MEMORUNDUM OF UNDERSTANDING ON IMPROVED ACESS TO PLANTING MATERIAL AND THE FIGHT AGAINST THE COCOA SWOLLEN SHOOT VIRUS
Between The undersigned,

The Regulatory Board, of Stabilization and Development of the Coffee and Cocoa industry, abbreviated « Le conseil du Café Cacao », established by order n°2011-481 of December 28th 2011, setting forth rules concerning the marketing and the regulation of Coffee and Cocoa industry, located at the 23rd floor of “la Caisse de stabilisation” building, represented by Madam Massandjé TOURE-LITSE, acting as Managing Director of the organization by operating law ordinance n° 2012-86 of January 20th 2012, duly authorized in this effect to sign the present indicated below «Le Conseil du Café Cacao».

On the one hand, and

WORLD COCOA FOUNDATION («WCF») a non-profit organization, incorporated and governed by Virginia’s state law, having its social headquarter in the District of Columbia, 1411 K St. NW, Suite 500 Washington, DC 20005, represented by Mister Bill GUYTON, acting as president of the organization indicated below as «WCF»

On the other hand, 

Designed as « the parties »

THE FOLLOWING IS HEREBY AGREED:

- The Cocoa industry is an important activity of the Ivorian economy (15% of the GDP and 40% in generating export revenues). The national production represents 35% of the global supply and made this country the world’s largest producer of cocoa bean.

- In the Ivory Coast the cocoa industry is faced with a number of difficulties at the production level. These constraints should be removed with innovative solutions, to ensure sustainability of this industry in the long term.

- To face these constraints, The government of Ivory Coast elaborated a National Program for sustainable Development of the Coffee and Cocoa industry called «Quality-Quantity–growth (2QG) (2QC in French) » which main objective is to secure the incomes of the all the actors in coffee and cocoa value chain and particularly contribute, to the promotion of the socio-economic well-being of the producers and their communities through actions that will improve productivity of the orchards.
• WCF, With the purpose of ensuring a regular and sustainable supply of cocoa beans to the chocolate industry, has decided to join the efforts of its member companies in order to provide support to the development of the cocoa production system.

• WCF in order to achieve this goal, has elaborated a strategy called CocoaAction («Action for Cocoa») which goal is to contribute to a sustainable development of the production of cocoa notably through the improvement of access to improved planting material and the fight against the Cocoa swollen Shoot virus.

• The Ivory Coast and WCF jointly approved the alignment and the integration of CocoaAction to the 2QG program, in order to support development activities in the cocoa industry, implemented by Le Conseil du café cacao.

• In the light of this shared understanding, the Ministry of agriculture of Cote d’Ivoire and WCF signed, May 20th 2014, a joint statement of intent relative to a sustainable development of cocoa in the Ivory Coast.

• Also, the establishment of a strong public-private partnership between the Le Conseil du Café Cacao and WCF is necessary to promote the sustainability of cocoa through a coordination of investments and the activities relative to the improvement of access to planting material and the fight against the Cocoa swollen Shoot virus.

Now therefore,

All parties have agreed to the following:

Article 1: Legal Value of the preamble

The above preamble and annexes have the same legal value as the present memorandum of understanding which they are an integral part of.

Article 2: Subject of the protocol

This hereby protocol of agreement’s objective is to define the contribution of the members of WCF, to the implementation of the Quality-Quantity Growth program (2QG).

Article 3: Content of the Protocol

The activities associated with this protocol are defined with the agreement of the parties, and displayed in the annex.

These activities are organized around the axes described below

Axis 1: Building capacities of production and the distribution of high-yield planting material

The main actions cover:

• Development of somatic embryogenesis, orthotropic shoot production and grafting;
• Establishment of a sustainable production and distribution process of high yield planting material for the implementation of the 2QG regeneration plan. Collaboration with le Conseil du Café Cacao in order to develop and spread planting material in the form of grafting and orthotropic shoots from the results of the pilot project.

• Support to the production of improved cocoa planting material in order to ensure that the planting material expected to be used for the realization of nurseries and grafting is compliant with the genetic print confirmed and derived from the seed gardens and the mother garden of the CNRA. This will ensure the rehabilitation of potentially productive orchards as well as the replantation of deteriorated orchards, in accordance with the objectives defined by Le Conseil du Café Cacao.

**Axis 2:** The fight against Cocoa Swollen shoot disease. Major actions will focus on:

• Development and implementation of a reliable Cocoa Swollen Shoot virus early detection methodology in order to facilitate on the ground actions to fight against the disease as well as to restrict the propagation of the disease.

• Development of resilient planting material.

