

FAIR TRADE

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AU TRAVAIL DES ENFANTS
mineurs dans les champs

Small Producer Organization (SPO) Development, Strengthening and Resilience

CÔTE D'IVOIRE COUNTRY REPORT

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1. Executive summary

Research on Small Producer Organization (SPO) development, strengthening and resilience was commissioned by Fairtrade International to the Royal Tropical Institute (KIT) in the Netherlands. The study is a qualitative-led mixed-method six country study (Côte d'Ivoire, India, Indonesia, Kenya, Mexico and Peru). This country report presents the research findings from Côte d'Ivoire.

Nine SPOs were visited in Côte d'Ivoire. All were 1st Grade cocoa SPOs; seven had an administration council and two were simplified cooperatives. The visits took place between July 4th and July 22nd 2016. During focus group discussions (FGDs) with leaders and, separately, male and female members, 198 people were interviewed: 64 leaders or professionals (62 men and two women), 134 members (65 men and 69 women) and one Fairtrade staff member.

SPOs visited in Côte d'Ivoire are reasonably well administered, with the exception of one SPO which showed signs of bad management. The governance structures of the SPOs follow the law, but the delegate systems (representatives elected by members) could be made more responsive and accountable to members. Services to members are usually satisfactory, and within the budget limitations or financial possibilities of each organization. However, the limits of such services and investments are often not well understood by members and are often bound to the Fairtrade Premiums received by each. Services which are offered outside the scope of cocoa production are greatly appreciated, especially among women.

SPOs have limited power and influence on the cocoa system in the country; all are confined to supplying raw material where margins are small. Big players make the bulk of the purchases and prices are set by the Coffee Council Board, Conseil Café Cacao (CCC). All SPOs interviewed hold more than one certification for their cocoa produce and all also receive agricultural extension support from the Agence Nationale d'Appui au Développement Rural (ANADER¹), the large companies (buyers) and non-governmental organizations (NGOs).

SPOs all expressed concerns about Fairtrade market shares, quotas and contract allocation. There is very little control and understanding regarding the produce volumes that will be purchased under Fairtrade terms. Members often perceive Fairtrade as a project, as opposed to a system to organize work, services, governance and benefits among a group of smallholder farmers. The lack of understanding of the Fairtrade Premium system and the way funds are shared among smallholder farmers probably contributes to this misconception.

Finally, SPOs are particularly weak in external relations with the CCC and the government. Examples of engagement with the CCC and the government are few; results are even more limited. However, when it comes to partnerships, the SPOs visited are engaged in different programmes and receive support from NGOs, which is agreed upon with private companies eager to secure their supply.

Based on the findings of the study in Côte d'Ivoire, we recommend the following areas where Fairtrade can better support the strengthening of SPOs:

- Support SPOs in understanding the cocoa market, contract allocation and certified produce quotas;
- Address underlying issues related to production and productivity;
- Pilot new financing models and improve access to working capital;
- Support diversification of livelihood strategies;
- Improve internal organization and governance;
- Promote and facilitate the use of information and communication technologies (ICTs); and
- Create awareness and internalization of the Fairtrade Standards.

¹ The National Agency for Rural Development Support (ANADER) aims to contribute to the improvement of the living conditions of the rural population through the professionalization of farmers as well as SPOs by designing and implementing appropriate tools, and adapting programmes to ensure sustainable and controlled development. Accessed on 09.01.2017 <http://www.anader.ci/>

2. Introduction

Research on Small Producer Organization (SPO) development, strengthening and resilience was commissioned by Fairtrade International to the Royal Tropical Institute (KIT) in the Netherlands. The objective of the research was to provide insights into processes of development and strengthening of SPOs that are certified by Fairtrade. The research aimed at identifying the conditions, internal and external, that are necessary for SPO development to be successful, and how Fairtrade can best support and influence those condition. The study focused on:

1. Collecting baseline data on present organizational strengths and weaknesses;

2. Providing insights into processes for strengthening of SPOs within the Fairtrade system;

3. Making recommendations for how Fairtrade can best support strengthening of SPOs; and

4. Exploring how the development of SPOs can benefit individual members.

This study is a mixed-method six country study carried out in Côte d'Ivoire, India, Indonesia, Kenya, Mexico and Peru (Figure 1). This country report presents the analytical framework and research methodology. The findings from the research in Côte d'Ivoire are then summarized, followed by recommendations for Fairtrade.

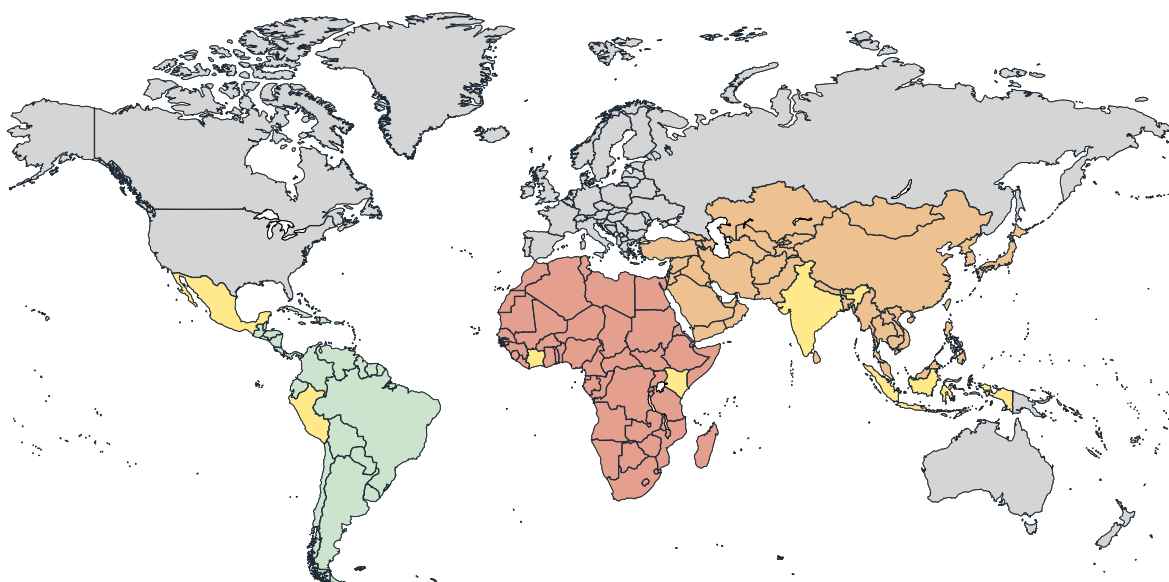


Figure 1. Countries in the study (highlighted in yellow)

3. Analytical framework

Fairtrade articulates a strong SPO as “a sustainable organization with a balanced governance structure, in which democratic principles are practiced and the business is effectively managed based on the collective needs of the members. The above requires for an SPO to have good governance and business management capacities in place, serving a common purpose that is owned and internalized

by its members.”²

Successful SPOs therefore must be imbued with the following characteristics:

- Democratic structures to ensure participation and communication;

² Fairtrade International (2013). *Fairtrade Theory of Change*, December 2013

- Good governance, inclusive leadership and transparent management;
- Skill sets and capacities for managing businesses; and
- Strong economic and financial foundations.

