



COCOA SUSTAINABLE LIVELIHOODS LANDSCAPE STUDY: CÔTE D'IVOIRE AND GHANA

A critical review of initiatives across the cocoa sector that aim to achieve sustainable livelihoods for cocoa farmers and their communities in West Africa.

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Mondelēz
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This study was commissioned by Mondelēz International Cocoa Life, and designed and managed by the Fairtrade Foundation.



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INTRODUCTION



Between them, Côte d'Ivoire and Ghana produce 60 percent of the world's cocoa each year.¹ And yet recent studies have found that the average cocoa farmer in these two countries lives on \$1.50 or less each day.² In light of this, the cocoa sector's current focus on sustainability and living incomes for cocoa farmers is welcome. But with it comes the risk that lots of players act in an uncoordinated way.

This landscape study was commissioned by Cocoa Life, and designed and managed by the Fairtrade Foundation. Our core objective was to understand what interventions – which we call sustainable livelihood initiatives, or just initiatives, in this report – are being implemented in Côte d'Ivoire and Ghana to support cocoa farming communities to make a living they and their future generations can depend on. By mapping out initiatives operating in the cocoa sector in this part of the world for the first time, we hope our research will improve future initiatives by helping implementers understand what others are doing, and avoid potential duplications.

Our analysis combines a review of publicly available information, perspectives from key sector experts and in-depth consultations with representatives from the farming community. We have also set out three calls to action for the sector to improve the design, effective delivery and relevance of future sustainability initiatives:

1. Make partnerships work in new and better ways
2. Improve support for farmers that are being left out
3. Design new initiatives considering both farmer voice and how the sector functions

We hope our study will help progress the conversation around sustainability in cocoa, and we invite others to engage with our analysis in the more detailed [report](#), add their own thoughts and perspectives, and make constructive challenges. But ultimately, we hope this report goes some way to supporting cocoa farming communities in their journey towards sustainable livelihoods for themselves and future generations.

¹ ICCO (2018): Quarterly Bulletin of Cocoa Statistics Volume XLIV No. 1, Cocoa Year 2017/18, London taken from Fountain, A.C. and Hütz-Adams, F. (2018) Cocoa Barometer 2018

² Bymolt, R., Laven, A. Tyszler, M. (2018), Demystifying the Cocoa Sector in Ghana and Côte d'Ivoire, The Royal Tropical Institute (KIT), Fountain, A.C. and Hütz-Adams, F. (2015) Cocoa Barometer 2015, True Price (2017), Cocoa Farmer Income: The household income of cocoa farmers in Ivory Coast and strategies for improvement, Amsterdam: True Price

How we chose initiatives for in-depth analysis

Our definition of 'sustainable livelihoods' stems from an existing framework developed by the UK's Department for International Development (DFID) in the late 90s. Since its introduction, the 'Sustainable Livelihoods Framework'³ has become a commonly used model to tackle poverty in low and middle-income settings, including in West Africa's cocoa farming communities.

We selected the initiatives analysed in this report by first testing them against the framework to see if they aimed to create sustainable livelihoods for cocoa farmers. The initiatives must also have been active and deliberately targeting cocoa farming communities in Côte d'Ivoire and/or Ghana. For the purposes of grouping them together, if the initiative was part of a wider programme, or being implemented on behalf of another initiative, we considered the overarching initiative as the implementer.

We then analysed those shortlisted initiatives in detail using components from the framework to see exactly how they intend to build sustainable livelihoods for cocoa farming communities.

Main findings

Cocoa plays a major socioeconomic function for very different groups of people.

Cocoa is a vital source of income for Côte d'Ivoire and Ghana's economies. It represents more than 30 percent of total GDP in Côte d'Ivoire⁴ and generates an average of \$2 billion in annual foreign exchange⁵ for Ghana. The most reliable estimates suggest that cocoa farming is supporting approximately 2 million farmers in the region.⁶ Up to 1.7 million of them may not be in organised co-operatives.

Different groups of farmers face specific challenges in the cocoa economy. Starting on a farm as a labourer and becoming a sharecropper⁷ is a feasible but not guaranteed route to owning land in the future, particularly for young farmers. Our analysis also shows that most smallholder farmers need labourers, often family members or those contracted on an informal and seasonal basis, providing in kind service in exchange for board and lodging.

