



**MARS**



**Sustainable Farming in Tropical Asian Landscapes (SFITAL) Project**

# Sharing session on cacao post-harvest activities for farmer organizations

## Activity Report

ACTIVITY DETAILS	
<b>What:</b>	Sharing session on cacao post-harvest activities for farmer organizations
<b>When:</b>	28 June 2024
<b>Where:</b>	Café Noventa, Nabunturan, Davao de Oro

## 1. Rationale and objectives

One of the objectives of the Sustainable Farming in Tropical Asian Landscapes (SFITAL) Project is to promote value chain governance. In line with this, the project conducted a study examining the value chain governance and environmental and social management systems in Davao de Oro’s cacao industry, from production to post-harvest. The SFITAL team is also preparing business cases that aim to showcase sustainable business models, including incentive systems for agroecological cacao cultivation.

In line with the same objective, the project organized a Sharing Session on Cacao Post-harvest Activities for Farmer Organizations. This activity aims to:

- Share relevant information for farmer organizations with regards to common post-harvest market tracks
- Allow members of farmer organizations to share their own experiences and business models with their fellow cacao farmer organizations

## 2. Program and participants

### Participants

Participants for this activity include representatives from selected farmer organizations from the project’s pilot municipalities, namely Maco, Nabunturan, and New Bataan. Since the project is also partnering with the Municipality of Laak in demonstrating agroecological practices for cacao cultivation, farmer organizations from this municipality were also invited.

A total of 23 participants attended the Sharing Session, 10 of which were females. These include representatives from farmer organizations and concerned government institutions.

## Program

The Sharing Session is composed of presentations from selected government agencies implementing key programs and projects related to the cacao value chain. Selected private sector partners, from buying institutions and farmer cooperatives, also presented related key information.

The detailed program is presented below.

<b>Time</b>	<b>Activities</b>	<b>Institution in-charge</b>
08.00-08.30	Registration	
08.30-08.50	Introduction	SFITAL Philippines
08.50-09.30	Business models for farmers organizations towards a more sustainable cacao value chain	DTI RAPID PCU-Davao de Oro
09.30-09.45	OPEN FORUM	
09.45-10.25	Presentation #1: Highlights of the Farm and Fisheries Clustering and Consolidation (F2C2) Program in Davao de Oro	Davao de Oro Provincial Agriculturist's Office
10.25-10.40	OPEN FORUM	
10.40-10.55	Short break and group photo	
10.55-11.35	Presentation #2: Buying guidelines of Kenneker Foods International, challenges, and possibility for improvement	Kenneker Foods International, Inc.
11.35-11.50	OPEN FORUM	
11.50-13.00	LUNCH	
13.00-13.40	Product development support	DTI RAPID PCU-Davao de Oro
13.40-14.00	OPEN FORUM	
14.00-14.40	Presentation #3: Business case: incentive package offered by MAMPCO	Maragusan Multi-purpose Cooperative
14.40-15.20	OPEN FORUM	
15.20-15.30	Evaluation, key takeaway messages and next steps, and closing	SFITAL Philippines

## Sustainable Farming in Tropical Asian Landscapes (SFITAL) Project

### 3. Highlights of activity proceedings

#### Presentation #1: Business models for farmer organizations towards sustainable cacao development

*Department of Trade and Industry – Rural Agro-Industrial Partnership for Inclusive Development (RAPID) Growth Project, Davao de Oro Project Coordination Unit*

Ms. Beverly Pantinople, DTI-RAPID Project Coordinator for Davao de Oro, started her presentation explaining how the project assists cacao growers through 1) production support and business development support for farmer organizations, 2) enterprise support, particularly on post-harvest activities, and 3) marketing linkage support through commercial partnership agreements. Particularly, they facilitate business development of the farmer organizations through capacity building and consolidated marketing.

She also presented the business model they developed, which involve farmer organizations, anchor firms, and the other government agencies providing support to the farmer organizations. A summary of the business model is provided in the figure below.

