



World Cocoa  
Foundation



## **World Cocoa Foundation and ACDI/VOCA Join Forces to Bring Technology, Other Benefits to Indonesia's Cocoa Farmers**

**WASHINGTON, D.C., July 1, 2013** -- ACDI/VOCA and the World Cocoa Foundation (WCF) are launching an agricultural development initiative in Indonesia called the Cocoa Innovations Project, leveraging private-sector partnerships to help further develop the Indonesian cocoa sector. The project aims to improve cocoa farmers' incomes and efficiency through innovations in crop management and the application of information technology. WCF provided ACDI/VOCA a \$300,000 grant for the project, which was initiated with funding from the U.S. Agency for International Development. Key elements of the project include microfinance loans to cocoa farmers; use of mobile phone-based banking and agricultural extension systems; and community-based cocoa fermentation business models to improve the quality of farmers' cocoa.

WCF members Armajaro, Continaf, The Hershey Company, Mars, Mondelēz International and Olam are providing private sector financial support. The Cocoa Innovations Project pairs ACDI/VOCA's 50 years of development expertise with the capabilities and resources of key local businesses, engaging a wide range of stakeholders to sustainably develop the Indonesian cocoa sector. The grant from the WCF, which represents cocoa value chain companies from around the world, is matched with \$275,000 of funds from ACDI/VOCA to build on core program successes and amplify impact.

WCF President Bill Guyton said that the WCF is looking forward to partnering with Indonesian government representatives, ACDI/VOCA and cocoa farmers to make the project successful.

Guyton points out, "As in other parts of the world, cocoa is grown on small, family-owned farms in Indonesia, employing hundreds of thousands of farmers in Sulawesi and neighboring islands. Cocoa plays a vital role in food security for rural communities that rely on cocoa and other specialty crops to improve their incomes and livelihoods."

ACDI/VOCA's Project Leader Hasrun Hafid says about the new program, "The focus will be on farm productivity, but it won't stop there. Using a holistic value chain approach, the project will also emphasize sustainability along the entire supply chain—not just gross production increases."

The project will support farmers through the following activities:

### **Microfinance loans to allow farmers to multiply outputs**

Seasonal loans—a combination of cash and fertilizer inputs—will be disbursed to farmers, and ACDI/VOCA will demonstrate the efficacy of fertilizer and good agricultural practices via demonstration plots. Based on this current season, an additional \$7.50 in output is expected for every \$1.00 of project funding.

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**Mobile financial transactions: an innovation in the cocoa supply chain**

The project is piloting an interest-bearing mobile bank account, allowing cocoa buyers to pay a farmer through his or her mobile phone. The model will be tested with 2,000 farmers in late 2013 to prove the system for wider adoption in the agriculture sector.

**ICT for cocoa farmers**

The project will partner with the Grameen Foundation to introduce the TaroWorks mobile extension ICT platform to the cocoa value chain. The TaroWorks platform uses mobile phone applications and human networks to provide poor farmers with relevant, timely agricultural information.

**A community-based fermentation model**

The project will pilot a community-based fermentation business model in two cocoa communities in 2013 and 2014 to train women's groups to ferment beans for higher quality and a higher price.

*The **World Cocoa Foundation (WCF)** is an international membership foundation that promotes a sustainable cocoa economy by providing cocoa farmers with the tools they need to grow more and better cocoa, market it successfully and make greater profits. These efforts help increase the supply of cocoa and help guarantee chocolate lovers access to their favorite products. WCF's membership includes more than 100 cocoa and chocolate manufacturers, processors, supply chain managers, and other companies worldwide, representing more than 80 percent of the global cocoa market. For more information, visit [www.worldcocoa.org](http://www.worldcocoa.org).*

***ACDI/VOCA** is a Washington, D.C.-based nonprofit organization that fosters broad-based economic growth, raises living standards and creates vibrant communities. Founded in 1963 it has implemented projects in 146 countries on behalf of public, private and multilateral funders, including USAID, USDA, the Millennium Challenge Corporation, the World Bank, UNDP, the Bill & Melinda Gates Foundation, EBRD, NEPAD, the Asian and Inter-American Development Banks, as well as corporations and individual countries. For more information, visit [www.acdivoca.org](http://www.acdivoca.org).*

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