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Executive Summary

Cocoa has for many years been a major source of foreign exchange to the economy of Ghana. In 2012 its contribution to total export earnings was about 22.5 percent. In more years the challenge of sustaining the production of this very important crop is being threatened in Ghana by factors such as the low yields, low availability of inputs and credit, ageing cocoa trees among others. These problems have made cocoa production less attractive to the youth with the result that the average age of the cocoa farmer is over 50 years.

Having recognised this problem, Cadbury Cocoa Partnership, started in 2008 in Ghana with the aim of seeing thriving cocoa communities that ensures a sustainable cocoa supply chain. The partnership presently runs in 7 districts in 4 regions, and works towards sustainability of cocoa production by focusing on the empowerment of cocoa farmers in rural communities. The partnership is hinged on five thematic areas namely: sustainable increase in cocoa yields which is expected to result in increased farmer incomes from cocoa production; making cocoa farming an attractive business for the youth through its Cocoa Ambassadors Programme, involving recruiting tertiary students to mentor young people in cocoa growing communities; sustainable livelihood from other sources which involves helping farmers to diversify their sources of income; empowering communities to be at the forefront of their own development; and the active engagement of all relevant stakeholders in the public, private and civil society institutions at all levels to promote synergies. This is done through farmer business schools and other income generating activities and community development initiatives.

The cocoa partnership includes Mondelez International, Ghana Cocoa Board (COCOBOD), United Nations Development Programme (UNDP), World Vision, Care International, VSO, Kuapa Kokoo and the Ministry of Employment and Social Welfare, who come on board with diverse experiences and strengths for the achievement of the overall objective. At the time when the partnership started in 2008, Mondelez International had not taken over Cadbury Ghana Limited, and hence the name Cadbury Cocoa Partnership. So far, the partnership has begun to yield several tangible benefits to beneficiary communities. Some of these benefits include increased cocoa yields and also incomes, increased interests in cocoa production among the youth, and the empowerment of farmer associations and communities.

GUIDING QUOTE

“\textit{I used to get less than a bag of cocoa from my 20-acre farm. But after implementing lessons from Cadbury Cocoa Partnership programme, I now harvest not less than 10 bags...}” (Nana Okai Boadi, Sekyere Krobo, Mpohor Wassa East)
Introduction

This case study highlights the activities of Cadbury Cocoa Partnership among cocoa farmers and cocoa growing communities in Ghana. The overarching objective of the cocoa partnership is to guarantee sustainable cocoa production in the country. Currently, the average age of a cocoa farmer is over 50 years old with young people increasingly shying away from cocoa farming. The different interventions initiated under the cocoa partnership aim to help eliminate some of the bottlenecks associated with cocoa farming while boosting interest among young people. This case study therefore presents a discussion of this programme and shows how it addresses these fundamental challenges faced by the sector.

Context

Smallholder farmers, with an average farm size of 3-4 hectares, dominate Ghana’s cocoa sector. The two fundamental problems that confront the sector today are low productivity and the increasing age of the average cocoa farmer. Other challenges include the high costs of inputs and difficulty in accessing credit. These challenges make the sector particularly unattractive to the youth. It is in this context that Cadbury launched the Cocoa Partnership programme.

The importance of cocoa to the Ghanaian economy has been well documented. In 2011, the export earnings from cocoa of about US$2.87 billion translated to about 22.5% of the total export earnings for Ghana. The 2011 level of exports earnings follow a rising trend since 2000 (ISSER, 2012). Partly, the increasing value of exports can be attributed to the commodity price boom that began around 2008. Between 2005 and 2011, world prices of a tonne of cocoa increased from about US$1,549.00 to US$2,196.00, an increase of about 42%. In addition, cocoa production in Ghana has generally increased over this period, from about 600,000 metric tonnes in 2005 to over 1,000,000 metric tonnes in 2011, an increase of over 70% (ISSER, 2012). Ghana currently produces about 23% of the world’s total cocoa, an increase from the 1998/1999 levels of about 14% (Figure 1).

