



Project “Akuafoo Nkoosoo” (“Farmers’ Success”)

Cocoa Rejuvenation and Income Diversification Program for Sustainable Cocoa Livelihoods and Climate Change Resilience in Ghana

The project is a transformative intervention to build resilience to the small holder cocoa farmers through rejuvenation of the cocoa farm, diversification of farm income and enabling financial inclusion.

Objectives and activities

This innovative project will support the livelihoods and financial inclusion of 3'000 Ghanaian cocoa farming households via Farm Business Plans by combining rejuvenation of their cocoa farms with small-scale vegetable production to diversify incomes and increase resilience. Income from vegetable farming and access to improved cook stoves benefit especially women in the family. Shade trees are integrated systematically in the rejuvenation planting, and the resulting agroforestry system further increase climate change resilience of households.

Innovation

- Rejuvenation of the cocoa farms via “Under planting”
- Intensification of vegetable farming
- Improved “Green cook stoves” at cocoa households
- Farm Business Plans and use of Big Data
- Bio diversity and Climate Change resilience

Expected impact

The project has a strong focus on improving farmers’ livelihoods sustainably, particularly of women, and will increase incomes of 3'000 cocoa farmers’ households In Ghana, directly in about 5 cocoa communities in the country.



Country/region

Ghana

Project Partners

Barry Callebaut
World Vegetable Centre,
Envirofit, Wageningen
University, Ghana Cocabod, Advans Ghana

Duration

2019-2021

Total Budget

CHF 2'000'000

SECO contribution

CHF 1'000'000



The project also addresses two of Barry Callebaut's important pillars on sustainability, which are, Prospering farmers' and "Thriving nature" under the "Forever Chocolate" campaign.

All targeted farmers are part of the sustainable cocoa project and benefit from a premium on their cocoa sales. The project will enable farmers to diversify incomes through revenues from other crops, thus reduce their vulnerability, while pushing up the profitability of cocoa farm as follows:

- **Rejuvenation of the cocoa farm**, by gradually replacing ageing, unproductive cocoa trees with new plantings, which has significant impacts in the mid- and long-term income. The innovative technique of planting new cocoa under the old, thinned cocoa helps to soften the income drop from cutting old cocoa trees. Systematic insertion of shade trees in rejuvenated cocoa farms become a pension crop.
- **Intensification of vegetable farming**, which has a fast and diversifying income effect. Expertise from the World Vegetable Centre serves to manage the production risks, and market access through clustering of production. Women farmers and spouses are targeted, and impact on family nutrition is a notable effect.
- Adopt using **improved cook stoves**. The time needed to fetch firewood is reduced, freeing time of women to engage on income diversification. Improved cook stoves also reduce smoke in the kitchen and thus impacts health, particularly in children under 5 years. The cook stove project delivers on the UN SDGs 7 and 13.
- • The implementation of the **Farm Business Plans (FBPs)**, relying on the data we have collected out of the farmer house hold and a polygon map of very farm we have mapped, the farmers are taken through a multi-year self-sustaining and self-driven journey to ensure that the farmer creates value in terms of S(Rol) "Social Return on Investment", overtime.
- On **Biodiversity and climate change resilience**, the project has relevant potential for carbon sequestration and increasing on-farm biodiversity. The agroforestry system in the rejuvenated cocoa plantations has multiple, positive effects for biodiversity and climate resilience: (i) increase shade will reduce evapotranspiration (ii) opportunity for auto-regulation of pest and diseases of the farm and (iii) contribute significantly to increasing Soil Organic Carbon (SOC) which in turn improves moisture and nutrient retention.

