimensional initiative aligned with the Ivorian government's National Strategy for Sustainable Cocoa and intended to improve the incomes of farming households. Our programming choices tackle poverty as one of the root causes of critical issues such as child labor and deforestation.

HIAP aims to increase farming households' financial resilience and capacity to invest, with a goal of increasing the incomes of farming households. HIAP centers around two proven strategies to strengthen farmer livelihoods:

- Conditional cash transfers (CCTs) have been shown to help reduce poverty.¹ In HIAP, they provide additional income while incentivizing sustainable farming practices and school enrollment and attendance
- VSLAs are community-based financial groups that encourage savings, provide access to loans, and promote economic stability, particularly in rural areas with limited access to formal banking services²

HIAP is currently implemented in collaboration with seven cocoa farming cooperatives and our suppliers Sucden and ETG. Fieldwork is carried out by our implementing partners Rainforest Alliance, CARE, and PUR, with additional support provided to cooperatives by ESP. HIAP has benefitted from input from expert advisors such as the International Cocoa Initiative (ICI) and Sustainable Food Lab.

The five-year, \$40 million initiative aims to improve the livelihoods of cocoa farming households through farmer professionalization, financial inclusion, and improved access to education for children.

¹Bastagli, F., Hagen-Zanker, J., Harman, L., Barca, V., Sturge, G., Schmidt, T., & Pellerano, L. (2016, July 27). Cash transfers: What does the evidence say? ODI.org.

²CARE (2022, August 18). VSLA By the Numbers: A Comprehensive Analysis of the Impact and ROI of VSLAs.

Farm enterprise plans: Placing farming families at the center

A cornerstone of HIAP is the co-creation of FEPs between coaches, participating farmers, and their households. These personalized plans account for the economic needs of the full household, while providing tailored coaching to help farmers improve yields and profitability through the adoption of sustainable farming practices.

Jessie Baker, Director of Scalable Impact Platforms at Rainforest Alliance, explains the approach:

“The Adoption Observation and Farm Enterprise Plan coaching model contrasts traditional approaches by placing the farming household at the center of decision-making about their own future and goals for prosperity. Based on observational field data captured, Rainforest Alliance coaches diagnose a farm or farm plot according to regenerative and yield increasing agronomic criteria (the Adoption Observations).

The coach then sits with a farmer and their household to discuss the findings regarding

the existing condition of their farm, what they would like to achieve, and what interventions, financial investment, labor requirements, and commitment will be needed to gradually transform their farm to meet their production targets.

By allowing the farmer to share their household’s aspirations, skills, and resources, the coach and the farmer work together to draft a multi-year plan that is feasible. Rather than patronizing farmers and telling them what they should do with their farms, coaches respectfully meet them where they are, taking them in hand as partners on a journey of gradual and meaningful change. With a plan that promises to deliver economic benefit, the coach supports the farmer in understanding the “why” behind certain interventions, providing motivational and technical support to actualize the farmer’s goals along the way. Building trust and understanding in this way supports the farmer to distinguish their farm’s role in a better future and to take ownership in achieving it.”

This level of engagement between the coach and the household supports farmers implement the sustainable practices identified in their tailored FEP. Farmers actively manage their FEP

and receive conditional cash transfers when they have adopted sustainable practices, and when those practices are confirmed by direct observation. Importantly, these conditional cash incentives are not tied to cocoa volumes, and they are paid on top of the price set by local governments and any premiums paid for independently verified cocoa.

The work of Rainforest Alliance is complemented by further agroforestry support provided by PUR:

“Through HIAP in Côte d’Ivoire, PUR is empowering more than 3,128 farmers to build climate-resilient farms by integrating native, shade, and economic trees into their landscapes.

PUR technicians train nursery operators in the cocoa communities on quality standards and species mix. Technicians also monitor germination, and plan distribution that match farmers’ chosen species. Farmers receive targeted coaching and, when needed, support from planting brigades.”

— Élodie Appia-Soumahoro, Country Manager, Côte d'Ivoire, PUR.

Fostering entrepreneurship through financial inclusion

HIAP advances financial inclusion through VSLAs, which offer low-interest credit and entrepreneurship opportunities. We are working with CARE to strengthen existing VSLAs and establish new ones. VSLAs allow members to pool resources, access credit and start small businesses, contributing to financial resilience. They also help support economic diversification beyond cocoa farming.



