HIGH-QUALITY COCOA AND COFFEE BENEFIT SMALLHOLDER FARMERS

With 25 million smallholder farmers producing most of the world’s coffee in Asia, Africa, and Latin America, coffee makes up a large part of many economies. Meanwhile, the demand for cocoa continues to grow by 3 percent each year worldwide, even as the five million producers around the world face mounting challenges. Specialty crops, like coffee and cocoa, present tremendous opportunities for smallholder farmers. They command competitive prices, and the practice of tracing high-quality products back to their origins helps producers sell more at higher prices. However, many of these farmers struggle to make a profit because of climate shocks, poor cultivation methods, and market isolation. That’s why ACDI/VOCA helps farmers tap into the market’s need for consistent, high-quality coffee and cocoa.

Helping Smallholder Farmers Meet Demands

Many smallholder farmers struggle to meet the demand for cocoa and coffee—not only because of climate shocks and declining soil fertility, but also plant diseases, pests, and poor farming practices. ACDI/VOCA helps these farmers form cooperatives or similar organizations and hire managers to improve production and processing practices, purchase bulk inputs, and aggregate products for sale to get their full value.

BY THE NUMBERS

5 million
smallholder farmers

3% increase in
demand per year for
past 100 years

COCOA

$5.1 billion
annual market
value

25 million
smallholder farmers
produce 80% of
world’s coffee

1.3% increase in
consumption per
year since 2012

COFFEE

$24 billion
annual market
value for
exports alone

ACDI/VOCA is an international development nonprofit that envisions a world in which all people are empowered to build healthy families and resilient communities. Learn more about ACDI/VOCA at www.acdivoca.org.

ACDI/VOCA F A C T S H E E T
SPECIALTY CROPS

Since 1963, ACDI/VOCA has helped farmers and entrepreneurs capitalize on market opportunities. Our technical assistance enables farmers to add value to their crop become business savvy earn better livelihoods attain sustainability
We help these cooperatives advocate for better policies, enhance their business plans, and diversify or segment their marketing. We offer technical assistance, support for addressing equipment needs, training in farming techniques, and farmer-level value addition, such as the cupping of coffee and artisan chocolate making.

For decades, ACDI/VOCA has partnered with coffee and cocoa industry leaders, international- and country-level researchers, local governments, and stakeholders across the value chain to empower farmers with skills and knowledge to make market-savvy decisions and address constraints.

By ensuring farmers invest their time and resources in activities that the market will reward, ACDI/VOCA helps coffee and cocoa farmers in Colombia, Ecuador, Ethiopia, Indonesia, Liberia, the Philippines, Peru, Rwanda, and Vietnam achieve success in the global market.

Ethiopian Coffee Reaches a Starbucks Near You
In the 1990s, Ethiopia’s coffee industry reeled from mismanagement and corruption. With funding from USAID, ACDI/VOCA helped smallholder coffee farmers form cooperatives in Sidama, Yergacheffe, and elsewhere and supported them in expanding their access to credit, bulk inputs, and market deals. Over 150,000 coffee growers obtained Fair Trade certification and bypassed the government’s central auction to make high-margin, direct sales. Soon coffee produced by these cooperatives earned specialty status—a title befitting of Ethiopia, the birthplace of coffee. In 2005, Shirkina dry-processed, gourmet coffee, made by the ACDI/VOCA-supported Ferro Cooperative in Sidama, became Starbucks’ eighth Black Apron Exclusive, selling for $12.99 per half pound.

ACDI/VOCA’s cooperative development efforts helped transform Ethiopian coffee from a bulk commodity to a specialty product. Today some of the world’s most coveted single-source coffees carry the names Sidama and Yergacheffe. And because of the premium prices they earn, farmers supported by ACDI/VOCA have better livelihoods and food security.

Cocoa Farmers Team Up with Chocolate Industry Giants
The Sustainable Cocoa Enterprise Solutions for Smallholders (SUCCESS) Alliance, a project implemented by ACDI/VOCA and funded by USAID and USDA, improved the livelihoods of cocoa farmers by promoting production and marketing in economically, environmentally, and socially sustainable ways. A value chain approach increased the competitiveness of the entire cocoa sector, benefitting growers, buyers, processors, and ultimately, the economy.

Private sector partners, including Mars, Nestle, and Cargill, sourced cocoa through the project from growers in Ecuador, Indonesia, Liberia, the Philippines, and Vietnam. ACDI/VOCA engaged those farmers through trainings in Farming as a Business, post-harvest handling, and improved cultivation practices.

Filipino Farmers Win Specialty Coffee Status
For the first time in history, coffee from the Philippines earned specialty status when cupped and graded at the 2017 Global Specialty Coffee Expo. Two varieties won the title: a Robusta and Arabica, both produced by farmers from Bukidnon.

This came after three years of support from the USDA Food for Progress-funded Mindanao Productivity for Agricultural Commerce and Trade (MinPACT) project, implemented by ACDI/VOCA. The project helps smallholder farmers in Mindanao improve their farm management, product quality, services, and access to markets. MinPACT also supports farmer field schools and the use of financial products and mobile technology.

With their new status, these farmers stand poised to compete for premium prices globally.

“BEFORE VENTURING INTO COFFEE, WE HAD DEBTS, BUT WE HAVE BROKEN THAT CYCLE. NOW I CAN SLEEP WELL AT NIGHT KNOWING THAT WE HAVE ENOUGH MONEY.”

—Marivic Dubria, Philippines MinPACT participant