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**The Impact of Corporate Social Responsibility Initiative on  
Sustainable Livelihood Capitals of Cocoa Farmers in Ghana**  
*A Case Study of Cocoa Livelihood Program in Ahafo Ano South District*

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# ABSTRACT

## JYVÄSKYLÄN YLIOPISTO

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<b>Tiivistelmä – Abstract</b> The Cocoa Livelihood Programme (CLP), an initiative of corporate organizations in collaboration with the World Cocoa Foundation (WFC) in line with their corporate social responsibility (CSR), was introduced in Ghana by Solidaridad West Africa in the year 2009. This CSR initiative is to promote sustainable livelihoods of cocoa farmers. Qualitative research method of approach was used to examine the impact of the CLP on the livelihoods of participating cocoa farmers in the Ahafo Ano South District using the five capitals of the Sustainable Livelihood (SL) Framework. Two research questions were answered using thematic coding and analysis. The findings show that the cocoa livelihood programme (CLP) is impacting positively on the lives of cocoa farmers studied thereby contributing to their social, natural, physical, financial and human capital livelihoods. The CLP programme has resulted in sound environmental management and practices among the cocoa farmers, preventing land degradation while yields from their cocoa cultivation has increased which is helping them to save some money for future use. The study also reveals some challenges to cocoa farmers, which inhibit the realization of sustainable livelihood, even with the achievements under the CLP. Cheating through weighing scale adjustments by cocoa purchasing clerks (PCs) confirms earlier researches. Providing legal support to get official registration of the lands of cocoa farmers and business trainings are some of the findings, which were not captured in the literatures reviewed under this study. The conditions that farmers need to fulfil in order to participate in the CLP initiative should be reviewed as some farmers may be excluded from the program. Also there should be effective enforcement of laws to prevent illegal encroachments of farmlands by both gold seekers and timber merchants to enable cocoa farmers achieve sustainable livelihood.	
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## **ABBREVIATIONS**

<b>AASD</b>	<b>Ahafo Ano South District</b>
<b>AIDS</b>	<b>Acquired Immune Deficiency Syndrome</b>
<b>CBRDP</b>	<b>Community-Based Regional Development Programme</b>
<b>CDO</b>	<b>Community Development Organization</b>
<b>CHTP</b>	<b>Cocoa High Technology Programme</b>
<b>CLP</b>	<b>Cocoa Livelihood Programme</b>
<b>COCOBOD</b>	<b>Ghana Cocoa Board</b>
<b>CSR</b>	<b>Corporate Social Responsibility</b>
<b>DFID</b>	<b>Department for International Development</b>
<b>EB</b>	<b>Executive Bodies</b>
<b>FAO</b>	<b>Food and Agricultural Organization</b>
<b>FDA</b>	<b>Food and Drugs Authority</b>
<b>FEDCO</b>	<b>Federated Commodities</b>
<b>GAP</b>	<b>Good Agricultural Practices</b>
<b>HIV</b>	<b>Human Immune Virus</b>
<b>ICT</b>	<b>Information Computer Technology</b>
<b>IDH</b>	<b>Dutch Sustainable Initiative</b>
<b>LBC</b>	<b>License Buying Company</b>
<b>LEAP</b>	<b>Livelihood Empowerment against Poverty</b>
<b>MDG`s</b>	<b>Millennium Development Goals</b>
<b>MNE`s</b>	<b>Multinational Enterprises</b>
<b>MOFEP</b>	<b>Ministry of Finance and Economic Planning</b>
<b>NGO`s</b>	<b>Non-Governmental Organizations</b>
<b>UN</b>	<b>United Nations</b>
<b>UNDP</b>	<b>United Nations Development Programme</b>
<b>PC`s</b>	<b>Purchasing Clerks</b>
<b>SL</b>	<b>Sustainable livelihood</b>
<b>TNC`s</b>	<b>Transnational Companies</b>
<b>TNE`s</b>	<b>Transnational Enterprises</b>
<b>WCF</b>	<b>World Cocoa Foundation</b>

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# 1 INTRODUCTION

The World Cocoa Foundation in collaboration with Walmart Foundation, Mars and fifteen (15) other corporate organisations in 2009 introduced Cocoa Livelihood Program (CLP) for cocoa producing countries in West Africa including Ghana. The CLP which will be ending in the year 2018 is to promote sustainable livelihood living among cocoa farmers through key activities which will be discussed in full later (World Cocoa Foundation). Solidaridad West Africa which is a regional branch of the Solidaridad Network Organisation based in the Netherlands is facilitating the implementation of the CLP selected Ahafo Ano South District in the Ashanti region of Ghana to provide an expertise advice and training of cocoa farmers in the area. Solidaridad West Africa formed a cocoa farmers group called Kokoo Pa in the above mentioned district which farmers can join voluntarily.

At this same period the CLP has been ongoing, the overview of the performance of agricultural sector, particularly in the Ahafo Ano South District in the Ashanti region of Ghana is said to be low (MOFEP, 2013). Post-harvest loses is said to be higher with only 40% achievable yields in every 1.5 acres of land after harvest. The report (MOFEP, 2013) attributes this situation in the agricultural sector and Ahafo Ano South District in particular to poor methods of farming, lack of modern knowledge of farming and the continuous use of outmoded farming tools and equipment (MOFEP, 2013).

This empirical research was designed to examine the impact of the CLP on the five (5) sustainable livelihood capitals and the challenges to sustainable livelihood based on the views of participating cocoa farmers a case study of Ahafo Ano South District in Ghana. The findings of this study are going to help important players in CRS initiatives to re-evaluate their approaches where necessary, especially what are the challenges militating against sustainable livelihoods of cocoa farmers. In addition, the study will provide further information on the CSR initiatives impact on livelihoods of individuals and groups in cash crop farming.

The core motivation for this study is first my personal life experience and background. Coming from a farming community in the middle part of Ghana where people mostly earn living through farming, is one principal motivation factor in the study. Secondly, my studies at the University of Jyväskylä which involve courses such as “Corporate Social

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Responsibility and Globalization and Social Justice”, are another motivation factor why I decided to research further into the above subjects. The millennium development goals (MDGs) under the United Nations are also one key area of my studies which seeks left societies out of poverty and vulnerability.

## **1.1 Aims and objectives of the study**

There seem to be quite a significant number of studies in the area of sustainable livelihood (Bosompem et al, 2011; Bek et al, 2006; Helmore and Narsh, 2001; and Valerie et al, 2013). Some of these studies give accounts to sustainable livelihood policies, actions being taken and also provides vital information to new bodies of researchers who might be interested in researching further into the concept. This empirical study is not in any way seeking to rewrite (duplicate) existing academic works, but rather intend to enrich those works. To achieve the aims and the objectives of the study;

- I. To find out from the participating cocoa farmers the impact of the CLP on sustainable livelihood capitals.
- II. Identify (if any) existing challenges to sustainable livelihoods capitals of cocoa farmers.

## **1.2 Statement of the problem**

As highlighted in the introduction part of this study, the government of Ghana spends a substantial amount of money in the LEAP programme (FAO, 2013, p.ii). With an estimated 70,000 who are beneficiaries of the LEAP programme, what is perplexing and worrying is the inclusion of people living in the cocoa growing communities in the country (ibid), in spite of the fact that cocoa contributes significantly to the country’s gross domestic product (GDP) and development in general (Breisinger et al, 2008, p.3).

The 2013 budget report of Ghana compiled by the Ministry of Finance and Economic Planning (MOFEP, 2013), reports among other things makes a disquieting revelations of inefficiencies in the country’s agricultural sector. It is found in the budget report that farmers in Ghana and particularly those in the Ahafo Ano South District of Ghana are only able to achieve 40% of yields per 1.5 acres after harvesting (MOFEP, 2013) whereas 70% of the people district livelihoods depends on farming. This revelation from

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MOFEP is really worrying when looking at the farmers' ability to live a desirable life owing on the above mentioned shortfalls. As a result of the above situation, it is imperative to examine the impact of sustainable livelihood initiatives when there is interested in enhancing and promoting the wellbeing of the poor the vulnerable in our societies. Also, the study is to find out existing challenges to sustainable livelihood among cocoa farmers in Ghana.