The project will allow delivering on the following Global Cocoa Agenda Indicators

- GCA 1-4 - >3000 farmer households reached by program with training, with input provisions, and income diversification
- GCA 6 - 138% income in year 10
- GCA 7 - 3000 cocoa farming households receive on average 500 USD credit
- GCA 8a-d - Confirmed under certification or Cocoa Horizons activities.
- GCA 9 - Farm services team strengthened in the operating entity, Nyonkopa in Ghana
- GCA 12, 13&14 - Volume of sustainable cocoa sourced reportable, third party verification by PwC of both COH and FC report, including on deforestation KPIs.
- The project is also aligned with the government of Ghana cocoa development policies, notably the cocoa rehabilitation program (COCOBOD, Dec. 2017)



Village Cocoa Competence Centers

Improving trust between farmer and buyer with village based post-harvest, training and agricultural service centers

In the competitive purchase environment of rural Ivory Coast, the project aims to introduce village-based centers that offer various services in the heart of the cocoa producing regions. Based on quality-oriented fermentation and drying processes offered to farmers, the centers will support them with trainings in good agricultural practices, the distribution of improved planting materials, access to agricultural tools and inputs, and access to mobile saving systems.

Objectives and activities

This project aims to build on the strong rural presence in the south-west of Ivory Coast of the Swiss/Ivorian cocoa sourcing company CABOZ and gradually change the way sourcing companies and farmers interact. Through the establishment of village-based centralized fermentation centers and associated training facilities we want to change the role of the sourcing companies from that of a mere trader with a loose relationship with the farmer to that of a reliable partner and service-provider with a permanent local presence.



Country/region

Ivory Coast

Project Partners

CABOZ AG
ETH Zürich, Hanns R.
Neumann Stiftung,
CABOZ Action

Duration

2019 – 2023

Total Budget

CHF 1'075'000

SECO contribution

CHF 500'000

 **CABOZ**

ETH zürich

Hanns R. Neumann Stiftung 

CABOZ Action

The centers will thus not only serve as buying points for cocoa with post-harvest processing facilities, but will also produce and distribute high quality cocoa and shade tree seedlings, offer training and consultancy services, provide access to saving schemes, and sell agricultural tools and inputs. Because cocoa will be fermented and dried in the centers, farmers will save time. This time that can be invested more efficiently into better farm management and the production of additional food crops. Trainings offered to farmers at the centers combined with the distribution of cocoa and shade tree seedlings aim to improve and diversify the productivity of their cocoa farms and thus the income of the cocoa communities. To support the farmers ability to invest in his farms or the education of his children the project aims to pay certification premiums on mobile money accounts. Farmers will be given the option to use these savings to purchase agricultural inputs and tools in shops associated with the centers.

Innovation

Village based centralized fermentation is uncommon in Ivory Coast. The introduction of such a system will change the current sporadic relations between farmer and sourcing companies to a permanent service-based interaction close to where farmers live and work. The centers will create new jobs in rural areas for young men and women who will work at the fermentation centers, the tree nurseries or as trainers. This will help to foster the collaboration within the cocoa communities. Mobile savings systems will help farmers gaining trust in non-cash-based payment systems, which could lower the risk for armed robberies associated with the current cash-based buying system in the largest cocoa producing country of the world.

Expected impact

The project will reach 600 farmers and their families in two regions. Through increases in cocoa productivity and premiums farmers are predicted to potentially raise their income by 37% and reduce their workload related to fermentation and drying by about a month. During the three years we plan to build five Village Cocoa Competence Centers with training facilities, attached shops and a post-harvest output capacity of together 830 tons of high-quality cocoa. The attached tree nursery will produce about 450'000 cocoa and 12'000 shade tree seedlings to rehabilitate 300 ha of overaged cocoa plantations. The distribution of up to 40 shade tree per hectare and seedlings for food crops will diversify the existing low-shade cocoa plantations and provide a shade canopy of around 30%. The project aims to create about 65 permanent and seasonal jobs. The new purchase system of fresh cocoa to the post-harvest centers will have a positive impact on the reduction of financial risks related to the cash-based buying system and reduce product losses considerably. If the market is willing to pay a quality premium for better fermented and dried cocoa, farmers could also benefit from a higher sales price in the future.





