

# PRESENTATION BY

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# TOPIC

- **Organizing and Promoting Fair Trade For Cocoa Producers**

# Background of Kuapa Kokoo

- Before 1993, Produce Buying Company of Cocobod a government body, was the sole internal buyer of cocoa from the farmers until the government liberalization policy.
- With the liberalization of internal cocoa marketing in Ghana, some farmers who were led by Nana Frimpong Abebrese, got assistance from Twin Ltd- UK and established a cocoa farmers cooperative in 1993 with a membership of about 1,000 farmers in 22 communities
- This cooperative was christened Kuapa Kokoo meaning Good Cocoa Farming.

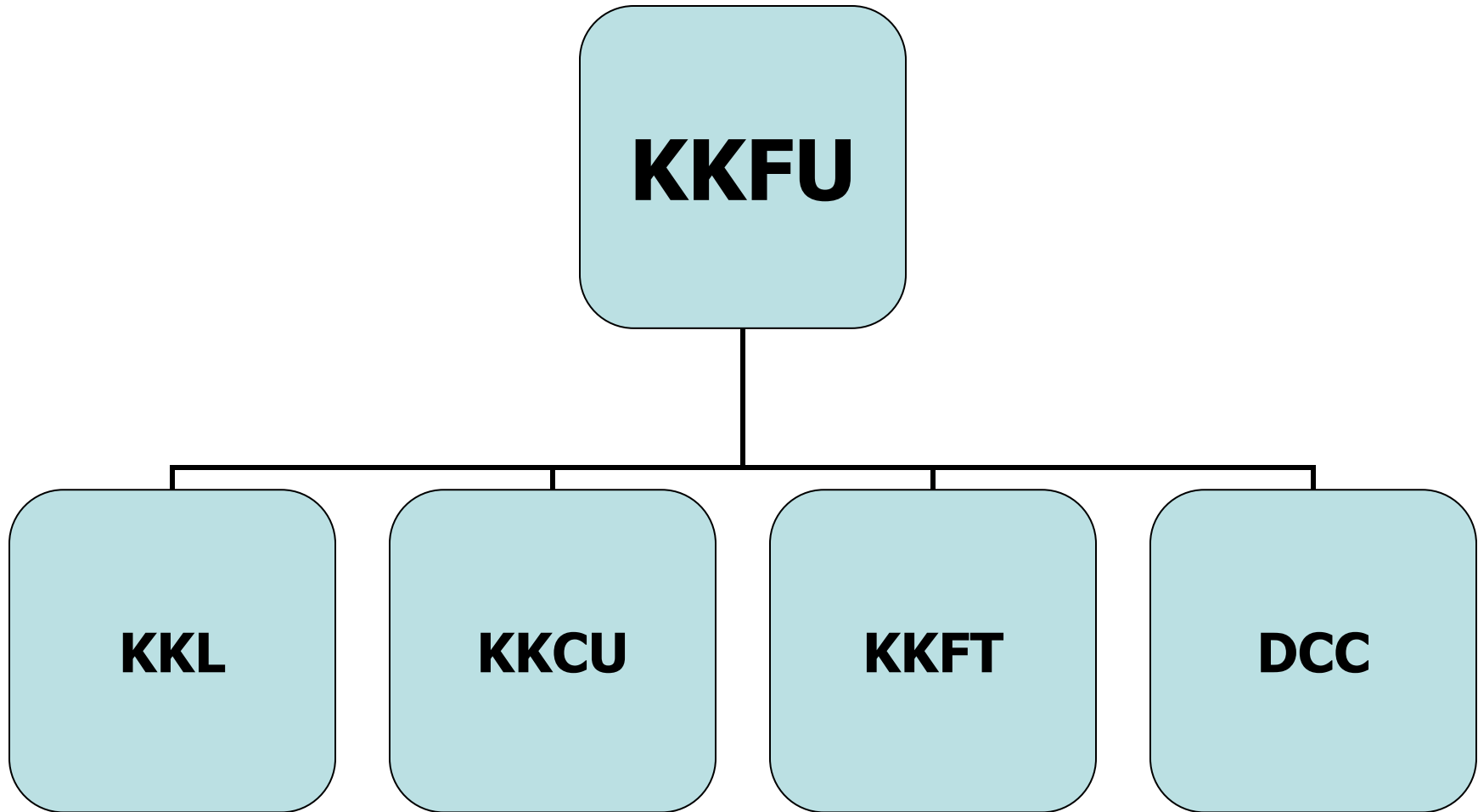
# Current Membership

- Farmer membership strength: Over 48,000 farmers as at 2005
- Number of current societies: 1500 societies in 28 operational areas
- Gender Ratio (Male 72% & Female 28%)
- Average Age of farmers is 49 years
- Average production/750kg (14.6 bags)
- Average farm size (10 Acres)
- Average Income (2004/05) is \$500