SPOs' access to relevant information, resources and services, and infrastructure is essential. Moreover, organizations must be resilient, i.e., have the ability to anticipate, prepare for, and respond and adapt to incremental change and sudden disruptions to survive and prosper.

Baser and Morgan (2008)³ developed a 'five core capabilities framework' to assess an organization's capacity and resilience. The five interrelated capabilities (5Cs) are:

1. The capability to adapt and self-renew;
2. The capability to act and commit;
3. The capability to relate to external stakeholders;
4. The capability to achieve coherence; and
5. The capability to deliver on development objectives.

1. **The capability to adapt and self-renew** is key to the resilience of an SPO. It requires reflexivity, i.e. the capacity to affect and interact with the environment in which the organization and its members operate. This, in turn, needs a certain level of flexibility, which can be a challenge for SPOs. The capability to adapt and self-renew requires good leadership and strong adaptive management capacities with a clear mandate and the autonomy to take and implement decisions if necessary. Democratic structures, inherent to SPOs, can sometimes hamper flexibility. At the same time, ownership by, and accountability to members, and consequent communication and information provision, are seen as key qualities of an SPO. In addition, many SPOs are bound by arrangements with their donor organizations or traders, or at least perceive their relationship with donors as restricting.

2. **The capability to act and commit** is related to the individual capacities of an SPO's leaders, staff and members to fulfil their roles and perform these according to agreed standards. At the same time, this capability refers to the degree of management

and leadership autonomy required to take and implement decisions if needed (see the capability to adapt and self-renew). The capability to act and commit also depends on the systems and structures in place, which determine the space that leadership and management have to operate freely. Again, this requires balancing democratic principles, accountability and transparency on the one hand and the ability and flexibility to respond adequately and in a timely manner to emerging challenges on the other.

3. **The capability to relate to external stakeholders** is embedded in the nature of SPOs as they develop and maintain linkages with external actors (which may include private sector value chain actors, service providers or public sector and government agencies) on behalf of their members. These roles include policy influencing, lobbying and advocacy, mobilizing support, and negotiating better services and a better position in the value chain. The interactions can result in improved access to services, improved policies, rules and regulations, access to markets and more power through improved value chain linkages, among others. However, there seems to be a general tendency among SPOs to switch between actors rather than to maintain and enhance relationships. SPOs are also prone to taking up certain value chain functions that can sometimes be more effectively carried out by other actors. For example, rather than negotiating better arrangements with traders, SPOs engage in trading themselves. It is important that SPOs are truly representative of their members in order to be considered credible partners by stakeholders, and to ensure that the benefits of improved external relations serve the majority of their members.

4. **The capability to achieve coherence:** SPOs represent a multitude of farmers: large, small, marginal, men and women, young and old, subsistence and/or market oriented. The needs, interests and ambitions of these farmers vary greatly. Many organizations struggle to truly represent this diversity. Who are the members? Whose agendas dominate? Is the organization inclusive? Can it be really inclusive? Are women's interests sufficiently addressed? And what structures and systems are in place to allow this? Setting objectives and translating these into services that meet the needs of all members is a significant challenge for most SPOs. SPOs are supposed to be guided by democratic principles, but these may not always avoid bias and exclusion. If members

3 Baser, H. & P. Morgan (2008). *Capacity, Change and Performance Study Report*. European Centre for Development Policy Management, Discussion Paper No 59B, April 2008

do not feel represented they might lose interest in and loyalty to their organization. Business-oriented organizations face risks particularly if members' loyalty is at stake. For example, agreed deals or contracts need to be respected, but if members decide to supply other markets the organization will fail to meet its contractual obligations, affecting other members and the organization itself.

5. *The capability to deliver on development objectives* is partly related to resources, both human and financial. The organization can mobilize and commit to its activities, but its capacity is also influenced by the systems and procedures in place such as: administration, finance, information management, monitoring and evaluation (M&E), communication, and the facilities available (hardware).

4. Research methodology

The study used a qualitative-led mixed-method approach to research in order to ensure research validity, reliability and rigour. The analytical framework previously described, in combination with a grounded-theory approach, provided guidance to researchers during the fieldwork in the six countries. These tools allowed the primary qualitative data to be analysed, and the main conclusions and recommendations to be drawn.

4.1 ANALYTICAL LENS FOR THIS STUDY

In order to understand the underlying factors and conditions that contribute to making a strong SPO, and how Fairtrade can better support these organizations, an analytical lens has been used. Based on the 5Cs framework and Fairtrade definitions presented above, a desk review, and further discussions with Fairtrade, were conducted to analyse the strengths and weaknesses of SPOs for this study:

- Services to members:

An essential function of a strong SPO is to provide services to its members, and how this provision evolves over time is a key factor in its success. We investigated which kinds of services are provided, such as training, provision of inputs and equipment, financing, transport, storage, processing and marketing of produce, and advocacy and lobbying, as well as the level of member satisfaction with these services. Where possible, we provide evidence of members' satisfaction and commitment towards their organization.

- Governance and management:

A strong SPO requires a balanced governance structure and good management. We investigated leadership structures and elections, decision-

making processes and communication flows within the SPOs.

- Sustainability and resilience:

A strong SPO needs to be economically and environmentally sustainable and ready to adapt, react and renew. We investigated the levels of (and variation in) production and sales, shares of Fairtrade sales, and how vulnerable the SPO is to local and system shocks (e.g. climate change) and trends (including risk mitigation measures).

- Business practices:

A strong SPO has effective and transparent internal business management and is in control of its business relations including negotiation power, access to markets and finance, and strategic and business planning capacity. Additionally, it is capable of controlling quality during production practices. We also investigated how business is carried out with partners in the supply chain.

- External relations and partnerships:

A strong SPO also engages with local and/or national government and other organizations for the benefit of its members. We investigated if such relations exist, how other stakeholders are involved, what these relations are for, as well as how they evolve and develop over time.

Within each aspect listed above, we analysed the following issues:

- Overall findings: what are the overall findings and are there any particularly informative deviations?

- Crop specific particularities: are there any particularities which apply to one commodity but not others?