Ghana’s increased importance in the international cocoa sector may in part be due to increased output resulting from government interventions, such as a cocoa mass spraying exercise. Under this intervention, cocoa farmers got their farms sprayed for free by the state. This was part of government’s broader programme to reach a cocoa production target of 1 million metric tonnes by 2011. Every farmer was entitled to benefit from this initiative on the condition that their farms were cleared to enable sprayers to move about with ease while performing this assignment.
Figure 1: Trends in Cocoa Output, 1998/1998 to 2010/2011

Source: Graphed with data obtained from ICCO Quarterly Bulletin of Cocoa Statistics and Ghana COCOBOD

Business Model

Mondelez International is a global company headquartered in the United States with a subsidiary in Ghana. The company is one of the largest buyers of branded cocoa in the world and Ghana is a major source of supply for the company. The company was formed on the belief that the long-term sustainability of cocoa supply is inherently linked to an improvement of the welfare of cocoa farmers. This, in turn, can be achieved by increasing farmers’ productivity. Mondelez International initiated the Partnership.¹

CADBURY COCOA PARTNERSHIP

Cadbury Cocoa Partnership is a 10-year global, $70 million plus initiative that was launched in 2008, with the core objective of enhancing the welfare of cocoa farmers and communities

¹ At the time of the Cadbury Cocoa Partnership’s founding, the company Mondelez International was operating as Cadbury; hence the name of the Partnership. The US Group Kraft Foods purchased Cadbury in 2010. In October 2012, Kraft's "snack foods" division (including Cadbury) became a standalone company called Mondelez International. Throughout these corporate changes, both the name and the mission of the Partnership has remained constant.
to guarantee sustainability in the supply of quality cocoa. The cocoa partnership thus aims to increase the profitability of the farm in a sustained way. The partnership currently operates in 100 communities in Ghana and hopes to reach 500 by 2015.

Through this initiative, Mondelez International Company seeks to catalyse development in the cocoa growing communities in Ghana as well as pay premium prices to the farmers who produce the beans. Presently, the company has put together a special programme to assist cocoa farmers increase incomes, improve village life, and to make cocoa farming an attractive business for the youth.

**DEFINING THE BUSINESS MODEL**

The business model of Cadbury Cocoa Partnership aims at creating a path that will lead to a sustainable supply of cocoa beans. The urgency of working towards such an objective is necessitated by the fact that cocoa from Ghana serves as an important source of supply of raw materials for the operations of Mondelez International. Mondelez International is facing serious sustainability challenges, as the average age of a Ghanaian cocoa farmer is over 50 years and increasing. Compounding this problem is the fact that the young people are showing decreasing interest in cocoa production. This 10-year, US$70 million initiative is therefore quite important to the company’s core business. It is built on four platforms with the aim of attracting and growing the next generation of Ghanaian cocoa farmers. The pillars of the business model include the following:

1. Sustainable increase in cocoa yields resulting in increasing current incomes
2. Making cocoa farming an attractive business for the youth
3. Sustainable livelihood from other sources
4. Community-centred development
5. Institutional engagement

Although these four strategic areas represent the key pillars of the model, the programme also addresses other equally important cross cutting issues such as eliminating child labour and human trafficking, gender discrimination and diversity issues, public health concerns, environmental sustainability and biodiversity sustainability. We discuss the strategic arms of the programme below:

**Sustainable increase in cocoa yields resulting in increasing current incomes:** This strategic area deals directly with increasing incomes that farmers get from cocoa production in a sustainable way. It seeks to do so by addressing production and productivity, price, and by engendering increased interest of youth in cocoa farming. Extension agents identified and trained by the Partnership work closely with cocoa farmers to help facilitate the production of cocoa in the various communities. Each officer or agent has a period of 3 years to work in the community. In every community, 2 to 3 young people are identified as local cocoa facilitators (LCF) who are assigned a community extension agent who is an expert in the particular field to learn from. The idea is that, after the extension officers leave, the local cocoa facilitator will take over and fill in the vacuum by providing similar services to farmers.
in the communities. According to CCP programme officers, the extension agents in communities that have worked with local cocoa facilitators for the last 3 years are to be reassigned in 2013. Even under this arrangement the district extension officers of Ghana Cocoa Board (COCOBOD), the organisation that has the mandate to encourage and facilitate the production, processing and marketing of good quality cocoa beans in Ghana) still have oversight responsibility over the local facilitators. This strategic area also includes efforts on the following:

