

CocoaAction

Frequently Asked Questions



World Cocoa
Foundation

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IN BRIEF:

CocoaAction means:

- Unprecedented **alignment** among the **world's largest cocoa and chocolate companies** to coordinate their cocoa sustainability efforts
- **Commitment** to a **shared strategy and objectives**, developed and implemented in close partnership with the governments and national institutions of focus countries
- Initial **focus on Côte d'Ivoire and Ghana** as the largest cocoa producing countries
- **Holistic approach** based on combined **productivity-enhancing** and **community development** interventions
- Interventions to deliver improved **planting material, fertilizer** and **training** to cocoa farmers, and empower communities through **education, child labor monitoring & remediation**, and better **gender parity**
- **Shared measurement** of progress and effectiveness around common indicators for **continuous learning**
- **Convened by WCF** as secretariat to support coordination, communication, knowledge sharing and outreach
- **Invitation to collaborate/ learn** with others – we are only at the beginning of the journey!

FREQUENTLY ASKED QUESTIONS:

1. **What** is CocoaAction and **who** is involved in it?

CocoaAction is a new strategy to coordinate and align the cocoa sustainability efforts of the world's largest cocoa and chocolate companies to increase their impact and contribute to building a rejuvenated and economically viable cocoa sector, for no fewer than 300,000 cocoa farmers and the communities where they live, by 2020. The strategy will focus on Ghana and Côte d'Ivoire, which together provide about 55% of the world's current cocoa supply, and will later be extended to other cocoa producing countries.

As of May 20, 2014, the companies that have committed to CocoaAction are: ADM; Armajaro; Barry Callebaut; Blommer; Cargill; Ecom; Ferrero; The Hershey Company; Mars, Incorporated; Mondelēz International; Nestlé; and Olam. They have come together under the auspices of the World Cocoa Foundation, which acts as the convenor for the group and facilitates the implementation of the industry wide strategy. The governments of Ghana and Côte d'Ivoire have formally endorsed CocoaAction as the industry's aligned effort to support their national cocoa sustainability plans.

2. **Why** has the CocoaAction strategy been created?

Despite significant investments in cocoa sustainability initiatives by the public, private and non-profit sector in recent years, cocoa farming continues to face significant challenges. As a result, cocoa farming is losing its appeal as a viable livelihood among younger generations.

These difficulties are due to:

- The predominance of unproductive orchards that contain ageing trees, often vulnerable to pest and disease, as well as farmers' lack of access to high yielding, and pest and disease resistant planting material for farm rehabilitation and quality harvests
- Declining soil fertility and lack of access to and knowledge about the appropriate application of fertilizer
- Lack of knowledge and information about good agricultural practices (GAP) and environmental stewardship
- Increased competition from other cash crops

These underlying issues have stretched the cocoa supply chain in West Africa to a critical point and trapped too many farmers and their families in a cycle of economic and social decline. While global demand for chocolate is forecast to continue growing over the next decade, the supply of cocoa is forecast to plateau or possibly even decline.

Recognizing that the complexity and systemic nature of the challenges require concerted action around shared knowledge and pooled resources, industry leaders have launched CocoaAction, a strategy with high ambition, to bring the industry sustainability efforts to the next level. They acknowledge that besides internal alignment on the industry side, increased alignment with policies on the governmental side is essential.

With CocoaAction, industry leaders have aligned around a shared strategy, in order to facilitate broader coordination involving other stakeholders in cocoa sustainability, most notably the governments and national institutions in origin countries.

3. **What is different/new** about CocoaAction?

With CocoaAction, industry leaders are proposing an unprecedented alignment of objectives and actions to achieve scale and impact in cocoa sustainability efforts on a non-competitive basis. CocoaAction is the commitment by the leading global cocoa and chocolate companies to a new level of coordination to develop and scale effective interventions and a platform for high-level industry-government collaboration and dialogue to promote cocoa sustainability.

