Sustainable Cocoa Economy

WCF Perspective
World Cocoa Foundation

• World Cocoa Foundation (WCF) is an international membership organization representing more than 90 member companies across the cocoa value chain.

• We are Committed to creating a sustainable cocoa economy.

• We work through public-private partnerships that bring together donors, industry members, producing country governments, research institutes and non-governmental organizations to achieve its goals.
Sustainable Cocoa Production

• Sustainable cocoa systems include farmers who receive equitable economic returns for producing quality cocoa, practice sound environmental stewardship and contribute to thriving cocoa farming communities.

• These efforts help increase the supply of cocoa which is a benefit to both farmers who depend on the crop for income, as well as consumers who enjoy cocoa products.
Our sustainability principle is based on “People, Planet and Profit”.

We are dedicated to a shared future by:
- Ensuring a sustainable supply of quality cocoa that benefits both growers and users.
- Empowering farmers to make choices that help develop strong, prosperous cocoa communities.
- Promoting sustainable production practices that maintain and increase biodiversity and crop diversification.
WCF’s Increased Investment Towards Sustainable Cocoa Production in West & Central Africa

WCF’s Overall Vision
To develop a sustainable cocoa sector in West and Central Africa where cocoa farmers live in thriving communities and cocoa farming is viewed as a well-respected profession.
Empowering Cocoa Households with Opportunities and Education Solutions (ECHOES)
WCF ECHOES Overview

Objective
Strengthen cocoa-growing communities in Ghana and Côte d’Ivoire by expanding opportunities for youth and young adults through relevant, gender-integrated education.

Goal
Ultimately, the program aims to serve as a scalable model for education in rural West Africa, by focusing on three main components:

• Youth Leadership and Agriculture
• Basic Education
• Innovative Activities
WCF ECHOES - How do we ensure Sustainability?

- Community ownership of program
- Shadow teachers
- Youth trainers (TOT model)
- Stakeholder meetings
- Community committees and leadership training
- Community-developed sustainability plans
- Good rapport with local and national government
- Community graduation plans
- School demonstration plots that earn income for school
## Cocoa sustainability constraints

<table>
<thead>
<tr>
<th>Core Issues</th>
<th>Root Causes</th>
<th>Priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>90% smallholder farms, less than 10% organized</td>
<td>Inheritance of small plots, limited mechanization in production</td>
<td>Farmer aggregation with strong governance and culture of quality</td>
</tr>
<tr>
<td>Poor infrastructure and remote areas</td>
<td>Years of limited investment in roads and equipment</td>
<td>Centralized points for farmer groups, trainings &amp; services</td>
</tr>
<tr>
<td>Limited farmer investment in cocoa, aging trees and degraded soil</td>
<td>Outdated practices, limited access to inputs and lack of replanting. Aging farmer profile and limited gender outreach</td>
<td>Improved GAP and correct use of and improved access to inputs, gender inclusive strategy, regeneration and rehabilitation of farms</td>
</tr>
<tr>
<td>Diversification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cocoa farmers subject to multiple market risks</td>
<td>Price volatility, climate patterns, limited leverage with buyers, limited market access and lack of information</td>
<td>Training to manage farm as a business, promotion of market appropriate crops, moving market services closer to farmer groups</td>
</tr>
</tbody>
</table>
African Cocoa Initiative
African Cocoa Initiative Program Components

• WCF/ACI is a Public/Private Partnership program funded by:
  - The United States Agency for International Development (USAID)
  - The World Cocoa Foundation 14 company members (WCF)
  - The Dutch Sustainable Trade Initiative (IDH)

• The program Components are:
  – National Partnership Platforms Support
  – Improved Productivity through Better Planting Material
  – Extension and Training of Trainers
  --Agro-Input Supply
ACI Addressing Sustainability through Development of Improved Planting Material

- Fingerprinting and type validation of seed garden material;
- New seed garden to support re-planting;

- Promotion of clonal bud wood gardens as pioneering technology;

- Master of grafting training and certification system;
- Support ACBWG;

- Sub-regional symposium on next generation of cocoa research in Africa
Foster market driven farming input supply services

• Regional workshop on Soil Fertility (CDI)

• Integrate Soil fertility elements in GAP curricula

• Pilot programs to establish improved distribution networks

• Establish or strengthen available Mobile phone based information services

• Expand cocoa finance opportunities
Responsibilities

Government/Public Sector
• The key to success would be to ensure that the national governments drive their own priority setting and implementation;
• that they convene and ensure participation of public and private partners,
• work with in-country organizations to mobilize resources;
• communicate noted requirements/gaps to partners;
• share/provide best practices,
• benchmarks, lessons learned;
• identify, communicate and resolve in-country constrains;
• etc.

Private Sector
• communicates its needs, short, medium and long term;
• brings in needed funds and new technology;
• ensures that needs or programs fit into the national plan and can be stepped up,
• etc.
Road to PPP

Government (Public Sector) ➔ PPP Platform

Private Sector (Organisations + Activities)

IMPROVED' Scenario
- Policies
- Capacities
- Investment programs
- National cocoa development plans
- Etc.

