

Origin Report:



Dem. Rep. of the Congo | Nobili

Last Naked Cacao Sourcing Trip: August 12th–17th, 2018

Location: North Kivu

Country Profile

History of cacao cultivation is witnessed through two phases in the Democratic Republic of the Congo (DRC), beginning in the late 19th century as colonialists introduced the plant while under the rule of King Leopold II. Throughout the early 1900s production grew across various plantations managed by the Belgians primarily along the Congo River in Western DRC. Cultivation of cacao, along with coffee, continued to expand throughout the colonial rule. However, after DRC gained independence in the 1960s the country saw a sharp drop in production. As a result of decolonization during this period the farms were left unattended and eventually faltered. Since gaining independence, agricultural efforts shifted almost entirely to coffee production. However, the 1990s brought a devastating wilt disease wiping out a large portion of coffee production in East Congo, eventually leading to the present day resurgence.



The devastation of coffee production in East Congo served as the catalyst for the second phase of cacao production in DRC. Esco Kivu pioneered this movement planting cacao trees in North Kivu for the first time and training local farmers on cultivation practices. With fertile soil, vast forestry and ideal weather, cacao proved a great fit for the Eastern Congo region and has thrived over the last two decades. Producing roughly 600 metric tons in 2000, DRC now manages exports north of 20,000 metric tons annually and expanding quickly. Sadly, a nation plagued by civil wars and continuous conflict has limited the growth despite its potential. Specifically, East Congo has fallen victim to violence from local militia and rebel groups, creating instability and volatility across the region. Immensely valuable natural resources in a poverty-stricken economy have perpetuated violence and thwarted economic growth. However, cacao is proving to serve as a valuable resource widely considered a conflict resistant and sustainable agribusiness solution, contrary to mining and oil exploration. Most notably, cacao production provides stable income generation opportunities and a bright future for a highly fragmented base of smallholder farmers in rural communities.

Farm Profile

Naked Cacao has partnered with exporting enterprise Esco Kivu to source Organic & UTZ certified cacao from farmers in the area of Nobili, near the Ugandan border in North Kivu. Located north of the Virunga National Park,



Nobili is surrounded by mountainous landscape and engulfed in dense, lush forest as far as the eye can see. Scarcely populated, this rural community consists entirely of smallholder cacao farmers and other agricultural producers. In the past coffee represented the principal agricultural activity; however, two decades ago Esco pioneered the cultivation of cacao following the catastrophic coffee wilt disease. Esco began by helping introduce cacao trees and providing materials, education and support to a growing farmer community. They distributed thousands of fermentation boxes to individual farmers and initiated training programs aimed at teaching farmers proper farm management and post-harvest methods.

Early investment and support from Esco in North Kivu stimulated a new industry for displaced farmers and has since proven to be more profitable for farmers than coffee. With an approach focused on long-term, sustainable growth, farmers were taught proper farming techniques from the beginning. Cacao growth in the area comes from a

healthy development of trees within existing forestry and plenty of biodiversity, rather than aggressive overexpansion and deforestation. Astoundingly, there are over 24,000 farmers enrolled in the Organic & UTZ program in North Kivu. Upholding heightened land management and social responsibility standards from initiation has helped build a foundation for sustainable growth moving forward. It is truly inspiring to see the strong sense of community present among farmers, who, in spite of the ongoing challenges in the region, remain positive and committed to collective development and wellbeing. Esco has provided the tools to allow farmers to grow and improve their livelihoods.

Given the wide (and growing) base of farmers from which Esco buys cacao, they recognize the need to continuously provide an intimate level of support and education for farmers while also managing quality control. So, a team of agronomy professionals called field officers are responsible for continuously visiting and working with individual farmers on-site throughout the year to provide guidance on cultivation techniques and proper post-harvest management. Esco operates under the model of allowing farmers to ferment their cacao in order to stimulate entrepreneurship, accountability and increase premiums at the farmer level. It is through this wide-reaching network of well-trained field officers that ensures fair labor practices and quality controls standards are met across the base of farmers.