- Contrast leaders vs members: are member views in line with the leadership?
- Contrast men vs women members: do men smallholder farmers have similar views to women smallholder farmers?
- Variation according to membership size: does membership size influence the function and strategy of the SPO?
- Variation according to age of SPO: are there any relevant variations according to the age of the SPO?
- Variation according to time of certification: how does the length of time an SPO has been certified influence organizational strengthening?

4.2 TECHNIQUES FOR DATA COLLECTION

Primary data collection relied on qualitative interviews generated from:

1. Semi-structured focus group discussions (FGDs) with SPO leadership and management;
2. Semi-structured FGDs with men members;
3. Semi-structured FGDs with women members; and
4. Key informant interviews with local representatives from Producer Networks and local Fairtrade staff.

Primary data was complemented with secondary data about the SPOs, and was made available by Fairtrade in the form of audit and closing reports, FLOCERT⁴ checklists and non-conformities files.

4.3 COUNTRY SELECTION

The research aimed at capturing a diverse geographical range, based on the countries with most Fairtrade certified SPOs. KIT, in collaboration with Fairtrade, chose six countries covering three geographical areas: Latin America (Mexico and Peru), Africa (Côte d'Ivoire and Kenya), and Asia (India and Indonesia).

4.4 SELECTION OF SPOS IN EACH COUNTRY

In each country, ten SPOs were selected for visits. The majority were 1st Grade SPOs (members are individuals, often smallholder farmers) and at least one SPO was 2nd Grade (an association of farmer organizations). Pre-selection was proposed by the local Fairtrade Producer Network and a final selection was made maximizing variability in indicators such as the age of the SPO, years of certification, crops, men/women in leadership roles, number of members, and presence of professional staff.

The sample of ten SPOs per country was found to be enough to reach an acceptable level of saturation, i.e. a point in qualitative grounded-theory research in which additional sampling will not lead to significant expansion of the analytical categories, but is sufficient to provide enough confidence to the researchers that the main issues are being captured.

4.5 SELECTION OF FGD PARTICIPANTS

Research participants needed to be SPO members, or a member of a household where one person is a member or employee of an SPO.

Elected board members and professional staff were invited to the FGDs with the leaders and managers. The selection of participants in the qualitative interviews was as random as possible, with a maximum number of participants to allow for quality discussions.

As a qualitative data collection tool, focus group size does not require power calculations, since statistical significance is not its main goal. Yet, for reference, we can show that for incidence questions (yes/no, binary questions), 43 observations were enough to estimate percentages with a 15 percent error margin and a 95 percent confidence interval. In each SPO, we aimed to consult 40 people in total from the three different types of FGDs (leadership and management, male members, female members).

⁴ FLOCERT is a global certification and verification body. Its main role is to independently certify Fairtrade products. Accessed 04-01-2017 <http://www.flocert.net/>

4.6 VISITS IN CÔTE D'IVOIRE

In total, nine SPOs were visited in Côte d'Ivoire. Geographically, the visits took place in the central-south and east of the country, close to the border with Ghana. An additional interview was conducted with a Fairtrade officer in Abidjan. In most SPOs, three focus group discussions (FGDs) took place. In two cases it was not possible to meet women and in one case it was not possible to meet a group of men members. All SPOs were Fairtrade certified for cocoa and often held other certifications like UTZ, 4C, organic and Rainforest Alliance (RA).

The visits took place between July 4th and July 22nd 2016. A total of 198 people were interviewed throughout the FGDs: 64 in leaders

and professionals (62 men and two women), 134 members (65 men and 69 women), and one Fairtrade staff member.

As a result of inefficient communication between the local Fairtrade office and the SPOs about the visit of the study team, a number of planned fieldwork days were lost and several last-minute changes occurred while in the field. Of the nine SPOs visited, only four had been originally planned. Seven additional SPOs were identified but two refused to receive the project team.

Due to confidentiality requirements, the SPOs that participated in the research are not named in this report and findings are aggregated.

5. Analysis of SPOs strengths and weaknesses

5.1 INTRODUCTION AND CONTEXT

In the context of this study, SPOs interviewed were Fairtrade certified for the cocoa they produced. In most cases, they also held Rainforest Alliance (RA) and UTZ certifications for cocoa, and 4C and organic certification for coffee. Because all SPOs visited held multiple certification, it was difficult to attribute specific activities and results to a single standard. Moreover, members, especially women, confuse the different standards or do not understand the differences between them. For example, both Fairtrade and RA promote good agricultural practices and prohibit child and forced labour. The SPOs are also supported by some wholesalers and exporters who work with these standards in addition to their own sustainability standards and procedures. Some SPOs are also supported by NGOs.

All SPOs interviewed were 1st Grade organizations. They are regulated by two statutes under the Acte Uniforme OHADA (Organization for the Harmonization of Business Law in Africa) of December 15th 2010 which is related to the Cooperative Societies Law. Simplified cooperative societies (Société Cooperative Simplifiée) are smaller cooperatives with up to 500 members while cooperative societies with an administration council (Société Cooperative avec conseil d'administration) have more than 500 members. The 2010 Acte Uniforme brought changes to the country's original law regulating cooperative societies, which dated from 1997, as well as to the

functioning of cooperatives in all other OHADA country members. Seven out of the nine SPOs were Société Cooperative avec conseil d'administration and had an administration council. Only two were registered as Société Cooperative Simplifiée and were classed as simplified cooperatives.

The 2010 change in legislation forced the restructuring of many cooperatives in the country, including the SPOs interviewed for this study. Many cooperatives which were operating under the 1997 law are still adjusting to the new regulations and working towards implementing the law's requirements on cooperative governance and management structures. Other cooperatives, including some of the SPOs interviewed, were created to fit the model imposed under the 2010 Acte Uniforme, including the governance structure, which requires a management committee of at least three members and regular elections of the management team. With the new law, the landscape of cooperative organizations in the country changed, with some collapsing, others merging and new ones being created.

All of the SPOs interviewed operate in the production side of the value chain selling raw, unprocessed cocoa beans to buyers. Only minimal cleaning, sorting and bagging of the beans is carried out at the SPO level. The price of the beans is fixed by Côte d'Ivoire's Coffee and Cocoa Council (CCC), which means that everyone in the country gets the same price for their cocoa beans (FCFA 1,000/kg, which was roughly €1.50/kg at the time of the

study). Buyers are wholesalers and chocolatiers like Nestlé, Cargill, Ecom and Olam, among others. Smaller beans which do not fulfil the Fairtrade Standard requirements (often due to lack of water during production) are usually sold to the buyer with the best offer (between FCFA 600/kg (€0.91) and FCFA 900/kg (€1.37)).

