



Proposing a new deal

Significant investments have been made over the last thirty-five years to support smallholder cocoa producers mostly in Africa, but also in Asia and South America. Local governments and development agencies were the first to support producers with programs focusing on training, accessing credit facilities, and building the capacities of producers' organisations. Private organisations joined the effort in the nineties with 'Public Private Partnership' facilitated by donors' money.

I've been an implementer, working for a Canadian NGO on two major programs, which, between them, invested of over \$60 million in West Africa. But what was the impact? Not much I'm afraid.

Surprisingly the way we design and implement programs has not changed. Training still plays a large role, little data is collected (let alone used), and we use the same methods to assess impacts.

Even if we agree that the 'one size fit all' approach is not the right one, we're still funding this type of program. Why? Because we don't know how to do differently.

GeoTraceability was commissioned this year to do an in-depth survey on the living income of cocoa producers in Ivory Coast. We surveyed 21 producers' organisations and 3,234 producers collecting over 200 data entries on the organisations and on the farmers. The findings are astonishing!

Pierre Courtemanche looks at how the industry can work together to provide cocoa farmers with a better deal

These producers are certified and have received training and support in various forms over the years. Many of them will also have benefited from the support activity of the two programs I mentioned and, I suspect, some producers were/are involved in other programs. In short, these farmers and their organisations have received a lot of support.

We know the barriers to increasing productivity and improving livelihood: no / limited access to finance, small farm size, limited access to inputs, and weak agricultural practices - to name the most important factors.

Our survey revealed that productivity doesn't increase with farm size; 85% of farmers attended training on 'Productivity and Quality' and 84% of farmers attended training on 'Good Agricultural Practices'; 61% of farmers do not use fertiliser and 48% indicate they could not afford it; over 50% of farmers do not apply pesticides systematically, although 67% of farmers do regularly check for pests; 56% of farmers hire labour; 70% of farmers say that 90% of their total income comes from cocoa although 68% of farmers grow other crops; 20 out of 21 cooperatives offer financial services to their members; 31% of farmers asked their cooperative for credit last year; all the cooperatives offer technical assistance to their members and 11 cooperatives have over 11 field extensionists providing technical assistance to members.

The average yield of the producers surveyed is 417kg per hectare; 377kg for women. So, what is going wrong there?

My suggestion, after 32 years of field experience and a \$12 million investment in GeoTraceability: we need to consider each producer as an individual business and propose to them a new deal in which each party wins something significant.

Watch out, I'm not saying that individual producers are entrepreneurs and should be treated as such. Certainly 99% of them will never reach this level. I'm only stating that each farmer is different and that each field has its own characteristics. This means each farmer should receive tailored support and progress should be measured on an individual basis.

You'll say, wait a minute we could never afford this - there are over 3 million smallholder cocoa producers in the world. My reply is yes; we can deploy this approach at a large scale with the same level of investments we are presently pumping into the sector. It's just a question of doing things differently and using the right technology.

Over the last five years GeoTraceability has worked with different types of organisations, public and private, to engage large number of smallholders in capacity building programs. A few examples: 57,203 cocoa producers in Ghana, 13,185 coffee producers in Vietnam, 14,032 hazelnut producers in Turkey.

The GeoT's System records for each individual farmer a range of critical and informative data, like socio-economic data, farm and farming data, production data, traceability data and project data. This information can be used to design tailored support plans and measure changes overtime.

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But one tool was missing to efficiently process and use large quantities of data. And we've cracked it by developing what I call the 'Digital Agronomist'. It's a tool that crunches all the data collected on individual farmers and fields, whilst incorporating local agronomic and field knowledge. The output is the production of large number of genuine individual farm business plans on a click of a button. But not only this, the tool also aggregates the individual plans to provide an investment plan at landscape level with the funds needed, the production expected, the labour and inputs required, and an analysis of the profitability on the investment.

We can now address the challenge 'too many farmers, too few agronomists' and implement a large-scale program delivering a different plan for each individual and the means to monitor impact at household-level. We can change how we design and deliver programs.

Each hectare of farmland should have tailored farming recommendations aiming at increasing productivity in a sustainable way. Each producer should have the opportunity to accept all or some recommendations and commit to execute the plan with support from a program. A deal can be sealed between individual farmers and program implementers.

Field extensionists could have all the information on the farmers, and their plans, on a smart-phone and monitor the execution of each plan. Producers would therefore receive more specific support and grow their business at their own pace.

With this disruptive approach, producers will have their own business plans to calculate their return on investment, and program implementers will do the same with their investment plan, each party having the information to assess the benefits for them of this new deal.

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