We find that women carry the extra burden of family life on top of their work on the farm, such as looking after children, taking care of relatives and maintaining the household. They also face specific social and economic constraints linked to their labour on cocoa farms, especially related to what is considered an acceptable activity for a female farmer compared to their male counterparts.



A farmer harvesting cocoa, Côte d'Ivoire

³ Department for International Development (1999), Sustainable Livelihoods Guidance Sheets, London: DFID

⁴ Gayi, S., Tsowouk, K. (2016), 'Cocoa sector: Integrating small farmers into the global value chain', United Nations Conference on Trade and Development, New York and Geneva

⁵ Ghana Cocoa Board (COCOBOD), https://www.cocobod.gh/home_section.php?sec=1 (accessed 4.3.19)

⁶ Fountain, A.C. and Hütz-Adams, F. (2018) *Cocoa Barometer 2018*

⁷ Sharecropping is a form of cocoa farming where the sharecropper rents farmland from the landowner, which could take a variety of agreements as per the local custom for that area.

There are currently 92 sustainable livelihood initiatives operating in Côte d'Ivoire and Ghana, all implemented by five groups motivated by their individual interests.

Our study identifies 92 sustainable livelihood initiatives across Côte d'Ivoire and Ghana. We reviewed and excluded a further 102 initiatives that did not meet how we defined initiatives according to the above inclusion criteria.

We identified five broad groups implementing initiatives – **cocoa buyers, multi-actors, not-for-profits, international donors and local actors**. It is important to note that just because there are fewer initiatives in a group, this does not indicate that there is less investment or activity in those initiatives than one of the bigger groups. A robust estimate of size of investment disaggregate by implementing group was in fact unfeasible with publicly available data.

Below, we explore the groups of initiatives in greater detail:

Cocoa buyers, made up of chocolate manufacturers, traders and retailers, are responsible for the vast majority of initiatives in our research base – 42 percent of them. Buyers emphasise their responsibility in playing a critical role in bringing about sustainable development for the cocoa farming communities

they source from. We also find that they usually explicitly recognise that investing in sustainability will result in higher commercial returns in the long term.

A total of 22 percent of initiatives are run by **multi-actors**, implementers from the five groups working in partnership. Our analysis revealed vast consensus among these implementers that collaborative and coordinated efforts have a multiplier effect compared to the impact of individual initiatives, and that working in partnership is the most cost-effective way to achieve change for cocoa farmers.

Not-for-profits are responsible for 17 percent of the initiatives we identified – a total of 16 interventions delivered by certification schemes, non-governmental organisations and private foundations. The number of initiatives in this group may appear relatively small. But this is due to most of the buyers and donors funding actors within this group to deliver their initiatives and private foundations likely to fund initiatives run by others.

International donors include individual government agencies, such as Germany's Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and DFID. They also include multi-lateral initiatives run by international organisations,