Two of the SPOs had between 350 and 450 members. Other SPO membership levels ranged from 600 to 1,800 members with most being under 1,000 members. The number of women members is usually only a few percent and most SPOs were composed of active members contributing to SPO activities. The visited SPOs produced between 1,000 and 4,000 tonnes of cocoa beans in the season preceding this study, but a large variation can be observed on volumes commercialized under the Fairtrade Standard. One SPO did not sell anything on Fairtrade terms, one SPO only sold three percent of its production as Fairtrade, while another sold 17 percent of its production as Fairtrade. Two SPOs sold approximately 30 percent, one about 50 percent and another nearly its entire production (close to 3,000 tonnes) as Fairtrade (data from seven SPOs available). This makes up an average volume of 700 tonnes of Fairtrade certified cocoa per SPO against an average volume of 1,640 tonnes on commercial terms. The value of production oscillates between €0.5 million and €4 million per SPO. Fairtrade Premiums earned range between €8,000 and €0.5 million per SPO and are directly proportional to the volumes of Fairtrade product sold by the SPO. At the time of the study the Fairtrade Premium that was applicable was FCFA 88/kg of beans (€0.13/kg).

The SPOs' primary role is to procure the certified products from its members who in exchange receive services from the cooperative. However, they are not further integrated in cocoa value chain activities and thus have limited power with regard to acquiring the contracts for (certified) products. The SPOs also cannot negotiate the price of cocoa which is fixed by the CCC. SPOs are generally young (about 10 years old) and have been Fairtrade certified for three to six years.

5.2 CAPABILITY TO ADAPT AND SELF-RENEW

SPOs are very weak in terms of socio-economical sustainability and resilience. No SPO that was interviewed ran a risk assessment analysis for projects and investments, so they have no clear strategy spelt out to deal with shocks and risks. The SPOs all expressed their vulnerability to buyers' quotas; they only get short notice contracts with buyers, which means that it is difficult to plan

the produce collection ahead of time and predict expected sales volumes.

Some SPOs are dependent on one buyer only, making them particularly vulnerable to buyers' quotas and contracts. SPOs mentioned not having the connections and reputation to engage with other buyers. Much of the trade is based on hopes that the buyer will continue to buy. While cooperatives are aware of the risks of having a single buyer, they do not have a clear strategy to diversify their client portfolio. However, the combination of multiple certification schemes allows the SPOs to be ready to sell any type of product to the buyers, when needed, offering more market opportunities. Therefore, multiple certification is probably the most concrete risk mitigation strategy that SPOs have engaged in.

To deal with decreasing productivity of cocoa trees, planting of improved varieties is supported by ANADER and other projects. To deal with climatic shocks and drought, some cooperatives are specifically looking for a market which accepts small beans. They are also trying to improve their grades to make sure that the product is not rejected on delivery by the client.

Sustainability of investments related to the Premium is also a key issue. On the one hand, it is difficult for SPOs to plan ahead because they never know how much Fairtrade certified product they will sell per season. Although the entire SPO production may be certified, the actual quantity sold as Fairtrade will be set by the buyers' demand and quotas. In some cases, Fairtrade sales are only a marginal proportion of the sales (three SPOs interviewed had marginal Fairtrade sales). At least one SPO did not sell anything that was Fairtrade certified in the previous season. Moreover, SPOs set aside limited amounts of money from their own activities to provide the services which are funded by the Premium, which is problematic as the Premium should be additional project income and not required to sustain basic operations. Yet, services offered are currently directly dependent on the amount of Fairtrade Premium the SPOs earn.

In general, Fairtrade certification is not internalized by members as a way to achieve sustainable cocoa production and improved labour conditions. Certification is perceived as a 'project' through which it is possible to acquire inputs, receive training, access transport or make improvements to the community's infrastructure. In fact, most smallholder farmers, and the overwhelming majority of women, did not refer to their cocoa as

certified, but refer to it as 'project cocoa'. The share of the produce marketed according to the different certifications held by the cooperatives is also not known to the members, which could leave scope for manipulation of the Fairtrade Premium earned by SPO leaders.

The most appreciated services offered by the cooperatives are non-cocoa related services (e.g. support for vegetable production). For resilience and sustainability, the diversification of crops and activities is important. Women especially mentioned how support for cassava and vegetable production has helped them to make a small income.

5.3 CAPABILITY TO ACT AND COMMIT

Cocoa SPOs have no control over contracts, volumes, timing, and selling price of the product. Contracts, timing, volumes and applicable certification are determined by the buyer. The selling price is set by the CCC and the Premium amounts are set by the certification bodies and paid by the buyers. Hence, SPOs are fairly dependent on both the CCC and the buyers when it comes to sales and profits. Unfortunately, it was beyond the scope of this study to interview buyers (exporters/wholesalers/chocolatiers) or the CCC.

Most SPOs interviewed are not able to pay farmers on delivery for the cocoa they are aggregating, but engage in consignment sales. This means that farmers have to wait for their product to be graded at the cooperative, bagged, transported to the port, delivered to the buyer, and approved and paid for by the buyer before they get their dues from the cooperative. It was found that the contracts linking buyers and cooperatives are not used as collateral to access loans from financial institutions – loans which can be used as working capital by cooperatives to aggregate the produce and pay on delivery. This turns out to be a major issue for cooperatives. Trust is usually a sufficient factor for smallholder farmers to engage in the practice of consignment sales. While it is not the preferred modality of the smallholder farmer, it does show a certain commitment to and confidence in the SPOs by the members. However, one SPO mentioned that the practice of consignment sales leads to some members side selling their produce. Side selling generally becomes an issue when transport is not available to pick up produce from the fields. Farmers then resort to selling to a buyer who will come and collect the product. Immediate cash needs by the household are also a reason why

smallholder farmers will side sell their produce.

While aggregating the product is generally not an issue for the interviewed SPOs, understanding and acquiring Fairtrade contracts is. There is very little control and understanding around how the total volumes of Fairtrade cocoa contracted are sourced from across SPOs in the country. Even SPOs who said they consistently delivered on quality and met the contractual requirements do not understand why the volumes in their contracts cannot be increased. They tend to think that contract allocation is random and does not reward good performance. In fact, volumes contracted, certified or not, depend on the chocolatiers' demand. If there is demand for Fairtrade chocolate, contracts will reflect that. However, the current procedure through which contracts are allocated does not allow SPOs to plan ahead in order to market their members' produce. If a contract is offered for conventional cocoa, the SPOs will usually agree to it and may aggregate certified produce to fulfil this contract. A few days later, a contract for certified product may come in, which can then be difficult to fulfil because members have already sold their produce to fulfil a previous contract.