Gildas Doba/CARE

“

HIAP is helping women and families in cocoa-growing communities strengthen their ability to save, invest, and lead. Through our proven VSLA model, we're not only increasing access to finance, we're creating platforms for entrepreneurship, leadership, and connection.

These groups also serve as entry points for broader community change, enabling access to essential healthcare, clean water, sanitation, and social protection. Together with Hershey, we're building a more resilient supply chain where communities can anticipate, absorb, and adapt to shocks, whether environmental, economic, or social, without compromising their long-term well-being. When people can save, borrow, and invest in their future, they're not just surviving - they're shaping their futures.”

Maria Hinson Tobin, Executive Director of Agribusiness Partnership, CARE.

School attendance incentives and child wellbeing

We work with governments, our supply chain partners, expert civil society organizations, and farming communities with the aim of improving children's well-being and reducing the risks of child labor in cocoa farming communities.

Our efforts include:

- Working with suppliers on human rights and environmental due diligence where suppliers implement child labor monitoring and remediation systems³
- Working with governments via industry collaborations such as Child Learning and Education Facility (CLEF), supporting access to quality education by supporting actions such as teacher training³
- Working in partnership with Comité National de Surveillance des Actions de Lutte contre la Traite, l'Exploitation et le travail des Enfants (CNS) and ICI on the construction and renovation of primary schools in Côte d'Ivoire³

In addition, HIAP addresses root causes by improving farming family livelihoods, supporting health and well-being in cocoa-growing communities, and increasing access to education for the children in cocoa farming communities.

In October 2024, Hershey introduced a school incentive payment structure to encourage families participating in HIAP to enroll and keep their children in school.

This payment of 60,000 FCFA per household is divided into two parts: 75% is provided at the start of the school year to support enrollment and 25% is provided at the end of the year based on evidence from the school.



³2024 Responsible Business Report - page 18

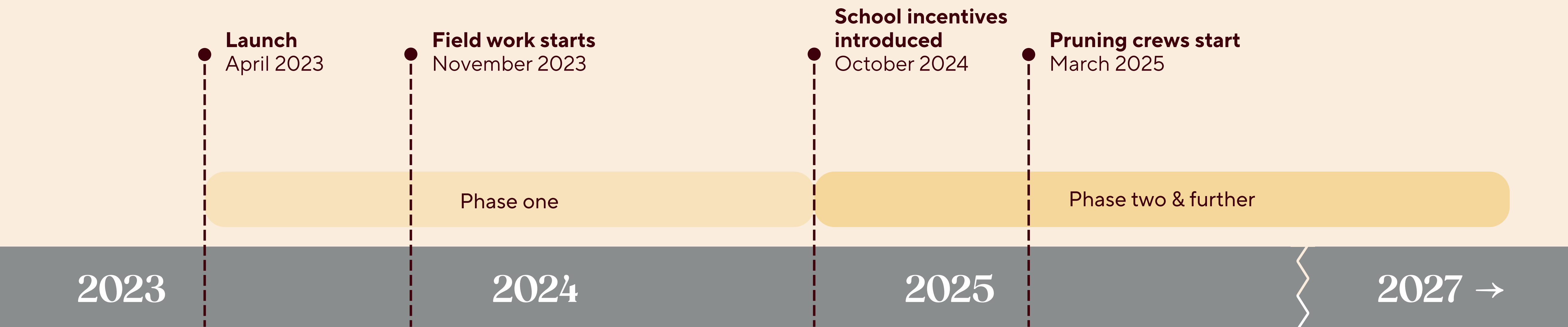
Summary of findings

from the progress report

The report represents a preliminary assessment of progress for HIAP in Côte d'Ivoire. The aim of the report is to support continuous improvement and to share learnings that can be more widely applied. The report focuses on the first phase of HIAP and looks at the initial group of cooperatives participating in the program by October 2024. The figure on the next page illustrates the timeline covered in this report, with HIAP fieldwork commencing November 2023 and the data collection for this report closing May 2025.



