African Cocoa Initiative unveiled

The ACI is led by the World Cocoa Foundation (WCF) and funded by the US Agency for International Development (USAID) and the Sustainable Trade Initiative (IDH), which is based in The Netherlands, and WCF member companies.

Interviewed by C&CI in November, Mike Godfrey, a Senior Programme Director at the WCF and Matthieu Guemas, programme director at IDH, explained that the ACI differed from other projects that the WCF had been involved with - such as its Cocoa Livelihoods Programme, and Empowering Cocoa Households with Opportunities and Education Solutions (ECHOES) alliance.

The aim of the programme is to improve the ability of institutions in producing countries to enhance production of sustainable cocoa, with the ultimate goal of promoting the productivity of individual farmers.

"In this project we will be looking at the long-term development of the cocoa value chain, and improving institutions' ability to build capacity themselves, rather than relying on overseas assistance," Mr Godfrey explained.

These include the:
- International Institute of Tropical Agriculture (IITA)
- Alliance of Cocoa Producing Countries (COPAL), and
- the International Fertilizer Development Center (IFDC), which will be instrumental in providing expertise in genetics, cocoa policy and fertilizers, respectively.

The programme will have its headquarters at the WCF's office in Accra, Ghana in order to support activity across the region. Private sector funding for the programme comes from WCF member companies including ADM Cocoa, Barry Callebaut, Blommer Chocolate Company, Cargill, Continental, Ferrero, Guittard Chocolate Company, The Hershey Company, Kraft Foods, Lindt & Sprungli, Nestle, and Olam International Ltd.

Bill Gupton, President of WCF, said: "We are very pleased to launch this significant new partnership with USAID, WCF member companies, and the IDH. It complements our existing programmes and will enable us to reach many more cocoa farmers and build new partnerships in West and Central Africa.

"We are looking forward to supporting the important new cocoa initiative in West and Central Africa with the program partners," explained Josst Oorthuizen, Executive Director of the IDH. "Feed the Future, the US government's global hunger and food security initiative, is proud to be a major contributor to the ACI through USAID. We look forward to this key public-private partnership which will benefit smallholder cocoa growers in the future. We view our private sector partners as 'thought leaders' who can bring crucial feedback, a fresh perspective, and innovative insights to the development table," said Margaret Enis, Director of the Office of Markets, Partnerships and Innovation, USAID Bureau for Food Security.

Key role for PPPs

Mr Godfrey explained that through the ACI programme, the WCF wants to link government-level bodies and institutions with private sector organisations in order to reinforce the structures that are required for the production of sustainable cocoa. "We want to help institutions and other bodies in producing countries to overcome the constraints that they operate under currently," he explained, noting that this kind of public private partnership (PPP) had been used to good effect in other sectors.

"Ghana has a bit of a head start compared with the other countries because it already has some of the structures and organisations that we are hoping to develop and strengthen in place," Mr. Godfrey explained. "Côte d'Ivoire is tremendously
Cargill signs MoU to support Côte d’Ivoire

In mid-November Cargill’s cocoa and chocolate business agreed a memorandum of understanding that will see it provide continued support for Ivorian cocoa farmers and the development of the country’s cocoa sector.

Cargill will invest US$3.25 million to develop and expand its farmer training programme and support activities to enable co-operatives to obtain independent UTZ and Rain Forest (RA) Alliance certification. This includes a partnership with ANADER, Côte d’Ivoire’s national rural development agency, to support farmer training activity and the distribution of 600,000 seedlings to participating co-operatives to help improve and renew existing cocoa farms.

The agreement with ANADER was signed at a ceremony in Abidjan by the Minister of Agriculture for Côte d’Ivoire, Monsieur Mamadou Sangafowa Coulibaly and Greg Page, Cargill chairman and chief executive officer. “Côte d’Ivoire remains one of the foremost producers of cocoa in the world, and this agreement strengthens our ongoing commitment to help improve the farming practices and the livelihoods of Ivorian cocoa farmers, as well as support the development of the country’s cocoa sector,” said Mr Page.

The US$3.25 million for farmer training is another step in Cargill’s ‘Sustainable Cocoa Programme’, its ongoing commitment to build a sustainable cocoa supply chain, support cocoa farmers and improve livelihoods in cocoa growing communities. Cargill has been training Ivorian cocoa farmers for more than a decade and has helped thousands of farmers to increase yields, improve quality and adopt more sustainable practices. In 2011/2012 it will train over 60,000 farmers in 90 co-operatives in Côte d’Ivoire. Training has already enabled 44 farmer co-operatives to achieve independent UTZ certification and this figure will double to 90 by October 2012.

The intensive 10-month programme for co-operatives and their members focuses on farming techniques and post-harvest activities such as pruning, plantation renewal and cocoa fermentation methods. In addition it also stresses broader social aspects, such as the importance of ensuring children’s education and HIV awareness.

In crop year 2011/12 Cargill is forecasting to purchase 50,000 tonnes of certified cocoa, which will represent cocoa premium payments totalling over US$9 million. Over 50 per cent of these payments go directly to farmers with the remainder being invested by the co-operatives to provide assistance to members and to build local community facilities. Cargill is continuing to work closely with co-operatives to reach its target of 100,000 tonnes of certified sustainable cocoa beans from Côte d’Ivoire by 2015.

Côte d’Ivoire reintroduces minimum price for cocoa

Recent months have seen authorities in Côte d’Ivoire reintroduce minimum price guarantees for cocoa farmers after a decade of liberalisation in the sector. According to reports, a price between 50 and 60 per cent of the international price will be guaranteed to farmers.

Reform of the cocoa sector in the country has been a condition set by the International Monetary Fund (IMF) and the World Bank before debt relief could be effected.

Until now, farmers in Côte d’Ivoire have only been receiving 20-30 per cent of the international price.