Sustainable livelihood concept today is seen as a means through which a large number of the so-called poorest people can be brought into the bigger picture of a sustainable development approach (Hood and Hyden, 2003, p.1). The indispensable nature of the concept sustainable livelihood has prompted Scoones (1998) and DFID (1999) to provide both researchers and development agent's clear guidelines to help in assessing the impact of initiatives which are connected to the sustainable livelihood concept. It is essentials to consider what the DFID (1999) called the five capitals which are namely: financial, human, physical, social and natural capitals with each containing different elements making up a frame.

### **1.3 Research questions**

1. How has the cocoa livelihood program (CLP) impacted on livelihoods capitals of cocoa farmers in the Ahafo Ano South District?
2. What are the existing challenges to sustainable livelihood capitals of cocoa farmers?

The next chapter provides readers information about how this whole study was conceived, a brief history of cocoa farming in Ghana, the connections between CSRs and the United Nations' millennium development goal eight (MDG8), the various players in the cocoa supply chain and a brief introduction of the Solidaridad network organization whose project the study seeks to explore.



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## 2 BACKGROUND OF THE STUDY

Ghana is the second largest producer of cocoa in the world as its cocoa production accounts for nearly a fifth of the world's supply. Ghana's cocoa production is estimated at 720 thousand tons representing 20 percent of overall world production (Gyasi, 2010). Ghana is believed to be on top when it comes to best quality cocoa beans among cocoa producing countries in the world (ibid).

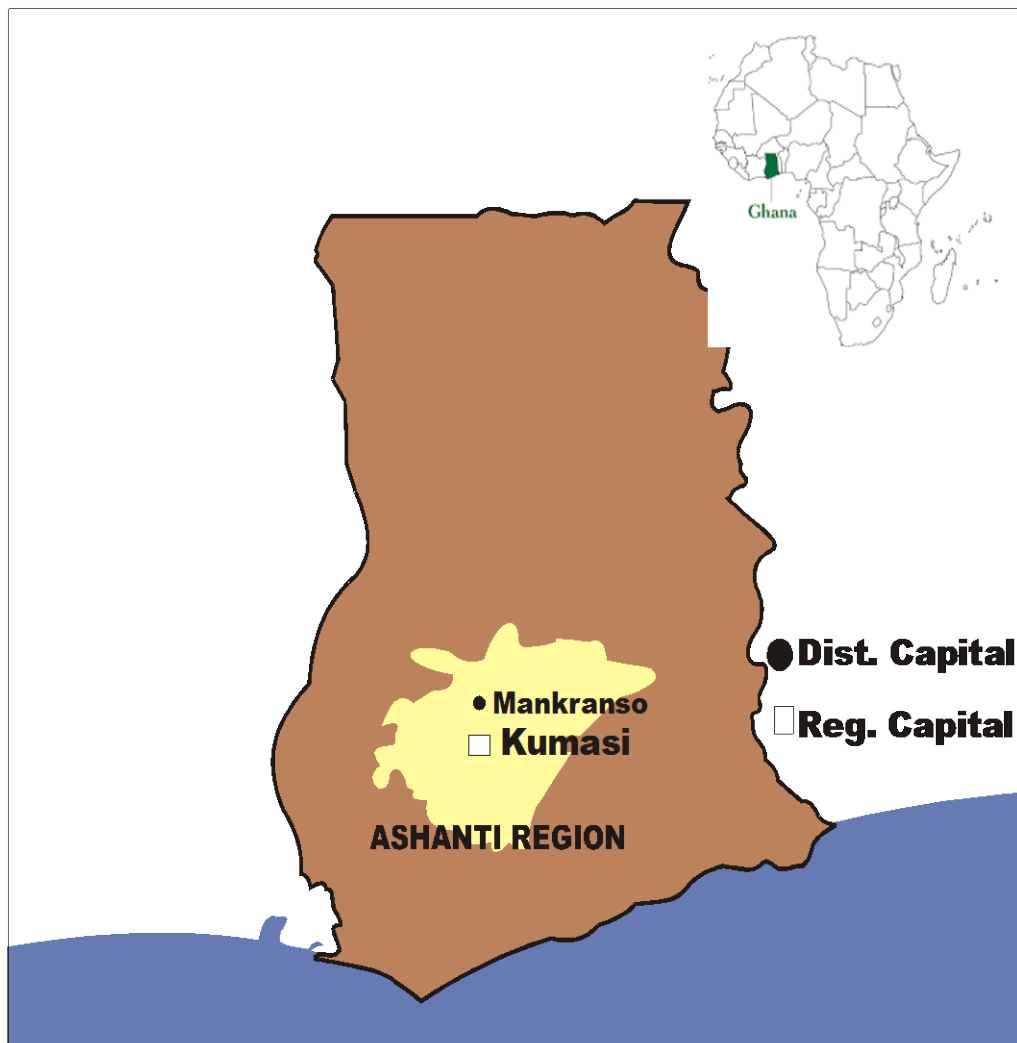
There have been quite many plan strategies and projects by big corporate organizations on sustainable farming practices in the area of cocoa farming in Ghana. The World Cocoa Foundation's (WCF) Cocoa Livelihood Programme (CLP) has been an ongoing project since the year 2009 not only in Ghana, but three other West African cocoa-producing countries namely; Nigeria, Cameroon and Ivory Coast (WFC, 2014). The WCF's CLP initiative is estimated to cost \$70 million and expected to come to an end in the year 2018. It is being funded by Mars, Bill and Melinda Gate Foundation, the Dutch Sustainable Initiative (IDH), the Walmart Foundation and about 15 corporate entities who deals in finished cocoa product and are registered members of WCF (WFC, 2014).

Under the WCFs CLP, it is envisage among other things to create sustainable supply chains from the producer to the consumer and give fair opportunity to cocoa producing households in Ghana the opportunity to produce food crops, alongside cocoa, thereby accessing important economic, social and environmental benefits (ibid). In other words, the CLP will help cocoa producers (farmers) in developing countries to get a better price for better products whiles consolidating sustainable livelihood of the cocoa farmers and their community. They also help companies in the marketplace to implement Corporate Social Responsibilities and find sustainable suppliers. The WCF in this instance play the role of a broker between cocoa producers (farmers) and manufacturers of cocoa products (companies).

Solidaridad West Africa which is a regional branch of Solidaridad Network Organization is currently working in Ghana within cocoa producing areas, focusing on sustainable cocoa farming practices under the CLP, a CSR initiative. Solidaridad West Africa as a non-profit network organization under the WCF CLP initiative is collaborating with Noble Resources, Fair Trade Rainforest Alliance Crop Life to increasing cocoa crop production to 1,000kg/ha and improving the lives of cocoa farmers in general.

The present study was conducted in Ahafo Ano South District located at the North-Western part of Ashanti Region. Ahafo Ano District has a land mass of about 1241kmsq, occupying 5.8% of the total landmark of Ashanti region with district capital Mankraso located 34km along the Kumasi-Sunyani Highway (Abankwah et al, 2010, p.117). Ahafo Ano South District has a fertile humus soil covered with forest which makes it ideal for major farming activities such as cocoa farming. About 300sqkm which is about 28% of the total land area of the district is covered with forest trees making the soil moisturize (ibid).Agriculture plays a very significant role on employment and income of the people living in the above-mentioned district. Agriculture alone employs an estimated 70.2% of the working population in the Ahafo Ano South district (MOFEP, 2013). Figure 1 below is the geographical location of the studied area.