CocoaAction focuses on identifying best practices in promoting cocoa sustainability and scaling them through joint investments and aligned actions. Members share a common strategy and common objectives, as well as agreed upon measurements to determine progress towards these objectives based on the same set of indicators. They also commit to sharing lessons about what works with other stakeholders working to advance sustainability in the cocoa sector.

The CocoaAction strategy is built on four key principles:

- Reinforcing interdependency between productivity-enhancing and community development interventions
- Commitment to a holistic approach in the form of a productivity and community development package that reflects where industry believes it can make a unique and significant contribution
- Field level delivery that is customized based on local conditions
- Alignment of company programs and interventions within the framework of the national public-private partnership platforms

CocoaAction companies have committed to providing the necessary means to achieve the desired transformation of the cocoa sector.

4. What are the **goals** of CocoaAction?

CocoaAction’s vision for 2020 is that cocoa will be the crop of top choice for farmers in Côte d’Ivoire and Ghana and farmers and farmer organizations enable their communities to grow economically and live sustainably.

CocoaAction is based on a holistic approach towards improving livelihoods and economic opportunities in cocoa communities with a combined focus on measures to increase productivity and community development. Specifically, CocoaAction’s goals are that, by 2020, no fewer than 300,000 farmers in Ghana and Côte d’Ivoire (200,000 in Côte d’Ivoire and 100,000 in Ghana) will

- Apply good agricultural practices
 - Have access to improved planting material
 - Have access to fertilizer and use it correctly
- 
- Productivity Package

These farmers will live in communities where CocoaAction’s desired outcomes are

- The worst forms of child labor will be eliminated
 - Basic education will be available and children go to school
 - Gender parity will be improved so that women have a greater influence in their communities’ decision making and development
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- Community Package

A key objective of this approach is that these cocoa farmers will see their productivity increase by at least 100%.

5. **How** will CocoaAction be implemented?

CocoaAction is organized around different work streams, or thematic areas, that focus on the four greatest needs of the cocoa sector in the two countries. These work streams are led by subsets of

CocoaAction companies, based on their respective expertise, and implemented in partnership with relevant national institutions and processes (e.g. the public private partnership platform in Côte d'Ivoire).

The World Cocoa Foundation (WCF) is the convenor of CocoaAction and acts as the secretariat to facilitate the implementation of the strategy, effectively driving alignment and generating new insights that will amplify CocoaAction's impact.

1. Planting Material

- Approach: Substantially scale up effective supply and delivery models of improved planting material to farmers to allow farm rehabilitation and productivity increases. This includes setting up clonal gardens, nurseries and budwood gardens, improved distribution and services such as a grafting, in partnership with national science and extension agencies

2. Fertilizer

- Approach: Deliver a competitive supply of quality fertilizer to cocoa farmers at affordable prices which includes access to financing, and help ensure that farmers correctly use the fertilizer

3. Community Development

- Approach: Support child labor monitoring and remediation, women's empowerment, primary education, and vocational training through alignment with communities' development plans and government and donor initiatives; provide technical expertise and training based on existing industry experience; play catalytic role in mobilizing resources

4. Innovations/ Future Forms of Extensions

- Approach: Create more efficient and effective forms of extension services (training and service delivery) to reach farmers and communities, e.g. by leveraging mobile technology, and provide training in Good Agricultural Practices to no fewer than 300,000 farmers

Two additional work streams enable effective cross-sector alignment of efforts and continuous improvement and knowledge sharing:

5. Government and Donor Alignment

- Approach: Establish strong collaboration with governments and donors to pool expertise and resources and develop and scale most effective interventions for greatest impact

6. a) Shared Measurement/ KPIs; b) Farmer Business Model; c) Certification and Standards

- Approach: a) Measure progress and effectiveness of CocoaAction strategy for maximum impact, based on common indicators and measurement system building on [CocoaMAP](#) & joint learning agenda; b) Understand fundamentals of cocoa farmer choices to support other workstreams; c) Partner with certifiers to realize maximum impact with farmers by developing criteria that ensure alignment and impact on the Cocoa Action key performance indicators

6. What is the **governance** structure of CocoaAction and what is the **role of WCF**?

The [World Cocoa Foundation Board of Directors](#) is the decision-making and oversight authority for CocoaAction. It is made up of senior leaders from WCF member companies. In line with WCF bylaws and governance structure, the WCF Board of Directors decides on the vision and common objectives of CocoaAction. It steers the overall direction of the strategy, and approves and directs the resources provided to the WCF for the strategy's coordination and implementation.