5.4 CAPABILITY TO RELATE TO EXTERNAL STAKEHOLDERS

The visited SPOs were particularly weak at any sort of lobbying or developing relationships with the government, the CCC or buyers. SPOs would typically focus on their business and not have close relationships with the government. Two of the interviewed SPOs mentioned interacting with the CCC to discuss problems related to production and packaging, but indicated that the discussions yielded limited results. Most interactions with government agencies revolve around improving infrastructure, like roads to facilitate the movement of produce. SPOs have not indicated any significant results from their limited lobbying activities. Two SPOs also confused lobbying with activities achieved using Fairtrade Premiums, like building latrines and school classrooms, among other investments. The leaders mentioned these services to the communities as SPO lobbying activities.

When SPOs are involved in lobbying, activities are usually related to improving infrastructure around the communities. Two SPOs have mentioned failed lobbying activities with regard to prices and the CCC. Cooperatives are usually perceived to

be rather weak actors in the cocoa sector in Côte d'Ivoire⁵.

5.5 CAPABILITY TO ACHIEVE COHERENCE

Democracy and transparency processes differ among SPOs. Perceptions also often differ between men and women. Men members seemed to be quite aware of the SPOs' responsibilities and feel comfortable expressing their concerns and needs, while women generally were not aware or felt uncomfortable discussing issues with their delegates or SPO leaders. Women members of one SPO mentioned that they were not aware they could get support from the cooperative on key issues discussed during the FGD.

As indicated in the introduction, two types of cooperatives are recognized under the OHADA Act: simplified cooperative societies and cooperative societies with an administration council. The first is for smaller organizations and is managed by a management committee of at least three members who are elected by members or representatives (delegates) in general assemblies. The duration of the mandate has to be stipulated in the cooperative statute. There is also a supervisory committee which is in charge of representing members' interests.

Cooperatives with an administration council function in a similar fashion, but are managed by an administration council of between three and a dozen members, who are elected in a constitutive general assembly and are overseen by a supervisory committee. Again, the mandate duration is fixed by the organization's statutes and committee positions are voluntary. Roles, such as that of president, are appointed from among the elected candidates. The mandate duration varies between three and five years, renewable once or twice in most SPOs. However, in some SPOs, although elections take place every three years, no maximum amount of terms is fixed. This means that, in practice, some leaders can stay in power for long periods of time. This was encountered in two SPOs where key management positions had been held by the same person for nine and 13 years. Members of one SPO interviewed mentioned not knowing how the election process works, which is an example of weak governance. Cooperatives with an administration council also require a system of delegates, who should be elected by members. The delegate to producer ratio should be one delegate

for every five smallholder farmers, but these ratios are not often met (ratios observed vary between 1:10 and 1:25). Usually a delegate is responsible for a section (a group of geographically proximate smallholder farmers).

Decisions with regard to the cooperative operation have to be taken at annual general assemblies (or when called upon for extraordinary assemblies). It is not often the case that all members participate in such assemblies. Delegates are, in many cases, representing members in internal decision-making processes, hence the importance of having a good and accountable delegate system. While, ideally, delegates should be elected to represent members, the reality is that it is difficult to find people who are educated enough and willing to take the role of section delegate so some SPOs struggle to find sufficient delegates. In some SPOs they are elected, in others delegates are elected by default. Delegates are also disproportionately men. Delegates are supposed to be intermediaries between SPO management and members, however, during FGDs it was clear that delegates are more likely to side with the management rather than with members.

Decisions by the management committee or the administration council are usually approved or discussed with the delegates. The delegates are then in charge of organizing a section meeting (or section general assembly) to share the decisions with members but, in some SPOs, the information is transferred to members via phone.

There are no clear patterns by which SPOs seem to operate. Some require a minimum level of participation of delegates in general assemblies to confirm decisions, while others do not. In other cases, decision-making processes seemed rather top-down, with limited opportunities for members to get heard. Theoretically, information flows should go both ways from the administration to the members and vice versa. However, it is not always the case that members' voices are heard by management, with women in particular feeling that they are not heard by managers regarding access to inputs and transport. One key piece of information which seems to be relayed by all SPOs to members by the leaders and delegate systems relates to vehicles getting turned down on delivery by the buyer because the produce does not meet their expectations. This information seems to flow relatively well from leaders to members and was appreciated by members.

5 Laven A., E. Buunk, and T. Ammerlaan (2016). Appendix A: Determination of Cocoa Prices in Cameroon, Nigeria, Ghana, Côte d'Ivoire and Indonesia. Appendix to report, *Market Concentration and Price Formation in the Global Cocoa Value Chain*, SEO Amsterdam Economics, Commissioned by the Ministry of Foreign Affairs, The Netherlands

For at least one SPO, delegates had never been replaced since the creation of the system. However, in one other, at least one delegate was forced out because he was not doing his job.

Delegates are responsible for more than just information relay between the administration and members. They also usually channel training, inputs, credit and organize transport for their members. Having a good relationship with members can pay off as it enables delegates to aggregate larger product volumes for which they are sometimes remunerated by the cooperative with a small margin.

One cooperative appeared particularly dysfunctional: members were not aware of the governance structure or policies. Upon analysis, this cooperative fitted the description of a cooperative created to fit the 2010 Acte Uniforme. There was also no Fairtrade data available from this cooperative. Members and leaders were also not in agreement when it came to describing information flow within the SPO. Another SPO mentioned that they removed their president because he was only acting in his own interest. However, one SPO also split into two when managers and important members (large smallholder farmers) did not agree about management decisions to retain Premium money for investments in the SPO. A few large smallholder farmers (with more than average land size) decided to create their own SPO.

There are no mandatory gender policies in the SPOs' management. Very few women are delegates, but SPOs often value women for their good management of money (accountants and cashiers). Women also occupy secretary and treasurer roles, but were not SPO presidents or directors in any of the selected SPOs.

Fairtrade Premium Committees ensure that the Fairtrade Premium is managed for the benefit of the smallholder farmers. No Fairtrade Premium Committees were found to operate independently of SPO management structures. Decisions about the allocation of Premium funds are generally aligned with the interests of the administration council or management committee. Some organizations retain the full Premium amount earned to pay for services and make investments in social projects like latrines, schools and medicines. In other cases, it is split between investments (e.g. renewal of transport fleet, atomizer and protective

equipment), farmers' share and access to inputs. Some members, particularly women, had no idea what the Fairtrade Premium amounted to. There was also confusion about the origin of Premium funds, i.e. whether it comes from Fairtrade or from another certification scheme. One SPO mentioned that tension had arisen with the management about how to use their Premium funds and how they would be shared with members. SPOs with larger share volumes of Fairtrade produce make more investments in the SPO. Members of one SPO reported that leaders are usually open to discussing issues, as long as there is money, but otherwise are not so responsive to demands due to the lack of liquidity.