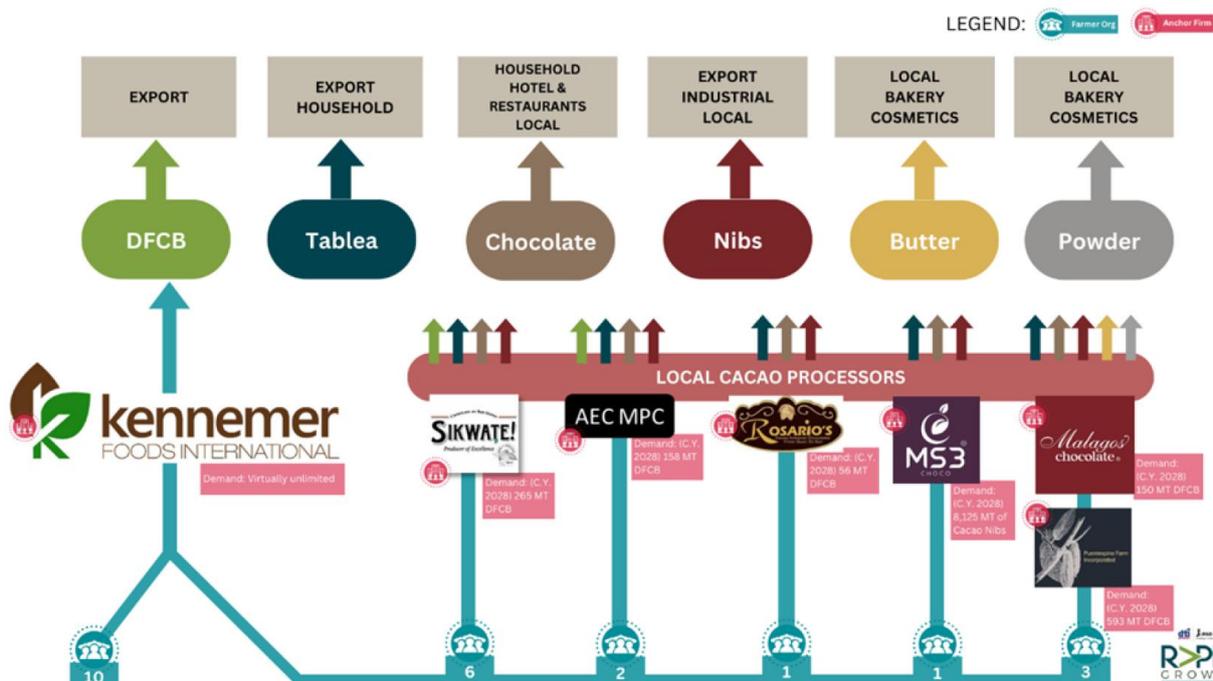


Figure 1. Summary of business models endorsed by DTI RAPID

DTI-RAPID's presentation also covered the product development support they provide to farmer organizations. These include the following:

- Training on post-harvest handling and processing
- Matching grant for post-harvest handling and processing
- Training on Good Manufacturing Practices
- Orientation on HALAL compliance
- Orientation for FDA-LTO compliance and Product Registration Certification
- Packaging and labeling design development training



Figure 2. Ms. Beverly Pantinoble of DTI-RAPID presents their business models and the product development support they are providing to farmer organizations

## Presentation #2: Highlights of the Farm and Fisheries Clustering and Consolidation Program

*Provincial Agriculture Office (PAGRO) of Davao de Oro*

The Farm and Fisheries Clustering and Consolidation (F2C2) Program is an initiative of the Philippine government, established through the Department of Agriculture Administrative Order No. 27 (s. 2022), which aims to “mainstream, promote, and support clustering and consolidation” and “enhance the productivity of farmers and fishers.” Since this program covers cacao, Mr. Kenneth dela Cruz from the Planning Division of PAGRO presented its highlights.

His presentation covered the selection criteria for the benefitting farmer organizations. According to him, these requirements include the following:

1. The farmer organization should be organized and registered for at least one year in any of the following government agencies:
  - Local government unit (as a barangay micro business entity);
  - Cooperative Development Authority;
  - Securities and Exchange Commission; or
  - Department of Labor and Employment.