*Figure 1: Geographical location of the research district*



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## **A Brief history of cocoa farming in Ghana**

According to Ghana Cocoa Marketing Board (COCOBOD, 2014) which is the regulating body assigned to cocoa cultivation and export, cocoa as a tropical commodity traces its origination from the Amazon regions of southern America. The spread of cocoa beans around the world is attributed to Spain which had a strong and long history of contact with South America (CODOBOD, *ibid*). The large-scale cultivation of cocoa was started by the Spanish in the 16th century in Central America. It spread to the British, French and Dutch West Indies (Jamaica, Martinique, and Surinam) in the 17th century and to Brazil in the 18th century. From Brazil it was taken to SĂO Tome and Fernando Po (now part of Equatorial Guinea) in 1840; and from there to other parts of West Africa, notably the Gold Coast now Ghana, Nigeria and the Ivory Coast (*ibid*).

When it comes to the history of cocoa in Ghana, much tribute is paid to Tetteh Quarshie who is thought to have brought cocoa from a place called Fernando Po. It is generally believing in Ghana that, he started the mass cultivation of cocoa resulting in the spread from Akwapim Mampong which was his hometown to other parts of the country (*ibid*). But this notwithstanding, a British Governor by name Sir, William Bradford Griffith is also thought to have arranged for import of cocoa seeds to be nursed and distributed to farmers willing to go into cocoa farming (*ibid*). Cocoa farming is done in a subsistence way. People use small farm land of the families to cultivate the cocoa crop yet, its contribution in terms of gross domestic product (GDP) to the economy of Ghana is overwhelming.

### **2.1 Cocoa supply chain in Ghana**

It imperative for this study that light is shed on the cocoa supply chain in order to bring to bear the role of various players in this international commodity. Figure 2 in this study which is a modification of cocoa supply chain presented by Gilbert (2006, p.6) gives a clear diagram representation of cocoa supply chain in Ghana. The modification of the diagram was necessary owing to the fact that cocoa supply chain vary from country to country with different players or bodies involve. Cocoa farmers are the first to come into the picture in the cocoa supply chain. While small and cooperate cocoa farmers around the world is estimated to be around five to six million (WCF, 2014, p.2), the number of

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smallholder cocoa farmers including cooperation farms is well over eight hundred thousand (800,000) in Ghana (on the cocoa trail, 2015).

### **2.1.1 Small farmers and corporate farmers**

In Ghana, small farmers and a handful of co-operate cocoa farms that exist operate privately where the source of funding for cocoa farming is from personal assets. Small farmers apart from growing the cocoa trees in tropical environment from or along the equator of latitude 15-20 degrees does the harvesting, fermenting and drying of the cocoa beans before selling it to LBCs for bagging and onward export (WCF, 2014, p.4). Ripe cocoa pods attached to the cocoa trees are detached and gathered in one place where the pods is split open with machete or and sharp cutting object to remove the beans and after this, the cocoa beans collected are piled and covered with plantain or banana leaves to allow fermentation of the cocoa beans to occur and finally dried in the sun for a while (WCF, 2014, p.4). This first process in the cocoa supply chain is applicable in all cocoa producing countries in the world.

### **2.1.2 Buyers and exporters**

The next stage of the supply chain is the selling of cocoa beans to local licensed buying agent who are funded and authorized to purchase cocoa beans by relevant authorities in the cocoa production and processing industry. In the case of Ghana where the study took place, local buying agents are authorized by the Ghana COCOBOD which is sole body with the authority to purchase and export the cocoa beans for sale at the world cocoa market. The monopoly buyer role played by Ghana COCOBOD leads to domestic use and exporting of cocoa beans either directly or indirectly through big players in the cocoa marketing business (Gilbert, 2006, p.6). Because of this monopolistic role being played by COCOBOD, pricing of cocoa bean produced by small farmers are determined by COCOBOD. There is no open competition in Ghana when it comes to buying of cocoa beans. Ghana government represented by COCOBOD is the sole exporter of dried cocoa beans and in some situations through accredited major exporters at the two major cocoa international markets in London (NYSE LIFFE - GBP), United Kingdom and New York (ICE – USD) in the United States of America (WFC, 2014, p.8).

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### **2.1.3 Cocoa grinders**

The cocoa grinders or sometimes referred to as converters both domestic and multinationals in the cocoa supply chain are said to be most powerful and influential in the cocoa industry with handful of players in this regard (Cocoa Barometer, 2010, p.5) with Gilbert (2014, p.7) referring to them as “oligopolists” in the cocoa industry. This according to Cocoa Barometer (2010, p.5) is a result of “ongoing horizontal and vertical integration: concentration process in the grinding segment and the outsourcing of liquid chocolate, respectively”. There are five bodies acting as grinders in the cocoa supply chain worldwide with three as major actors; Cargill processing 14.5% of cocoa beans, ADM 13.9% and Barry Callebaut 12.2% respectively and the two minor cocoa grinders; Petra Foods and Blommer processes 7% and 5.3% of cocoa respectively before supplying them to manufacturers (Cocoa Barometer, 2010, p.5). The cocoa grinders and converters are not manufacturers in the cocoa industry but rather recognize themselves as trading companies serving as the link between producers and manufacturers (Gilbert, 2014, p.7).

### **2.1.4 Chocolate and cocoa product manufacturers**

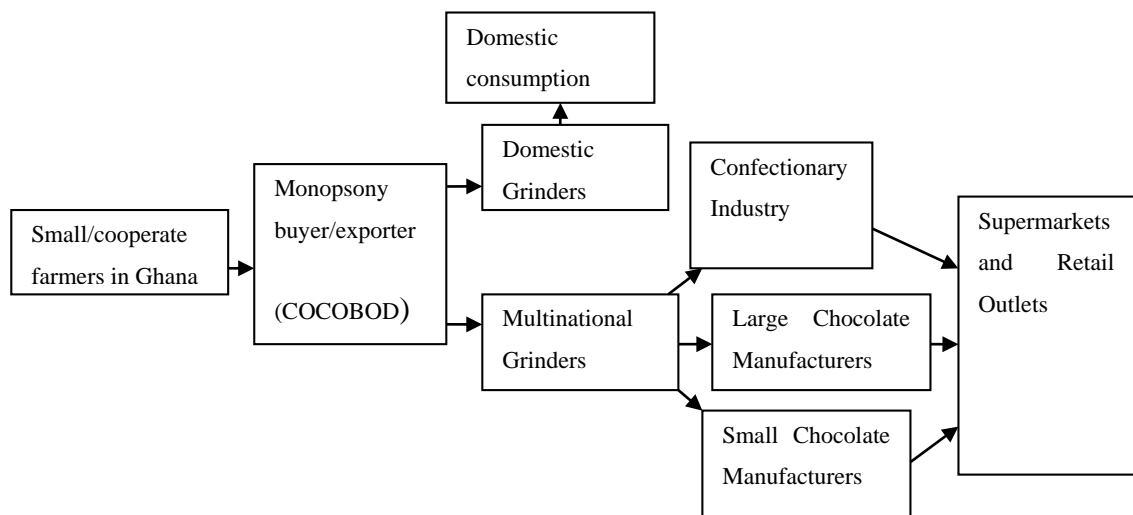
Chocolate and cocoa products manufacturers whose work is value addition to the raw cocoa beans is less concentrated compared to cocoa grinders/converters (Gilbert, 2014, p.7) yet still activities in relation to mergers and acquisitions of smaller cocoa manufacturing companies is creating dominance by few industrial players as they have grown significantly in size with fewer competitors (Cocoa Barometer, 2010, p.5). Among the major players in the chocolate and cocoa product manufacturing industry are: Kraft, Nestle, Hershey’s and Ferrero with their combined production estimated to be over 50% of cocoa processing in the entire world (ibid). Even though chocolate manufacturers are capable of buying the raw cocoa beans from exporters, they prefer to keep the traditional way of buying butter, liquor and powder from cocoa grinders who form part of the cocoa supply chain (Gilbert, 2014, p.7).