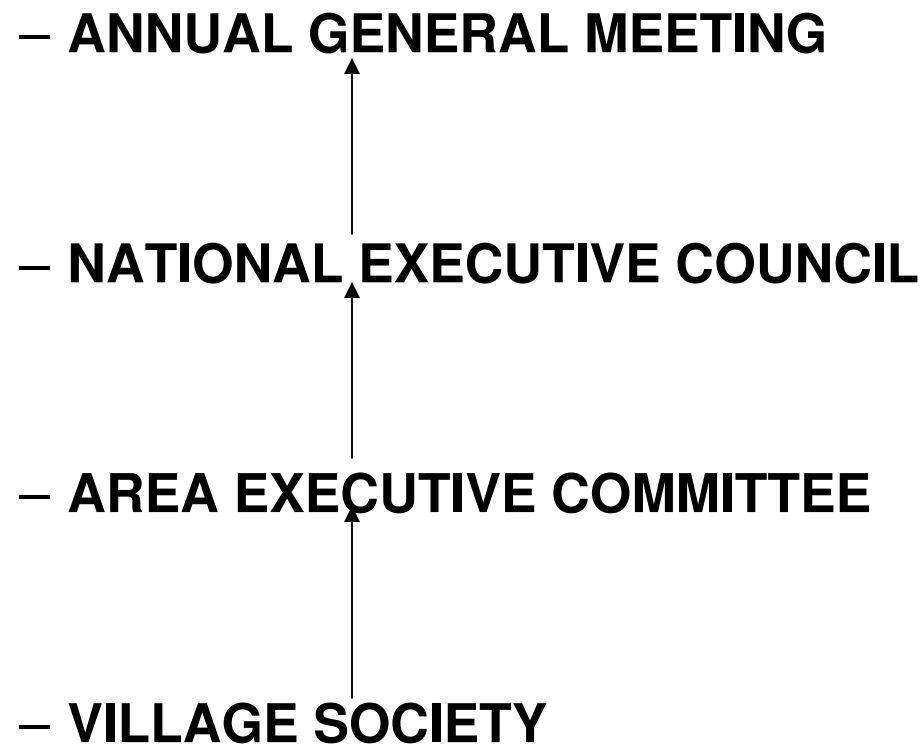
# MISSION STATEMENT OF KUAPA

- To empower the farmers, increase their income and raise their standard of living

# STRUCTURE OF KUAPA KOKOO ORGANIZATION



# The organizational structure of Kuapa Kokoo Farmers Union



# Kuapa Kokoo Farmers Union

## OBJECTIVES

- provide a medium for the social, economic and political empowerment of the cocoa farmer.
- Enhance the participation of women in the decision making process at all levels of operation and organisation.
- encourage environmentally sustainable production process.



# KKL

- KKL is the commercial wing that do the trading of cocoa on behalf of the farmers.
- It operates efficiently to provide farmer with best services, better price and profit to sustain their organization.
- It is managed by a Managing Director, Chartered Accountant, Operation managers and well qualified staff.

# KKCU

- KKCU was established in 2000 to inculcate the culture of saving among its members and to make credit easily accessible to members affordable interest rates for social and economic purposes.
- The Credit union is solely for the farmers and staff of Kuapa Kokoo Organs.

# DCC (Day Chocolate Company)

- Kuapa Kokoo in its bid to increase profit from their cocoa as well as their knowledge from the Western Chocolate Market decided to establish a company to market their own brands of chocolate.
- Divine Fair-trade Chocolate and Dubble Fair-trade Chocolate.
- These are found in most supermarkets all over Europe.

# FAIR TRADE

- Kuapa Kokoo is a member of the Fair Trade Organisation
- Under the fair trade principles
  - Consumers are guaranteed quality produce and
  - Producers are guaranteed stable and better price that reflect their efforts put into production and considered to be sustainable.
  - A guaranteed price of \$1600 per ton (cocoa)
  - \$150 per ton of cocoa delivered (normal premium)
  - Price difference between the world market price of cocoa and guaranteed price (Extra Premium)

# Kuapa Kokoo Farmers Trust

- It was set up to receive all general funds meant for the farmers
- Most of the funds of the Trust are obtained from the Fair trade Premiums
- The premium is used to provide social infrastructure, education and training, bonuses etc.

# Water (Bore holes)



# School Projects



# KVIP (Sanitary Facilities)





# Income Generating Activities. (Milling & Soap Making)



# Training Session (capacity Building for All farmers)



# Policy Changes that have been Necessary for farmers' Organization

- **Internal Trade liberalization which led to the establishment of the Organization**
- **The group concept ie the cooperative system which has led to farmer empowerment and make them knitted.**
- **The business entity concept which also necessitated the establishment of the KKL**

- **The Institutionalized arrangements which led to the establishment of**

- Research and Development Department which organizes, educates, trains, sensitizes and empower farmers to become vibrant
- Kuapa Kokoo Credit Union which inculcate into the farmers the habit of savings and making credit accessible to the farmers
- Gender development unit which sensitize and empower women to take up leadership positions at all levels of the KKFU and equip them with skills to increase their income and control of resources .

- To have a donor or benefactor who is interested in the activities of the farmers to finance their initial set up cost, training and continuously support development of the organization. For example
- Twin—initial set up capital and technical assistance
- DFID- Capacity building (Training)
- Comic Relief- Fair Trade awareness creation
- Women Vision International- Training and micro financing income generating activities for women

# Policies Needed to be put in Place for Effective Organization and Cocoa Export

- Policies to encourage Organic Cocoa production.
- Policies to allow commercial banks and other financial institutions to reduce the interest rate on farmer related activities especially cocoa.
- Mechanisms put in place to encourage the youth to take over the production of cocoa from the aged.
- Encourage Diversification

# CONCLUSION

- The strong interrelationship of all the Kuapa organs has contributed to the success of Kuapa Kokoo Organization.

For example

KKFU - Satisfying the political needs of the Org.

KKL - Makes profit to sustain the Org,

KKCU -Satisfying the savings and Credit need of farmers and supporting KKL with funds

Trust Fund - Make sure that funds are equitably distributed by farmers themselves towards their basic needs.

# Putting smiles on the Faces of Women Farmers

