

Transparency in Cocoa Purchases – ESPA EcoLimits Policy Brief



Ecolimits cocoa bean weigh station in Ahomaho, Assin South

Key message

The most straightforward way to increase cocoa farmers' incomes may be to accurately weigh and pay farmers for the beans that they produce.

Addressing the lack of transparency will require actions from government and private sector and digital scales.

Summary

- Major climate-smart agriculture initiatives, including climate-smart cocoa under the Ghana Cocoa Forest REDD+ programme (GCFRP), are centred on the goal to increase farmers' yields and thereby increase their incomes.
- One way to increase yields would be to ensure that the scales of purchasing clerks are correctly calibrated and in good working order.
- After comparing plot farmers' recorded bean weights from an EcoLimits weigh station with records from the purchasing clerks (PC), we found that on average farmers' lose 20% of their dried beans (and income) from PC scales.

Lack of transparency in cocoa weighing and purchases

From 2015-2017, the project weighed plot farmers' dried beans at established EcoLimits scales, just before the farmers brought their dried beans to purchasing clerks. The official weights were also recorded and confirmed with the PCs.

By comparing the two measurements, the project found that most farmers lost 20% of their beans and income to the PC scales, and some farmers lost over 50% (Fig. 1).

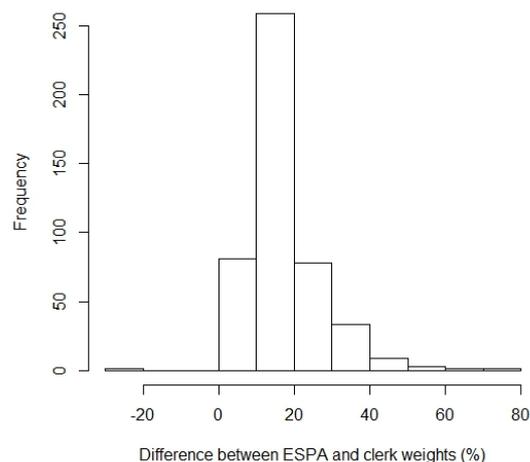


Figure 1: Difference between EcoLimits & clerk's dried cocoa bean weights %

Farmers who sold the largest amount of beans at a single time incurred the greatest losses. For example, one farmer who sold about 750 kg of dried cocoa beans (EcoLimits weight), lost over 100kg on the transaction (PC weight).

But in terms of percent losses, farmers selling a smaller quantify of beans lose a higher proportion of their beans and income on the PC scale. For example, farmers who sell over 500kg of beans, only lost up to 20%, while farmers who sold less than 300kg often lost more than 50%.

The inconsistencies were not evenly distributed across our research sites. Some communities lost a larger proportion of their beans than others.

social safeguards. Needed actions may include monitoring by government and communities, and use of digital scales by private sector.

Increasing transparency in cocoa purchases will help to increase farmers' income, improve poverty outcomes (*see cocoa and poverty brief*), and ensure



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