- The rehabilitation of cocoa farms, including spraying of cocoa farms
- Training farmers on general good farming practices
- Encouraging farmers to harvest their cocoa on a monthly basis. Agronomists have discovered that cocoa yields in the main season are much better if harvested constantly prior to the main season. The practice of monthly harvesting has yielded substantial returns to farmers, and thus enabled them to have a source of income on a monthly basis as well.
- Facilitating the establishment of formal farmers groups in every community to regularly meet and discuss matters that affect their operations. Farmer groups should help their members leverage for loans and inputs from financial institutions and input dealers respectively. At present, there are 103 farmer societies with ongoing preparations to add additional societies.
- The farmer groups at the community level are expected to grow and merge into district cooperatives. Indeed some of the district cooperatives have already been formed and are operational.
- Ensuring that all farmer groups are registered under the fair trade certification in order to benefit from the additional premium (which amounts to about US$ 200 per tonne).

Making cocoa farming an attractive business for the youth: The Cadbury Cocoa Ambassadors Programme

The Cocoa Ambassadors Programme is an initiative that involves representatives from tertiary institutions, who work on projects and mentor other young people in cocoa growing communities with the aim of renewing interest in cocoa farming. This goal is in line with an overarching goal of the Partnership: Youth interest in the sector as an important step towards its sustainability. Initially, the Partnership tried to bring on youth from within the communities; however, lack of interest led them to turn to students in tertiary institutions in the hope that they could motivate their rural peers. These students were selected after going through a competitive selection criteria put together by the partnership and some of their core partners – the programme is advertised and after receiving applications, qualified youth are selected and interviewed. There are presently 10 Cocoa Ambassadors from five tertiary institutions in Ghana. The ambassadors work in cocoa communities by interacting and organising events and programmes with the goal of creating awareness on the cocoa value chain and the importance of cocoa production, especially among youth. Each ambassador is responsible for about 8 communities. All activities undertaken by the ambassadors are
financed by the partnership. Additionally, ambassadors receive some support, including a laptop and a stipend of about GHS1,000 (about US$525\textsuperscript{2}) per semester.

Other activities undertaken by the ambassadors include:

- The creation of school farms in the communities in which they work,
- Formation of cocoa reading clubs to motivate the pupils to cultivate the habit of reading in order to improve their vocabulary.
- Organising vacation classes for the pupils in the communities at which the ambassadors spend time teaching

Ms. Anita Adomako, Business Development Officer for Cadbury Cocoa Partnership observed that the program also allows students who have spent most of their lives in Ghana’s big cities to experience life in cocoa growing communities, which is often a good experience for them.

**Sustainable Livelihood from Other Sources:** The objective here is to help farmers get additional income from diversifying their sources of income. Under this initiative, some income generating activities were identified after a market assessment had been carried out. These have been grouped into agricultural activities and non-agricultural activities. Agricultural activities include food crops production, rearing of small ruminants, market gardening, snails rearing, mushroom productions and beekeeping. The non-agricultural activities includes soap and/or pomade making, agro-processing, manufacturing of farming tools/equipment, handicrafts (carvings, basketry, rattan, pottery, textiles), support to cocoa farming (e.g. spraying, nurseries), small-scale manufacturing (sachet water production), petty trading and housing construction. Farmers are encouraged and supported to undertake these activities in addition to the cocoa farming. The partnership pre-finance a portion of these activities while the group or individuals finance the remainder.

