



ssnup

Smallholder Safety Net
Upscaling Programme

STRENGTHENING A COOPERATIVE UNION TO INCREASE THE INCOME OF COCOA PRODUCERS IN MADAGASCAR



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

CONTEXT

Madagascar is a cocoa-producing country and the world's fourth largest island. Renowned for its rich nature, its rainforest is home to many of the world's rare species including ring-tailed lemurs, frogs and chameleons. It is also one of the poorest nations in the world and is currently facing a catastrophic drought as a result of the changing climate. This has been made worse by extensive deforestation – since the 1950s, Madagascar has lost over 40% of its rainforest which has been cleared to make way for palm oil production and agriculture.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

The Union de Coopératives de Lazan'ny Sambirano (UCLS), created in 2000, is a union of 23 cocoa producer cooperatives, bringing together 450 producers in the Sambirano basin (north-west Madagascar). UCLS buys and sells high-quality cocoa produced by its cooperative members, classified as fine cocoa by ICCO (The International Cocoa Organization), which represents only 12% of the global market but demand is growing and prices are higher than ordinary cocoa.

OBJECTIVE OF THE PROJECT

UCLS obtains its supplies from 450 cocoa producers, but only buys 1/3 of their potential production. The project aims at improving internal management of the cooperative to increase its sales volumes and its purchasing power, thereby boosting the income of existing small-scale producers.

The expected results of the project are:

- Strengthen the accounting, financial management and internal control of the cooperative union.
- Develop tools to enable reliable information and improve financial planning.

IMPACT INVESTOR



BENEFICIARY ORGANISATION

UCLS (cooperative union) –
Madagascar, with 450 members

AGRICULTURAL VALUE CHAIN

Cocoa

STARTING DATE

August 2023

DURATION

12 months

TOTAL TA BUDGET

€ 41,500
Including € 35,275 (85%)
contribution from SSNUP

