



# **ESCO, Vanilla and Cocoa**

*Organic exports from Bundibugyo district,*

*Uganda*

*April 2002 – March 2006*

## **Project End Report**

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## Executive summary

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This is the end of project report for ESCO, Cocoa and Vanilla, organic export project. The project was implemented with ESCO Ltd, a company with a long history of trading in cocoa and vanilla in Uganda, for four years from April 2002 to March 2006. The target was to export 300 tons of dried organic cocoa beans and 3.5 ton of cured organic vanilla from Bundibugyo district by the third project year. It was initially designed to last three years, but was extended with a fourth year to allow the exporter to concentrate on marketing so as to reach the projected the export volumes of organic cocoa and vanilla to. By the forth year, the project had reached the targeted export volume for cocoa while that of vanilla was tripled.

EPOPA supported the exporter in establishing the field organisation through capacity building of field staff and farmers, with certification costs, to establish linkages and secure markets with buyers.

At the end of the project, the number of certified farmers had increased to 1,963 farmers while another 643 were undergoing conversion. ESCO put forward a good field organisation and extension reaching 1,791 certified organic farmers by March 2005. The project provided direct benefits to the farmers in several ways, notably; access to extension support as regarding improving farming practices for better yields and quality of cocoa, training in post harvest handling of cocoa, which resulted in higher quality cocoa that sold at a higher price compared to local conventional prices. Through group organisation structures established during the project intervention, farmers were able to benefit from pooling labour for various labour needs and work on their farms. They also benefited by having easier access to organic buying centres, which were set up by the exporter, thus reducing their transport burden. Farmers were also able to increase the acreage of cocoa and vanilla as a result of the steady market. EPOPA also supported environmental and developmental issues in the project through establishment and maintenance of nurseries for cocoa trees, shade trees and trees for firewood and erosion control, by supporting farmer group organisation and sensitisation on HIV/Aids through collaboration efforts with other stakeholders in the project area.

The budget for EPOPA support was planned to be 2,994,341 SEK (Project Document May 2002) while the actual expenses incurred were 2,735,357 SEK. The project's development objective of improving rural livelihoods through organic exports is achieved. It contributed to an improved quality and production, with still increasing numbers of farmers practicing sustainable crop production practices. By the end of the third year, the project attained self-financing and was paying all its organic operating costs, including inspection and certification fees while the farmers were paid a substantial premium and the exporter earned a higher profit. The increase in export volume of certified cocoa is expected to continue without EPOPA support as the exporter has managed to secure further orders and the farmers are increasing both in their production and delivery of products to the exporter.