Group administrators (ADG/administrateur de groupe) are responsible for project activities and making sure that members are compliant with the Fairtrade Standards. They are part of the SPO governance structure and work closely with chocolatiers/exporters and/or focus on activities related to certification. Their position is paid for either by companies or from the SPO budget, and the positions are usually held by men. ADGs are also sometimes involved in the SPO leadership.

5.6 CAPABILITY TO DELIVER ON DEVELOPMENT OBJECTIVES

Members' satisfaction with the services provided by SPOs varies from organization to organization and between genders. In many SPOs, part of or the entire Premium earned is used to offer cocoa specific and additional services to members. The service portfolio of an SPO generally depends on its organizational strength; if they receive additional support from the private sector or NGOs for their operations, and on the volumes they can market with additional Premium funds. Awareness of the services offered by the organizations to their members also varies from one organization to the other, between sections (a group of smallholder farmers) and by gender.

Standard services offered are access to fertilizer and agro-chemicals, as well as raw material collection at farm level. Fertilizer is usually offered on credit to smallholder farmers who are responsible for application in their fields. Some of the SPOs interviewed benefitted from a Syngenta or Yara project to access fertilizer. There is also the Cocoa Fertilizer Initiative, funded by the World Cocoa

Foundation (WCF⁶) and the CCC, which provides fertilizer to smallholder farmers⁷. Pre-orders of fertilizer are common with a partial payment of the total amount due. The remainder can be paid later in the year. When the cocoa is sold, the outstanding amount is automatically debited from the sales. Credit for fertilizer is the most common form of credit offered to smallholder farmers. Some organizations collect interest on the fertilizer cost while others do not. In rare cases, farmers get a share of inputs the costs of which are covered by the Premium or a project. Overall, inputs receive a great deal of attention from cocoa stakeholders because they are seen as key to improving the low productivity of cocoa farms. However, members report struggling to access sufficient quantities of affordable inputs.

For agro-chemicals, approved products are sold to members and spraying is carried out by specialized labourers with atomizers provided by the SPO. All SPOs have their own atomizers. Depending on the financial resources available at SPO level, some smallholder farmers have to pay to use the atomizers. Specialized labourers are trained by the SPO, with the support of ANADER, to make sure the operation is performed safely and correctly. For the agro-chemicals, more often than not, the product needs to be paid for up front by smallholder farmers. Members reported that it is difficult to access the products on time and get them applied on affected fields due to the limited availability of trained people.

Training on good agricultural practices is usually

provided by ANADER through farmer field schools (FFS). However, discussions with SPO leaders and members suggest that, in some cases, the training methodology is more similar to a demonstration as opposed to a FFS, which typically involves a number of training sessions and a plot managed by farmers themselves throughout a season. In other cases, the FFS methodology⁸ seems to be followed. It is possible that some SPOs benefit from both forms of training (demonstrations and FFS).

The content of ANADER's training sessions and demonstrations are informed by the Fairtrade Standards, something which was clear to the leaders and professional staff. However, members were sometimes not aware of the details of the Standards' requirements. SPO members also mentioned that they were not always interested in the content of the training, perceiving it as repetitive and time-consuming. In other cases, practices are judged to be out of reach for farmers who do not have the means to put the advice into practice (e.g. tree replacement or fertilization levels). Productivity remains very low (400 to 700 kg/ha), which means that it is difficult for smallholder farmers to make a profit and reinvest in their production. Low productivity, resulting in low income, creates a vicious circle which makes it difficult for smallholder farmers to really change the way they produce cocoa. SPO delegates are in charge of following up with smallholder farmers to support the application and implementation of good agricultural practices. The Réseau Ivoirien du commerce équitable (RICE)⁹ also provides training on specific themes related to Fairtrade certification.

6 "The World Cocoa Foundation is an international membership organization that promotes sustainability in the cocoa sector by providing cocoa farmers with the support they need to grow more quality cocoa and strengthen their communities." The World Cocoa Foundation (WCF). Accessed 08-01-2017 <http://www.worldcocoafoundation.org/>

7 Cocoa Fertilizer Initiative, IDH, The Sustainable Trade Initiative. Accessed 16-12-2016 <https://www.idhsustainabletrade.com/initiative/cocoa-fertilizer-initiative/>

8 "The farmer field school (FFS) approach was developed by the FAO and partners nearly 25 years ago in Southeast Asia as an alternative to the prevailing top-down extension method of the Green Revolution, which failed to work in situations where more complex and counter-intuitive problems existed, such as pesticide-induced pest outbreaks. In a typical FFS, a group of 20-25 farmers meets once a week in a local field setting and under the guidance of a trained facilitator. In groups of five, farmers observe and compare two plots over the course of an entire cropping season. One plot follows local conventional methods while the other is used to experiment with what could be considered 'best practices'. They experiment with and observe key elements of the agro-ecosystem by measuring plant development, taking samples of insects, weeds and diseased plants, and constructing simple cage experiments or comparing characteristics of different soils. At the end of the weekly meeting, the farmers present their findings in a plenary session, followed by discussion and planning for the coming weeks. Alternative practices are not automatically assumed to be superior to conventional practices. It is up to the farmers to decide what works best through his or her testing and observations. What the FFS does is to provide a risk-free setting in which to discuss, dissect, modify and experiment with new agricultural management ideas." FAO, Integrated Production and Pest Management Programme in Africa. Accessed 05-01-2017 <http://www.fao.org/agriculture/ippm/programme/ffs-approach/en/>

9 <http://rice-ci.com/an/index.html>

There seem to be three main pathways to access seedlings (which are generally of improved varieties): through ANADER nurseries, projects run by private companies, or through the CCC. In the case of ANADER, payment for the seedlings seems to be required, while seedlings from private companies' projects and the CCC do not seem to require payment.

Most organizations work with a system of consignment sales or deposit sales, as opposed to payment on delivery of the product. This system relies on members aggregating their produce at the storage facility of the section or of the SPO where it is sorted and bagged before getting sold. The produce is sold to the buyer via a contract for the CCC's fixed price. SPOs do not have sufficient working capital to pay on delivery for the cocoa produced by its members. When payment on delivery is offered, it is greatly appreciated and perceived as a service by members because it is less common than consignment sales.

All of the SPOs interviewed offered transport of the raw produce from the field to the aggregation point via motorcycles and trucks. The majority of smallholder farmers pay only for the fuel or a fixed amount per kilogramme to get their produce collected. A small proportion of the SPOs offer the service free of charge. In all cases, smallholder farmers have to coordinate with the delegate of their section to organize the produce pick-up. Members complained that transport is rarely timely and that a few days are necessary to organize transport – time in which thefts sometimes happen. In cases where smallholder farmers fail to organize timely transport with the delegates, this may lead to side selling of the produce. Transport was mentioned by all SPO members as a key challenge when it comes to service provision. Bad roads are an important issue, but the small fleets of vehicles or poor maintenance of the vehicles also results in breakdowns, and sometimes affects the quality of the produce delivered. Ultimately, this can lead to the produce being refused on delivery.