Implementation



Monitoring, evaluation & learning activities by HIAP implementing partners

Activities implemented until **May 2025** are covered in
HIAP Phase One Progress Report

Monitoring, evaluation,
& learning

Methodology



A mixed-methods approach, drawing on quantitative and qualitative data, was used to assess the progress of HIAP in Côte d'Ivoire. The methodology was developed by WSER in collaboration with HIAP implementing partners. Data sources included partner reports, partner monitoring data available on the HIAP data platform, and qualitative data from focus group discussions (FGDs) and semi-structured interviews (SSIs) with farmers and cooperative representatives. Farming households within five cooperatives were selected for in-depth study,

with tailored questionnaires addressing topics such as motivation, capacity, opportunity, trust, partner visibility, resilience, and challenges in cocoa production.

Progress markers were chosen based on their relevance to adaptive management, ability to demonstrate short-term change, availability of monitoring data, and alignment with Hershey's Responsible Business Report. Data triangulation was applied to ensure quality, drawing from multiple sources and

acknowledging challenges in harmonizing partner data and sampling approaches. The analysis focuses on both partner activity updates and progress marker reporting, with qualitative findings used to illustrate results and complement quantitative data. At the same time, we acknowledge limitations of the qualitative findings, such as positivity bias and the limited perspective they offer on the broader group of farmers.

Results & progress

Overall coordination of the program

The report found that during the initial phase of HIAP collaboration between the three main implementing partners – CARE, Rainforest Alliance, and PUR – was seen by participants as holistic, addressing agricultural, environmental, and financial needs in a complementary way. Each partner was recognized for distinct strengths: Rainforest Alliance focused on coaching perceived positively, agricultural productivity and GAPs, PUR specialized in agroforestry and reforestation, and CARE focused on the economic empowerment of farming households through VSLAs and micro-enterprises. The program interventions were described by participants as deeply interconnected and mutually reinforcing. The report also highlighted that the partners could benefit from further improvements to coordination and an expanded role for cooperatives, supporting increased local ownership and long-term impact.



Farmer professionalization

- 1. High farmer engagement & loyalty:** Farmers expressed strong commitment, supported by premiums, inputs, equipment, and coaching. Loyalty was driven by both practical benefits and trust in cooperatives
- 2. GAPs:** Farmers showed willingness to adopt practices like pruning and manual weeding, incentivized through CCTs and FEPs
- 3. Agroforestry awareness:** Initial uptake of agroforestry practices increased, with farmers talking about understanding the environmental and productivity benefits of shade trees
- 4. Cocoa yield:** Mixed results expressed by farmers; some saw improvements, others reported declines due to pests, diseases, and climate
- 5. Resilience:** Too early to assess changes in resilience, but farmers expressed signs of improvement in income diversification and adoption of GAPs

School attendance & child well being

- 1. School attendance:** Farmers expressed prioritizing their children's schooling. Financial support from VSLAs and the school incentive was perceived as critical though not sufficient to act as a full subsidy. Few families had evidence available from the schools
- 2. Community decision-making:** More inclusive and participatory processes, perceived in VSLAs

Financial inclusion

- 1. Financial inclusion:** VSLAs were strengthened, with members actively saving. Financial training improved household financial management and income diversification
- 2. Financial training:** Positive results reported by farmers for entrepreneurship and financial training, which resulted in income diversification and improved household financial management
- 3. VSLA membership:** Widespread and positive, with increased trust and participation
- 4. Income diversification:** Some growth in non-cocoa and off-farm income, mainly through VSLA loans and entrepreneurship
- 5. Use of hired labor:** Financial support enabled hiring labor, but costs and availability of hired labor remain barriers
- 6. Household revenue sources:** Diversification of income and empowerment (particularly of women) through VSLAs and training
- 7. Household savings:** Shift to formal savings mechanisms, especially among women
- 8. Decision-making:** Progress toward joint decision-making within households, though quantitative data shows only modest change

Adoption of GAPs

Initial diagnostic:

Most farmers scored “good” on carbon capture **(90%)**, water use **(98%)**, soil condition **(88%)**, pH **(96%)**, and erosion management **(85%)**

Challenges

Most scored “bad” on pruning **(91%)**, planting density **(87%)**, and nutrient delivery **(97%)**