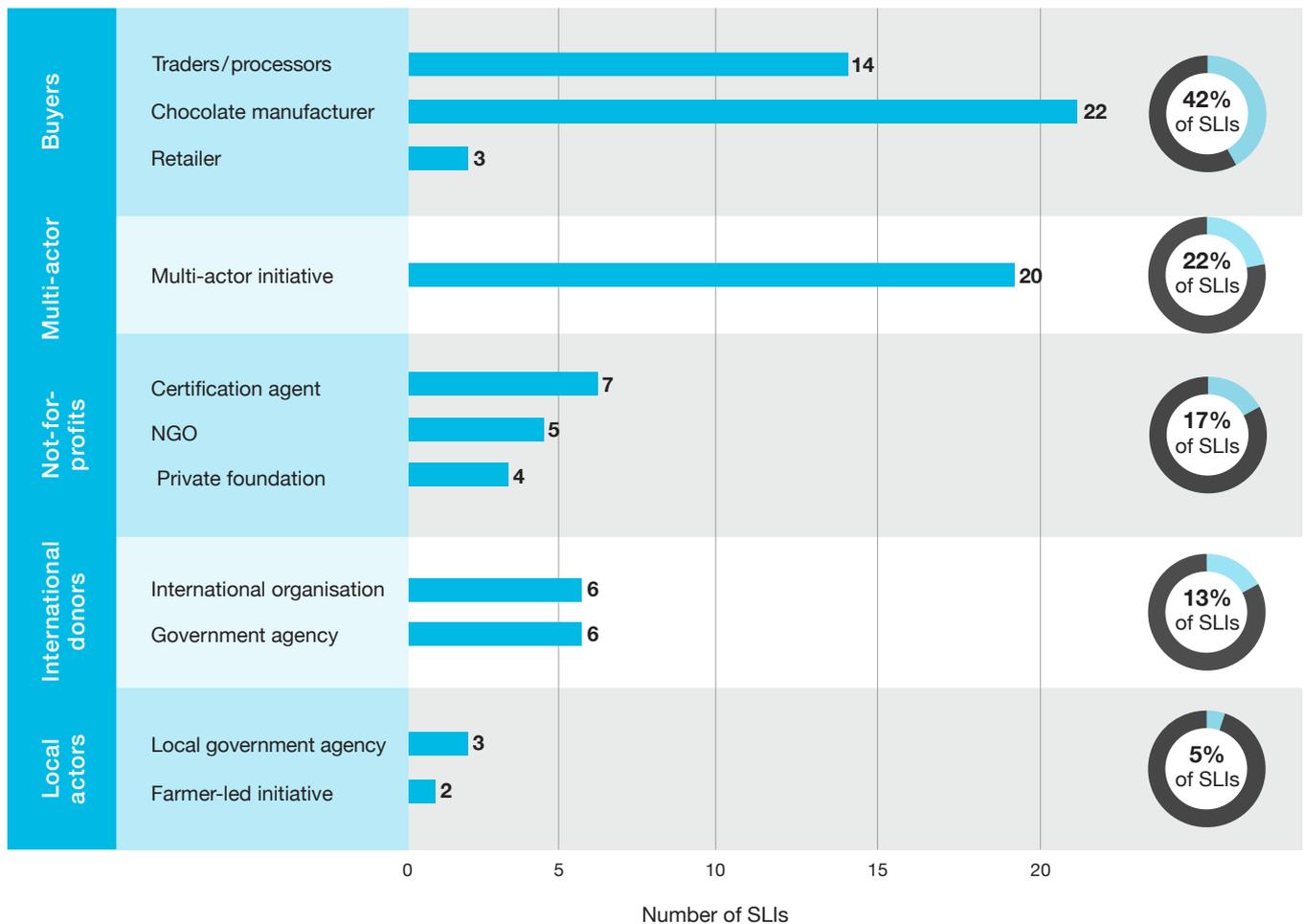


Figure 1: Number of overarching SLIs delivered per actor group – note this is not reflective of amount of effort or funding (author's own)

such as the World Bank and United Nations Development Programme. Overall, we identified that international donors are implementing 13 percent of the total, or 12 initiatives, with an equal split between government agencies and international organisations. The role of international donors is especially to provide resources to critical areas where there are not necessarily major financial returns, as well as deliver and commission sector research to develop implementation frameworks for the sector.

The smallest group of implementers are the **local actors**. These include both farmer group-led initiatives and national government – COCOBOD in Ghana and Le Conseil du Café-Cacao (CCC) in Côte d'Ivoire. This group represents five percent of initiatives we identified, but this is likely an underestimate as farmer groups may not consistently publish their work online due to constraints around technology and resources. It is also critical to point out again that the number of initiatives identified does not reflect the investment, time or effort spent by national government initiatives.

