



World Cocoa Foundation 16th Partnership Meeting

"Building the Capacity for a Sustainable Cocoa Sector"

October 14-15, 2009



Workshop: Building Individual Capacity

"Challenges, Opportunities and Models for Building Individual Capacity to Address Sustainability Principles & Goals"

October 14, 2009

1:30 pm - 3:00 pm



Speaker

Alberto Nacer

Commercial Manager
Transmar Commodity Group of Ecuador S.A.





Project D.R.E.A.M.

- ✓ Ecuador's Challenges
- ✓ Transmar's Priority
- ✓ Project D.R.E.A.M. Benefits
- ✓ Project D.R.E.A.M. Future

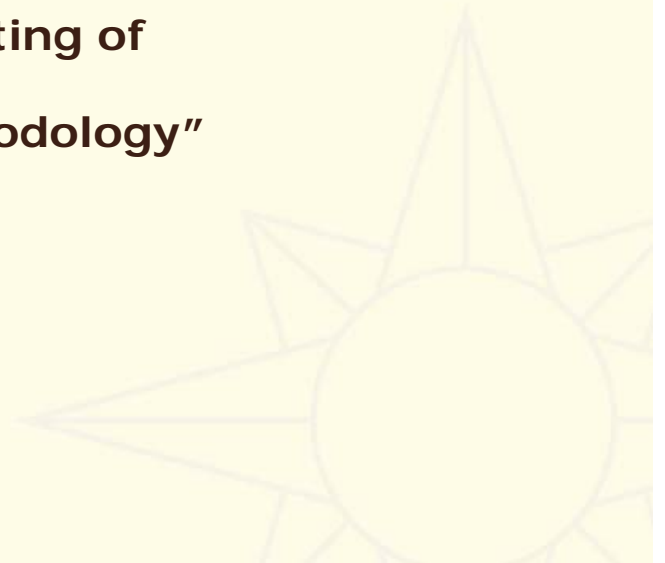




Project D.R.E.A.M.



**“Developing and Rehabilitating of
the Existing Agricultural Methodology”**





Ecuador's Challenges

- ✓ Poor Farming Techniques
- ✓ Poor Farm Planning
- ✓ Uncertain Genetic Material





Ecuador's Challenges

✓ Poor Farming Techniques

- Low Production Yields – 250 kgs/Year/Hectare
- Farms are Old and Poorly Maintained
- Inadequate Irrigation
- Poor Distribution of Good Genetic Material
- Lack of Training and Education





Ecuador's Challenges

✓ Poor Farm Planning

- Subsistence Farmers
- All Income Spent in First Necessity Items
- No Suitable Analysis of Land
- No Short Cycle Crops Proper Management





Ecuador's Challenges

- ✓ **Uncertain Genetic Material**
 - Unregulated Cocoa Nurseries Expansion
 - No Control from Authorities
 - False or Unreliable Material Quality
 - Samplings from Germination of Seed
 - Future Dismal Productivity





Transmar's Priority

✓ Increased Income

- Cocoa Primary Source of Income
- Very Sensitive to Fluctuating Prices
- Need for Better Farming
- Need for Increasing Productivity
- Raise Income on Long-Term





Project D.R.E.A.M. Benefits

- ✓ Direct Payments to Farmers
- ✓ Farm Rehabilitation
- ✓ Point System
- ✓ Strategic Partnerships





Project D.R.E.A.M. Benefits

✓ Direct Payments to Farmers

- Paying Farmer Directly
- Paying Farmer Immediately
- Pricing Education
- Transparency and Trust





Project D.R.E.A.M. Benefits

✓ Farm Rehabilitation

- Field Technicians
- Education
- Technical Assistance and Tools
- Maintaining Arriba as Worthwhile Crop
- Crop Management





Project D.R.E.A.M. Benefits

✓ Point System

- Added Incentive
- Similar to Frequent Flyer Program
- Points per Volume
- Redeemable at Partners' Establishments
- Additional Supplies





Project D.R.E.A.M. Benefits

✓ Strategic Partnerships

- Local Businesses
- Local and Global Organizations
- Development of Social Agenda
- Enhancement of Transmar's Abilities
- Access to a Variety of Services





Project D.R.E.A.M. Future

- ✓ Farmer Database
- ✓ Farming Strategy
- ✓ Arriba Nacional Clones
- ✓ Long-Term Relationships





Project D.R.E.A.M. Future

✓ Farmer Database

- Sophisticated Database
- Online Access
- Marketing and Traceability
- Detailed Information
- Direct Consumer Producer Dialogue





Project D.R.E.A.M. Future

✓ Farming Strategy

- Proper Management and Guidance
- Importance of Short-Cycle Crops
- Better Soil Utilization
- Professionalize Farming Practices





Project D.R.E.A.M. Future

✓ Arriba Nacional Clones

- Working with I.N.I.A.P.
- Development of New Clone of Arriba Nacional
- High Productivity and Disease Resistance
- Distribution of Material
- Better Control over Fermentation and Flavor





Project D.R.E.A.M. Future

✓ Long-Term Relationships

- Global Demand Trend
- Suppliers Reliability Necessity
- Long-Term Benefits
- Active and Continuous Communication
- Minimize Supply Demand Imbalance Risks





Conclusion

- ✓ Risk for Cocoa under Current Conditions
- ✓ Need for Efficiency Improvement
- ✓ Need for Proper Farm Management
- ✓ Need for Long-Term Sustainability





Q&A