Farmers in Nobili that work with Esco enjoy not only fair base premiums, but also an additional premium for the Organic/UTZ certification, as well as the vast support network offered by the company. They display a dedicated approach to well-rounded community development through education programs and social responsibility projects. Moreover, given the ongoing violence and volatility in the region, the buying program provides a level of stability desperately needed by farmers. Marketing manager Miora Mbanona describes the importance of stability that Esco Kivu provides farmers:

"It is the sale of their produce which gives the farmers hope in the midst of their difficult circumstances. Even with the civil unrest and rebel groups operating in North Kivu, they still have to pay the school fees for their children, the medical expenses for the family, and put food on the table every day. They continue to produce their bark (and cocoa and other crops which we buy) and rely very much on our continuing to support them by coming to purchase and transport. Yes, it is a tough environment to do business, but the worst service that we could render our farmers is to abandon them, and not buy their produce. It is not they who are involved with the rebels! They often live in fear of the things that go on round them. But they don't have any option but to struggle on. So, we choose to do so with them, and trust in God's protection, continuing so long as it is possible!"

Post-Harvest Handling

Farmers in Nobili, DRC are responsible for managing fermentation and drying of the cacao they individually harvest on their plots of land. During the resurgence of cacao cultivation in East Congo in the early 2000s, Esco provided thousands of fermentation boxes to farmers in the region to ensure proper post-harvest management techniques were implemented. Aside from providing physical resources, Esco actively educates farmers and monitors the fermentation and drying of cacao across its network. A wide range of field officers trained in post-harvest management remain in constant contact with individual farmers throughout the region year-round to ensure quality control. Following a standard 6-day fermentation and subsequent drying, farmers bring their cacao to the closest buying center for grading and analysis. During the rainy season if farmers are not able to achieve proper drying, Esco will finish the process at their nearby centralized facility to bring moisture levels to <7.5% for export.



Cacao Profile

Containing some of Africa's most fertile soil and ideal growing conditions for various agricultural crops, cacao production continues to thrive in North Kivu both in quantity and quality. The dominant variety of cacao found in Nobili and North Kivu in general is forastero, while trinitario can be found on a smaller scale. Rich and healthy soil contributes to these uniquely flavorful and robust chocolatey beans. Consistent with UTZ requirements, Esco stresses the importance of integrating shade trees to maintain healthy soil and biodiversity. This results in high quality, naturally flavorful cacao unlike bulk forastero beans found in West Africa.

Sustainability in Focus

Esco Kivu plays a pivotal role in helping build a well-rounded community in all operational areas of DRC, including Nobili and surrounding areas. In this sense, it is quite distinct from other traditional cacao exporters around the world. They maintain a heightened focus on social and environmental responsibility aside from simply



purchasing and exporting cacao. A primary goal is really to achieve sustainable, conflict resistant agribusiness opportunities for local residents living in a very conflicted country. Lack of income generating opportunities, infrastructure, and education are primary concerns in East Congo. Esco continues to provide solutions to address each of these concerns through the sustained purchase of cacao, building of local infrastructure and ongoing training seminars on topics relating to farm management and personal development.

Moreover, in an effort to address the issue of personal financial management Esco has pioneered a “Farmer Savings Scheme” program. Given that much of the annual harvest falls in the main crop season, farmers receive most of their annual income across only a few months. With little education on how to manage finances and save money for the off-season, farmers worldwide suffer economic challenges resulting from little education on how to properly manage personal finances and save income for the off-season. Through this savings program, farmers are encouraged to defer a % of income during the peak season. Esco will hold and pay interest on this deferred payment, which farmers can access during the slow season. The savings program has helped farmers be able to distribute spending of their income more evenly around the year and teaches them the value of saving for the future.

Esco is committed to environmental protection and deforestation prevention in farming practices. The company teaches farmers to grow through sustainable methods rather than aggressive short-term expansion. To maintain healthy soil and biodiversity of the forest, they educate on the importance of shade trees in cacao farming. As part of the environmental protection requirements of the UTZ certification, a healthy presence of shade trees must exist on all farms to achieve a balance of biodiversity fit for sustainable long-term growth. Esco continuously disperses shade tree seedlings from their on-site nurseries to individual farmers to plant on their land. Outside of their daily operational activity, they actively invest in ongoing external initiatives with established foundations. Most recently they signed an agreement with the World Wide Fund for Nature (WWF) to develop a program in Eastern Congo to protect the Virunga National Park and surrounding forest areas, expected to launch in 2019.

Did you know?

With a diverse mix of cultural groups, over 250 languages and dialects are spoken across DRC. The capital city, Kinshasa, is the second largest French speaking city in the world.

