



## FFS Graduates Ignite Hope For Jamaica's Cocoa Industry

In June 2011 over 350 cocoa farmers graduated from Farmer Field Schools (FFSs) established in Jamaica by ACDI/VOCA, under the USAID-funded Marketing and Agriculture for Jamaican Improved Competitiveness (MAJIC) project.



The graduation was lauded as an historic event in Jamaica since for many of the farmers this was their first-ever graduation. Top achievers were recognized for outstanding leadership, best attendance, best adoption and application of technology, overall participation in sessions and best-kept field.

As graduates lit candles symbolizing the transfer of knowledge, they pledged to share their training with other farmers in their communities and to use it themselves to rehabilitate their farms. The candles also symbolized the light of hope that farmers and others now have for Jamaica's revived cocoa industry: new visions, partnerships, hard work and commitment for success.

The FFS training program was one of a series of ACDI/VOCA-led interventions designed to revitalize the country's struggling cocoa industry. It is plagued with low productivity and farmer morale, weak farmer organization at both the national and grass-roots level, and inefficient post-harvest processing that results in a high production costs and low returns.

Through the first cycle of cocoa FFSs, farmers not only "learned by doing" the thirteen technical modules needed to improve crop husbandry (pruning, pest and disease control, etc.), but they collectively contributed to the rehabilitation of over 250 acres of cocoa farms. Schools met twice a month for six months and over this time the group dynamic was strengthened through shared work days and social events.

We salute and congratulate the 2011 cocoa FFS graduates.



# Philippines Cacao Investment and Development Workshop a Success

The USDA-funded CoCoPAL project sponsored a Philippines Cacao Investment and Development Workshop. It was held from April 28-29 in Davao City and successfully brought together over 200 value chain players from throughout the country. Participants included input suppliers, farmers, local bean traders and consolidators, local processors, international traders/buyers and processors, financial service providers, academics, research and development groups, nongovernment organizations, and local and national government bodies.



The engagement of cocoa industry players was overwhelming. The event was originally designed to accommodate 90 representatives but twice that many showed up. Participants included international stakeholders such as Mars, Inc., Armajaro-Malaysia, Processor's Alliance for Cocoa Traceability and Sustainability (PACTS), Universal Robina Corp., Global Organic Livelihood, Inc., EOil and Gas Corp, and investors from the United Kingdom and the Netherlands. Representatives from the Japanese Chamber of Commerce, the Japanese International Cooperation Agency, the Australian Center for International Agriculture Research and the International Finance Corporation also attended.

Sixteen cocoa stakeholder panelists discussed problems and constraints within the industry. Participants exchanged solutions to problems ranging from sustainable cocoa production,

trading, post-harvest issues, plant material availability, standards and practices, industry coordination and finance.

Mr. Philip Shull, the U.S. Counselor for Agricultural Affairs, said that USDA is the largest investor in the country's cocoa industry. "USDA, however, wanted to see the private sector as the biggest investor," Shull added. He stressed that the key to advancing and sustaining the cocoa industry's development in the Philippines is "private investment" that will provide the needed capital for establishing cocoa nurseries, production areas, post-harvest facilities and farm inputs.

Dr. Smilja Lambert, the Cocoa Research and Sustainability Manager of Mars, Inc., presented the company's projects and their commitments to support national cocoa industry development.

Dr. Lambert challenged the industry by saying "Mars is ready, is the Philippines willing?"

Mars has committed to advance the industry by establishing a cocoa development center and demonstration farms, producing planting material and clonal bud wood gardens, and conducting continuous research and development activities.

Support from stakeholders, including the government and international buyers, and a newfound appreciation of market potential have stirred farmers' interest. The vast opportunities for the Philippines cocoa industry prompted them during the event to organize as a unified group, Cocoa Industry Development Association of Mindanao Inc. (CIDAMI), to represent the voice of the Philippines cocoa industry.



## Emerging Cocoa Production Leadership

A new organization was born at the Philippines Cacao Investment and Development workshop. Thirty key cocoa stakeholders' representatives were nominated by a subsector of value chain delegates and participated in a meeting that discussed plans and strategies to strengthen cocoa industry leadership. Several ideas were given by each cocoa industry representatives that guided them during the meeting. This resulted in the formation of the Cocoa Industry Development Association of Mindanao Inc., (CIDAMI).



Mindanao, which produces 90 percent of the Philippines cocoa, now has a unified voice with the formation of CIDAMI. The group aimed to fast track cocoa development initiatives as well as to

ensure quality and food safety through working with various cocoa industry stakeholders including the government and the private sector.

CIDAMI is now working with cocoa nursery operators to ensure quality cocoa seedlings will be made available to the increasing number of smallholder and corporate cocoa growers. Charita Puentispina, the President of CIDAMI in her message to the Philippines cocoa industry players said, "I am a person who wants to deliver results. As a farmer I seriously wanted to see real development in the Philippine cocoa industry. Together with my fellow officers in cooperation with all the cocoa stakeholders, we will work together to achieve this. This will be our commitment."