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## 2.1.5 Retailers and Supermarkets

Retailers and supermarkets basically provide linkage between consumers and manufacturers along the cocoa supply chain. Retailers and supermarkets in this regard, are marketers whose main activities are to sell to consumers manufactured cocoa products in bulk or in pieces. Once the final products of cocoa get to the consumers, the supply chain line comes to an end.

*Figure 2: Cocoa Supply Chain in Ghana (a modification by the author based on Gilbert 2014, p.4)*



## 2.2 Connection of CSR to United Nations MDG8

There is some form of mutual connection between concepts of corporate social responsibility (CSR) and sustainable livelihood (SL) as a result of globalization. The two concepts by no means are very crucial looking at the current issues such as poverty, inequality, resource scarcity and global warming as a result of unhealthy environmental practices. That is, CSRs can play a meaningful impact in tackling some societal constraints raised above.

CSR which is seen by many as correcting wrongs committed by multinational enterprises (MNEs) and transnational corporations (TNCs) with the aim of avoiding social upheavals especially in the global south (Mares, 2006, p.1) go beyond that today. MNEs/TNCs today

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are focusing seriously on issue of sustainability of their operations (Katsouloukas and Katsouloukas, 2007) and it is being attended to within the concept of CSR which somehow may transcend to sustainable livelihood concept.

The millennium development goal 8 (MDGs) which is partnership for development under the United Nations (UN) is concern with creating a sustainable livelihood for all and is encouraging TNCs/MNEs to take active part to achieve the set targets of the MDGs (UN Millennium Project, 2002-2006). Under the framework of the corporate contribution to development, business can contribute to reaching each of the MDGs by adopting international principles into their day-to-day activities. According to United Nations Development Programme (UNDP, 2008), “the poorest two-thirds of the world population has some five trillion dollars in purchasing power” and if this, is true, then one is right to believe that business if extended to them, can be beneficial to the poor and businesses. In other words, businesses are guaranteed sustainable production since they have markets for their goods.

Companies through CSRs can contribute meaningfully to eradication of poverty and hunger by making products and services such as water, electricity, housing, healthcare, food and education, as well as economic opportunity, for example, in the form of employment and training, supplier development programs and micro credits, available to the poor (UNDP, 2008).

Enterprises can also support NGOs and social enterprises in their combat against poverty by fund-raising or by offering in-kind support such as employee volunteering. Besides the civil society, companies can offer their support to governments in their initiatives aiming at improving the business environment to attract foreign investment.

In economic terms, business can contribute to reach each of the MDGs by creating sustainable jobs, generating income and investments, developing local human resources through technology transfers, avoiding corrupt practices among others which fall under economic responsibility (ibid).

Creating job for the poor will not only offer income but will put them on the sustainable supply chain line in relation to production. UNDP (2008) emphasizes that business must invest in skills development training of workers and at the same time increasing local capacity and capability by providing an up-to-date modern technology to improve their

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efficient way of working. This will lead to technology transfer which will help transform their way of life.

Companies through CSR activities can help in achieving universal primary education by tackling child labour. This can be done through careful management of the global supply chains to make sure that child labour is not used in any stage of the production and also through promoting children's rights in cooperation with governments, NGOs and international organizations (ibid). Companies involved in ICT and education can work for this goal by supporting the use of ICT in schools, offering learning materials and training teachers (UNDP, 2008). Companies can also support the education of their employees' children and of the children in the communities they operate in and invest in local schools by providing financial and in-kind help. They can also try to affect government policies to promote education.

Businesses can promote gender equality and empower women by hiring more women, using female-owned enterprises as suppliers and tailoring products targeted for women's needs (ibid). The UNDP report paper argues that companies can also tackle sexual harassment in the workplace and combat sexual exploitation and trafficking of women. Companies thus support programs for empowering women directly or with NGOs and promote women leadership for example through organizing networking events (ibid). Business organizations can also try to influence the governments to draft legislative reform that would improve gender equality.

According to UNDP (ibid), companies producing consumer goods, pharmaceuticals, and food can contribute in reducing child mortality by providing affordable products that are essential for children's health. More indirect initiatives involve, improving public health services and access to clean water and sanitation. Companies can also support information awareness-raising campaigns related to hygiene and nutrition, AIDS/HIV orphans programs and school-feeding programs as well as an advocate for government to support children's rights.

Business under CSRs can positively engage in improving maternal health directly by providing women in developing countries with affordable health care products and services. Indirectly, companies can influence this cause by introducing health and safety standards across their supply chains, which are often staffed by women (ibid). Supporting



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efforts promoting gender equality as well as increasing access to clean water and fighting HIV/AIDS have indirect effects as well.

Businesses all over the world need Healthy human power to effectively sustain its existence. In this regard, it is imperative that business help combat HIV/AIDS, malaria and other diseases by providing affordable HIV/AIDS drugs and other essential drugs in developing countries and by supporting different HIV/AIDS programs at workplace and elsewhere as well as contributing to HIV/AIDS and other disease funds.

Environmental degradation as a result of improper disposal of industrial waste, open pit mining and electronic waste is very crucial to good health (ibid). Business can work towards dealing with these problems by developing innovative way and technologies in terms of machinery to tackle them. Companies through CSRs can contribute to ensuring environmental sustainability in many ways, which include: complying with existing environmental laws and voluntary international standards, investments in green technology, life cycle assessments, sharing environmentally friendly methods and technology with supply chain members and business partners, greening the financial markets, combating the climate change through reducing the carbon footprint and train locals for example farmers in sustainable farming practices.

### **2.3 Solidaridad network organization and its activities**

Solidaridad Network Organization is an international civil society and nongovernmental organization has been working for about 45 years across the world by assisting corporate organizations in the supply chain of raw materials to promote among other things; socially accountable, ecologically friendly practices while making profits. To realize this, Solidaridad is working in 12 supply chains by establishing 10 regional offices in 5 out of the 7 continents in the world (see figure 3 and 4 for geographical locations of Solidaridad Network Org.).

Formed in the year 1969, Solidaridad network organization is spearheading quality of life and a healthy planet for mankind through an unending effort and mutual cooperation with relevant institutions who play a meaningful role in human development (Solidaridad network, 2013). Solidaridad has over the years have been involved in creating products