• Development and optimization of protection measures against the Swollen Shoot Virus for seed and mother gardens as well as for new farms (Barrier trees and chemical protection);

• Screening and identification of planting material, resilient to the Swollen Shoot virus;

• Genetic improvement of planting material to resist the Swollen Shoot Virus.

• Inform and raise awareness among the producers on how to manage the Swollen Shoot virus;

• Support to farmers for the re-planting in infected farms;

• Development and production of a production systems that allows to diversify the source of income of the producers and help reduce the financial impact caused by the elimination of infected and vulnerable cocoa tree.
Article 4: WFC’S Provisions

WCF is agrees to:

- Provide technical and financial support to the relevant sections of the 2QG Program and to the national plan to fight against the Swollen Shoot disease considered in this protocol. This technical and financial support will be defined in consistency with the responsibilities of WCF stipulated in the appendix 1. The corresponding budget should be approved by WCF.

- Coordinate the activities relative to the hereby protocol, in collaboration with Le Conseil du Café Cacao;

- Facilitate the technical support provided by its members to the implementation of 2QG Program and the national plan for the fight against the Cocoa Swollen Shoot Virus.

- Represents its members and facilitate their involvement in the activities of the public private partnership platform (PPPP) in order to ensure transparency and alignment of all activities with the 2QG and the national plan to fight against Swollen Shoot Virus.

- Ensure the role of being the interface between its members and the CNRA in the perspective of effective transferring of information and documents that deals with the activities adopted in the protocol, which list is attached in the annex.

- Ensure the consistency and the alignment of actions financed by the members in collaboration with the FIRCA, delegate by Le Conseil du Café Cacao for the execution of the research components and agriculture council of the «2QG».

- Associates Le Conseil du Café Cacao in the working groups of CocoaAction that WCF considers relevant (Work streams, scientific committee etc.) in connection with the activities included in the protocol.


Le Conseil du Café Cacao is compelled to:

- Inform WCF about the national policies and programs concerning the activities mentioned in the protocol;

- Supply technical and financial support to the relevant sections of the 2QG as well as to the national plan to the fight against Swollen Shoot Virus included in the protocol. This technical and financial support will be defined in cohesion with the responsibilities of Le Conseil du Café Cacao stipulated in the appendix 1. The corresponding budget should be approved by Le Conseil du Café Cacao.
• Provide the guidelines for the production and distribution of planting material and the protection against the Swollen Shoot Virus in accordance with the objectives of the 2QG program concerning the renovation and replanting of the orchards.

• Facilitate the execution of the program coordinated by the WCF, as part of the process;

• Facilitate the relations between WCF, the PPPP and the FIRCA, delegated for the coordination of the fight against the Swollen Shoot Virus and to implement researches and agriculture counseling part of «2QG»; facilitate the coordination with the CNRA.

• Include WCF in appropriate working group of the public-private partnership (PPPP), in connection with activities mentioned in the protocol.

**Article 6: Joint obligations**

Parties are compelled to:

• Engage initiatives in the joint interest cooperation areas enumerated in the appendix of the hereby protocol;

• Analyze, as it becomes available, the possibility to include other activities or projects not listed in this hereby agreement, as long as it participate to the realization of the joint objective;

• Negotiate in good faith previous agreement dispositions contingently necessary to the realization of the 2QG program objectives.

• Request Le Conseil du Café Cacao in case of need, a national mandated institution to participate to the implementation and the execution of projects or new actions in order to guarantee the alignment with the in process actions of 2QG.

**Article 7: Information and Documents exchange**

Parties agreed to exchange appropriate information and documents on the progress of activities conducted in this protocol, subject to restriction and arrangement that one or the other judge necessary to protect the confidential nature of some documents and information.

Implementation agencies will transmit at regular periods, mutually agreed on, to the Conseil du Café Cacao, project documents, action plans and activities report.
**Article 8: Contact Point**

In order to facilitate implementation of the activities in the hereby protocol, each party will indicate the focal point for each activity or group of activities.

For all operational activities Le Conseil du Café Cacao dedicated contact with the WCF is the projects and partnerships sustainability department.

The representation of WFC in the Ivory Coast is the contact of Le Conseil du Café Cacao.

**Article 9: New Activities**

WCF and Le Conseil du Café Cacao will appoint a technical committee and a suitable process to evaluate the propositions of new activities linked to Work stream 1. This Committee will guide the implementation of new activities in such a way it is done in agreement with terms of the hereby MOU. The technical committee will be introduced on April 2015 its objective will be to study pilot activities and develop specific action plan, stating the industry contribution to the realization of the goal for the rehabilitation of the 2QG program by May 2015.