**Community Centred Development:** Communities are empowered to be at the forefront of their own development. The programme focuses on providing direct support to small-scale social and environmental investments in cocoa-growing communities. The objective is not to ‘spoon-feed farmers’ or ‘help communities’, but rather demonstrate how farmers can be helped on a sustainable basis. Some of the specific initiatives include improved access to health care services, reliable supply of energy and clean water, among others.

**Institutional Engagement:** The Cadbury Cocoa Partnership acknowledges that the success and sustainability of the different strategies depend on the involvement of all relevant stakeholders in the public, private and civil society institutions at all levels to promote synergies. The programme therefore supports the creation of such synergies by tactfully collaborating with the relevant institutions to execute its programmes and interventions. For instance, it works closely with COCOBOD to support the extension services to the farmers.

\textsuperscript{2} This is based on the July 2012 exchange rate of about GHC1.90 to the US$.
Constraints and Solutions Strategies

CONSTRAINTS

Lack of Essential Infrastructure and Services: Most cocoa growing communities lack the basic infrastructure that supports their cocoa farming activities and general wellbeing. Critical among them include the lack of road infrastructure, no reliable supply of energy (if any) and also challenges such as lack of access to good health care, lack of quality drinking water sources, etc.). For example, a farmer may have to cart agricultural inputs or output for several kilometres before reaching the farm or the nearest market because of road inaccessibility. This has obvious implications for production and productivity and makes strict adherence to sound agricultural practices difficult.

A Misunderstanding of Corporate Social Responsibility in Ghana: The whole concept of corporate social responsibility seems to be misconstrued in Ghana. It is typically viewed as the provision of social infrastructure or amenities without due regard for issues of sustainability. As a result communities tend not to be very receptive to models or interventions which have in-built elements of sustainability. This poses a challenge for any organization that seeks to introduce an intervention other than the typical corporate social responsibility model.

Lack of Recognition of NGO Programmes by Mainstream Government Agencies: Many Non-Governmental Organizations and other development agencies are contributing significantly towards development and sustainable livelihoods. Unfortunately however, government agencies fail to recognise the work of these organisations. As a result, government policies can be counteractive rather than supportive. For instance, when an NGO supports the government to undertake a particular intervention in a community, but its contribution is not acknowledged in the agency’s reports, it becomes difficult for this NGO to properly account for the use of its funds to its donors. Donors would want to ascertain the veracity of reports received from different NGOs on different donor funded initiatives by independently referencing annual reports issued by state institutions in the said country. Since these activities are not found in appropriate reports, some NGOs have been reportedly reluctant to make their services available. The challenge for Mondelez International here stems from that fact that some of the very good NGOs that work in remote areas may be reluctant to support the partnership.

Freeriding by Competitors: Mondelez International acknowledges that investment in sustainable cocoa production is essential to its business. However, it also understands that it does not have a monopoly in this market. Mondelez International buys cocoa beans from the open market just like any other market player. This means that Mondelez International is in effect investing to boost and sustain supply in a market that it does not control, and its competitors also enjoy the benefits of the investment. The motivation for Mondelez’s continuing support of this initiative is that, if farmers across the country adhere to the best and sustainable practices, they can be guaranteed quality cocoa beans from the cocoa marketing companies today and in the future.
Problem of land ownership and security of tenure: In most Ghanaian communities, ownership of land is vested in families and not individuals. Although the head of family may have control over the allocation of land within a particular family, ownership of land remains the family property; in the event of death of the family head, there is sometimes a change of hands of the land and indeed the farm. This lack of security of tenure introduces another risk to investing in the farm. The problem is particularly acute for perennial crops where the returns to the investments are spread over a longer period of time. Another arm of the land ownership problem and closely linked to the problem of the security of tenure is that the problem of land access particularly for the youth. In some instances, an investor may only get small pieces of land scattered over a vast spatial area at best. This poses a challenge to sustainability of cocoa production as it discourages a lot of potential young farmers who would have otherwise taken up farming as a profession.

