



# Sustainable Production

## ICCO conference

November , 2012



# Livelihood Charter Objectives

- Improve Farmers livelihoods through sustainable Environmental Social and Economic practices
- Create shared value by participating in Industry & Consumer led demand for Premium quality traceable **certified** cocoa
- Long term Commitment 5 year Partnerships with Industry Partner and Cooperatives

## How it started

- Date ; October 2005
- 1 cooperative ; 320 farmers in 1 village; Yaou, in S. East Cote D'Ivoire
- Child labour accusations, ageing , ill disciplined, unmotivated farmers, poor quality, low yields, black pod prevalent, war torn economy.

## Where we are

- ✿ Season ; 2012/ 13
- ✿ 105 cooperatives; 42,000 farmers 9 regions
- ✿ 38 cooperatives certified RA / UTZ / FT
- ✿ 68,000 mt fully traceable premium quality cocoa



In 2005, 1 cooperative

 CIFOB (1)

In 2012, 105 cooperatives

 RA (29)

 CIFOB (43)

 Costco (13)

 NCP / UTZ (18)

 Fair Trade (2)



# Livelihood Charter Principles 12/13

## Finance

- ✦ \$100M (36M) interest free pre finance to provide Working Capital and ensure farmer loyalty and good quality
- ✦ \$1.25M interest free loans for asset financing
- ✦ \$ 3M pre-financing for program expenses

## Improved Yield

- ✦ Extensive Farmer Training prompting increased Farmer Engagement
- ✦ 6,230 (3,833) Farmers trained in GAP+ IPM
- ✦ 17,550 (10,700) additional farmers trained through Farmer Field Schools providing all year round interactive training
- ✦ 12 mt (25mt ) of pesticide supplied to enhance quality and yield

## Labour Practices

- ✦ Transform cooperative to an efficient business entity
- ✦ 6,230 (3,833) Farmers trained Child Labour + Aids awareness
- ✦ 9,900 (3,750) Farmers receive Business Training; personal P+L, cash flow, diversification, Labour + capital productivity, risk evaluation.
- ✦ 592 (184) Cooperative managers trained in Best Management practices; budgeting , credit control, debt recovery, Traceability, documentation,

## Market Access

- ✦ All year round purchasing incl Light crop
- ✦ Attractive Premiums to ensure cooperative loyalty and quality

# Livelihood Charter Principles 12/13

## Traceability

- ✿ Encourages Farmer Commitment ;each farmer numerically Identified, equipped with Pass book detailing all personal information and delivery details
- ✿ Annual audit of all features; Documents, Processes, Premiums + Social programs

## Quality

- ✿ 210 solar dryers constructed ensuring homogeneous efficient drying
- ✿ Engage farmer with regular rallies, Incite motivation and peer pressure
- ✿ Monthly award ceremonies per cooperative for best quantity + quality
- ✿ Distribute \$ 60k (20k) in monthly cash prizes and T-shirts.
- ✿ Increased Farmer and Cooperative Premiums total; \$8.8M (\$4.5M)distributed

## Social Investment

- ✿ Improve community infrastructure and livelihoods
- ✿ \$25,000 award scheme to best cooperative per program
- ✿ 1 Water Pump, 1 medical Laboratory inaugurated, 4 Schools, 3 Health centres, 1 Maternity Unit 1 cooperative store inaugurated in Sept 12 ; \$250,000
- ✿ 3 projects 11/12 + 8 projects 12/13
- ✿ Linked up with WCF and Echoes program to provide adult literacy classes

## Environmental impact

- ✿ 1M (725k) hybrid seeds grown in 44 (28) cooperative nurseries, to be distributed to 2,250 (1,650) farmers, planted in 750 (550) Ha. yield 1,500 mt (1,100 mt.)
- ✿ 112,500 (31,200) Shade trees installed, water management, soil erosion plans , respect wild life





# 2012 / 13 → Way forward

## Fully Implement Customers & Olam Supplier Code

- Dynamic Farmer training on Child Labour and social concerns
- Pro active Child Labour verification
- GPS farm mapping per cooperative; Yield survey



## Focus on professionalizing cooperatives to thrive under Stabilisation

- Full engagement with coops; farmer rallies, premium distribution and social investments
- Extend Farmer Business training to all farmers



## Environment focus

- Develop + Extend partnership on Cocoa Develop Centres; rejuvenation through grafting work with CNRA to extend Grafting program to all cooperatives



