



Pathways to Prosperity in the Cocoa Value Chain

BACKGROUND

Lutheran World Relief (LWR) proposed the 18-month **"Pathways to Prosperity in the Cocoa Value Chain"** project in response to a request from the US Department of State's Bureau of Oceans and International Environmental and Scientific Affairs (DOS-OES) for assistance meeting Pathways to Prosperity in the Americas priorities of sustainable business practices and environmental cooperation in Central America.

LWR proposed working with the cocoa value chain in the region to foster inclusive growth, prosperity and social justice in El Salvador, Honduras, and Nicaragua. Through the dissemination of best practices, provision of necessary tools, and building relationships with the private sector, LWR will increase access to domestic, regional and international markets for cocoa produced using sustainable agriculture practices.

Cocoa in Central America has great potential to improve livelihoods of marginalized small producers and their families, while also contributing to conservation, reforestation, and diversification of exports from the region. Cocoa requires few purchased inputs, can be grown on small plots of land, and allows producers to diversify production as part of an agroforestry system. Cocoa is an increasingly important alternative crop as climate change makes coffee production less viable in many areas of the region.

PROJECT DESCRIPTION

- The **\$318,269** budget for the 18-month project includes **\$247,500** from **DOS-OES** and **\$71,129** from **LWR**. In addition, LWR has additional commitments of \$790,000 in leveraged funding from *The Hershey Company* and *local private sector partners* to further the objectives of the project.

Principal strategies:

- **Local Involvement, Resources & Expertise:** LWR will partner with local NGOs, communities, producer organizations, and regional research institutions CATIE and FHIA.
- **Gender & Youth:** Gender will be addressed in the organizational strengthening component by training women's organizations. Youth will be trained as technical service providers and internal auditors for product certifications.
- **Program Expansion:** Cocoa in Central America has great untapped potential. The model proposed by this project is scalable, replicable and can reach greater numbers of cocoa producers and cooperatives as further funding becomes available



EXPECTED RESULTS

RESULT 1:

Increase ability of six farmer organizations and three women's organizations (representing 819 farmers) to market sustainably-produced cocoa by training in business management and organizational strengthening.

RESULT 2:

Improve returns for 819 smallholder farmers by increasing technical capacity of six cocoa farmer organizations and their members to sustainably produce and market high quality cocoa.

RESULT 3:

Engage six cocoa farmer organizations with private sector and other strategic local cocoa value chain actors to foster business and credit transactions that will improve abilities to market sustainably produced cocoa



CAMINOS A LA PROSPERIDAD EN LAS AMÉRICAS
PATHWAYS TO PROSPERITY IN THE AMERICAS

IMPLEMENTED BY: LWR CENTRAL AMERICA REGIONAL OFFICE

PROJECT PERIOD: October 1, 2012 – March 31, 2014

FUNDING TOTAL: \$318,629 (US Department of State- OES & LWR)