Liberalised System of Purchasing Cocoa: In the past, there was only one purchasing company in the cocoa value chain, who operated under the Ghana Cocoa Board (COCOBOD) called the Produce Buying Company. The advantage of this monopsony was that it acted as a guarantee for farmers to access loans both formally and informally. This was because everyone knew where the cocoa farmer was going to sell his/her cocoa and so lenders could arrange with purchasing clerks to ensure payment. The partial liberalization of cocoa purchasing in 1993 has meant a large number of firms purchasing cocoa – a 2007 ODI reports of 25 Licenced Buying Companies in Ghana. This partial liberalisation has had some positive impacts, such as ensuring prompt cash payments; however, it has also meant that farmers can use the opportunity of the many licenced buying companies to avoid meeting their debt obligations. This has made lending to farmers riskier. In a liberalised system the quality checks for the beans that is bought by the produce buying companies also becomes weaker.

Lack of Inputs and Credit: This challenge is two-fold. First, there is an inadequate supply of seedlings and other inputs. Generally old but healthy cocoa trees above 30 years old are considered economically unproductive. In an ideal situation, the cocoa trees in these farms should be cut and replanted. According to some reports, about 23 per cent of all cocoa trees fall in this category in Ghana (REF). Replanting of the trees requires a significant supply of seedlings. Unfortunately farmers report that these seedlings are not always available when they need them. Secondly, it is an established fact that cocoa farms require continuous weeding throughout the year. Unfortunately most farmers are relatively old and so have to rely more on hired labourers for this task. However with the low incomes from their activities and the lack of access to credit by these farmers, some of them have left their farms unattended to for years. This of course poses a productivity and sustainability challenge to Mondelez International who need the cocoa beans in large quantities.

Low Level of Extension Support to Farmers: Some farmers report of very infrequent visits from extension officers. Such farmers therefore find their own solutions to problems they encounter in their farm activities. This sometimes results in farmers applying the wrong

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3 A market situation in which there is only one buyer facing several sellers; A monopoly is an individual seller selling to multiple buyers. (SOURCE: Encyclopedia Britannica)
http://www.britannica.com/EBchecked/topic/390066/monopsony
methods in addressing problems that they may be faced with and this ultimately affect farm yields as well as the quality of their produce.

OVERCOMING THE CHALLENGES

**Provision of Essential Infrastructure:** Mondelez International is partnering with the government to construct feeder roads in cocoa growing areas to facilitate easy access to markets and reduce the burden of carting goods over long distances. In addition, the partnership seeks to provide reliable energy and water supply; and enhance educational and health care facilities to cocoa growing communities. The implementation of the latter is done in partnership with NGOs with funding from the Cadbury Cocoa Partnership.

**The Problem of Corporate Social Responsibility:** The Partnership has been able to work with communities and farmers in order to efficiently manage available finances for use in local communities. NGOs in the partnership – such as CARE, World Vision, and VSO – use their strong local ties to work with farmers to develop Community Action Plans. In this initiative, farmers identify priorities in their communities relating to cocoa production, which may include infrastructure development, environmental sustainability, and social growth. Communities then turn in their proposals to address these priorities, which can be as brief as a page or an audio recording. An independent body outside of the project implementers then selects winners. In this way, NGOs support efforts to meet development goals in a demand driven way. In addition the communities gain an appreciation for the finances CSR can provide and the projects that can be gained with them.

**Free-rider Problem:** Cadbury Cocoa Partnership has invested in a manual that is now used by all to train cocoa farmers in Ghana. Working with COCOBOD ensures that the Cadbury Cocoa Partnership does not undertake the training for all farmers. However, because all training is based on the developed manual, other organisations (particularly NGOs such as Kuapa Kokoo) interested in sustainability issues could use the manual in training their constituent of farmers. This helps standardise and guarantee the quality of the cocoa beans in the country to a certain degree.

