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World Cocoa Foundation and Leading Chocolate Industry Companies Partner with Bill & Melinda Gates Foundation to Significantly Improve Cocoa Farmer Livelihoods in West Africa

Five-Year, \$40 Million Investment to Focus on Increasing Cocoa Farmer Knowledge, Marketing Efficiency and Incomes

WASHINGTON, D.C. -- The World Cocoa Foundation today announced a new, \$40 million program funded by the Bill & Melinda Gates Foundation and chocolate industry companies to significantly improve the livelihoods of approximately 200,000 cocoa farmers in Côte d'Ivoire, Ghana, Nigeria, Cameroon and Liberia. The innovative, five-year West Africa Cocoa Livelihoods Program will focus on enhancing farmer knowledge and competitiveness, improving productivity and quality, promoting crop diversification and improving supply chain efficiency. These initiatives will help increase farmers' incomes and significantly improve cocoa community well-being.

The program will be managed by the World Cocoa Foundation and be implemented through a consortium of five organizations including ACDI/VOCA, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, the International Institute of Tropical Agriculture (IITA)/Sustainable Tree Crops Program, SOCODEVI and TechnoServe. In addition to the \$23 million in funding from the Bill & Melinda Gates Foundation, over \$17 million in financial support and in-kind contributions come from the private sector: major branded manufacturers The Hershey Company, Kraft Foods and Mars, Incorporated; cocoa processors Archer Daniels Midland Company, Barry Callebaut, Blommer Chocolate Company and Cargill; and supply chain managers and allied industries Armajaro, Ecom-Agrocaao, Olam International Ltd. and Starbucks Coffee Company. The governments of the participating West African countries will support and be full partners in the program's implementation.

"We know from experience that cocoa can play a significant, positive role in improving farm family incomes in the developing world," said Bill Guyton, President, World Cocoa Foundation. "However, many cocoa farmers today lack the practical knowledge and organizational support needed to grow this unique crop profitably and sustainably. Thanks

to our new partnership with the Bill & Melinda Gates Foundation, we will be able to dramatically expand our efforts to reach these farmers in West Africa and to promote economic and social development as well as environmental conservation in cocoa-growing communities.”

Implementation plans and site selection for the West Africa Cocoa Livelihoods Program will be finalized over the coming months. On-the-ground program activities are expected to begin in late 2009 and early 2010. Once underway, the program will train farmers in better production techniques, quality improvement and business skills; professionalize farmer organizations to better meet member needs; and improve farmer access to agricultural inputs and improved-quality seedlings. The project will also improve farmers’ access to market information and opportunities for diversification into alternative food and cash crops to maximize farmer income and security.

“Cocoa is West Africa’s largest agricultural export, providing a living for nearly two million smallholder farmers and their families in the region,” said Madame Amouan Acquah Assouan, Vice President, Coffee-Cocoa Sector Management Committee, Republic of Côte d’Ivoire. “Too many of them grow cocoa on a subsistence basis, failing to realize the economic benefit this important crop can provide. The new West Africa Cocoa Livelihoods Program can change this situation for the better, lifting thousands of these farm families out of poverty.”

“Agriculture offers powerful pathways out of poverty, but without access to knowledge, tools, and markets, millions of smallholder farmers – most of whom are women – aren’t able to prosper from their land and labor,” said Dr. Rajiv Shah, Director of Agricultural Development at the Bill & Melinda Gates Foundation. “We’re excited to support this partnership, which will create opportunities for these farmers to sustainably boost their incomes and lift themselves and their families out of hunger and poverty.” To date, the foundation has committed more than \$1 billion in agricultural development efforts to increase opportunities for small farmers to succeed at every step of the way—from seed to sale.

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About the World Cocoa Foundation

Established in 2000, the World Cocoa Foundation is a leader in promoting economic and social development and environmental stewardship in 15 cocoa-producing countries around the world. With nearly 70 member companies from the Americas, Europe and Asia, the Foundation actively supports a range of farm-level programs harnessing sustainable agriculture practices to improve the quality of life for the millions of smallholder farmers growing this unique crop. For more information about the World Cocoa Foundation, visit: www.worldcocoafoundation.org

About the Bill & Melinda Gates Foundation

Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people’s health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, the foundation is led by CEO Jeff Raikes and Co-Chair

William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett. Learn more at www.gatesfoundation.org.

About ACDI/VOCA

ACDI/VOCA is a nonprofit international development organization that delivers technical and management assistance in agribusiness, financial services, enterprise development, community development and food security in order to promote broad-based economic growth and vibrant civil society. Based in Washington, D.C., ACDI/VOCA has empowered people in developing and transitional nations to succeed in the global economy for 45 years and in 145 countries. ACDI/VOCA currently has approximately 80 projects in 40 countries and revenues of approximately \$100 million.

About GTZ

As an international cooperation enterprise for sustainable development with worldwide operations, the federally owned Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH supports the German Government in achieving its development-policy objectives. It provides viable, forward-looking solutions for political, economic, ecological and social development in a globalised world. Working under difficult conditions, GTZ promotes complex reforms and change processes. Its corporate objective is to improve people's living conditions on a sustainable basis. The company works on public benefit.

About the International Institute of Tropical Agriculture

Africa has complex problems that plague agriculture and people's lives. We develop agricultural solutions with our partners to tackle hunger and poverty. Our award winning research for development (R4D) is based on focused, authoritative thinking anchored on the development needs of sub-Saharan Africa. We work with partners in Africa and beyond to reduce producer and consumer risks, enhance crop quality and productivity, and generate wealth from agriculture. IITA is an international non-profit R4D organization since 1967, governed by a Board of Trustees, and supported primarily by the CGIAR.

About SOCODEVI

SOCODEVI is a network of Canadian cooperatives and mutuals that cooperate and share technical expertise and know-how with partners in developing countries in order to create, protect and distribute wealth. Since 1985, SOCODEVI has supported over 500 cooperative and mutual enterprises and organizations in 30 countries. SOCODEVI measures its success by the extent to which the enterprises supported become models for their sustainability and the benefits their activities provide. The ultimate goal of SOCODEVI: improved living conditions for the communities.

About TechnoServe

TechnoServe is leading a movement that empowers people in the developing world to build businesses that break the cycle of poverty. Growing enterprises generate jobs and other income opportunities for poor people, enabling them to improve their lives and secure a better future for their families. Since its founding in 1968, the U.S.-based nonprofit has helped to create or expand thousands of businesses, benefiting millions of people in more than 30 countries. The *Financial Times* has rated TechnoServe one of the top five NGOs for corporate partnerships. Charity Navigator has also awarded its highest Four Star ranking to TechnoServe