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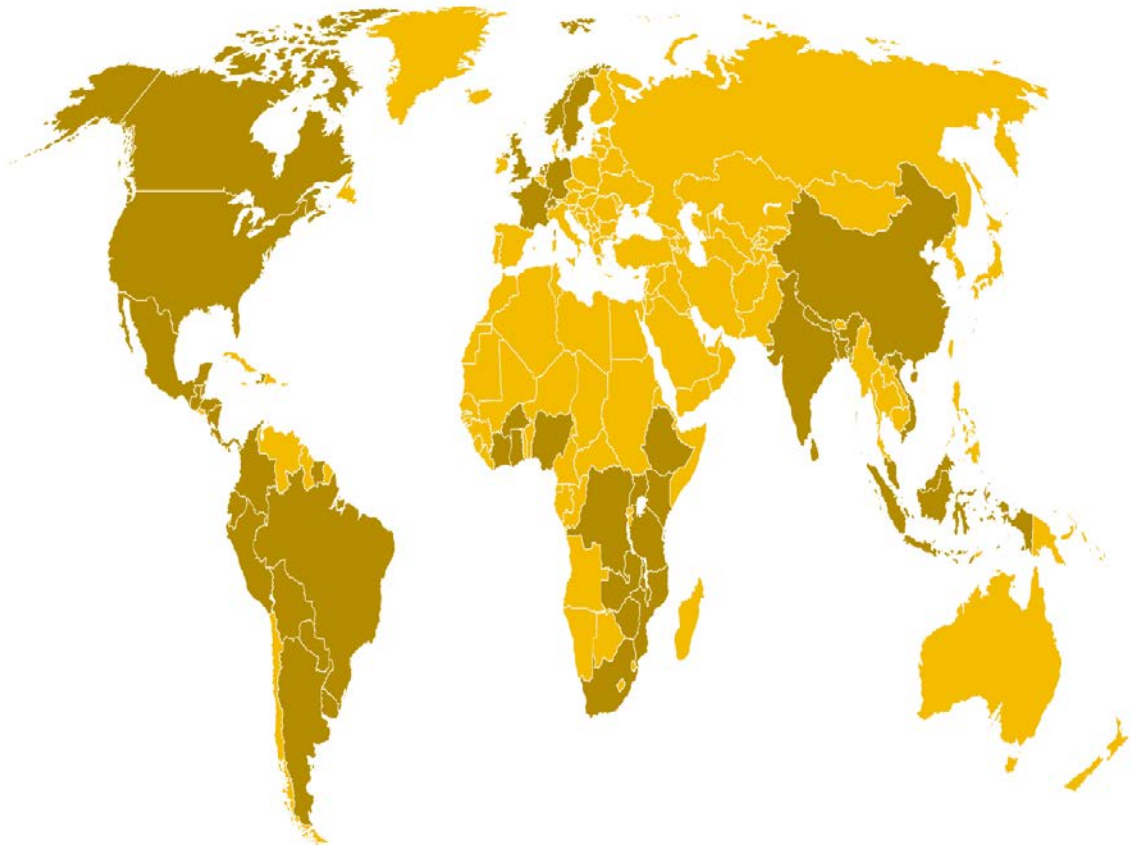
and processes along supply chains that will help corporate organizations shift towards an all-inclusive, sustainable economy through assisted CSR initiatives (ibid).

In an effort to promote social and ecological responsibilities in the supply chain, Solidaridad network organization is connecting, partnering and collaborating with all the relevant stakeholders in the cocoa industry (ibid). Solidaridad in this sense has been at the forefront in providing innovative certification schemes, giving education to raw material producers, helping businesses to observe ethically acceptable practices, shaping national and international policy, creating new network for marketing purposes, and providing scientific-based solutions to products (ibid). The organization, views among other things, advancing the course of structural changes such as ensuring food security, reinforcing good labour conditions and a living wage, acceptable mining practices, and assisting to access investment very important to maintain positive impact on the health and livelihoods of people and sustaining biodiversity of the environment (ibid). The organization is mostly focused on the realization of sustainable income for farmers under the CLP in their West Africa branch.

In Ghana where I did my internship with Solidaridad West Africa, their services and activities involved certification of cocoa beans produced by cocoa farmers which is done in collaboration with bodies such as; UTZ and Fairtrade international. Cocoa farmers are comprehensively trained under the CLP good farming practices which are seen as building the capacity of farmers. This capacity building training seeks to help farmers in areas like chemical application, good planting methods, respect to the environment and biodiversity and provision of relevant social services to participating farmers and their communities. Solidaridad also makes sure that farmers get buyers and a good premium for their produce to meet the sustainable income goals of the CLP. Solidaridad to a larger extent are brokers between businesses in the cocoa industries and local producers (cocoa farmers).

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*Figure 3: Solidaridad is an international network organization with 10 regional offices on 5 continents.*



Source: [solidaridad network.org/regions](http://solidaridad.network.org/regions)

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*Figure 4: Solidaridad West Africa*



Source: [solidaridad.network.org/westafrica](http://solidaridad.network.org/westafrica)

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## **3 CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW**

Chapter three of this study is the conceptual framework and literature review. The chapter seeks to highlight how corporate social responsibility (CSR) and sustainable livelihood (SL) has been conceptualized in broader perspectives. In this case, definitions of both the concepts of CSR and SL are explicitly dealt with through various definitions by some authorities in academia and bodies outside academia. The concepts under CSR and SL are elaborated further by bringing out the central debates generated by the authors. This chapter also reviews available sustainable livelihoods initiatives impact reports in relation to CSR.

### **3.1 Corporate social responsibility (CSR)**

CSR as a concept has no clear definition due to still ongoing debate by development practitioners and the academic trying to justify its clear meaning. But this notwithstanding, the study is going to rely on few definitions given by some authoritative bodies.

The European Commission green paper (2002) defined CSR as “a concept whereby companies integrate social and environmental concern in their interaction with their stakeholders on a voluntary base”. Kotler and Lee (2005, p.3) defined CRS as “a commitment to improving community well-being through discretionary business practice and contributions of corporate resources”. CSR is also an unending responsibility which encourages businesses to act ethical way to contribute to economic, social, health and environmental emancipation of their workers and their dependents and by extension communities and societies according to WBCSD (2000, p.8).

Carroll (1979, p.500) conceptualizes CSR as economic, legal, ethical and discretionary responsibilities. In this sense, Carroll uses the pyramid (see figure 4a) where economic is the basic foundation and discretionary responsibility as the apex (1991, p.4). These four elements together form the social responsibility of a company so that economic and legal responsibilities are socially mandatory, ethical responsibility is socially expected and discretionary socially desirable (Carroll, 1979, p.500). CSR initiatives are tied with

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economic aspirations of MNEs and TNCs while our economic capabilities as a society is rooted firmly on thriving business institutions (Carroll, 1979, p.500). Carroll (ibid) argues that goods and services which are part of the wants in society are produced by business with the ultimate goal of making a profit. Legal responsibility (Carroll 1979, p.500) means companies comply with all the legal frameworks that the society has laid down to be followed by companies before they commence their business operation. In other words, legal responsibility has to do with following the general rule of the trade within which companies find themselves in. Ethical responsibilities on the other hand according to Carroll (ibid), are not back by any laws but rather, are expectations of society members towards businesses. Ethical responsibility is more concerned with what is seen as an appropriate thing to do and morally justifiable (ibid). Carroll (1979, p.500) argues that ethical responsibilities are among the most difficult for businesses to deal with as they are not well defined. Ethical responsibility as one of the elements in CSR is mainly to enhance the image of companies. Lastly, Carroll (1979, p.500) explains discretionary or volitional responsibilities also known as philanthropic actions, involves activities that companies embark upon which the society at large benefit from it directly. These activities (building of school) serves as platform for the companies to engage in social roles in societies which are never mandatory but companies only reciprocating in kind gesture the opportunities offered to them by the society (ibid). Carroll (1979, p.500) emphasizes that, even though there are four elements of responsibilities to look at under the concept of CSR, all the above four should be fulfilled inseparably.

Lantos (2001, p.596) on the other hand conceptualized CSR by distinguishing it into three types. These are ethical, altruistic and strategic responsibilities. Lantos (ibid, p.606) opined that ethical CSR involves fulfilling the firm's ethical duties. Lantos argues here that, ethical CSR is a "social responsibility" since a corporation is morally responsible to any individual or groups where its activities might wreak actual or potential injury being it physical, mental, economic, spiritual and emotional (ibid). It is obvious that MNEs and TNCs activities may not readily impact on the lives of the peoples who may or may not be closer to them but rather manifest as time goes by. It is for this reason that corporate bodies being it small or large must act as a morally responsible agent to curtail any harm that may result from their activities.