Sankofa Project

Empowered by Alliances for Action

Sankofa aims to contribute to 3-pillars of sustainable livelihoods (social, economic and environmental) of stakeholders in the cocoa and associated crops value chains (VCs) through a multi-stakeholder approach on income diversification, climate resilience and biodiversity conservation. Socio-economic sustainability will be tackled with a multi-channel production and commercialization diversification approach. Climate mitigation and resilience shall be addressed through dynamic agroforestry, climate smart cropping systems and a carbon compensation scheme.

Objectives and activities

- 400 farmers from Kuapa Kokoo Farmers Union (KKFU) directly benefitting from DAF and income diversification activities;
- 2,500 farmers from KKFU directly benefitting from Climate Smart Cropping Systems and income diversification activities;
- 17,400 community members indirectly benefitting from DAF, Climate Smart Cropping Systems, and income diversification.
- Capacities of staff and agricultural extension officers of 1 FBO strengthened (86,000 members) + 8 support institutions strengthened

The project partners, together with the Kuapa Kokoo Farmers Union (KKFU), Fairtrade Africa (FTA), and the Yam Development Council (YDC) have demonstrated that sustainable and inclusive VC alliances with a focus upon income/ livelihood diversification and climate smart agriculture are possible through the implementation of a multichannel multi-stakeholder approach.

Country/region

Ghana

Project Partners

Coop
Genossenschaft /
Chocolats Halba
International Trade
Centre (ITC)
Kuapa Kokoo Farmers
Union (KKFU)
Max Havelaar-
Foundation (Switzerland)
Fairtrade Africa
World Wide Fund for
Nature (WWF)
South Pole
Yam Development
Council (YDC)

Duration

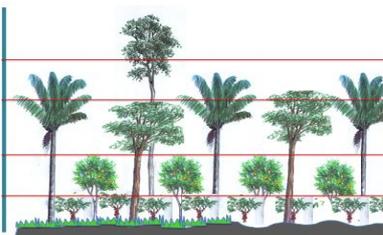
2019-2023

Total Budget

CHF 3'500'000

SECO contribution

CHF 1'000'000



Dynamic Agroforestry



Diversification (income & biodiversity)



Carbon Insetting



A two-year pilot in Ghana (2016-2018) has successfully introduced:

- Climate smart agricultural practices in cocoa farms together with sustainable production of premium quality associated crops - yam, maize, cassava, plantains, among others;
- Skills and technological capacity to produce quality associated crops and value added products;
- Business linkages with local, national and international buyers to secure market for associated crops.

Given the successful results, a new project entitled Sankofa will be implemented from 2019 to 2023 to scale-up climate smart agriculture and livelihood diversification through a carbon insetting process. In its strive for carbon neutrality, Coop plans to inset 75,000 MT CO₂ within their supply chain through this project. These objectives will be achieved through three interconnected concepts with related activities:

1. Dynamic Agro Forestry (DAF) + Diversification: combining crops and tree species with different life cycles to ensure continuous income and food production until cocoa trees start producing.
2. Climate-smart cropping systems (CSCS) + Diversification: introducing multiple income options to smallholder cocoa farmers through the climate-smart production of associated crops. Demonstration plot establishment and capacity-building training programmes on good agricultural practices, including no slash and burn, ensures a larger group of farmers have the required skills and capacities and are adequately prepared to later adopt DAF principles to achieve impact at scale.
3. Market Systems Development (MSD): working directly with selected market actors to ensure strong connection to local, national and international markets for crops and products produced. The ambition is for private sector partners (Chocolats Halba / Sunray (Coop)) to source as many products as possible from the project farms, including dried mango, cashew nuts, palm oil, pineapple, and coconut, through collaboration with local and exporting companies in Ghana.