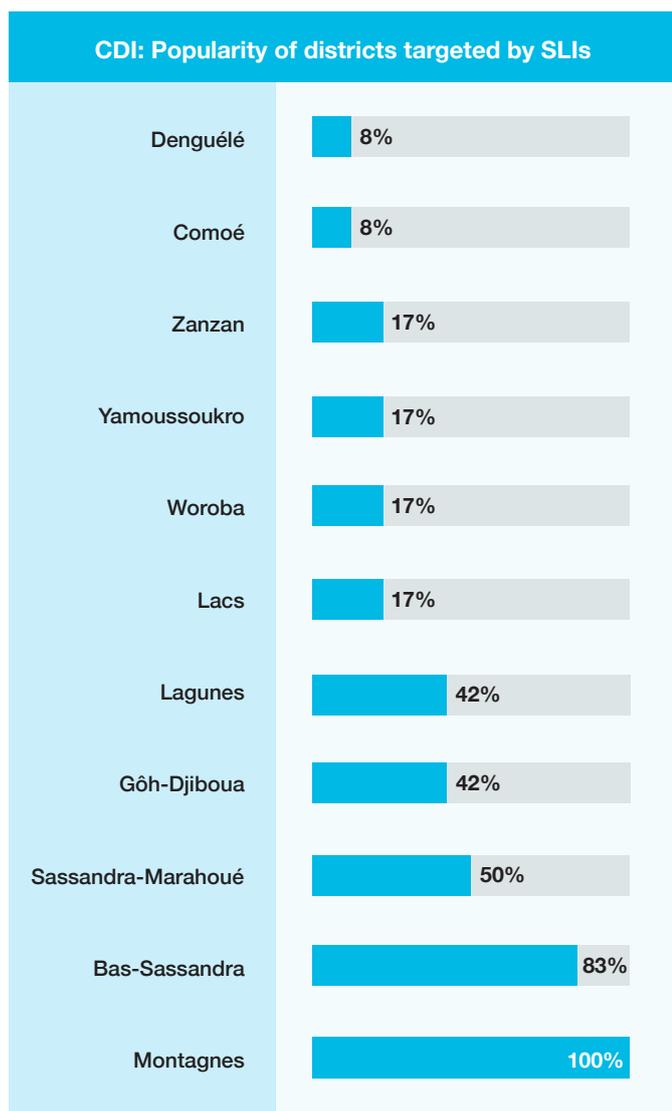
From our consultations with farmer groups in country, it clearly emerges that they want to position themselves as viable and sustainable commercial partners for their potential buyers, and see the value of these initiatives as a way of

gaining credibility among the farming communities to attract new members. National government agencies especially respond to the strong emphasis their governments put on the cocoa sector as a means to economic development, especially through commercialisation, job creation and tax revenues, and are key stakeholders for all initiatives.

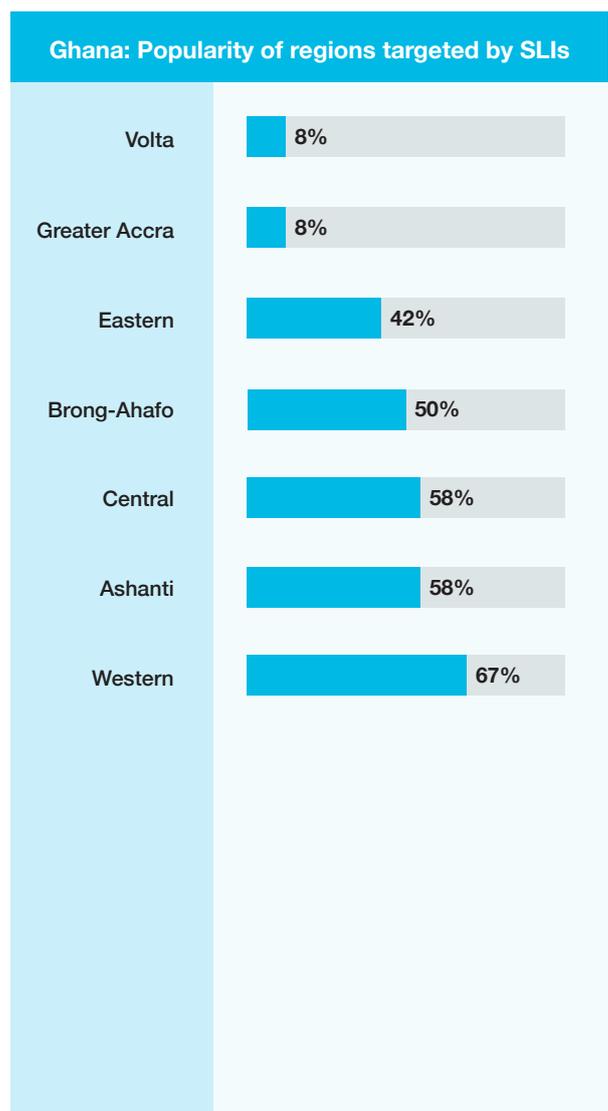
Initiatives tend to duplicate their efforts, working repeatedly with the same farming households and communities, and – besides farmers – mainly target women and children. They also tend to concentrate their activities on more productive geographic areas within the region.

▶ Less than **50%** of initiatives combined claim to work with over **150%** of farmers estimated in the country.