**Article 10: Funding**

Activities and projects foreseen in the hereby protocol are implemented by each party in accordance with the internal procedures of mobilization and financing.

In order to avoid double funding, Le Conseil du Café Cacao has to be informed by the WCF about any intention of hiring a third party for the execution of activities for the improvement of the planting material and the fight against Swollen Shoot Virus.

**Article 11: Evaluation**

The parties agreed to jointly evaluate the results of each project or activity in accordance with a monitoring plan shares before the implementation of the project or activity.

**Article 12: Inception, duration and modifications**

This agreement shall take effect on the date of the last signature of all parties and shall continue for five (5) years. However, parties could decide, in writing, to extend or modify the protocol agreement.

This protocol agreement could be modified or amended only by audited addendum protocol jointly signed by the parties.

**Article 13: Termination**

The hereby protocol could be annulled as of rights in case of a breach from one of the party and if the damaged obligations is no repaired within 30 days, effective from the notification by registered letter notifying the failure.

Nonetheless, in case of termination, parties commit to entirely execute the discredit project.

**Article 14: Dispute resolutions**

Any dispute concerning the execution or the interpretation of the hereby protocol, will be subject to a friendly settlement beforehand.
Article 15: Choice of Address
The execution of the hereby protocol, parties declare choosing their competent address mentioned above.

Any address modification shall be notify by registered letter with acknowledgment receipt or by hand-delivered letter against receipt.

Article 16: Duration
The hereby agreement protocol is concluded by a five years duration (5 years), effective from the date of signature, unless modification of amendment, or for annulment

Made in Abidjan, 4/1/2015.

For WCF For Le Conseil du Café Cacao

The President The Managing Director

SIGNATURE SIGNATURE

Bill GUYTON Massandjé TOURE-LITSE
## ANNEX: Matrix of Actions

<table>
<thead>
<tr>
<th>Rubriques</th>
<th>Appointed actions in the protocol</th>
<th>Actions content</th>
<th>Nature of the contribution to the actions</th>
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<tbody>
<tr>
<td>I-Production and diffusion of vegetable material</td>
<td>1-To develop the somatic embryogenesis orthotropic shoot production and grafting</td>
<td><strong>Embryogenesis and orthotropic shoot</strong>&lt;br&gt;- To implement a technical study (architectural, equipment,…);&lt;br&gt;- Construction and equipment of the production unit&lt;br&gt;- To Produce vitroplants&lt;br&gt;- To produce ortropic shoots&lt;br&gt;- To Reinforce the CNRA agents technical abilities&lt;br&gt;- To implement orthotopic shoot production, behavior multilocal tests and plants from vitroplants&lt;br&gt;- To shape a technical path of the cocoa plantation from orthotropic shoot grafting&lt;br&gt;- To maintain existing clone garden and to develop others</td>
<td>WCF</td>
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<tr>
<td></td>
<td>2-To set up in a process of production and durable distributions of vegetable materials</td>
<td><strong>To define a relevant and sustainable strategy of vegetable material diffusion</strong>&lt;br&gt;- To develop propagation and distribution experimental projects under the direction and supervision of CCC and ANADER.&lt;br&gt;- To apply risk management protocol linked to the Swollen Shoot for the improved vegetable material production and propagation (use of barrier plants, chemical protection etc)</td>
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<td><strong>II- Fight against cocoa Swollen Shoot disease</strong></td>
<td>1-To elaborate and implement an early detection of Swollen Shoot and efficient method to select resistant plants</td>
<td>-to develop partnership with international institutions for the early detection of the virus -focus the virus early detection technology the national research institutions -To develop a strong selection protocol of plants that resist to the Swollen Shoot and achieve that selection with the help of tracers (virus early detection) -To validate the existing stout materials in the collections and assure their availability in Cote d’Ivoire</td>
<td>T,F T F</td>
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<td></td>
<td>2-To evaluate the efficiency of barrier plants and other protection methods against vector</td>
<td>-To draw a barrier plants efficiency survey (efficiency of barrier plants) -To evaluate some chemical and biological fight protocol against the vector -To value barrier plants and unknown ones of Swollen Shoot in the cocoa production diversification and sustainable intensification</td>
<td>T,F T,F T,F</td>
</tr>
<tr>
<td></td>
<td>3-To support and reinforce swollen shoot selection and genetic improvement program.</td>
<td>-To support and reinforce selection and genetic improvement of local activities</td>
<td>T,F T,F</td>
</tr>
<tr>
<td></td>
<td>4-To Inform and raise awareness among producers on the disease management</td>
<td>-To facilitate access to inputs for re-planting of 100,000 hectares</td>
<td>T,F T,F</td>
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</tbody>
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