## Access to Capital Becomes Reality in Liberia

By: James Mulbah, Access to Capital/Credit Facilitator, ACDI/VOCA

*“Cultivating cocoa provides a way in which local Liberians can re-enter the market economy with limited expenditure and investment up front.”*

**D**ue to the civil war in Liberia, many people are dependent on remittances sent from relatives overseas.



This is particularly true in Grand Gedeh County where many residents rely solely on outside support. Since the local population is not engaged in market activities, foreigners and returnee Liberians have seized most opportunities and have wound up controlling approximately 80 percent of the local market economy. Cultivating cocoa provides a way in which local Liberians can re-enter the market economy with limited expenditure and investment up front.

ACDI/VOCA's USDA-funded LIFE II project has begun to inform the local population in Grand Gedeh and other counties of cocoa's market potential. Under its access to capital and credit component LIFE II has conducted community awareness meetings and seminars, and disseminated information on access to capital, establishing village savings and loan clubs (VSLC), pro-

moting and establishing market linkages, and overall cocoa value chain functioning and efficiency.

Now farmers are aware of the potential of the crop, and many have expressed an interest in returning to the cocoa business. Mr. William Togbelee, a farmer from Grand Gedeh, said, “We have not had the opportunity to receive any information on the value of cocoa in the world market. Our attention has been focused on producing and selling at the price of the middle buyers.”

Mr. David Gaye, another Grand Gedeh cocoa farmer said, “Buyers have been buying cocoa from most of us at the rate of 40-50 Liberian Dollars per kilo (\$0.56-0.69 / kg). But from now on we are going to organize ourselves, work and save together. We will also wait for ACDI/VOCA to train us before getting into the cocoa market.”

After only two months since the inception of LIFE II, cocoa farmers are calling for the establishment of a VSLC. Many are telling others about ACDI/VOCA and the opportunities under LIFE II.

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## Expansion in Liberia Phase II

**A**CDI/VOCA has expanded across six counties that produce the bulk of Liberia's cocoa under the second phase of the USDA-funded Livelihood Improvement for Farming Enterprises (LIFE) Project that runs from October 2010 through September 2013. The project seeks to improve the livelihoods of 10,600 cocoa farmers and their families (a third of the national total), and improve Liberia's cocoa value chain.

During LIFE I, efforts were focused on 5,600 cocoa farmers in Bong, Nimba and Lofa counties. Under LIFE II, activities will continue with these farmers and will focus on strengthening input supply and linkages to markets of 15 successful cocoa associations developed during LIFE I. However, under

LIFE II ACDI/VOCA has initiated a comprehensive program, including farmer training, cocoa rehabilitation and replanting, farmer organization development and access to credit activities in Gbarpolu, Grand Gedeh and River Gee counties. ACDI/VOCA's partner, the International Institute for Tropical Agriculture's Sustainable Tree Crops Program (IITA/STCP) will assist in farmer training and improved planting material identification in close coordination with the Liberian Ministry of Agriculture.

An independent evaluation revealed that LIFE I (2008-2010) was successful, yet recommended key program adjustments. These included fostering the development of a sustainable value chain for improved

planting material and seedlings, facilitating farmers' access to capital for bulking inputs, and better educating exporters about the benefits of supporting farmers organizations' activities like bulking, quality enhancement and control.

The new LIFE II counties are characterized by younger cocoa trees and cocoa plantations nearly twice the size of those in Bong, Nimba and Lofa. LIFE II farmer field schools and other activities are under way, and results are expected during the cocoa marketing season from August 2011 until February 2012. It is anticipated that official global Liberia cocoa production and sales will far exceed the country's record from the early 1980s of approximately 10,000 MT.



## Farmer Field School Impact in Ines Maria, Ecuador

Since 2006, ACDI/VOCA has worked with farmers in the community known as Ines Maria using Farmer Field Schools (FFS) with funding from USDA and the PL480 corporation. The schools involve 25 to 30 farmers who receive training every two weeks on practical issues relating to their farming operations in cocoa, sugar cane, passion fruit, pineapple and coffee.



Putting the knowledge they have acquired into practice, farmers began to notice excellent results, motivating them to further develop their group work. In May 2007, they decided to start marketing their cocoa jointly. In addition they received ACDI/VOCA training on:

- Working together as a farmers association
- Construction and use of solar dryers
- Farming as a Business (FaaB)
- Post-harvest procedures
- Recordkeeping

As shown in the chart below, farmers in Ines Maria started to receive a higher percentage of the FOB price thanks to associative marketing and took the initiative



to create a community bank based on savings of a fixed value per each hundred weight unit (QQ) sold. These savings allowed them to invest money to increase the productivity of their farms.