2. At least 75% of the members of the interested organization must be registered to the Registry System for the Basic Sectors in Agriculture (RSBSA).
3. The minimum production areas for cacao must be 100 hectares.
4. The interested farmer organization must already be a beneficiary of other government programs like DTI RAPID



Figure 3. Mr. Kenneth dela Cruz from PAGRO Davao de Oro presents about the F2C2 program.

He likewise shared that farmer organizations who cannot attain the minimum requirements can join other organizations in existing clusters.

Additionally, according to his presentation, there are already nine clusters identified for cacao in the province, covering 20 farmer organizations in four municipalities (i.e., Maco, Maragusan, Monkayo, New Bataan).

### **Presentation #3: Buying guidelines of Kennemer Foods International, Inc., challenges, and opportunities for improvement**

As one of the major buyers in Davao de Oro, Kennemer Foods International, Inc. (KFI) also provided information on their buying guidelines. Ms Jenevieve Balangue, the officer in-charge of their post-harvest and quality, presented on behalf of KFI.

According to her, KFI buys both wet and dry beans, and classify it according to its quality. There are good wet beans, which are processed to certain specifications to produce good fermented cacao beans; these beans are bought with a higher price. There are also dry beans of Fairly Acceptable Quality (FAQ), which includes those that were sold partially fermented or solar dried; these are bought in standard prices.

Since the buying price of cacao depends on its quality, she also discussed the process of quality checking that KFI conducts. Upon buying, the wet beans undergo physical and odor test. As for the dry beans, the following assessments are done: 1) dry bean standard test, 2) waste classification and requirement, and 3) sensory evaluation.

Ms. Balangue also shared about the common challenges they encounter for defective beans. She identified the following:

- Low capacity and inadequate drying facilities
- Poor handling practices
- Lack of periodic training for staff and workers
- Cost and availability of utilities
- Unfavorable weather conditions
- Storage and warehousing conditions



Figure 4. Ms. Jenevieve Balangue discusses KFI's buying guidelines

Additionally, she emphasized the usual causes of bean defects. She pointed out that re-moistening causes contamination, resulting to moldy beans, moldy taste, and free fatty acids in cacao butter. Insect proliferation, on the other hand, results to insect-damaged beans, decreasing its weight. Lastly, when beans are contaminated with smoke, gas, oil, or pesticides, it produces beans with off-flavors.

She likewise underscored that the standards and prices that KFI imposes on cacao farmers are only based on the standards of their global buyers (i.e., MARS, Puratos) and the prices in the global market.

## Presentation #4: MAMPCO business case

### Other questions and concerns raised

The sharing session did not only provided avenue to share information relevant to the post-harvest activities of the farmer organizations. It also provided a platform to raise key issues and discuss it among key stakeholders in the industry. The table below presents some of the issues and concerns raised, as well as the respective responses.

CONCERNS/COMMENTS	RESPONSE
<p>One of the key reasons why farmers are not encouraged to improve their fermentation is that KFI still buys fermented beans as “all in,” hence, the lower prices.</p>	<p>KFI: It is possible for KFI to buy fermented beans for a higher price, but the farmers should be able to match the fermentation standards required by KFI.</p> <p>For the case of MAMPCO, they had a training on fermentation, facilitated by DTI-RAPID, but they had to sign a non-disclosure agreement regarding the fermentation processes.</p> <p>A non-disclosure agreement is needed for KFI to buy the beans as “good fermented.” Otherwise, they will have to buy it as FAQ since there is no way for them to confirm the quality of fermentation.</p>
<p>Is it possible for buyers to provide information on standards that the farmers need to meet?</p>	<p>Provincial Cacao Council: The Council serves as the main coordinating body with potential buyers. We have been suggesting before to convene the buyers in an association.</p> <p>SFITAL: We can help facilitate the workshop to identify what and how to standardize, as well as convene the buyers’ association.</p>

## 4. Next steps

Some of the next steps identified for SFITAL based on the proceedings of the session include:

- Reflect the following information on the development of a provincial roadmap:
  - For production and post-harvest: Better link farmers with possible assistance and co-investment from various public and private enablers to increase production in a sustainable way
  - For consolidation: Strengthen the link between smallholder cacao farmers with the F2C2 scheme and local cooperatives
  - For marketing and standardization: In collaboration with the Provincial Cacao Council, consider a better connection among or an association of cacao buyers to ‘standardize’ protocol with GAP as reference, grading, market price/incentive, and access to information on market prices
- Provide assistance in facilitating the ‘standardization’ workshop with buyers and enablers in the province, in collaboration with the Provincial Cacao Council

# 5. Annexes

## Annex 1: Attendance Sheet





NAME OF EVENT: Sharing Session on Post-harvest Activities  
 VENUE: Nabunturan, Davao de Oro  
 DATE: 28 June 2024

**ATTENDANCE**

No.	Name (First, MI, Last)	Sex		Age	Office	Email address	Contact number	Signature	Check if you are giving ICRAF your consent to use photos and videos from the event in its communication materials.
		M	F						
1	Grace Ann Salvan		✓	30	ICRAF	g.salvan@icraf-icm.org	0923595202	<i>[Signature]</i>	✓
2	Erwin B. Albes	✓		-	ICRAF	calthor2@icraf-icm.org	09658918213	<i>[Signature]</i>	✓
3	AMHA a Malasara		✓	50	Sanabang NAYUS			<i>[Signature]</i>	✓
4	JULIE L. ALASAS		✓	50	Sanabang NAYUS			<i>[Signature]</i>	✓
5	CRISTAL MIER SUAREZ		✓	26	DTI DDO	csuarezwork@icraf.com	0919389210	<i>[Signature]</i>	✓
6	BEVERLY C. PAMPAWA		✓	34	DTI KINAB DOO	pampan@icraf-icm.org	09285110864	<i>[Signature]</i>	✓
7	LEONILDO W. LEONIL		✓	57	PATARA COGONDO, NBO		09661173766	<i>[Signature]</i>	✓
8	ALFREDO M. MANTAYAN		✓	67	ATIP E DABU			<i>[Signature]</i>	✓
9	ADAM SIBOX		✓	53	MYGAW - NAB	adam.sibox2011@yahoo.com	09917251117	<i>[Signature]</i>	✓
10	RAMIL A. OLLAVE		✓	48	Farmer's	ollave@icraf-icm.org	09618568705	<i>[Signature]</i>	✓
11	DANIEL A. MANAYAN		✓	59	Farmer's			<i>[Signature]</i>	✓
12	ARMANDO B. ESTERITA		✓	70	MANMPCO	mandos2014@gmail.com		<i>[Signature]</i>	✓
13	PATRICK A. ALAJAR		✓	57	CASOTABEG - NAB		09202001172	<i>[Signature]</i>	✓
14	ROBERTO A. ALAJAR		✓	70	IBAGAO	robertoalajar@gmail.com	0960007008	<i>[Signature]</i>	✓
15	MARY ANN C. CABILLON		✓	43	COFAMPCO	maryanncabillon@gmail.com	09639595177	<i>[Signature]</i>	✓
16	ROEL TERANIE		✓	48	COFAMPCO	roel.teranie@gmail.com	09360123241	<i>[Signature]</i>	✓
17	WILLMER P. TURING		✓	44	LEU NAB	willmer.p.turing@gmail.com	0903902371	<i>[Signature]</i>	✓
18	Jenevieve Balangue		✓	28	TRIGON	jenlaablangue@gmail.com	09498891148	<i>[Signature]</i>	✓

\*Indonesian FA - Laak





NAME OF EVENT: Sharing Session on Post-harvest Activities  
 VENUE: Cafe Navente, Nabunturan, Davao de Oro  
 DATE: 28 June 2024