Overall, stronger and better managed organizations seemed to offer more services to their members. When SPOs invest part of their Premium in services, this allows them to offer, for example, credit, inputs and transport. Stronger organizations also tend to be able to secure the support of other projects and donors, which enables them to be more responsive to members' needs.

Additional services, such as credit for non-cocoa related issues, are offered by some cooperatives. Sometimes, delegates themselves offer credit

to their section members when they can and the cooperative cannot in order to maintain good relations with section members. Such credits are used for school fees, visits to the hospital, medicines, or investments in other crops, etc.

The SPOs act as intermediaries when it comes to sales and access to inputs. Members can only sell to buyers directly if they engage in side selling. The inputs are channelled through the cooperative which controls the quality and suitability of products for cocoa production used by the members.

There is no collective labour pooling organized to work in the fields, although labour scarcity has often been mentioned as an issue in cocoa production. Such groups do exist, sometimes among women engaged in vegetable production. However, it does not transcend to cocoa production, maybe because of the larger scale of the production or because of the lack of ownership over the crop by women.

As the cooperatives are only involved in production and marketing of the raw produce, they have limited power in the product value chain. One SPO mentioned their desire to get involved in cocoa bean processing in order to have more control over their product and make greater profit. However, processing is highly complicated and large scale, making this ambition a difficult one to realize.

Production, deposit and sales records are logged in software. The frequency by which records are updated varies greatly from one SPO to another. Well-managed organizations tended to update their records daily or every two days with data regarding their revenues and costs structures. Other SPOs update general data on revenues and costs incurred monthly, or seasonally. This leads to delays in processing payments and results in a general lack of overview of the SPOs' activities for informed decision-making by leaders. Memberships are logged manually and sometimes also electronically. One SPO mentioned receiving guidance from a buyer to implement their electronic system.

6. Experience with the Fairtrade Standards

The overall experience with the Fairtrade Standards and certification process reported by farmers and SPO leaders was positive. In communities where the support of the SPO goes beyond the production and aggregation of cocoa, and where investments are made in community infrastructure, members speak highly of the advantages of certification (this also usually goes with higher sales volumes). However, this positive image is due to non-cocoa related activities. Stronger organizations also tend to receive the support of cocoa buyers who implement their own sustainability agenda and activities. Contacts with Fairtrade staff, specifically, seem limited, but contacts with the Ivorian Fair Trade Network (RICE) are appreciated. FGD participants saw RICE as a provider of training and Fairtrade certification as part of auditing. Technically, FLOCERT is the auditing body, while Fairtrade International is the standard setter.

Due to the requirements both of Fairtrade and of the 2010 Acte Uniforme, there is a certain movement of management in most SPOs. In one of the two smaller SPOs, the management committee did not seem to be very democratic. Members merely swapped positions among each other instead of going through a proper election process. However, two other SPOs have successfully replaced members of the management team who were not acting in the best interests of the organization.

SPOs experience of Fairtrade is less positive when it comes to contract allocation and volumes. Some SPOs mentioned not having received any Fairtrade contracts in the previous season, yet having to pay for audits and certification, which are deemed costly – especially when no Fairtrade sales are registered and no additional margins are made. All SPOs mentioned their capacity to aggregate more Fairtrade certified volumes. The SPOs'

performances against audit criteria, management and governance did not influence the volumes contracted to the various SPOs. This creates a belief among SPOs that contracts are allocated randomly. SPOs do not receive requests from exporters to verify their certification audit results.

There are also expectations that Fairtrade can provide a number of additional services and benefits like contributing to the replacement of a vehicle fleet or providing inputs. It is a perception which comes from the fact that Fairtrade is seen more like a project than a certification system supporting SPOs in the sustainable and fair production of cocoa.

One major struggle revolves around child labour. Members agree that children should not work in the fields, which is a cornerstone of the Fairtrade Standards. However, access to labour is a major constraint. Some members reported that, in some cases, children do not go to school (ostensibly because of financial reasons) but also cannot help in the field. The opinion of members is that this situation is "compromising their [the children's] future" because they do not get to learn at school or learn how to be a farmer by helping in the fields¹⁰. There have also been issues regarding questions asked of children during the auditing process, which have led to misinterpretations over child exploitation. Overall, audits are regarded as very stressful by the communities.

There was no knowledge about the New Standards Framework (NSF) for SPOs which was implemented by Fairtrade in 2011, and which was intended to contribute to organizational development. Most of the visited SPOs had not undergone the transition from the old framework to the new framework; nor could they talk about the old framework.

7. Conclusions

SPOs governance is strongly and positively influenced by the 2010 Acte Uniforme (the law which dictates how cooperatives function), which is in line

with what the Fairtrade Standards require in terms of governance. Governance in most visited SPOs is relatively good considering the recent changes to

¹⁰ Please note that Clause 3.3.8 in the SPO Standard states: '3.3.8 Your members' children below 15 years of age are allowed to help your members on their farms under strict conditions: you must make sure that they only work after school or during holidays, the work they do is appropriate for their age and physical condition, they do not work long hours and/or under dangerous or exploitative conditions and their parents or guardians supervise and guide them.'

the law and the relatively recent certification of the SPOs. It could, however, be strengthened. Members felt that the leadership, generally, had their interests at heart when making decisions. The delegate system is central to the SPOs' governance system. About half of the SPOs interviewed seemed to have a robust delegate system in place, while the others had fewer delegates than recommended. The most important weakness in the delegate system is that there seems to be limited turnover among delegates (with no limitation on terms) and a limited pool of candidates, resulting in 'by default' selection of delegates or a selection based on the socio-political relationships between the candidates and the community. In most instances, members do not get to vote directly in SPO decision-making processes, but delegates do. This is not problematic per se when delegates truly represent the members, but members' opinions can be obscured in the current system. Delegates are the interface between members and leaders as they are responsible for downstream and upstream flows of information. While some delegates call section meetings, a lot of information is relayed via mobile phone (with no group discussion on decisions). Members felt they could influence leaders in their decisions, but limited evidence of this was provided. Most, but not all, SPOs had gone through an election process. All members interviewed were aware of total sales of the SPO, but not of the amount of Fairtrade Premium earned and the way that it was used or allocated. This highlights that communication within SPOs could be improved.

