

## Developing organic fair trade sectors: the example of Kaoka

*Guy Deberdt Chief Executive Officer - KAOKA*  
*Sébastien Balmisse Programs and Quality Manager - KAOKA*

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**As an SME involved in cocoa production, Kaoka can see the destructive effects of an agricultural approach with little concern for the ecosystems where it is applied. By setting up organic fair trade production chains, the company contributes to diversifying the cocoa varieties produced, actively promotes sustainable agroforestry and allows local people to make a livelihood from their crops - while combating deforestation and supporting the regeneration of ecosystems.**

Uncontrolled forest fires in the Peruvian Amazon, the devastating effects of intensive banana production on soils and biodiversity in Ecuador, cocoa growing areas abandoned after several years of drought in Sao Tomé... We are seeing the environmental emergency everywhere and it will inevitably eventually have an impact on our economic model.

Players in the cocoa sector also have a responsibility in this situation. Over the last decades, the sector has developed based on a “pioneer fronts” approach, especially in West Africa. This has led to massive deforestation and a substantial erosion of biodiversity in this part of the world.

In response to this situation, Kaoka has decided to do what it can as a French SME by taking action on several fronts to preserve the ecosystems and natural resources concerned by its activity. This involves contributing to restoring the biodiversity of cocoa, soils and the ecosystem on plantations and within landscapes.

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## **PROMOTING THE DIVERSITY OF VARIETIES**

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Since 1993, Kaoka has been developing its supplies<sup>1</sup> in Ecuador, Peru, the Dominican Republic and Sao Tomé with family farms grouped together as cooperatives of organic farming producers. This agricultural model is often considered to be “folkloric” and stereotyped and would in itself be a socially and ecologically virtuous system. The reality is quite different: if this family model is not supervised and supported, it can also cause ecological disasters (deforestation on pioneer fronts in West Africa is a good example) and social disasters (how to survive with unproductive family cocoa farming?). For example, in South America, the extensive and unproductive growing of “Nacional”<sup>2</sup> cocoa has clearly resulted in producers abandoning native cocoa varieties for the hybrid CCN51 variety, which causes an alarming loss of genetic diversity.

Kaoka is far from opposing the intensification of family production and farming. On the contrary, back in the 2000s, it worked to implement techniques to renovate<sup>3</sup> cocoa plantations by selecting native cocoa varieties with producers, combining aromatic qualities and disease resistance.<sup>4</sup> Thanks to these long-term efforts, producers who set out to renovate their plantations see their yields multiplied by a factor of 4 to 6 and thereby avoid converting to CCN51. It is therefore by securing higher incomes for producers that Kaoka contributes to preserving the genetic heritage of “Nacional” cocoa.

## **SUSTAINABLE AGROFORESTRY**

This intensification of cocoa production also turns it into a competitive source of income faced with the temptation of continuing with an extensive farming approach on pioneer fronts, leading to the destruction of forest areas. For example, from 2014 to 2016, Kaoka worked in Sao Tomé with the Organic Cocoa Export Cooperative (CECAB), the International Fund for Agricultural Development (IFAD) and the Global Environment Facility (GEF) on a program to renovate cocoa plantations to generate alternative incomes to hunting, coal production and illegal deforestation in Obo National Park. These partner institutions have lauded the impacts.<sup>5</sup>

The promotion of agroforestry is also a focus area for action to maintain biodiversity on plantations. Since 2019, Kaoka has been supporting a program to convert 150 hectares of cocoa without shade into agroforestry systems. Here again, it is necessary to reconcile the economic interest of the producer (generate additional income by producing fruit and wood, maintain soil fertility) and the conservation of biodiversity on the plot. In addition to the recognized impact of agroforestry systems on increasing the diversity of flora and fauna (Noble and Dirzo, 1997; Rolim and Chiarello, 2004), Kaoka is currently conducting research in partnership with the NGO Sallqa and Bioversity to study their role in ecological landscape connectivity.<sup>6</sup>