The WCF Board of Directors works closely with the [WCF Technical Working Committee \(TWC\)](#) that is charged with planning and driving the implementation to reach CocoaAction's goals through company programs. The TWC is composed of technical experts from CocoaAction companies and is supported by WCF staff, consultants and other experts. It provides technical expertise and facilitates the knowledge sharing and collaboration among the partners within and across the six work streams, including with the national partners in the focus countries.

As the backbone of CocoaAction, WCF's secretariat convenes these groups and ensures strict compliance with antitrust laws. It provides the support infrastructure for CocoaAction and ensures effective coordination and communication internally and externally. Its core functions include the following:

- a. Guide CocoaAction's vision and strategy
- b. Support planning and implementation of activities through company programs
- c. Convene members and facilitate internal communication
- d. Develop and operate a shared measurement system and act as a learning center
- e. Coordinate outreach to governments and strategic partners, create alignment with other collaboration platforms, and onboard new members
- f. Support external communication and mobilize funding

7. **How** does this strategy **relate** to other cocoa sustainability programs?

CocoaAction is a voluntary industry-led strategy that aligns and enhances member companies' existing cocoa sustainability programs that will continue under each company's leadership, for greater impact and efficiency.

CocoaAction works in close partnership with the national agencies in charge of cocoa sustainability – Cocabod in Ghana and the Conseil du Café-Cacao in Côte d'Ivoire –, in order to ensure alignment with the countries' agricultural policies and to share knowledge and reinforce each other's efforts. It will also collaborate with other cocoa sustainability programs where relevant and through mutual agreement with the entities implementing the other programs.

The CocoaAction strategy is informed by and builds on the results and insights from the multiple approaches developed by industry, governments, donors and NGOs in the past decade, as well as the leadership of national agencies.

8. What are the **next steps**?

Following the joint statements of intent signed by WCF's Board of Directors and the governments of Côte d'Ivoire and Ghana, the CocoaAction team is working closely with the relevant national agencies to further refine the targets and implementation plan for the different work streams. This includes identifying any gaps in funding and knowledge to inform CocoaAction's learning agenda and to encourage involvement by strategic funding partners.

In Côte d'Ivoire, meetings have already been occurring between the CocoaAction work stream champions and the leaders of the corresponding thematic groups within the Public-Private Partnership Platform to align on plans and interventions. In Ghana, CocoaAction is supporting the process to develop the national cocoa sector development strategy and is in frequent contact with Cocobod and the Ghana Cocoa Platform. The active participation by these governments will be crucial to the success of CocoaAction.

9. How can I get **involved**?

CocoaAction invites other actors involved in cocoa sustainability to share ideas and suggestions of ways to collaborate based on this strategy. For companies interested in joining the effort, the team is currently developing a plan for engaging with new members. The plan will be ready to be shared with interested parties by the third quarter of 2014.

CocoaAction will also reach out to selected strategic partners to solicit contribution of specific expertise and/or funding to fill identified gaps. These could include investments in the enabling environment to build the supportive infrastructure to allow cocoa communities to thrive, e.g. through access to savings and credit, high quality inputs, effective extension services, education and literacy programs and road infrastructure.

For general questions about CocoaAction, please contact WCF's Communications and Outreach Team at Jackie.Marks@worldcocoa.org.

10. Is there a **cost** involved?

Up to now, the costs of CocoaAction strategy development have been covered by members of WCF's Board of Directors. We envisage that other companies wanting to join the strategy would also contribute financially. As the strategy expands further to include other key partners, their contributions will be welcomed to achieve CocoaAction's ambitious goal to make cocoa farming sustainable and turn it into an attractive and long-term business and development opportunity for rural communities.