World Cocoa Foundation
PPP Platform

Stakeholders
Socio-economic groups

Plenary
- Gov’t Policy (reaction from private sector)
- Review Policies (amendments)

Thematic Working Groups
Cost/benefit analyses of certification; length of marketing chains; etc

Donor Committee
- Funding Gaps
- Inventory of Projects

Experts
- From Technical Organisations e.g. COPAL, UNDP, USAID, WCF, IDH. Etc.
Measuring Success of WCF Activities
CocoaMAP tracks progress in the global effort to achieve sustainable cocoa production through a set of indicators and measurements that have been credibly verified.
INDICATOR AND DATA INITIATIVES

CocoaMAP

reinforces and draws from:

• M&E activities;
• Partner and government data;
• Company data;
• Verified third party sources
• Other stakeholders in the value chain
## CocoaMAP INDICATORS

<table>
<thead>
<tr>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Cocoa Households</td>
</tr>
<tr>
<td>Total Number of Cocoa Farmers in Recognized Farmer Organizations</td>
</tr>
<tr>
<td>Total Number of Cocoa Farmers Producing Certified Cocoa</td>
</tr>
<tr>
<td>Number of Children Participating in the Worst Forms of Child Labor in The Cocoa Sector as defined by the International Labor Organization Convention no 182.</td>
</tr>
<tr>
<td>Total Number of Cocoa Farmers in Informal Farmer Organizations</td>
</tr>
<tr>
<td>Total Number of Informal Farmer Organizations</td>
</tr>
<tr>
<td>Total Number of Legally Recognized Farmer Organizations</td>
</tr>
<tr>
<td>Total Number of Legally Recognized Farmer Organizations</td>
</tr>
<tr>
<td>Total Number of Women in Leadership Positions in Farmer Organizations</td>
</tr>
<tr>
<td>Average Age of Cocoa Farmers</td>
</tr>
<tr>
<td>Number of primary schools serving Cocoa Sector</td>
</tr>
<tr>
<td>Literacy Rates in Cocoa Communities/Families (% of 15-24 yr olds)</td>
</tr>
<tr>
<td>Nutritional status among children under the age of 5 years</td>
</tr>
<tr>
<td>Child mortality rates</td>
</tr>
</tbody>
</table>
# CocoaMAP INDICATORS

<table>
<thead>
<tr>
<th>Planet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Cocoa Producing Countries with a National Plan for Sustainability</td>
</tr>
<tr>
<td>Number of Cocoa Consuming Countries with a National Plan for Sustainability</td>
</tr>
<tr>
<td>Number of farmers applying GAP for shade management</td>
</tr>
<tr>
<td>Number of farmers applying GAP practices for line and pegging (average tree density)</td>
</tr>
<tr>
<td>Total Area of Cocoa Landscape Comprised of Cocoa Fields Under Shade Management</td>
</tr>
<tr>
<td>Average # of tree and crop species on farm as compared to cocoa</td>
</tr>
<tr>
<td>Rates of reforestation (ha re-planted for canopy cover/ha cleared)</td>
</tr>
<tr>
<td>Rates of deforestation (Ha with canopy cover / ha without canopy cover)</td>
</tr>
<tr>
<td>Number of Hectares of Cocoa Land under Certified Production Systems</td>
</tr>
<tr>
<td>Percentage of the Total Cocoa Land that is Under Certified Production Systems</td>
</tr>
<tr>
<td><strong>Profit</strong></td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Total Area of Land Managed for Cocoa Production</td>
</tr>
<tr>
<td>Total Area of Cocoa Landscape Under a Minimum Number of Good Agricultural Practices</td>
</tr>
<tr>
<td>Number of Cocoa Farmers Trained in Good Agriculture Practices During the Past Crop Year</td>
</tr>
<tr>
<td>Number of Farmers Applying A Minimum Number of Good Agriculture Practices</td>
</tr>
<tr>
<td>Number of farmers applying GAP for soil fertility</td>
</tr>
<tr>
<td>Number of Farmers Performing Soil Analysis on Their Cocoa Farms since XXXX (Baseline year)</td>
</tr>
<tr>
<td>Average findings from soil analysis/testing per region</td>
</tr>
<tr>
<td>Number of farmers applying GAP for weeding</td>
</tr>
<tr>
<td>Production of Cocoa (MT)</td>
</tr>
<tr>
<td>Production of Cocoa (MT) By Small-Scale Farmers (&gt;5 hectares or less)</td>
</tr>
<tr>
<td>World Reference Price of Cocoa</td>
</tr>
</tbody>
</table>
CocoaMAP MILESTONES

1. Call to Action: WCF Board Meeting (May 2011)
2. Road Map—working sessions at Accra Board Meeting (Oct 2011)
3. WCF/World Bank “Cocoa Vision 2020” & working sessions (March 2012)
4. CocoaMAP Overview and Demo’s at WCF Partnership meetings (June & October 2012)
5. Data Verified and First Public Report (February 2013)
THANK YOU!