## Rapid scale up to reach 100k mt by 2015 and 100% responsible and traceable by 2020

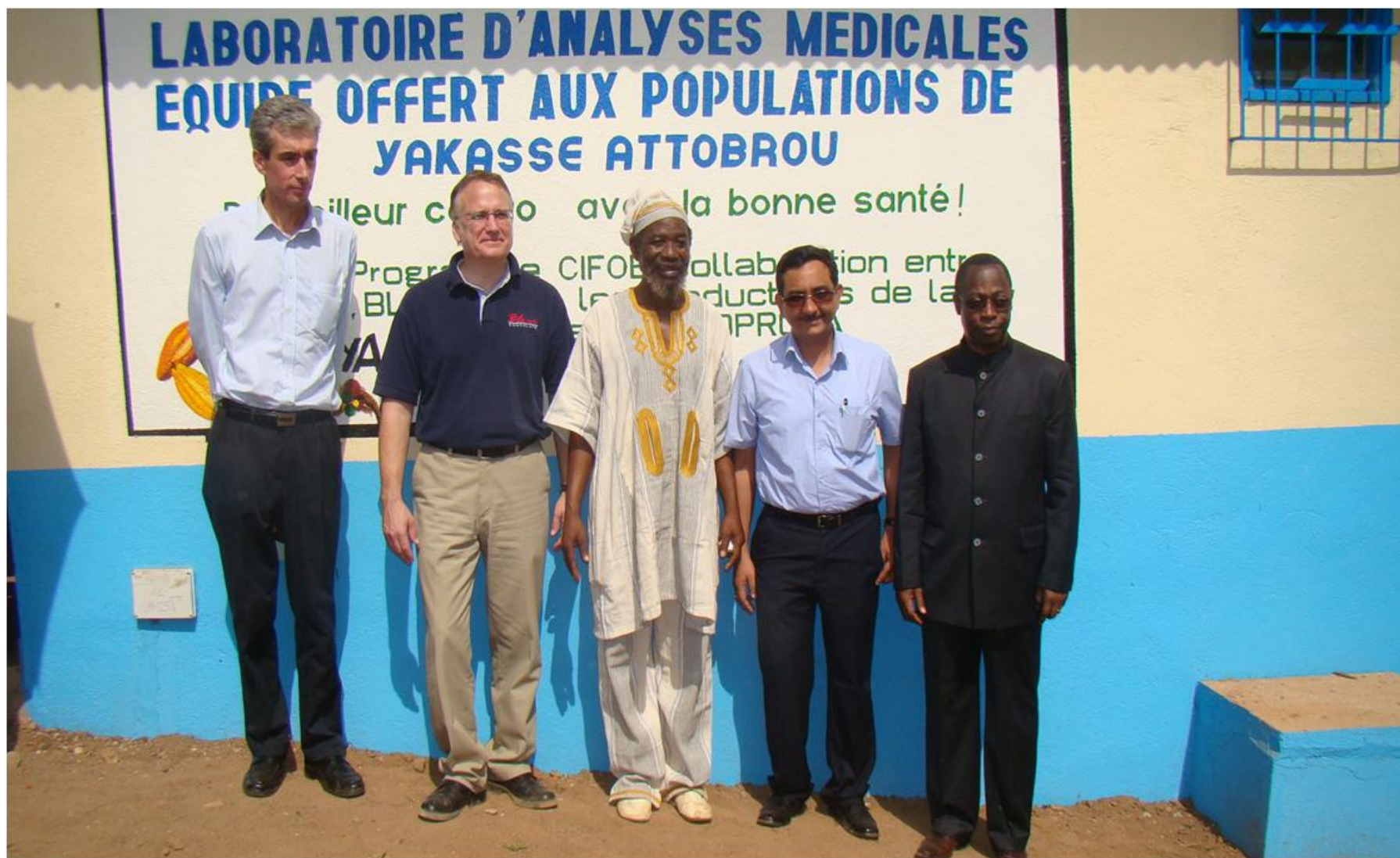
- Certify LBA's as well as cooperatives ; RA / UTZ
- Certification costs to reduce as much as possible, through CCE project with GIZ



# Tomorrow's Aspirations







*Donation of a Medical Laboratory to Yakasse Attobrou cooperative Cooproya, CIFOB program*



Thank You