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Lantos' definition of ethical responsibility is a combination of Carroll's economic, legal and ethical responsibilities. The actions under this responsibility are taken because they are socially mandatory and commonly expected actions from a firm, which aims to maximize shareholder value and comply with the law and ethical norms. Altruistic or humanitarian CSR according to Lantos (2001, p.608-9) suggests a genuine optional caring action that companies embark on without necessary aimed at creating profit for the companies. Altruistic or humanitarian CSR should promote better living of societies and communities through tangible policies and actions of MNEs and TNCs the same way they will apply to ensure their flourishing (Lantos, 2001, p.609). These altruistic or humanitarian actions include; sponsoring clean-up exercises, funding cultural and educational programs, providing job skills training, among others. Lantos (2001) lastly conceptualizes CSR as strategic. Strategic CSR or strategic philanthropy is carried out to achieve strategic business goals that good endeavours are believed to be good for business as well as for the society (Lantos, 2001, p.618). Strategic CSR is important endeavour taken by MNEs and TNCs through financial and other forms of material provisions to societies and communities where they operate in order to guarantee and protect their utmost business interests. That, the firms may not immediately reap all the benefits of carrying out this strategic CSR action but rather in the long-term where it will start to reflect in its financial statements (ibid).

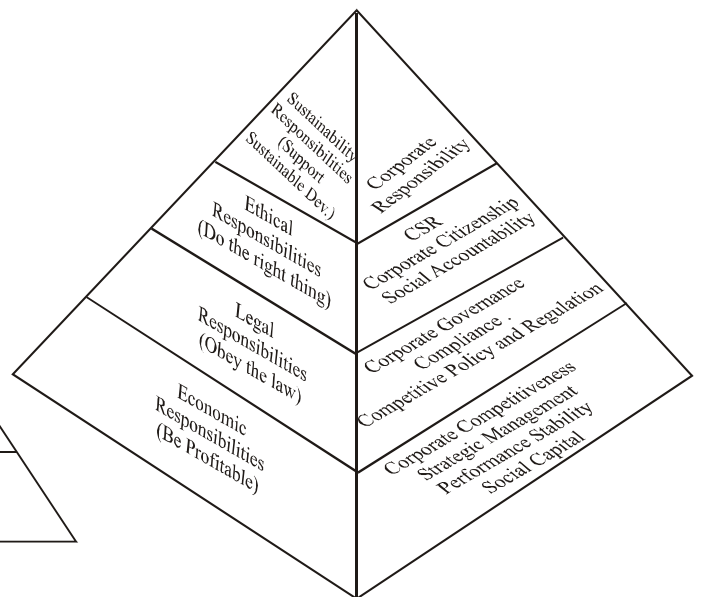
According to Katsoulakos and Katsoulakos (2006, p.14), corporate social responsibility perspectives mainly seeks to set-up a well-structured approach to solve the numerous strands of companies' responsibilities incorporation with their strategic management. The additional element added to the previous work of Carroll, 1979; and Lantos, 2001 concerning concept of CSR by Katsoulakos and Katsoulakos (ibid) is "sustainability responsibilities" (see figure 4a and 4b). Katsoulakos and Katsoulakos (ibid) replaced discretionary and philanthropic or humanitarian with the argument that today, relevance of above three in relation to CSRs is diminishing whereas "sustainability" represents a major CSR which is uniquely different from all other responsibilities. With sustainability responsibility, Katsoulakos and Katsoulakos, 2006, seems to profess is that for MNEs and TNCs to continue to exist and enjoy all the benefits the society has to offer, they need to promote and ensure actions which seek to protect the environment.

From the above conceptualization of CSR, there is no chasm in the arguments put forward by the three authors (Carroll, 1979; Lantos, 2001; and Katsoulakos and Katsoulakos, 2006) whose work is used as conceptual framework of this empirical research. However, Katsoulakos and Katsoulakos (2006) provide insightful new phenomena shaping the ideas of contemporary CSRs in addition to the two most prominent authors in this discussion field. Based on the explanations of the concept of CSR by the above three authors, in whatever way or form that CSR take, companies (MNEs or TNCs) have some obligations to societies being it legally binding or not. And whether their actions are altruistic, philanthropic among others, there is an inevitable impact (positive or negative) on the receiving society or group. In all, what makes CSR relevant today can be linked to the weakening of parastatals governing cocoa in developing countries after the introduction of the structural adjustment programme from the eighties (Abbott, 2002, p.2). Perceived corruption among agencies responsible for cocoa production in developing countries where cocoa is grown led to some changes under structural adjustment programme to make way for private participation (ibid, p.6).

Figure 5: 4a (Carroll 1991, p. 42)



Figure 4b (P. & Y. Katsoulakos 2006, p. 41)





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## 3.2 Sustainable livelihood (SL)

The concept of sustainable livelihood traces its origin right to the idea of Hans Carl von Carlowitz a German mining governor in the city of Freiberg that, there should be a way to mitigate the plundering of trees in the forest (Verbund, 2014). This noble idea gained more prominence when the United Nations (UN) established World Commission for Environment and Development (WCED) in 1983 headed by Gro Harlem Brundtland to come up with plans in order to promote sustainable development. The “Brundtland Commission Report” named after the head of the commission published its work in the 1987 which was titled “Our Common Future” (ibid). The Brundtland Commission Report in this regard, defined the concept of sustainability as “Sustainable development that meets the needs of the present generation without compromising the ability of future generations to meet their needs” (Verbund, 2014).

Helmore and Singh (2001, p.5) defines sustainable livelihood concept as “the management and use of natural resources to ensure that these resources will remain intact for future generations”. In order to determine the success or otherwise of development project, sustainable livelihood is a key benchmark (Helmore and Singh, 2001, p.5). According to Helmore and Singh (2001, p.5-6), sustainable livelihood in a broader sense is aimed at promoting the aspirations of the concept of sustainability through intellectual reflection of diversity of life that exist in communities. Helmore and Singh (2001, p.6) prescribes that, sustainable livelihood approach should be designed in such a way that economic efficiency, social equity, ecological integrity and resilience are advanced in communities where SL project is being carried out. Sustainable livelihood, Helmore and Singh (2001, p.9) emphasises should not be taken as ensuring that one’s basic needs are met but rather reminds us the intricacy of human development. In other words, as humans with different resource at our disposal, one or the same prescription of development project may not be applicable to us all. This means if proper scrutiny and due diligence are not done in relation to development project implementation, there is going to be a flop.

According to Chamber and Conway (1991, p.5), “a livelihood encompasses the capabilities, assets (stores, resources, claims and access) and activities necessary for a means of living; a livelihood is sustainable which can handle with and recover from stress and shocks, maintain or augment its capabilities and assets, and provide sustainable

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livelihood prospects for the future generation; and which contributes net benefits to other livelihoods at the local and worldwide and in the short and long-term". In view of the above, Chambers and Conway (1991, p.5) conceptualizes sustainable livelihood on the bases of capabilities, equity, and sustainability which promotes human development and protect the environment. A capability under sustainable livelihood enables an individual or group of people to carry out basic functioning's which are normal for all human beings to do or being performed (Chambers and Conway 1991, p.4). Chambers and Conway (ibid) argues that, capabilities serves as both an end and means of livelihood such that, without it, livelihood cannot be achieved but at the same time there would not be capabilities without existence of livelihood (ibid, p.5). What is most important about capability is that one is willingly able to decide and select for him or herself any activities as a way of meeting what he or she may deemed as quality and example here is living a worthy life such that one gets good food to eat (ibid). Equity according to Chambers and Conway (ibid, p.5), is the act of doing away with unequal sharing of assets, capabilities and opportunities with the sole aim of improving the lives of the so-called disadvantage or deprived people in the society. Chambers and Conway (ibid) argue that, "equity is both an end and a means: any minimum definition of equity must include adequate and decent livelihood for all (an end); and equity assets and access are precondition (means) for gaining adequate and decent livelihoods". Which means that one is said to have achieved equity provided there is fair remuneration after rendering service where source of remuneration should constantly be available. Equity in other words must prevail over greed and all actions that lead to deprivation of human needs. Sustainability is both an end and means where protection of assets is seen as very important (end) and is a prerequisite (a means) for making sure that the generation unborn come and meet those assets intact (Chambers and Conway ibid, p.5). Sustainability implies being independent in terms of one's needs to make a living where there is a long term thought of being able to moderate and depend on resources available (ibid, p.5). Under sustainability, Chambers and Conway (ibid) identify two important elements that should be considered when delving into sustainable livelihood which are; environmental and social sustainability. For example, Chambers and Conway elaborate environmental sustainability by highlighting the new global apprehension on issues such as environmental degradation and depletion of the ozone layer through pollution, deforestation, and over exploitation of non-renewable resources like gold mining leading to what has now becoming known as global warming (ibid, p.4). Social sustainability in broader sense seeks to examine how

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human beings right from the individual to family level despite having gainful employment, if they are able to sustain appreciable standard of livelihood (ibid, p.10).

