Alliances for Action
Ghana (2016-2018)

Combining food crops with cocoa for income diversification and sustainable & resilient trade

World Cocoa Conference (ICCO)
Berlin, April 2018
Win-Win and sustainability start with the producer
More Business for the producer is possible but we must understand the producer requirements (and perceived Risks) first.

Regions selected:
Brong Ahafo - Ashanti - Northern Reg. (TBI)

- Cocoa monocrop associated with multiple cropping systems of plantain, cocoyam, maize and cassava
- Cocoa monocrop associated with cropping systems and rotation of plantain, maize, orange and yam
- Cocoa monocrop associated with cropping systems and rotation of plantain, maize, and cassava
- Mixed cropping systems (intercropping and monocrops) of coco-yam, cassava and maize

Producers
Traders
Processor / Manufacturer
Exporter
Manufacturer / Retailer Abroad

Lead Farmers
2nd Ring Farmers

Project Lead Farmers (2016-2017)
Survey Area (400 farmers)
Meet the Farmer: Main issues for Cocoa production (2016-17)

**Cocoa (Men)**

- **Transport & Road**: 8%
- **Bad scale/Purchasing clerk cheating**: 21%
- **Delay Payment/Financial difficulties**: 10%
- **High cost of pesticides**: 9%
- **Beans not fully mature/ Low harvest**: 3%
- **Beans not fully dry**: 1%
- **No issues**: 6%

**Cocoa (Women)**

- **Transport & Road**: 6%
- **Bad scale/Purchasing clerk cheating**: 11%
- **Delay Payment/Financial difficulties**: 14%
- **Beans not fully mature/ Low harvest**: 8%
- **Beans not fully dry**: 3%
- **No issues**: 8%

**Issues**

- **Men** issues: 1) Scale Adjustment / Purchasing Clerk Cheating; 2) Beans Not Fully Dry; 3) Delay Payment / Financial difficulties
- **Women** issues: 1) Delay Payment/ Financial Difficulties; 2) Scale Adjustment / Purchasing Clerk Cheating; 3) Beans not fully dry
Meet the farmer (2): Income from cocoa and food crops

- Income from cocoa farming is the main component of farmers' total income.
- Higher incomes benefit not only for more revenues from cocoa but even from an increase in revenues from food crops sale.
Meet the farmer (4): Diversification and investment in cocoa farming

Farmers with higher incomes are more likely to invest in **multicrop production** than in monocropping.

If you would have financial support, which area of business will you invest in?

Farmers with higher incomes are more likely to **reinvest income from food crops in cocoa farming**.

Income from other crops invested in Cocoa farming:

- % of income from 2nd food crop reinvested in cocoa
- % of income from 1st food crop reinvested in cocoa

If you would have financial support, which area of business will you invest in?

- Only Cocoa farming
- Combination of Cocoa and other crops

![Graph showing income from other crops invested in cocoa farming and investment preferences based on income levels.](image-url)
Alliances for Action targets farmer income for farmers but it requires:
- An integrated Business model that is low risk for farmers and has multiple market channels
- Alliances between a variety of stakeholders and ownership (ownership means investment)
- Opportunity to Improve existing sustainability programs (DAF and Agroforestry)

Cocoa Value Chain

- Producers
- Traders
- Processing / Manufacturing
- Exporters / Branding
- Manufacturers / Retailers / Exporters Abroad

Support Institutions:
- Ministry of Gender, Children & Social Protection
- Kukuom Farmer Union
- Accra & Kumasi local traders

Governments:
- Ministry of Trade & Industry

Yam Value Chain

- Producers
- Traders
- Processing / Manufacturing
- Exporters / Branding
- Manufacturers / Retailers / Exporters Abroad

Support Institutions:
- Ministry of Gender, Children & Social Protection
- Accra & Kumasi local traders

Governments:
- Ministry of Trade & Industry
Results (2016) income diversification, Yam Harvest and growth

• 2016:
  • 15 lead farmers / 8 women & 7 men linked to 254 second ring farmers (first year)
  • Total of 12,000 kg tubers (average of 0.2 acres of land per farmer)
  • 22% overall average revenue increase for lead farmers
  • Yam Exporter Association contracted lead farmers for yam seed production (with Kuapa and Kukuom);
  • 260,000 USD in partner contributions leveraged

• 2017:
  • 58 second ring farmers got yam seeds and are now establishing their demo plots
  • Growth from 15 lead farmers to 63 (15 + 58)

• 2018:
  • Ecological intensification and Agroforestry integrated fully
  • Kuapa Kokoo committed investing 1 million GHC for replication to 300 Kuapa lead farmers;
Conclusions

• Understanding producer requirements is key
• Development, Sustainability and PPP cannot be driven by Cocoa Industry alone
• Importance of having an impartial broker or trusted adviser
• Farming as a business requires integrated portfolio and that means both products and markets
  • Income diversification
  • Cashflow improved
  • Risk diversification
  • Value addition
  • Food security
• Result: Cocoa farmers are better off and cocoa production is improved.
• Investments are taking place for business
• Increasing layers of sustainability; building on what already exists
Alliances for Action (A4A) Ghana