Innovation

The Alliances for Action (A4A) methodology puts farmers at the centre of interventions. The project combines income diversification, dynamic agroforestry, climate smart cropping systems and carbon insetting through a partnership and commercially driven approach. Implementation focuses on promoting sustainable production and market systems whilst ensuring farmers have incentives for improved demand, adoption and replication of innovative technical solutions. As a result, production and productivity of cocoa is strengthened whilst reducing effects of climate change on farmer and improving resilience to market and production risks. Indeed, the project is a win-win for all VC actors involved because it serves interests of producer communities, the origin country, the sourcing company, consumers and the environment. A4A provides a partnership framework that empowers participation in decision making by beneficiaries, local ownership and investment. As a holistic implementation, needs will be identified and additional layers of support will be made available to communities including gender and youth empowerment, human development, health and child labour mitigation and remediation.

Expected impact

Sankofa is a sustainable livelihoods improvement project that responds to challenges facing cocoa farmers in Ghana. The overall impact is on living income and improved resilience for farmers, through sale of cocoa and associated crops. Association and collaboration among farmers reduces labour and demand for additional land. Product diversification allows farmers to get continuous income from different sources and to manage the cash flow in order to face household expenses and invest in income generating activities.

In alignment with SECO priorities, Berlin Declaration, Global Cocoa Agenda, and National Public Policies in Ghana, the Sankofa Project will:

- Generate tools for Swiss Cocoa Platform showcasing results and impact; and provide results and experiences on living income and biodiversity which can feed into working groups;
- Generate a strong reputation in sustainability in connection to a Swiss brand and be a reference in holistic approach to sustainable livelihoods projects;
- “Win-win” to all VC actors involved because it serves the interests of the producer community, the origin country, the sourcing company and the environment.

Sankofa shall contribute to the achievement of the following SDGs:





Cocoa Tech Bridge

Building a Cocoa Tech Bridge for Small-Holder Farmers in the Countries of Origin

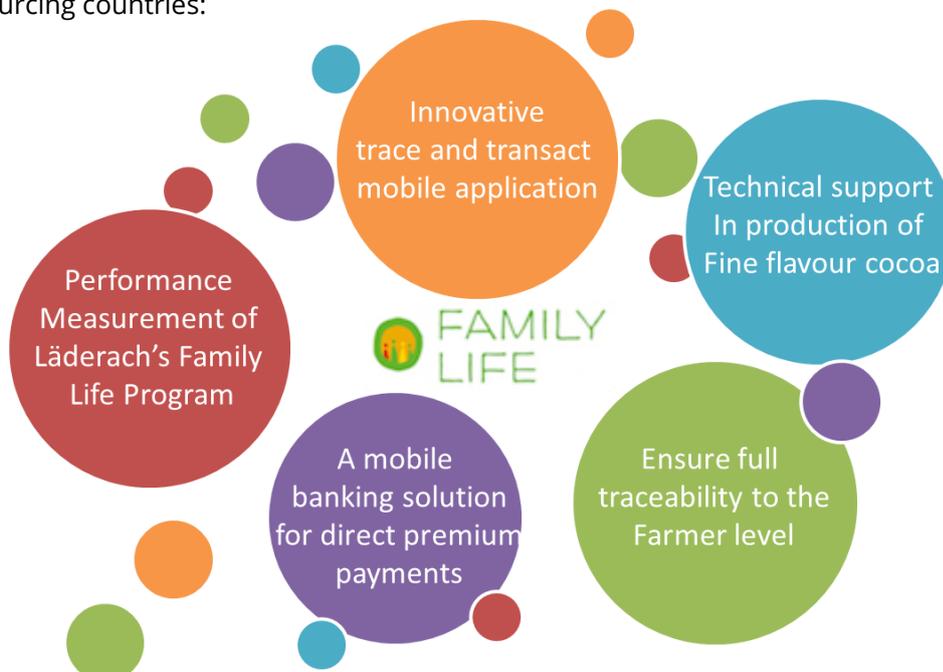
Processes have to be digitalized to be more efficient. The project integrates within the Läderach (Schweiz) AG supply chain a cloud-based trace-and-transact mobile application to manage and trace sourcing and sustainability activities of the Läderach “Family Life” sustainability programme, and financial premiums flows to small-scale farmers.