**Access to Credit Problem:** The Cocoa Partnership programme is dealing with this problem through the community societies. Here the strategy is to equip and strengthen these societies to become independent and help them source for credit from formal financial institutions within their catchment areas and undertake self-help projects on their own. The community societies that Mondelez International helps form stand a better chance of getting credit than individual farmers. Also, as part of the sustainability initiative, farmers are trained in record keeping and farm management, along with other important skills. Care International, one of the Partnership’s key partners, undertakes the training.

**Improved Supply of seedlings and other inputs:** Under the Cocoa Partnership programme, the local societies have started raising their own seedlings to bridge the supply gap that exist presently. This initiative was borne out of the training received under the partnership programme. Some societies are also considering expanding this initiative into a commercial venture to earn extra income.
Continuous weeding of Cocoa farms: To address this challenge, some of the cocoa community societies have instituted a collective support system known as “NNoboa” system of farming. Generally this works as a group of farmers supporting each other in performing farming activities from land preparation through to harvesting. To illustrate: a group of farmers help farmer A to clear his/her farm first and then together move to farmer B’s farm, clear it, and so on. This system serves as motivation to other farmers who on their own cannot keep up with the effort required for the continuous clearing of the farms. It also helps the farmers put to use the various skills that have been taught them through the training sessions. Although these concepts are not completely new to farmers, the training sessions have helped them see its usefulness and have motivated their implementation. A farmer in the New Juabeng District (specifically the Jumapo community) of the Eastern Region puts it this way:

“Although we were into cocoa production, the focus was on other cash crops and thus neglected or paid very little attention to cocoa as a crop. The training has however deepened our understanding and made us focus on the cocoa production, which has begun to yield significant dividends” (Farmer Martin Abraham during a Focus Group Discussion in Jumapo on 17th August 2012)

Improved Extension Support to Farmers: Under the Cadbury Cocoa Partnership an extension officer is assigned to each beneficiary community to advise on all issues that may concern the farmers in their farm business. For the purposes of sustainability, the officer is expected to train at least one community member as a Cocoa Community Facilitator to continue with the duties of the extension officer if and when he/she leaves the community. Farmers have less of a challenge in reaching extension officers in the event of a problem. The local community Cocoa Facilitators have been trained (with supervision from the district extension officers) to provide most extension related services to cocoa farmers under the partnership. These are people who reside in the local communities and so are more accessible to farmers.

The Partnership and its Relationships

The main actors in the Cadbury Cocoa Partnership Programme could be put into two categories: core partners and non-core partners. The core partners are Mondelez International, the communities, COCOBOD, Care International, VSO, World Vision and UNDP. The other ‘non-core’ members are Kuapa Kokoo, and the Ministry of Employment and Social Welfare (MESW)
CORE PARTNERS

The different partners in the Cadbury Cocoa Partnership bring diverse, unique, and important expertise to the operations of the company. The specific roles played include:

**Mondelez International:** Mondelez International seeks to see thriving cocoa communities that ensure a sustainable cocoa supply chain. Mondelez International serves as the entity responsible for coordinating and monitoring the core and non-core partners. The company has set aside a 10-year sustainable implementation fund of £30 million for use under the Cadbury Cocoa Partnership in Ghana.

**Communities:** These are cocoa growing communities that have been enrolled onto the cocoa partnership. As at end of 2012 they had enrolled 209 communities but the programme aims at rolling out to 500 communities by 2015. Many communities have already been profiled for inclusion onto the intervention, based on the experiences derived from the first 209 communities.

**COCOBOD:** As part of the sustainable livelihood initiative from cocoa, Mondelez International has partnered with Ghana Cocoa Board (COCOBOD) to drive the extension services component of the partnership. Specifically, COCOBOD provides extension through its sub outlets, including the Cocoa Research Institute of Ghana (CRIG), which is responsible for new product development and other bi-product research activities; the Seed Production Unit, Quality Control Unit and CSSVDU.
Under the cocoa partnership programme, COCOBOD has identified and trained 17 persons with agricultural backgrounds to serve as community extension officers. The manual used in training these officers are a standard manual that was financed under the Cadbury Cocoa Partnership programme. COCOBOD also provides supervision for these community extension officers.