Services to members are not only the result of SPO activities, but also the support of cocoa buyers and collaborators. The most common services offered to members are access to inputs (with credit), training and transport (free or with payment of fuel). The most appreciated services, however, are not related to cocoa. For example, credit in case of need or emergency, support for diversification of income (e.g. other crops), latrines, schools and other infrastructure are more highly regarded. Consignment sales are the common way of aggregating and selling cocoa. Only the stronger organizations are able to access and run working capital which they use to pay for a share of the cocoa produced by members on delivery. Issues of side selling arise when the SPO is unable to organize transport quickly enough to collect the cocoa from the field or when smallholder farmers need cash quickly and cannot rely on consignment sales.

An important weakness of all SPOs concerns the share of Fairtrade sales and negotiating power in sales. There is very little control and understanding of how contracts and quotas are allocated for

various certification systems. One year an SPO can get a large order for Fairtrade cocoa, followed by a year of very low quotas. Influencing factors in the contract allocation are not known to SPOs. There are also limited possibilities for SPOs to improve their position in the value chain. The current system promotes the exportation of raw materials, with limited value created at SPO level or in the country. Prices are fixed by the CCC and SPOs have to comply.

Members did not give the impression that Fairtrade had been internalized as a set of Standards aimed at providing a structure for SPO governance and guiding sustainable production by providing smallholder farmers with a small economic incentive. Members perceived the certification schemes (in general) – Fairtrade is not different to the others – as projects and struggled to differentiate between them. Members expected and called for free inputs, new trucks to transport the cocoa beans and support for alternative crops during the study visits.

External relations are a relatively weak point for SPOs. While many do receive the support of buyers, they do not engage in lobbying and discussion with the government or the CCC. The SPOs interviewed have not taken part in any coordinated action to raise awareness about the needs of smallholder cocoa farmers. Partnerships are, however, common. SPOs work in relatively close collaboration with NGOs and private companies on the production and sourcing of cocoa.

8. Recommendations on how Fairtrade can help SPOs become stronger

Based on the findings of the Côte d'Ivoire study, we recommend the following areas where Fairtrade can better support the strengthening of SPOs.

8.1 SUPPORT SPOS IN UNDERSTANDING THE COCOA MARKET, CONTRACT ALLOCATION AND CERTIFIED PRODUCE QUOTAS

This would address the main concern of members when it comes to contract and quota allocations. At the moment, the limited understanding of SPO leaders and members alike creates difficulties in produce aggregation.

- Provide a list of Fairtrade buyers to SPOs;
- Provide expected estimated volumes of certified cocoa demand per season, as well as raise awareness of international market demand for certified products;
- Improve transparency (and/or understanding) on how contracts and quotas are allocated;
- Support linkages between well-functioning SPOs and buyers;
- Increase traceability requirements about the flow of Fairtrade Premiums within the SPOs;
- Support SPOs in lobbying activities directed at the CCC;
- Test alternative models of production/processing/marketing where additional value can be generated in-country – at SPO level (versus mass sale of raw materials where margins are non-negotiable and minimal);
- Promote quotas and contract allocation based on good SPO performance and inform cocoa buyers and chocolatiers about good and bad performances and practices among SPOs as far as allowed within data protection agreements, which might require SPOs to share their results directly with any third parties if they so desire; and
- Promote increased consumer consciousness about Fairtrade Standard requirements so they can

pressure the cocoa buyers and chocolatiers.

8.2 ADDRESS UNDERLYING ISSUES RELATED TO PRODUCTION AND PRODUCTIVITY

While production is not a new issue, it remains an important constraint in the cocoa sector. The recommendation is to partner with organizations which already work on production to align efforts.

- Investigate alternative models for increasing productivity and regenerating plantations;
- Engage with fertilizer-related initiatives; and
- Support the SPOs with labour pooling and test labour pooling models.

8.3 PILOT NEW FINANCING MODELS AND IMPROVE ACCESS TO WORKING CAPITAL

Finance is a major struggle for all the SPOs visited (but also generally in the agricultural sector). At the moment, there are very few interventions that support access to finance. SPOs feel that if they had access to finance, they could improve and professionalize the services they offer to their members. The SPOs' main source of income, apart from any share of Fairtrade Premium funds, remains members' contributions and this is insufficient.

- Support and train SPOs to access finance on the basis of contracts or estimated production;
- Support companies in drafting contracts or agreements which can be used as collateral to access finance;
- Support triangular partnerships between large buyers, financial institutions and SPOs to access working capital; and
- Support saving schemes which allow smallholder farmers to save and reinvest in cocoa production (e.g. for inputs, seedlings).

8.4 SUPPORT DIVERSIFICATION OF LIVELIHOODS STRATEGIES

Cocoa smallholder farmers do not only rely on cocoa for their livelihood; other activities and crops often make up an important share of household activities. Women (specifically) appreciated support which related to other crops and activities.

- Support SPOs in providing services which are not only focused on cocoa, but rather acknowledge the diversity of activities in which their members are engaged - the SPO itself can diversify its activities;
- Provide different options for men and women as needs and resources differ; and
- Investigate opportunities for the use/sale of small cocoa beans.

8.5 IMPROVE INTERNAL ORGANIZATION AND GOVERNANCE

While all of the SPOs seemed to function relatively well with some doing better than others, the delegate system is sometimes challenging; finding good candidates is not always easy.

- Support upcoming and innovative farmers in taking up the role of delegate;
- Train delegates on the roles and responsibilities of the job;
- Generate more accountability between members, delegates and leaders to avoid leaders playing musical chairs with each other; and
- Train leaders, delegates and members in financial management and production/revenues management.

8.6 PROMOTE AND FACILITATE THE USE OF INFORMATION AND COMMUNICATION TECHNOLOGIES (ICTS)

The use of ICTs varies from one organization to another. Some use computers and software to enter data on volumes and sales daily and can output data quickly, while others do not have an overview of what is going on in the organization. This results not only in poor administration, but also in poor services being provided to members.

- Facilitate contact between SPOs and system providers;
- Include (more prominently) the use of ICT in the Fairtrade Standards; and
- Train a few administrators in the use of ICT systems.

8.7 BEYOND THE PROJECT MENTALITY: CREATE AWARENESS AND INTERNALIZATION OF THE FAIRTRADE STANDARDS

The Fairtrade Standards, and also other certification schemes, are perceived to be projects by SPO members. This means that members have expectations of Fairtrade as a project, like provision of inputs, renewal of vehicle fleet, etc.

- Raise awareness of the Fairtrade Standards among members and ensure that members understand what certification means for themselves as cocoa smallholder farmers, but also in terms of management of the SPO;
- Manage expectations of what Fairtrade can offer to members and SPOs; and
- Support sustainable use of the Fairtrade Premium for activities by the SPOs, their planning and risks assessments.

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