Farmer loyalty
to cooperative

90.2%

Average of cocoa sold to coop per farmer

13.2%

Did not sell all cocoa to coop

1.9%

Attrition rate

Cocoa productivity
per hectacre

In the Rainforest Alliance baseline
sample **average yield** was



Production trend

Average total production for those
farmers was **2,208 kg** at baseline and
1,811 kg in Year 2

Note: Actual yield changes only expected in later years

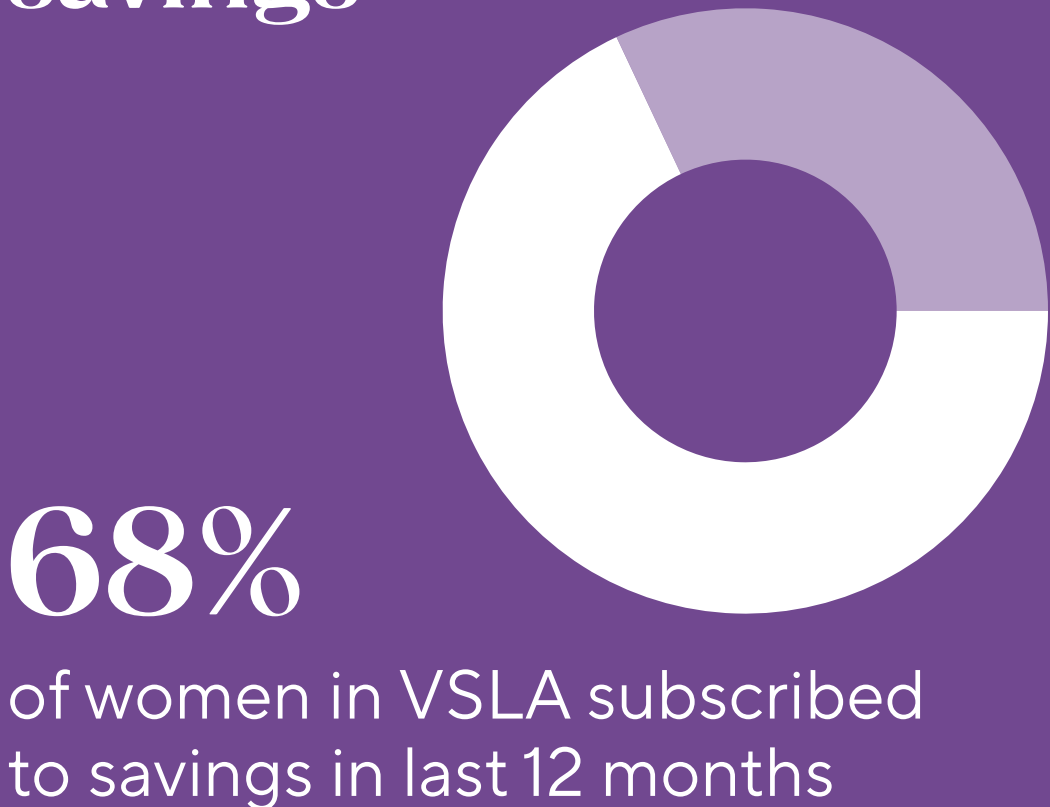
Use of hired labor



Labor cost change
71,757 CFA (\$128) → 74,422 CFA (\$133)
Baseline Year 2



Household savings



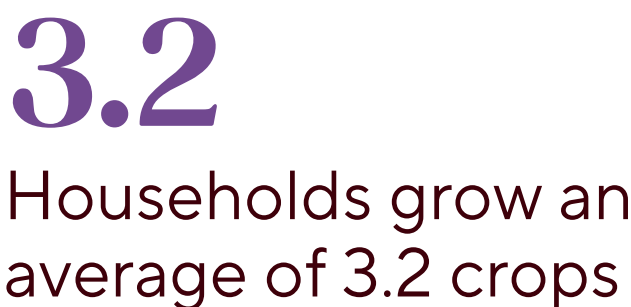
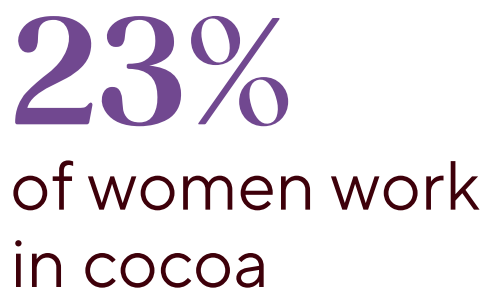
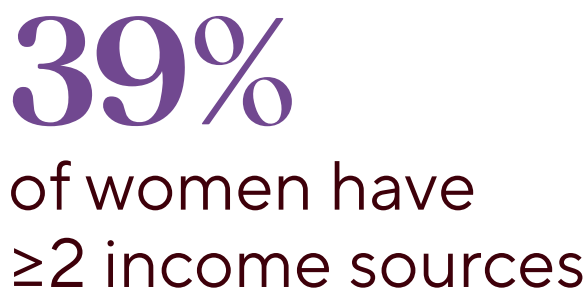
VSLA membership (number of members)