**CARE International:** CARE is a global and a leading humanitarian organization fighting poverty with a mission to serve individuals and families in the poorest communities of the world. CARE thus brings its special experience working on the ground on board to implement some of the community related interventions under the CCP programme. Some of the specific activities carried out by this organization under the partnership include:

- Profiling (collecting and collating relevant socio-economic and other important indicators) of the (35) selected partner communities;
- Development/revision of 35 community action plans developed or reviewed and approved (reflecting and aligned with Cadbury Cocoa Partnership criteria and objectives for CBOs);
- Development of free hand farm sketch maps and community resource maps.
- Undertaking of sub-sector and/or market analysis assessments.

**World Vision:** This is an international Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice. World Vision has been involved in this business for several years and thus brings aboard their experiences in working with rural communities in the provision of essential community support and infrastructure over the years. World Vision is mandated under the cocoa partnership to:

- Conduct community assessments and baseline surveys in 35 partner communities.
- Mobilisation and sensitization of 35 communities and stakeholders for active engagement in community development.
- Capacity building for farming organisations
- Identification of micro-entrepreneurs and indigenous non-cocoa economic opportunities that promote sustainable livelihoods.

**VSO** is a leading independent international development organisation that works through volunteers to fight poverty in developing countries. VSO is tasked under the Cadbury Cocoa Partnership to:

- Undertake detailed and comprehensive baseline surveys/assessments covering 30 communities in 3 districts of the eastern region;
- Develop/review Community Action Plans for partner communities
- Develop mechanisms for District Assembly support for cocoa farmers and their households in the 30 selected communities,
- Build capacity of District Assemblies and Farmer Based Organizations and Produce Buying Companies in respective to support sustainable cocoa production.
UNDP: The United Nations Development Programme (UNDP) provides strategic advisory services to the Cadbury Cocoa Partnership. UNDP is also expected to:

- Establish Ghana Management Board and participate in International Board Meetings
- Undertake Capacity Assessment of Delivery Partners
- Develop Monitoring and Evaluation framework and monitoring/supervision of year 1 activities
- Develop Operational plan for Year 2 and establish procedures and procedural documents for Years 2 – 10
- Establish Project Management Unit and Technical Expert Group

NON-CORE PARTNERS

The non-core members also play important roles in the framework of the CCP.

Kuapa Kokoo: This is a farmer cooperative established in 1993 with the aim of improving the welfare of its members. This organization’s long-term experience and insights in working with cocoa farmers help enrich the Cadbury Cocoa Partnership strategies. They have good rapport with these farmers and are able to efficiently communicate specific messages in a manner that is appreciated and trusted by the farmers. With this they help in linking the cocoa communities to the partnership programme.

Ministry of Employment and Social Welfare (MESW): Their role is to help align the programme within the framework of government policies. This ministry also handles the registrations of farmer societies at the community and district levels.

Smallholder cocoa farmers: These are local farmers who benefit from the Cadbury Cocoa Partnership including inputs and advisory services. Depending on the focus of the company under the community challenge fund, some of these farmers help their communities benefit from community development projects.
Results

ECONOMIC

Increased Yields and Incomes: The community extension support and the periodic farmer training sessions introduced to these farmers under the partnership have helped increase yields significantly. Cocoa production is now a year-round exercise. There is a renewed sense of focus among farmers who are now applying new techniques and caring for their farms. Already, farmers have started doubling their yields in less than two years of operations. As a farmer from Jumapo put it “looking at the way forward, what is needed is we (farmers) putting our skills and knowledge acquired into practice… the whole of last year, I harvested 6 bags of cocoa but after adopting some of the skills under the cocoa partnership programme, I have already harvested 4 bags this year. I am just about to harvest again, which will give me at least 4 bags before I go into the main season and so I am grateful to the Cadbury Cocoa Partnership.” These increased yields will certainly translate into increased income with its trickling down effects on households with regards to education, health and consumption.

