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Smallholder Safety Net
Upscaling Programme



IMPROVING THE TRACEABILITY AND SUSTAINABILITY OF THE COCOA VALUE CHAIN IN UGANDA



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

CONTEXT

Cocoa is Uganda's fourth-biggest commodity export offering economic opportunities for increasing smallholder farmers' incomes and foreign exchange earnings for the country. Cocoa is a perennial crop that responds well in rainy tropical areas, where the conditions are suitable for cultivation. Cocoa production in Uganda has seen a steady increase over the last decade. By comparison with other countries, Uganda's cocoa production is still very low as the gap in production volumes with other producer countries is still wide. However, Uganda has potential to increase cocoa production, and the Government of Uganda through the Ministry of Agriculture, Animal Industry and Fisheries has been running a campaign to popularise cocoa as a cash crop in the past decade. The cocoa sector in Uganda is very informal and overall, there is little organisation of farmers into formal or good functioning cooperatives as most of the coops collapsed in the 1980's and 1990's due to poor governance/management.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

AFRICAN TRADE WINDS LIMITED (ATW) was created in March 2013 by Cocosource SA (CCS) as a platform to source cocoa from Uganda. CCS is a commodity trading company founded in 2007 with its headquarters based in Switzerland delivering cocoa, cashew, rubber, sesame, and soy to the global industry sourcing from its subsidiaries in Ivory Coast, Uganda, Togo, DR Congo, Sierra Leone, and Ghana. Prior to 2021, ATW had only been trading conventional cocoa but since October 2021 ATW supported three Ugandan farmer groups in the process of obtaining Rainforest Alliance and Organic certification (in total nearly 3,500 farmers got certified) and started selling certified cocoa.

OBJECTIVE OF THE PROJECT

The project aims to improve the income and market access of cocoa producers by improving traceability and sustainability across the cocoa value chain through the digitalisation of the supply chain operations including farms registration with GPS and polygons, and through farmers certifications.

The main expected results are:

- Train and certify 3,599 farmers on Rainforest Alliance standards.
- Train 30 staff members and field officers on the internal management information system and polygon mapping.
- Geo-localise and map 4,099 farmers with land plots of approximately 4,000 hectares.

IMPACT INVESTOR



BENEFICIARY ORGANISATION

AFRICAN TRADE WINDS Ltd
(ATW) (SME) – Uganda

TARGET

4,099 farmers

AGRICULTURAL VALUE CHAIN

Cocoa

STARTING DATE

September 2023

DURATION

12 months

TOTAL TA BUDGET

€ 57,871
Including € 38,537 (67%)
contribution from SSNUP



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