

# Philippines

## SUCCESS Alliance Phase II



Since the 17th century, cocoa has been cultivated in the Philippines. Today, the Philippines produces approximately 5,000 MT of cocoa beans per year, most of which is used domestically. However, because the domestic processing industry demands approximately 32,000 MT of cocoa beans annually, 27,000 MT have to be imported to make up for the deficit. In addition to this overall deficit, there is a serious shortage of high-quality cocoa at the regional level.

In 2002, with funding from USAID, ACDI/VOCA expanded the SUCCESS (Sustainable Cocoa Enterprise Solutions for Smallholders) Alliance to the Philippines. The SUCCESS Alliance is a public-private partnership active in Asia, Latin America and Africa, which comprises USAID, USDA, the World Cocoa Foundation (WCF), Mars, Inc., local partners and ACDI/VOCA.

Cocoa can be a profitable agroforestry intervention, lessening dependence on timber-based activities, thus protecting forests while still providing for subsistence and livelihood needs

for upland dwellers. The tree crop system helps to conserve forests currently threatened in the Philippines by creating buffer zones for community-based, forest management areas. The SUCCESS Alliance's first phase, which lasted from 2002 to 2005, promoted cocoa as a sustainable, environmentally friendly agroforestry cropping system, training 5,268 smallholder farmers in improved cocoa production and providing income generation. Through the improvement of quality standards and the adoption of appropriate pre- and post-harvest practices, Filipino farmers have been able to enter both domestic and international markets with their improved cocoa.

In 2006, ACDI/VOCA launched SUCCESS Alliance Phase II—the 3-year, \$2.6 million, USDA-funded program to improve cocoa production and marketing linkages. The program expands upon past achievements, by focusing on improved cocoa production and strengthening the value chain for cocoa stakeholders. ACDI/VOCA achieves this through activities that deliver farmer training and extension, establish post-harvest processing sites, build capacity in nursery plant production, rehabilitate old cocoa trees and establish internationally acceptable cocoa bean quality standards. A major focus is promoting the opportunities and participation of smallholder farmers in the cocoa value chain as a means of poverty reduction and economic growth.

ACDI/VOCA implements training and extension activities in six areas: northern and southern



# Project Profile

Luzon, Panay, Palawan, western Mindanao and Davao. The program has developed 99 farmers as training facilitators through training-of-trainers sessions. SUCCESS Alliance has also provided farmer training at the provincial level to more than 10,000 farmers. Training topics include crop husbandry, integrated pest and disease management, side-grafting, soil health, farm management, post-harvest handling and marketing. SUCCESS Alliance and local partner CocoaPhil have conducted trainings and assisted in the grafting of over 350,000 cocoa trees with the goal of reaching 400,000 cocoa trees owned by 800 farmers, primarily in southern and western Mindanao. The goal is to grow high-quality cocoa with an eye on mitigating pest infestation, especially by the cocoa pod borer, which has severely affected cocoa-producing countries in Southeast Asia.

SUCCESS Alliance and CocoaPhil have worked with the Philippine Department of Agriculture's Sub-Committee on Cocoa Industry Development to review and update the quality standards for cocoa-based products that were established in the mid-1980s. Participating farmers and fermentation center staff are taught and encouraged to meet these new criteria. In order to build local capacity, SUCCESS Alliance and CocoaPhil are working on establishing 30 fermentation and drying centers by the program's end, with some sites piloting new post-harvest technologies. Local farmer groups

provide labor and land as in-kind contributions to support these activities. Cocoa centers are placed in central locations to which farmers can regularly bring their beans. Both farmers and center

operators are trained by SUCCESS Alliance field technicians on quality selection to ensure that all beans meet quality standards.

The focus of this practical, income-generating program is on scaling up nursery capacity, expanding adoption of grafting and tree maintenance operations, distributing improved trees and encouraging market linkages to create a

**The program works with 15,000 cocoa farmers and 150 farmer trainers using a value chain approach.**



thriving and resilient cocoa farming industry. Over the course of SUCCESS Alliance Phase II, approximately 1.12 million plants will be distributed to farmers. To date, over 60 nurseries and budwood gardens have been supported with the goal of supporting another 40 by program's end. Nursery space is provided by private entrepreneurs, city agriculture offices and the Philippine Coconut Authority, with every newly trained farmer receiving 100 cocoa seedlings. SUCCESS Alliance has identified the best and most appropriate cocoa varieties and has distributed them throughout the many islands of the Philippines. This program is scheduled to conclude activities in August 2009.

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