Objectives and activities

The main purpose of the project is to improve the livelihoods of cocoa growing communities through an enhanced positive economic, social and environmental impact of Läderach’s Family Life Programme through the integration of an innovative, high-tech Information Management System (IMS).

All sustainability activities are managed and monitored through the IMS. Therefore, all the farms and the need of the cocoa farms and farmer households have to be mapped. The IMS enables the possibility of easy and direct payments directly to the farmer to reward their outstanding performance.

The following areas are touched by the 3-year project which is piloted with one of our sourcing partners, with the prospect to be integrated in all of Läderach’s sourcing countries:



Country/region

Costa Rica

Project Partners

Läderach

FarmStrong Foundation
and Nahua Cacao & Chocolate

Duration

2019-2021

Total Budget

CHF 190'000

SECO contribution

CHF 95'000

Läderach



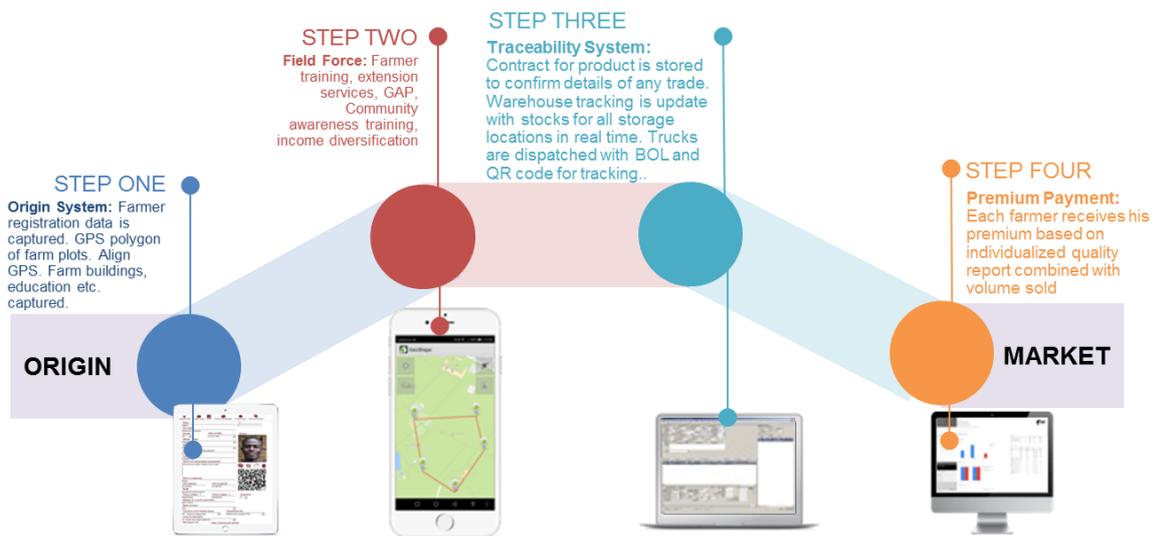
FarmStrong
FOUNDATION



Innovation

The project integrates an IMS system in Läderach's operations for an enhanced management and impact of its sustainability programmes. The integration into grassroots field operations of the chosen digital technology has been successfully piloted by the FarmStrong Foundation in Côte d'Ivoire: every intervention ranging from community assessments, farmers trainings up to the bean procurement and processing is managed by an integrated system.

The application is simultaneously a monitoring and evaluation tool that digitalises information and makes it accessible to farmer, farmer groups and Läderach, likewise. Full traceability from the very moment the producer's barcode is scanned can be assured and the real game changer is the possibility to process direct payments for the various premiums as well as for the cocoa volumes: the buyer, Läderach (Schweiz) AG can directly send money via the mobile money function. Thus, traceability to the farmer level can be assured, middlemen influence can be reduced, and cash transactions can be decreased.