**ATTENDANCE**

No.	Name (First, MI, Last)	Sex		Age	Office	Email address	Contact number	Signature	Check if you are giving ICRAF your consent to use photos and videos from the event in its communication materials.
		M	F						
1	BRYAN M. MABUA	✓		29	KPI CBL	bryan.mabua@kpi.com.ph	099665556	<i>[Signature]</i>	✓
2	DE SAH TREBE ARAMON		✓	43	KMPL			<i>[Signature]</i>	✓
3	JESYL P. GUTIERREZ		✓	41	PAGAO	jesylgutierrez@gmail.com	098849056	<i>[Signature]</i>	✓
4	SACAY JALBE		✓	47	PAGAO	sacayjalbe@yahoo.com	0966297884	<i>[Signature]</i>	✓
5	NICOLAN C. GUNAY		✓	02	MANMPCO	nicolan@gmail.com	09667797884	<i>[Signature]</i>	✓
6	Alexandro Sando		✓		COFAMPCO		0957405004	<i>[Signature]</i>	✓
7	Robert Coombs		✓		ICRAF			<i>[Signature]</i>	✓
8	Ni Putu Seker TL		✓		ICRAF			<i>[Signature]</i>	✓
9	Endri Murtini		✓		ICRAF			<i>[Signature]</i>	✓
10	Zared Gel Noza		✓		ICRAF			<i>[Signature]</i>	✓
11	Rachmit Mulya		✓		ICRAF			<i>[Signature]</i>	✓
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## Annex 2a: Participant evaluation results

After the sharing session, the participants were asked to evaluate the execution of the workshop based on the following:

- Session objectives, which cover the participant's understanding of the purpose and role in the session as explained in the invitation and the introductory presentations of the session;
- Session content, which includes the sufficiency of the topics covered and the understandability of the content of the session;
- Session materials, which cover the workshop materials' ease of use and understanding, as well as its appropriateness for the participants and for the content;
- Session facilitators, which includes the facilitators engagement and interactions with the participants during the session;
- Session delivery, which assesses how the session was delivered, the sufficiency of the time it provided for the discussions and for raising questions and clarifications; and
- Facilities and environment, which covers the conduciveness of the venue and the completeness of its participants.

Using survey forms, the participants evaluated the session. It contains statements based on the criteria above and the participants were asked to indicate whether they agree or not with the given statements using a Likert scale, where 1 means "Strongly disagree" and 5 means "Strongly agree". The evaluation form and the mean ratings are in Annex 2b of this report.

### Results of the evaluation

A summary of the mean ratings per set of criteria are in the table below.

Table 6. Summary of average ratings from the participants of the sharing session

Set of criteria	Average rating
Session objectives	4.78
Session content	4.72
Session materials	4.69
Session facilitators	4.75
Session delivery	4.72
Facilities and environment	4.72
Overall rating	4.72

In terms of the objectives, the participants' rating indicates that they 'strongly agree' that they understand the purpose of the training and their role in it.

When it comes to the content, the participants' rating indicates that the participants strongly agree that the session sufficiently covers the topics related to post-harvest activities and that the content is presented in an understandable manner.

For statements referring to the session materials, the average rating shows that the participants strongly agree that the materials used in the session are easy to understand, easy to use and navigate, appropriate for them, and appropriate for its content.

In terms of the delivery, the participants strongly agree that the session was delivered in an engaging manner, they were given sufficient time and opportunity to participate in the discussions and ask questions and have their questions answered, they are comfortable in the pace and length of the session. There are only suggestions to increase the number of participants from the side of the buyer since their prices largely affect the motivation of farmers to plant.

Additionally, the rating for the facilitators also shows that the participants strongly agree that the facilitators are engaging enough, easy to understand, and easy to approach.

The facilities and environment also obtained a high mean rating, which indicates that the trainees strongly agree that the selected venue is conducive for learning.

When asked to provide an overall rating for the workshop, 5 being the highest, the participants provided a mean rating of 4.72. This rating is supported by some of the comments from the participants, saying that it was a productive session, and it will be helpful if there are more sharing sessions like this.

### ***Recommendations for the next workshops***

Based on the results of the participant evaluation for this sharing session, the following practices should be applied in the next sessions:

- Invite more participants from the buyer side
- Request recommendation from partner organizations on potential participants in the session

## Annex 3: Group photos