200 existing VSLAs supported:

New VSLAs



Number of revenue sources of women (& household)



Community decision making

0.49_(low)
Women’s Empowerment Index

Challenge

Women’s Empowerment Index (WEI) remains low (**0.49**), showing that, despite their economic involvement, women continue to face significant challenges in gaining full decision-making power at the community level and in cooperatives.

School attendance



Access



Attendance



Prevalence of records

78% of households have access to schools

67.5% of school-age children declared to be attending

26.75% of families had evidence of attendance available from the school. Verifying school attendance through school registries and proof of school attendance remains challenging

Household decision making

Baseline

Year 2

Cocoa farming decisions taken jointly

41.1%

42.5%

Household spending decisions taken jointly

47.5%

45.1%

94.9%

Women report participating in economic decisions in the household

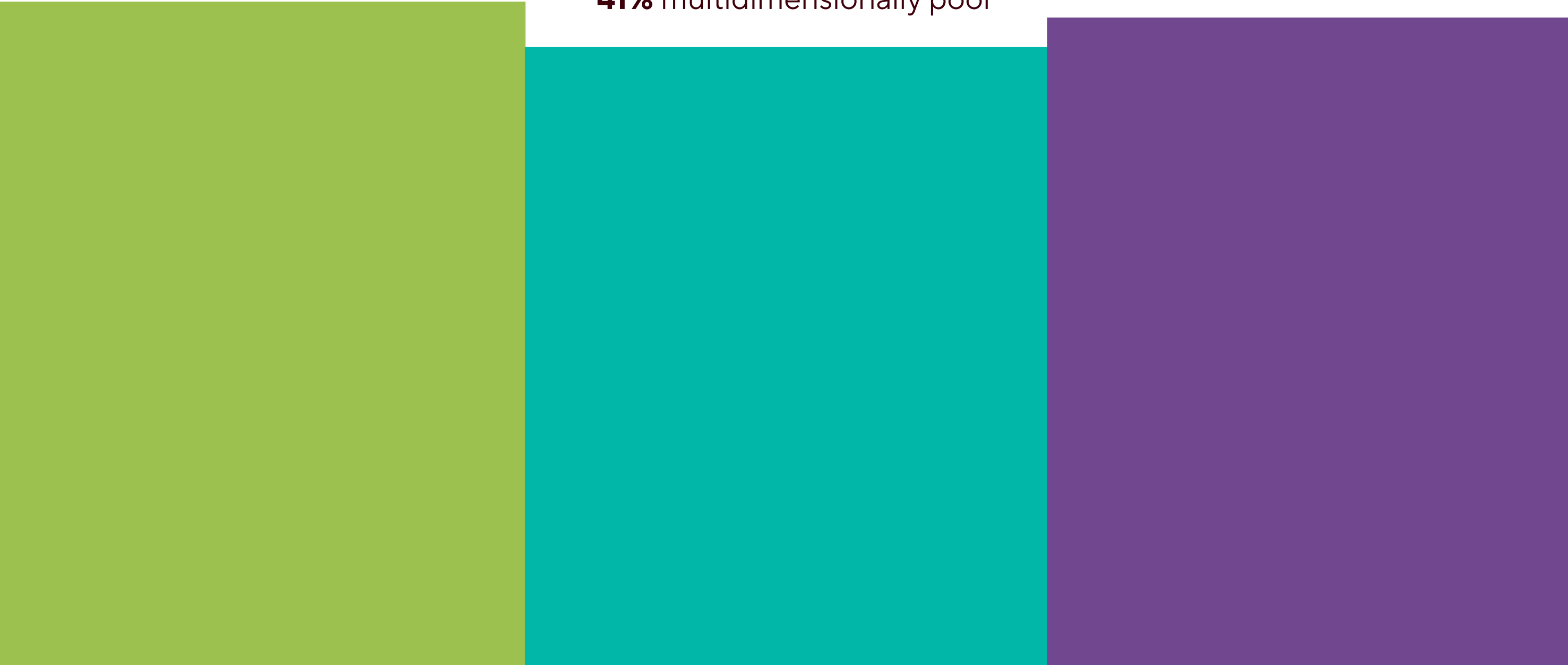
Resilience - Multidimensional Poverty Index (MDPI)