Expected impact

Läderach is committed to improve the income of its farmers, rainforest conservation, long term engagement, local embeddedness and community-driven component of its interventions. The Cocoa Tech Bridge is expected to enhance targeted farmer capacity, increased income for farmers and their household, increased community resilience through more efficient crop and income diversification efforts.

Approximately 450 farmers are reached through this programme. These farmers will benefit from a cash-free payment system which transfers the money immediately. This leads to risk reductions associated with cash-transfers. The project does indirectly touch the families of these 450 farmers by a higher transaction security, improved household income. Via this international partnership, we strengthen the means of implementation for implementing effective and targeted capacity-building and promote sustained and inclusive economic growth, full and productive employment and decent work.





A new approach to improve cocoa farmer livelihoods in Ghana

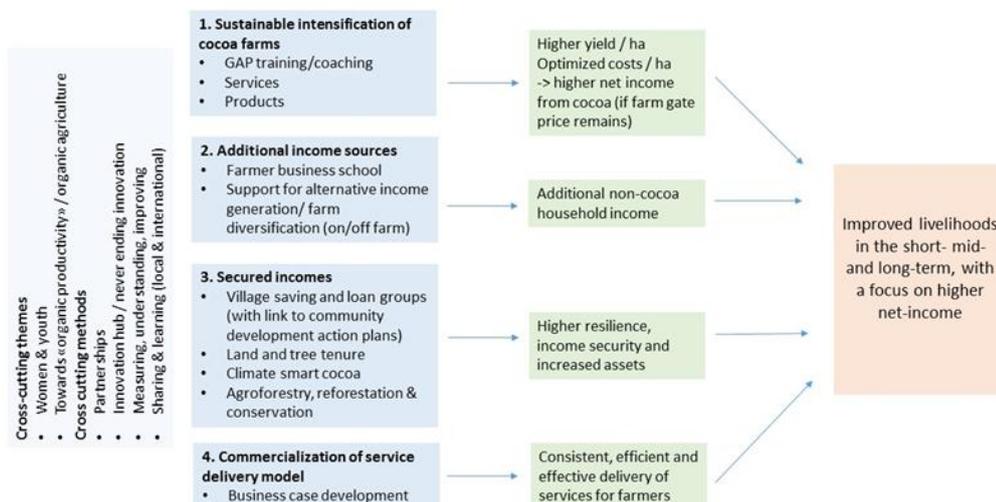
Targeted, holistic, long-term

The project builds on continued collaboration within the “Lindt & Sprüngli Farming Program” between SMS Ghana and Lindt & Sprüngli, aimed at creating improved farmer livelihoods in 56 targeted districts in Ghana, through a holistic approach, with a focus on increased net-incomes. The project seeks to demonstrate that by providing improved access to a tailored portfolio of products and services that closely matches farmers’ needs and expectations, it is possible to commercialize last-mile service delivery.

Objectives and activities

The project’s goal is to improve the quality of life of cocoa smallholder farmers in Ghana by increasing their net income. This is achieved through four main outcomes including (1) increasing farmers’ productivity through sustainable intensification, (2) diversifying their household incomes, (3) building and securing their assets and (4) building a business case for service providers to ensure the consistent, efficient and effective delivery of appropriate products and services that meet farmers’ needs.

Overview Theory of Change



Country/region	Ghana
Project Partners	Lindt & Sprüngli Sustainable Management Service Ghana
Duration	2018-2022
Total Budget	CHF 9'300'000
SECO contribution	CHF 1'000'000



LINDT & SPRÜNGLI



Sustainable
Management
Services

Innovation

The status quo in improving farmer incomes and resilience is to offer one-size-fits all trainings on productivity and cash management, and for farmers to manage the execution of advice received through training. The main innovation is the use of data to segment farmers, develop targeted products and services to support farmer production, develop methods and tools to deliver customized advice, products and services at scale to enable improved farm production and cash management.