Our analysis finds that farmers appear to participate in multiple initiatives simultaneously. The total number of farmers targeted across all initiatives exceeds the estimated number of cocoa farmers present in the region by almost 800,000. This trend may be in reality more marked, considering only 39 out of 92 initiatives clearly report their target for how many farmers they plan to reach.



Data from 12 SLIs in CDI. No initiatives in Abidjan, Savanes or Valee du Bandama



Data from 12 SLIs in Ghana. No initiatives in Northern, Upper East, Upper West

While most of the initiatives tend to refer to ‘farmers’ as a homogenous group, the relative majority of initiatives explicitly target women and children – 46 percent and 38 percent respectively. A minority of initiatives target the other key demographic groups – youth (14 percent) and sharecroppers/labourers (seven percent).

The majority of initiatives tend to work across both Côte d’Ivoire and Ghana at the same time, focusing on areas where the highest quality and quantity of cocoa is expected to be grown. While cocoa productivity and quality seem the main drivers for initiatives to work in these geographic areas, our research also identifies other elements that play a role in the geographic targeting of initiatives. That includes relationships with farming groups, ease of implementation and other logistical and financial elements.

By mapping what initiatives were working on to a Theory of Change, we found that the initiatives we analysed focus on five specific long-term outcomes contributing to sustainable livelihoods.

A ‘Theory of Change’ describes the final change an initiative aims to bring about because of its contribution, and what needs to happen for that change to realise. For our study, we created a sector-wide Theory of Change to describe how all 92 initiatives are contributing towards sustainable livelihoods for cocoa farming communities in the region. Our analysis shows how all of the initiatives are currently contributing to five well-defined areas of long-term outcomes, building a picture of what initiatives in the cocoa sector are aiming to achieve today. Below you can see the five key outcome areas and how many initiatives out of the 92 we found working within each.

1. Farming communities gain higher incomes from their economic activity (76 initiatives)
2. The cocoa sector has inclusive social systems and policies to protect the most vulnerable (60 initiatives)
3. Farming communities experience better connectivity, health and education outcomes (40 initiatives)
4. The forest is recovering and the farming communities become more resilient to climate change (61 initiatives)
5. Demand for sustainable cocoa increases as a result of coordinated and evidence-based initiatives (76 initiatives)

Mapping the initiatives onto our Theory of Change framework meant we could carry out a comprehensive comparative analysis to assess concentration of activities, alignment and emerging gaps in how the sector is currently pursuing sustainable livelihoods in this part of the world.

The most popular delivery model used by initiatives was to improve productivity of farmers, with the least popular approach being to address land rights.

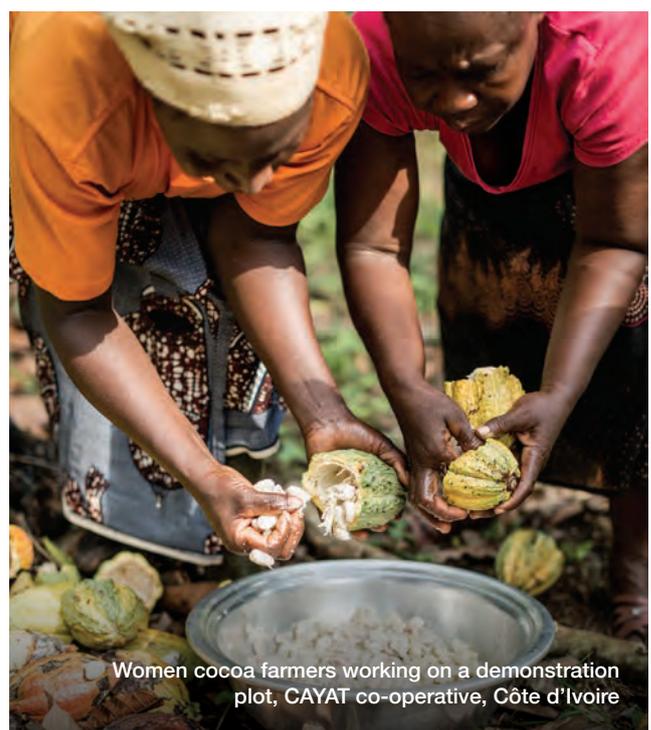
Through mapping how the different initiatives were seeking to achieve the five long term outcomes in the theory of change above, we found that 71 percent of initiatives operating in the two countries were focussed on improving the productivity of farming communities. This formed the most popular delivery

model across all of the 92 initiatives we identified in our mapping. On the other hand, initiatives were far less likely to address issues like land or worker rights, of which we identified fewer than seven percent of initiatives explicitly targeting.