Furthermore, the “landscape approach”<sup>7</sup> has become essential for Kaoka, as the company has gradually become aware of the impact that the development of the environment of plantations can have on the economic and productive activity of its partners. In 2021, a regional program will be

implemented called “Promoting Sustainable Opportunities in the Value Chain of Cocoa of Excellence”<sup>8</sup> (supported by the French Facility for Global Environment - FFEM -, in partnership with CIAT, World Agroforestry and the NGO Conservation International) to set up conservation plans and preserve natural resources in the production regions where Kaoka operates. The lessons learned from this project will contribute to the research conducted under the National Strategy to Fight Imported Deforestation (SNDI).<sup>9</sup>

## **THE ESSENTIAL SUPPORT OF PUBLIC AUTHORITIES**

While Kaoka is proactive in taking action on the ground to preserve ecosystems and biodiversity, it is also aware of the limits of its action and the risks related to antagonistic practices or dynamics. For example, in Ecuador, it can see the devastating effects of the agro-industrial environment in certain production areas. The massive use of pesticides on banana plantations, for instance, has a direct impact on pollinator populations, which reduces cocoa yields. In certain cases, such as in Peru, land pressure and the refusal of local authorities have prevented the implementation of a conservation plan for an ecosystem particularly rich in biodiversity<sup>10</sup> proposed by Kaoka in partnership with the cooperative Colpa de Loros.

These examples show that it is essential for private sector action to be supervised and supported by public authorities and that governments must implement public policies to promote sustainable agricultural practices by mainstreaming environmental issues into land-use planning policies.

Biodiversity conservation is a key issue, strongly correlated with the fight against deforestation and climate change. In recent years, the private sector has very much integrated these concerns into its discourse, in particular through Corporate Social Responsibility (CSR) policies. Unfortunately, environmental conservation, through extensive communication campaigns, has above all become a foil for many major groups.

For SMEs that innovate in establishing organic fair trade activities, it is not always easy to raise awareness of their actions to preserve biodiversity and natural resources and therefore gain a commercial benefit.

## **CONCLUSION**

Kaoka is continuing its efforts to implement soil and ecosystem renovation programs, in particular in the Amazon. Indeed, we have seen that landscape preservation is a prerequisite for the resilience of production systems. Agroforestry and soil fertility are key to the yields of producers. By ensuring bio-productive agriculture, we are combating rural exodus and the abandonment of cocoa growing by the new generations. And beyond our commitment to the development of our company, we are convinced that it is now urgent (and possible) to take action to preserve biodiversity and natural resources.

1. In 2020, Kaoka will import about 5,000 tons of organic fair trade cocoa, i.e. between 6% and 8% of the organic cocoa imported in Europe.
2. Nacional”, also known as Arriba, is a cocoa tree cultivar. It was initially grown in Ecuador, the country where it was developed, at the foot of the Andes Mountains, then its cultivation spread to the other Amazonian countries (source: Wikipedia, “Nacional (cocoa bean)”).
3. These renovation techniques generally involve grafting unproductive trees onto locally selected aromatic varieties and redensifying plantations with grafted seedlings.

4. And, more recently, resilience to climate change.
5. See <https://www.youtube.com/watch?v=LH0zveHAQ2w>.
6. It involves the ecological continuity between different biotopes and landscapes - thus going against the fragmentation of ecosystems.
7. The landscape approach aims to provide tools and concepts for land management in order to achieve social, economic and environmental objectives in territories. The landscape is "read" and analyzed before development proposals are made.
8. In Colombia, Ecuador and Peru.
9. See [https://www.ecologie.gouv.fr/sites/default/files/2018.11.14\\_SNDI\\_0.pdf](https://www.ecologie.gouv.fr/sites/default/files/2018.11.14_SNDI_0.pdf)
10. It is an Amazonian "collpa", an ecosystem characterized by an outcrop of mineral salts where animals (especially birds) group together.