We will work with existing frameworks on farmer segmentation, and add critical parameters like farm age, productivity and GAP adoption to develop our initial framework. Using this framework, data collected from past and current programs of Lindt & Sprüngli and SMS will be analysed to define farmer segments and their corresponding profiles, behaviour and needs. The initial product and service offering (e.g. agro-inputs on credit, pruning and spraying services, farm management services and farm rehabilitation) and appropriate methodologies (e.g. training and coaching sessions) are then targeted and matched to these farmer segments.

Expected impact

The expected impact is improved livelihoods of cocoa farmers in the short- mid- and long-term, with a focus on higher net-incomes. A fundamental concept in the project's vision of rural prosperity looks at the farming household as a unit and designs interventions focused on both farm and non-farm activities to increase household net-income. Various pathways to increases in income are targeted through the project's identified outcomes for farmers. While increasing farming households' incomes is important, we are also looking at reducing costs that farming households incur, with food costs being the most important expense. By supporting farmers to diversify and produce food crops and promoting consumption of these crops, household costs can be reduced.

The project supports Sustainable Development Goal (SDG) 8 by promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. By promoting sustained economic growth both at individual and national level, farmers and other stakeholders will be able to address some of the root causes of poverty in the long-term (especially, lack of opportunity and economic power) and, with the right knowledge and practices, improve food security thereby contributing to the achievement of SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture) respectively and SDG 1 (End poverty in all its forms).

Technology and mobile tools will play a key role in monitoring project activities, output and early indicators of intended outcomes. The project's monitoring plan and system include SECO's reference indicators, and data will be collected using digital tools. The data is accessed using a web interface and can be analysed monthly, quarterly and yearly using reports and dashboards. The project also includes external assessments by The Forest Trust. Further, KIT Royal Tropical Institute will conduct an Impact Assessment.





Risk based targeted income support to vulnerable households to reduce child labour

The pilot project will reduce the prevalence of child labour by strengthening the income of vulnerable cocoa growing households using a cost-efficient, risk-based targeting and monitoring mechanism, and is linked to the Ghanaian Government Livelihood Empowerment Against Poverty (LEAP) programme.

Objectives and activities

Objectives

- Design and pilot a scalable and cost-effective targeting mechanism for vulnerable households
- Increase their income to meet basic necessities
- Resulting in a measurable reduction in child labour

Activities

The project will adapt the Nestlé child labour monitoring and remediation system (CLMRS) to make it more efficient. The existing CLMRS uses individual monitoring and customized remediation for children in child labour. It is effective, but is quite labour intensive and costly. Our project will use risk indicators to identify communities and families at risk of child labour, and then help them with conditional direct income support or vouchers.

The system is linked into the government LEAP programme which provides income support to vulnerable families. This will help the future sustainability of the system and enable scale up in future.

By contrast to conventional remediation, cash transfer empowers beneficiaries to make their own household choices. Conditionality criteria will be tried in some cases to ensure funds are spent appropriately and desired outcomes reinforced.

The project will cover 2500 farming families, of which about 825 will be chosen for income support.

Country/region

Ghana

Project Partners

Nestlé

ICI

Ecom

Duration

2019-2020

Total Budget

CHF 870'000

SECO contribution

CHF 435'000



The project will be evaluated by checking the error rate of risk based identification, and the success of the measures in removing children from child labour, as well as evaluating the change in incomes.

We intend to communicate the outcomes, in line with Nestlé's practice, and will be shared sector-wide on the ICI learning website, in the Swiss platform, and in future Nestlé reports on the child labour system (after the first 'Tackling child labour report').

We also intend to communicate in Maison Cailler with its 400,000 visitors per year to help consumers understand the issues and the actions we're taking.



Innovation

The areas of innovation are risk based targeting as opposed to blanket monitoring, and cash or voucher remediation against measures such as school kits and income generating activities.

Expected impact

The current CLMRS shows a 51% reduction in child labour, so we will be comparing this system to the latest results from conventional CLMRS. We also expect an improvement in household incomes.