In addition, the partnership has increased from 100 communities to 209 at the end of 2012 with plans to scale up the 500 communities by 2015. This means more and improved quality beans from these farmers.

SOCIAL

Community Centred Development Initiatives: The Cadbury Cocoa Partnership has challenged communities to look for solutions within their community or the district level. Some communities have been able to do an assessment of their own needs and how they could be met and taken initiatives to that effect. Some have been able to engage their respective district or municipal assemblies with what they consider their needs with its corresponding assessment with an action plan. Most of these communities have proactively worked with their respective district and municipal authorities to implement projects and had their needs met. This also means more projects getting underway as it cuts down on cost and time that the district or municipality would have used for the assessments. For example, if government wants to do electrification in a district, the assembly can readily fall on the community action plan for execution. The idea is that, communities that can engage the district will more likely get their fair share of development.

Growing Interest in Cocoa Production among the Youth: Under the cocoa partnership programme, schools in beneficiary communities have been convinced to start school gardens where cocoa will be cultivated among other crops while educating pupils on the relevance and economic benefits of agriculture to the economy and individuals. This farm becomes a demonstration plot for the pupils to see the processes involved in cultivating the plant. Interested youth in the community who have accepted the challenge of taking cocoa production then care for the school garden. The cocoa ambassadors programme is also slowly
but gradually attracting interest among youth who would otherwise not have known much about cocoa production.

**Provision of Social Amenities:** The Cadbury Cocoa Partnership has also provided several amenities to beneficiary communities under its Community Challenge Fund (these are savings that the partnership has made from the different budget allocations which are invested in community development projects) to make life a lot more comfortable for farmers. Some of the amenities include the provision of solar lanterns, bore holes, and classroom facilities among others.

**ENVIRONMENTAL**

**Sustainable Farming practices:** The extension services under this partnership teach farmers about sustainable farming practices. This has positive effects on the environment.

**Conclusion**

The Cadbury Cocoa Partnership Programme was begun with a business objective – ensuring the sustainability of quality cocoa supply over the medium to long term. However the business model would not have made sense without a catalytic development component targeted at the cocoa communities and the farmers. The business model also leverages the strength of existing actors (both governmental and non-governmental) for the achievement of the programme goals. The result is a business model that has the potential of improving and impacting directly on the livelihoods of local cocoa farmers and indirectly through improving community infrastructure in cocoa farmer areas. At the end of 2012, the Partnership operates in about 209 communities with plans to scale up to about 500 communities by 2015.

The business model has not been without its challenges, particularly those relating to the long terms sustainability of cocoa farming – keeping the interest of existing farmers and attracting new ones. However working with both public and private stakeholders the partnership is systematically engendering interest in cocoa farming again. Already there are several important dividends that have accrued to farmers and their communities under this partnership. These include, among others, increased cocoa yields which has translated into increased incomes, healthier cocoa farms and a renewed interest in cocoa production among the youth with some reports of graduate students turning back to cocoa farming. Other important secondary benefits are the environmental dividends that will accrue as a result of increasing use of sustainable farming practices.

This case concludes by noting that key development initiatives can be (and indeed are being) started and championed by private businesses. This case shows that apart from making
business sense, these initiatives also have significant medium to long-term development implications for the majority of the poor.
References


People Interviewed.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Name</th>
<th>Role</th>
<th>Date</th>
</tr>
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<tbody>
<tr>
<td>Student at Institute for Professional Studies</td>
<td>Calvin Doe</td>
<td>Cocoa Ambassador for Jumapo</td>
<td>August 17, 2012</td>
</tr>
<tr>
<td>Jumapo Farmers Society</td>
<td>Nicholas Addai Addo</td>
<td>Secretary of Community Society</td>
<td>August 17, 2012</td>
</tr>
<tr>
<td>Organization</td>
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<td>Programme Director</td>
<td>Yaa Amekudzi</td>
<td>August 7, 2012</td>
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<td>Ghana Cocoa Board</td>
<td>Research Officer</td>
<td>Wahab Sulemana</td>
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