Farmers’ immediate priorities are not always the same as those addressed by the sector, as described in the Theory of Change.

Through direct consultations with farmers in Ghana, we were able to map their priorities against the Theory of Change we created for this study. Our research suggests there were a number that were aligned. Firstly, farming communities prioritise becoming more professional and increasing their incomes (outcome 1), as well as clearly asking for improved infrastructure to achieve better health, education and transport options for their communities (outcome 3). To a lesser extent, but still significant, farmers also see value in protecting the rights of vulnerable members of communities (outcome 2), and forming alliances with the cocoa sector (outcome 5). We found little traction from farmers on protecting the rainforest and strengthening resilience to climate change (outcome 3). It is important to note that this does not mean that farmers do not consider this to be important (indeed many flagged the importance of climate change resilience in ensuring their cocoa crops do not fail) – but that there are immediate needs that farmers flagged as a higher priority.

Overall, this evidence shows that there is a good match between what the initiatives identify as priorities for change, and what farmers say they need. But the urgency each group attaches to those changes varies. It is critical for the success of current and future initiatives to identify where within this framework there is a lack of alignment between the initiatives’ focus and the farmers’ needs, as we recommend later in this report.



Women cocoa farmers working on a demonstration plot, CAYAT co-operative, Côte d’Ivoire

OUR CALLS TO ACTION

We conclude our study with three calls to action for the cocoa sector to improve the design, effective delivery and relevance of future sustainability initiatives.

1. Make partnerships work in new and better ways



Farmers participating in a training workshop, Côte d'Ivoire

We call for current and future initiatives to strive for better coordination and new and impactful ways of collaborating, recognising each other's strengths and supporting areas of weakness.

Our analysis shows that there is a significant amount of overlap between initiatives in the region. The total targeted number of farmers (2.8 million) significantly exceeds the total estimated number of cocoa farmers in West Africa (2 million). Roles and responsibilities need better definition and more transparency and sharing of learning is paramount to enhance lasting impact. What is the role of the market actors? What is the role of the farmer unions and societies? How much support is the sector obliged to give and in what form? Questions like these need to be explored carefully in the near future. Farmer co-operatives may, for example, have a role to play in coordinating the activities of different initiatives and taking more ownership over implementation. As the largest group of implementers, the cocoa buyers have great potential to deliver effective initiatives if they are able to redirect resources and resolve the current duplication through skilful partnering and integrating the governments of Côte d'Ivoire and Ghana into their initiatives. Governments can also play a crucial role in organising the sector thanks to their long-lasting relationships with farmers, and their status as critical gatekeepers to important information.

2. Improve support for farmers that are being left out



Farmer growing young cocoa trees at a cocoa nursery, Ghana

We call on the sector to consider redirecting current initiatives and design future programmes to improve their support for sharecroppers, labourers and farming communities living in marginalised geographic areas.

We find that a large proportion of initiatives are not recognising the needs of particular groups of often-informal cocoa farmers (up to 1.7 million farmers), especially sharecroppers and labourers. Only seven percent of all the sustainable livelihood initiatives analysed had tailored interventions for the needs of these groups. Sharecropping is widespread across the two countries, seen as a route into cocoa farming and an important form of land ownership, with estimates stating that as much as three quarters of cocoa production may come from sharecropped farms.⁸

Equally concerning is that farmers consistently emphasised the need for labour to manage their farms, and yet farm labourers are also being left behind. This is due to informal contractual protection and little recognition in farmer organisations. We also find that there is a tendency for initiatives to operate only in geographic areas where cocoa productivity and quality are higher. This leaves a large number of farmers from non-target areas that cannot benefit from these initiatives, despite cocoa being a national crop, putting them at a greater competitive disadvantage.

⁸ Robertson, A.F. (1987) The dynamics of productive relationships. African share contracts in comparative perspective. Cambridge University Press, Cambridge
citing Hill, P. (1963) The migrant cocoa farmers of Southern Ghana: A study in rural capitalism. Cambridge University Press, Cambridge

3. Design new initiatives considering both farmer voice and how the sector functions



Kra Zelna Madeleine speaks to others as part of the Women's School of Leadership, Côte d'Ivoire

We call for the sector to put the needs highlighted by farmers at the centre of new initiatives, integrating their views with detailed analysis of where the system is not working for them.