They started to carry out banking transactions and keep accounting records. The association has invested in fertilizer, chainsaws, irrigation pipe and soil analysis using their savings. Seeing positive results, members of the community began a series of community activities to jointly

strengthen their farms through pruning, fertilization, irrigation, processing of organic products and the nursery.

Currently, the members of the Ines Maria community have another objective: to create the Federation of Cocoa Farmers that would integrate growers in eight surrounding communities who currently sell their cocoa directly to exporters. They are progressively moving forward to achieve this objective.

Year	QQ/ Sold	Local Price	Export Price	Local Total	Export Total	Price Premium
2007	363	84	93	30.492	33.759	3.267
2008	1380	91	103	125.580	142.140	16.560
2009	1782	112	122	199.584	217.404	17.820
2010	2540	126	136	320.040	345.440	25.400
Totals	6065	103,25	113,5	675.696	738.743	63.047



## Vietnamese Cocoa Farmers Believe in Cocoa Quality

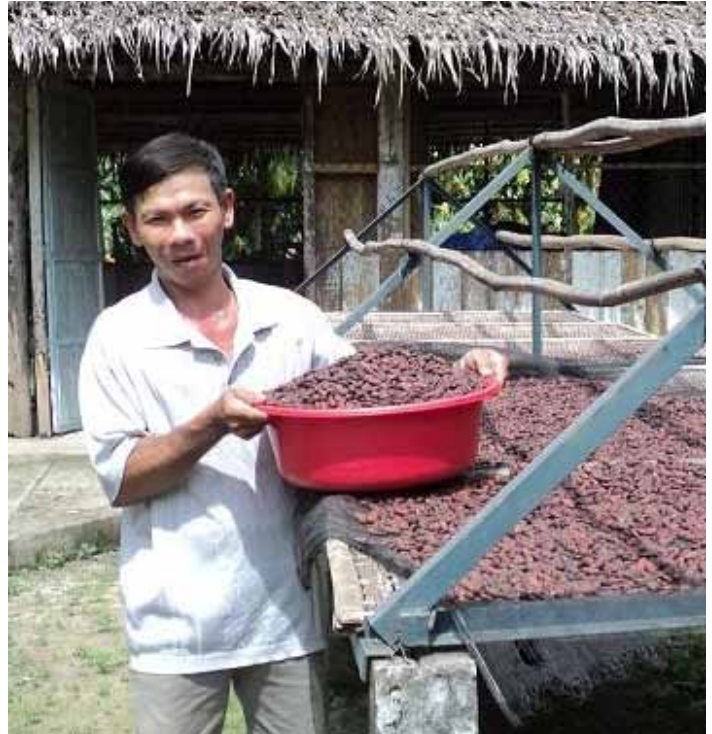
In 2005, with the support of the USAID-funded SUCCESS Alliance, Mr. Nguyen Van Lap established his own cocoa fermentary in Ben Tre Province. He has since fermented cocoa harvested from his own farm and from others in his commune. In 2010, he harvested and fermented approximately 12 tons of fresh cocoa pods. His harvest yielded one ton of dried fermented beans, which brought him roughly \$2,540 US. With a larger quantity of cocoa fermented in his fermentary and the expectation of continued growth, Mr. Lap is concerned with meeting quality standards. He now asks, "How do I improve the quality of my fermented cocoa beans to increase value?"



Mr. Tran Van Nhin, a large cocoa fermentary owner, is also curious about how fermentation techniques affect overall quality. Monthly, his family of four purchases and ferments ten tons of cocoa pods in the main season and five tons in the off season. He says, "I would like to improve my fermentation technique to improve cocoa quality, which would not only increase my profits but also increase other cocoa farmers' incomes."

In the provinces of Ben Tre and Tien Giang there are more than 120 fermentaries. However, most owners lack training on proper techniques and do not follow a recommended fermentation protocol. They merely ferment cocoa beans based on traditional practice and observation.

The SUCCESS Alliance began working with The Center for Applied Technology Ben Tre and Department of Science and Technology in Tien Giang to address this issue in June 2010. As of the end of April 2011, 710 cocoa samples from 107 fermentaries were collected. All samples were given the cut-test to measure the basic parameters of quality. About half of the samples were tested to determine the sensory attributes of quality. The results of the analysis and evaluation were communicated to all participating fermentaries to help them understand the difference between practices that improve cocoa quality and those that should be



changed. Furthermore, the training gave fermentaries the opportunity to share ideas and experiences to help each other improve cocoa quality.

The fermentaries are now aware of their pivotal roles in building up cocoa quality and branding cocoa for Ben Tre and Tien Giang—and for Vietnam. Mr. Nhin and Mr. Lap acknowledge that after participating in the project, they understood the necessity of a standard fermentation procedure that will help produce consistent and high-quality cocoa, resulting in better prices and commercial success.

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