

Pearl Cocoa Project Bundibugyo, Uganda



Development stage:



Pearl Cocoa is a farmer-oriented startup working on an ambitious project: Uganda’s first cocoa processing factory. The company has created a flexible business plan enabling a small as well as a more extensive start depending on the size of the investment. Its unique approach is focused on aiding 3,000 farmers supplying cocoa directly to the facilities, whilst profiting from locally added value and certification premiums. reNature will transform existing cocoa monoculture plantations into productive agroforestry systems to additionally harness numerous environmental and socioeconomic benefits.

Location:

Western Region, Country

Size of planted plot (ha):
10

Size of potential area (ha):
20,000

Client:

Pearl Cocoa

Commodity:

Cocoa

Industry:

Food

Goal:

To utilize in-country processing and agroforestry to drive socio-economic as well as environmental improvements in the Bundibugyo area.

Main Focus:

Economic resilience, increased productivity, food security.

Partners:

- 1) Bwamba Cocoa Growers Association.
- 2) Bundibugyo Farmers’ Cooperative Society Ltd
- 3) Bundi-Cocoa Modernized Farmers Association
- 4) Western Bundibugyo United Farmers’ Development Association (WEBUFADA)
- 5) Bundikambe Growers Cooperative society
- 6) Bundibugyo Improved Cocoa Farmers’ Cooperative Society



Finance & Planning



Investment

1,730,000 \$ - 6,430,000 \$



Initiator

Arthur Muhumuza, Brian Wamala



Assignment & Impact

Number of direct Beneficiaries

>3,000 farmers + families and communities

Development Challenge

Raw cocoa production in the region has reached levels at which local processing becomes viable. Simultaneously, people in the region are facing low value of their raw cocoa, lack of organisation and unstable export prices. Farmers traditionally favoured growing cocoa over local food crops as it was thought to be more profitable. This led to malnutrition, lower food security and environmental degradation. The latter is currently enforced by high numbers of refugees in the area demanding fuelwood, thus, driving deforestation.

Intervention

Pearl Cocoa will purchase cocoa processing machinery, lease factory buildings and buy raw cocoa directly from local farmers. A network of international buyers has already been established. reNature will kick-off and upscale the agroforestry cocoa transition by implementing a Model Farm and a Model School.

Objective

Increasing the farming communities' economic prosperity and resilience, food security and nutrition as well as the farms' environmental performance.

Financial Details

reNature Model Farm: 30,000 \$

reNature Model School: 200,000 \$

Processing facility: 1,500,000 \$ - 6,200,000 \$

*This includes purchasing cocoa beans, machinery, and leasing a factory building. The financial range describes a moderated as well as a more expeditious start.

Inspirational Impact

reNature's Model Farm will exemplify the benefits of agroforestry inspiring farmers to initiate the transition on their farms. A Ugandan cocoa processing unit is expected to stimulate local identity, encourage farmers to join, and promote agroforestry practices. Pearl Cocoa has already established a close relationship with various farmer organisations encompassing more than 3.000 farmers.

Environmental Impact

Agroforestry cocoa farms will allow for greater crop diversity, support biodiversity, maintain soil health, water and nutrient cycles, and benefit the climate. Further, they will produce wood for fuel and building purposes, thus, relieving current stress on natural forests driven by high numbers of refugees in the area. Pearl Cocoa will produce cooking briquettes from cocoa bean shells to further alleviate that pressure.

Economic Impact

Farmers will receive higher, stable prices for their produce through certification and locally added value, whilst having a reliable off-taker. Agroforestry will enable a boost in yields and add additional income streams next to cocoa. Further, more diversified produce will increase farmers' economic resilience, for example against price variations.

Social Impact

Farmers will be enabled to grow various other food commodities next to cocoa. This will increase local food security and counteract malnutrition. Additionally, Fairtrade premiums can be used by local communities to initiate social improvements such as healthcare or health facilities.



3,000

farmers + families and communities

Project specific results



73% more
biodiversity

General impact of Agroforestry



13% more
soil humidity



12 ton more
CO₂ sequestration
per ha/year

Metrics

Outcome metrics:

- 1) Increased productivity
- 2) Increased food availability and security
- 3) Increase in farmer's net income
- 4) Increased wood availability on-farm

Suggested evaluation methods:

- 1) Annual comparison of cocoa farm yields (kg/year/ha)
- 2) Annual comparison of additional crops yields (kg/year/ha)
- 3) Annual comparison of food availability and diversity as perceived by community (qualitative)
- 4) Annual comparison of surplus made by farmer (\$/year/ha)
- 5) Annual comparison of wooden biomass yields (kg/year/ha)