Our analysis highlights that the vast majority of initiatives are using training mechanisms to upskill farmers. Meanwhile, few initiatives are also considering market dynamics alongside training farmers, therefore addressing fundamental issues in the enabling environment that affects the context in which farmers operate. This implies that current implementers mainly perceive that it is just the farmer who solely needs to take action to improve their livelihood, resulting in limited effort made by initiatives to engage with and improve general market structures and processes. If, for example, initiatives were more active in changing market structures and putting in place long term contracts as part of their sustainability initiatives, addressing land rights or moving farmers up the value chain, there is a possibility for farmers to take increasing ownership of the sector and direct resources effectively.

Our analysis also finds that farmers do not prioritise deforestation and resilience to climate change, and instead focus on more immediate needs such as income and infrastructures such as roads, schools and health centres. As mentioned previously, this does not mean that this area is not important to them, but simply that implementers and farmers do not put it at the same level of priority. To get this right in this area, current and future initiatives need to put in place a meaningful dialogue with cocoa farming communities to ensure that they are both aligned with what initiatives are seeking to achieve.

Looking ahead

In the next phase of this project, we will build on our current understanding of the sector and take a proactive role in making the calls to action a reality. Over the rest of 2019 and during 2020, this research team will:

1. Draw a roadmap for coordinated efforts in the sector and make partnerships more effective in achieving sustainable livelihoods for cocoa farming communities.
2. Make sure that the roadmap looks at the needs and priorities of the most marginalised farmers.
3. Provide key recommendations to Mondelez International's cocoa sustainability program Cocoa Life for innovative and inclusive interventions that will address systemic constraints in their supply chain.

In line with our third call to action, we will also make sure our proposal is in line with farming communities' needs by including in our design methodology a farmer-centric approach.



Cocoa farmer training workshop, Ghana

Methodological note

We used a mixed methods research approach, combining systematic desk research with qualitative key informant interviews with key cocoa sector stakeholders, and field research across cocoa farming communities in Ghana.

Internet search was the primary desk research method used, primarily to identify the long list of initiatives to potentially include in our analysis. From a total of 194, we identified 92 initiatives to be included in the study, and excluded the remaining 102 initiatives for not fully meeting the inclusion criteria. Literature review was our other method to support our desk research. We identified the first source documents to find the initiatives through internet searches. We then used snowball sampling to identify additional documents not captured in the first search. We identified and reviewed 167 publicly available core documents in total.

We interviewed 24 stakeholders representing 16 organisations from the cocoa sector. These were a mix of company representatives, governmental departments (including COCOBOD in Ghana), international partnerships and members of the not-for-profit and academic community. We identified these individuals starting with key contacts in

Cocoa Life and Fairtrade. We used key informant interviews to capture stakeholders' perspectives and insiders' insights on the sector, to react to and provide a critique of our early findings and to point at additional resources we did not identify through our desk research. We also used an adapted version of snowball sampling to build upon the key informants' own network and deepen our reach within the sector.

The field research took place over two and a half weeks in November 2018 in Ghana, and covered communities in the Ashanti, Brong-Ahafo and Eastern regions.⁹ We ran 12 focus groups in Ghana – five with union executives, and seven with societies, sitting underneath union governance structures. The views of these groups gave us an insight into how farmers perceive their own needs and requirements for the future. This then allowed us to refine our initial identification and mapping of the initiatives, as well as providing their view on our interpretation of the sector approach. The views we captured were not designed to be statistically representative of all farmers in the region, but represent a critical perspective to include. This is especially useful considering the union executives we talked to are elected by societies to represent the views of some 20,000 farmers.¹⁰



Mary Opoku, Asunafo North
Union meeting, Ghana

⁹ Since the fieldwork conducted by the research team in November 2018, the Ghanaian government has approved the creation of six new regions. We use here the older regions of Ghana that were in place at the time of field research.

¹⁰ This is figure based on the total sum of current membership statistics of the unions that we interviewed. Ghanaian government has approved the creation of six new regions.



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Finally, we would also like to thank Manuel Kiewisch from Cocoa Life for his support throughout the research.

For more information please read our full [report](#).

Women work together on each other's farms to collect cocoa pods at harvest time in Affery, Côte d'Ivoire

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