Year 1
43.7% multidimensionally poor



Year 2
41% multidimensionally poor

National MDPI
42.8% (2021)





Report recommendations *and* Hershey's next steps

The report outlines strategic, operational, and learning recommendations to enhance the effectiveness and sustainability of HIAP. Hershey is committed to integrating the findings from this progress report in the next phases of the HIAP program. We have engaged our supply chain and project partners to address the recommendations of the report.



Strategic recommendations

Establish a comprehensive pathway for core interventions such as CCTs, GAP coaching, and VSLAs to continue beyond Hershey’s 5-year commitment.

Address labor constraints and monitor the effects of potential solutions: these could include access to labor-saving tools and community labor-sharing models.

Since cash transfers are a key intervention, clear communication and messaging towards all targeted farmers and by partners clarifying eligibility, conditions, timing, and amounts should be improved.

Review certain design choices, including the **role of cooperatives** in HIAP.

Hershey’s response

We agree that interventions need pathways for continuation. The design of HIAP has focused on household ownership of the FEP as a key mechanism for continuation. Considering wider pathways is an area of focus for the coming year.

We agree with the importance of access to labor. Subsidized labor crews for pruning started in March 2025.

Increasing communications with farmers and cooperatives, with additional support from our implementing partners and from Farmerline.

HIAP cooperatives are critical partners, and we agree their role in HIAP can be strengthened. This is a focus for us in the coming year.

Operational recommendations

Continuing **harmonization** of partners’ and Hershey’s **monitoring systems** is advised.

Strengthening **data-sharing and transparency** among partners would be highly beneficial.

The various focus groups showed broad but not homogenous awareness about Hershey’s role prompting the need to **increase Hershey’s visibility on the ground.**

Hershey’s response

Working groups among HIAP partners help us advance this goal and the focus of the working groups has been reviewed in light of the report recommendations.

The HIAP data platform is operational and now further supported by data sharing agreements among partners.

We are committed to increasing the visibility of our investments by strengthening our relationships on the ground, including with cooperatives. We are increasing our focus on communications and have additional support from our implementing partners and from Farmerline.





Learning recommendations

Taking a more participatory monitoring, evaluation and learning (MEL) approach to increase ownership and long-term adoption by coops and farmers would be beneficial, especially **incorporation of approaches to maintain behavior change momentum.**

To build upon the learning across farmers and cooperatives, **learning and feedback loops can be strengthened.**

Review HIAP **definition of resilience to maintain alignment** with wider strategies.

Hershey's response

We are reviewing how to further integrate participatory approaches and considering which approaches will best support behavioral change.

We already invite cooperative representatives to learning events with implementing partners, but our work to deepen engagement with cooperatives includes plans for a dashboard that cooperatives can access.

We agree that resilience can be further defined as HIAP considers both agronomic resilience and household income resilience. We are working with expert advisors on this topic.

Next steps

The progress report prepared by WSER has delivered valuable insights on HIAP’s activities up until May 2025.

Since that time, the program has →



Adapted our approach to school incentives to reflect the reality on the ground (where families do not often have evidence available from schools)



Launched pruning services with suppliers to deliver subsidized services to HIAP farmers who have developed their FEP



Expanded the community development work with CARE to roll-out initiatives that integrate nutrition, water, and sanitation efforts within VSLAs



Initiated a cooperative strengthening program with ESP

These additional services to farmers, farming communities, and cooperatives are intended to continue Hershey’s farmer-centric approach, addressing needs that have been expressed. We look forward to the work ahead and will continue to share lessons we have learned from our work.