Scoones (1998) on the other hand, conceptualized sustainable livelihood with five key elements based on the definition provided by Chambers and Conway, 1992. This is to fact that, the concept of sustainable livelihoods is made up of numerous ideas and interests such that, development discussions accommodate various elements that may arise from those interests and ideas (Scoones, 1998, p.7). Scoones (ibid) argues that, to enable us have clear choice when bargaining between results possibilities feasible which is part of any policy development, planning or implementation process as supposed to do with sustainable livelihood, there is the need to break down the definition of sustainable livelihood into series of indicators. Of the five elements, three of them are focused on livelihoods and the other two are within the dimensions of sustainability which are: creation of working days; poverty reduction; well-being and capabilities; livelihood adaptation, vulnerability and resilience; and lastly, natural resource base sustainability (Scoones, 1998, p.5-6).

- i. Creation of working days – There should be gainful employment for people within certain period of the year through diversification of livelihood strategies (Scoones, 1998, p.). In this instance, the gainful employment can either be resorting to crop productions, off farm work like petty trading and labour work for wage at a construction firm or factory (ibid). The idea of being able to work for a minimum 200 should be enough to create a sustainable livelihood in view of other suggested targeted levels taking into consideration the percentage of people who really needed work is what is going to inform on the number of livelihood to be created(ibid).
- ii. Poverty Reduction - Livelihoods are best assessed when prevailing poverty level is used as important benchmark (Scoones, 1998, p.6). In order to find empirical evidence of poverty reduction in a particular area, Scoones (ibid, p.6) citing authors like Ravallion, 1992; Baulch, 1996 points out that, by using income and consumption level, numerous methods can be employed to develop what is termed as an absolute poverty line under human development. Gini coefficient measures can alternatively be used to evaluate relative poverty and inequality within sustainable livelihood context (Scoones, ibid, p.6). The argument and assertions

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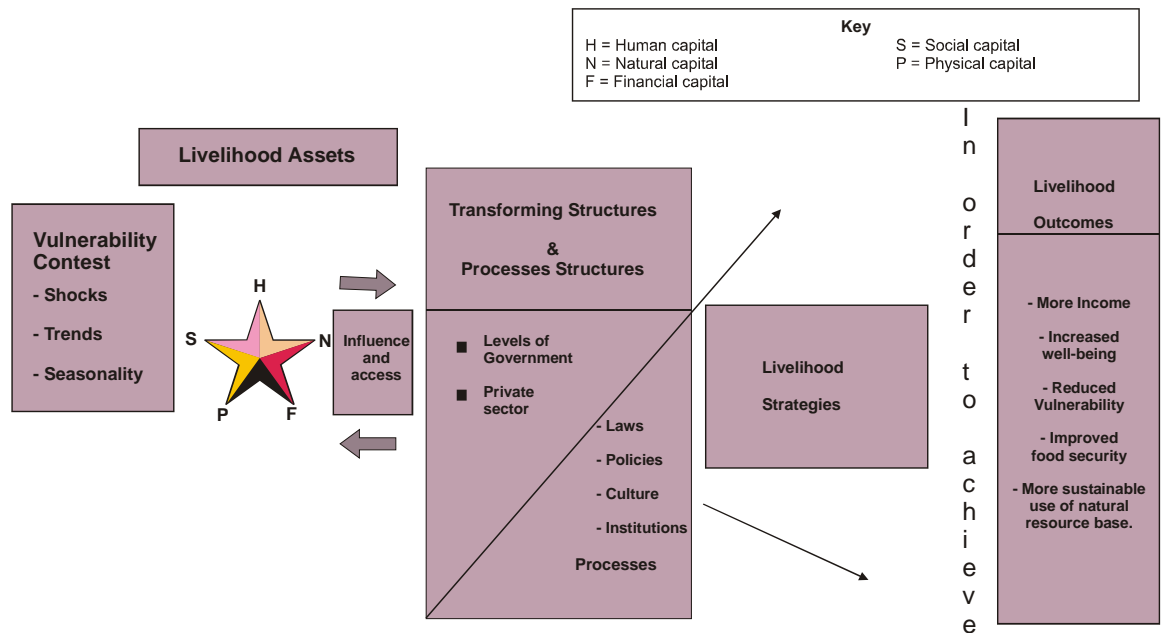
here is just a reminder that, there is the need to interrogate poverty reduction holistically especially where the intention is about sustainable livelihood.

- iii. Well-being and capabilities - According to Scoones (1998, p.6), well-being and capabilities provide a broader definition scope for the livelihood's concept. Scoones (1998, p.6) citing Sen 1984; 1987, broadens the understanding of capabilities to mean what people can do with their rightful claims bearing in mind that this concept goes beyond human basic needs such as food and income gain from work. This concept represent more than human capital where normally attention seems to be on how people are able to do things but also taken into consideration the inherently esteemed elements of 'capability' or 'well-being' (Scoones, 1998, p.6).
- iv. Livelihood adaptation, vulnerability and resilience - Sustainable livelihood concept is anchored with the ability of people to manage and most importantly regain from stresses and shocks (see figure 6 of sustainable livelihood framework) resulting from natural disasters such as famine (Scoones, 1998, p.6). Sustainable livelihood is unlikely to be realized on the part of those who have no means to cope with the short-term changes or lack alternative (diversification) plans to adapt to the changes in livelihood sources and so become vulnerable in society (Scoones, 1998, p.6). How people historically responded to shocks and stresses according to Scoones (ibid), are among many factors to consider when analysing as means to assess the resilience and aptitude to certainly adapt or cope.
- v. Natural resource base sustainability – Most rural communities depend heavily on natural resource base for their livelihoods but this should not be interrupted in terms of productivity as result of their continual usage (Scoones, 1998, p.6). In other words natural resource such as land should be fertile enough at all time because it only through soil fertility that for example sustainable food production can be sustain. But then it should be noted that the land is bound to be stressed for its continual usage and will therefore need some remedies such as application of organic fertilizers to augment this stress as result of depletion of soil fertility. The most important thing of all in relation to natural resource base sustainability is to avoid plundering natural resource stocks as much as possible to ensure effective minimization of its destruction to promote sustainable livelihood.

It is worth noting that, all the above conceptualizations of SL by Chambers and Conway, 1991; Scoones, 1998; and DFID, 1999 sought to create some form of awareness about

treating natural resources effectively well by building human capabilities. To this end, sustainable livelihood adaptation is indeed inevitable if we want to address the issues of vulnerability and poverty of the so-called poor people in society and promote continual existence of biodiversity. Sustainable livelihood is valuable and relevant concept to be adopted by all well-meaning bodies as it seeks to promote quality life of the poor people in our world today. The DFID (1999) building on the existing literature work on sustainable livelihood concept by Scoones (1998), provides the meanings and framework of analysing the five capitals (see figure 6).