Improve livelihoods of indigenous organic and Fairtrade cocoa farmers

Using bio-fertilizers and grafting of productive, disease-tolerant cocoa varieties

Over the last decades Chocolat Stella Bernrain has carried out projects together with APPTA to establish a production center for bio-fertilizers and a plant nursery for propagating disease-tolerant cocoa varieties. Since these initial projects have shown promise, the next step is to expand this idea and practice to Panama. The aim is to increase productivity of the cocoa harvest for the coming decades, which could be key contribution to improve the livelihoods of indigenous families in both countries.

Objectives and activities

- Increasing the collaboration between the two farmer organizations
- Rejuvenation and increasing the number of cocoa plants
- Training in vegetative propagation and production of bio-fertilizers
- Spreading productive and disease tolerant CATIE cocoa varieties
- Increasing the harvest of cocoa and at the end the farmer's income

Bio-fertilizer

- 1 Bio-fertilizer production station will be established and 1 improved
- 140 farmers will be trained producing the fertilizer
- 200 farmers will receive the fertilizer and the equipment
- 200 farmers will be trained how to reproduce and to apply the fertilizer

Centralized nursery and grafting

- Nursery will be improved
- 30'000 cocoa plants will be grafted at the nursery
- 200 farmers will be trained in grafting in the field

The cocoa production in buffer regions of La Amistad Bi-National park has been strongly affected by the Monilia disease since the late 1970's and it still suffers a lot when it comes to productivity and efficiency. The cocoa varieties which will be propagated during the project are disease-tolerant and highly productive CATIE varieties as well as farmer-selected varieties.

Country/region

Costa Rica and
Panama

Project Partners

Stella Bernrain
APPTA, COCABO, Cooperatives sin fronteras

Duration

2019-2020

Total budget

CHF 180'000

SECO contribution

CHF 90'000

Stella Bernrain
swisschocolate.ch

Cooperativas Sin Fronteras

It could be shown that these cocoa varieties combined with the use of bio-fertilizers can raise the efficiency by accelerating the growth and the productivity in the presence of Monilia.

Innovation

The two basic innovations to be spread and introduced by this project may seem theoretically simple, however, to successfully coordinate the collaborative activities and hands-on trainings between the two organizations will demand extra effort. Managing the logistics and facilitating the trainings so that they can be most effectively carried out, will ask for much agility, constancy and regular communication. Chocolat Stella Bernrain will be able to closely monitor and actively coordinate the project through an employee, who lives in Costa Rica.

Expected impact



With more cocoa plants planted, and being well managed, the yield and the income of each participating family will increase (SDG1). With more savings at the cooperatives the money can be invested in further improvements and investments, which should contribute to the economic growth of the cooperatives, their partners and their members (SDG8).

Another objective of the project is as well building up a stable network between the two farmers organizations, NGOs, the scientific and the agroforestry department of both countries (SDG17). In involving the partners like CATIE (cocoa varieties), Cooperativas sin fronteras (NGO, support in organization and accounting) etc. every part learns from each other and build up trust in the network especially when it comes to the time after the project.

The project focuses on gender equality as well (SDG5). In Costa Rica there are in fact a lot of women working in respected jobs, whereas in Panama it is more common that more men are working especially in management positions. Women and youth will have an important role in carrying out and defining success of this project.

In the region of the Binational Park there is a very high percentage of ethnic minorities. Up to 90 percent of the cocoa farmers are indigenous, so by nature ethnic minorities will be included in the project (SDG10).

It is expected that the bio-fertilizer and the composts will improve the health of the plants and the soil and make key nutrients more available (SDG15). Without the regular application of the bio-fertilizer, Monilia came back again in the first project. This is why the combination of the bio-fertilizer and the CATIE varieties show much promise. It is part of the tradition of the indigenous farmers to have many species of plants mixed together in their fields including shade trees, fruit trees etc., so high biodiversity is a reality of each farm. By having several cocoa varieties propagated and support old species as well, we will preserve the biodiversity in the region.