Figure 6: Sustainable livelihood framework (DFID, 1999)

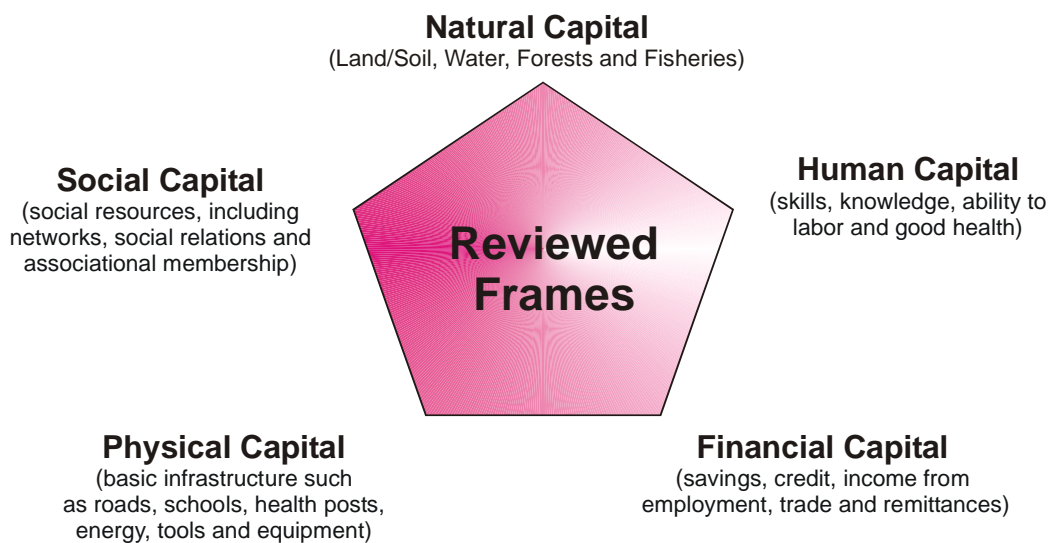


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### 3.3 The impacts of CSRs programs on SL capitals by corporations, scholars and NGOs

Based on framework provided by Scoones, 1998; DFID, 1999 on what is required in order to achieve sustainable livelihoods (see figure 7), major reports on its impact by corporations, NGOs and scholars alike seems to be in line with five major dimension they have provided which are; *financial capital, human capital, social capital, natural capital and physical capital*.

Figure 7: Reviewed frames (after Scoones, 1998; DFID, 1999)



To enable scholars, NGOs and corporations better assess impacts of some of these so-called sustainable livelihood programs or say projects, some resort to studying beneficiaries of these programs or projects and non-beneficiary's livelihood outcomes through various study methods. The inclusion of non-beneficiaries in some of these studies which you come across below are somehow only for control purposes to the main study.

#### 3.3.1 Financial Capital

Financial capital as already mentioned above aims at equipping people to be able to face economic realities in the society. Without financial capital people's livelihood may not be sustainable. Sustainable livelihood concept which takes into account financial capital of individuals in society (Scoones, 1998) focuses primarily on individual's access to credit facilities from financial institutions such as banks, credit unions popularly known among local people as micro finance institutions. How much individuals in society earn

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from employment activities, their ability to make some saving from wages or salaries through employment activities or trade and remittances is also a key factor to financial capital.

Financial capital in its simplest term under sustainable livelihood concept is financial resources available for use by people to achieve livelihood aspirations (DFID, 1999, p.15). According to DFID (ibid), the above definition though is not robust in economic wise because it involves flows and stocks, which may promote consumption and production but then, financial capital is aimed at capturing the availability of money or alike which is important foundation for livelihood. Available stocks which have to do with savings deposits at banks and other financial institutions and credits obtained from financial institutions are one source of financial capital. The other source of financial capital is regular inflows of money which also has to do with monies derived from pensions and remittances which must flow on regular intervals (DFID, 1999, p.15).

Financial capital as the back bone to sustainable livelihood concept is also most versatile in terms of its use compared with the other four livelihood assets but is also the most lacked asset by the poor and the vulnerable people in society while its versatility does not guarantee solving all problems related to poverty (DFID, 1999, p.15). Financial capital can for example be used to buy basic needs such as food and shelter, converted into other assets like natural capital (e.g. land), and in a positive or negative way it can be used to influence political decision making by way of lobbying and promote active participation of poor people in policy formulation (ibid).

Building financial capital for the poor/vulnerable people in society will require more indirect support through the transformation of existing structures and processes (providing access to credit facilities) to direct support (financial aid) as it not sustainable to be given out handouts in the form of money to the poor/vulnerable (DFID, p.15-16). There is neither development agency nor government in the so-called poor developing countries that can provide free financial assistance to the poor owing to financial constraints. Under indirect support in relation to building financial support for the poor, three important areas namely; organisational, institutional and legislative/regulatory must be improved. Organisational wise, it involves coming up with services that best suits the poor and improvement in productivity of financial institutions. Indirect support through institutional means is by doing away with constraints that prevent poor people from

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getting access to say credit facilities where there is surety in granting loans for them. Legislative/regulatory under indirect support is government carrying out financial reforms such that safety net is provided to the poor by financial institutions (ibid).

To carry out the above in attempt to help the poor in society will require some important analysis on financial capital. Analysing financial capital under sustainable livelihood concept will require that one gain an in-depth knowledge of: existing types of financial organisations/institutions being it formal or informal; the services these financial organisation/institutions provide and conditions attached to these services (e.g. interest rate, collateral security needed to say secure loan, among others); the group or people who has access to services and what prevent others from accessing same with the financial organisations/institutions; and lastly, the prevailing echelon in relation to savings and lending (DFID,1999, p.16). The DFID (ibid) encourages researchers and development agencies to probe further the mode of saving among people (e.g. bank deposit, livestock, cash, jewelleries among other), there should also be assessment on the challenges of the above options. There is also the need to look into households that enjoys remittances from family members living somewhere else, the means of remittance, the reliability of remittances and control or usage (e.g. reinvesting) of the received remittances (ibid).

The ability to make some savings either through banks and other forms, and access to credits (loans) by no means plays a vital role in the sustainable livelihood of cocoa farmer and almost all farmers at large. A survey conducted in the 2010 and 2012 by Valerie et al (2013) to assess the poverty impact of sustainability standards under Fairtrade in Ghanaian cocoa in some selected district in three cocoa growing regions in Ghana found no significant impact of the project on farmers. The study assessed the impact using certified farmers under Fairtrade and those who are not members. According to their findings (Valerie et al, 2013, p.43-44), farmers whose farms are not certified in 2012 for example reported receiving substantial amount of credit and able to save more compared with certified cocoa farmers. This notwithstanding, the study found that, cocoa farmers in general have access to credit facility and also able to save some of their earning though not all savings accounts.

A study conducted by Bosompem et al. (2011, p.7) which has to do with perceived impact of cocoa innovation on the livelihoods of cocoa farmers in Ghana reveals that, 92% of the farmers admitted that they have had some increase in income, that they are able to save



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some of their earnings for future use and then also they have now access to credit facilities from banks and micro finance institutions in the areas where they live. Also, 88% of the farmers said they are able to settle their credited loans either in full or in part. However, a post doctorate study conducted by Marchetta (2011, p.15) in the northern part of Ghana revealed that farmers do not get access to credit from financial institutions such as banks and as a result, livestock has become what she referred to as buffer stock for the household of famers in the northern Ghana. Marchetta (2011) finding is in fact a sharp contrast to Bosompem et al. (2011). Access to bank credit is out of reach for almost everybody, and livestock represents a relevant buffer stock for the households: selling cattle is important way to obtain cash when needed. This is why owing livestock is considered to be key, and poverty is often defined as not owning animals.

Barry Callebaut's (undated) reports on organic cocoa farming program in Brazil and some countries like Tanzania provides us with some positive outcomes on the livelihoods of farmers involved in the program. In Tanzania, the organic cocoa program under Biolands has led to direct payments being made to cocoa farmers which in effect, have contributed to the rise in farmer's income in line with the world market price since year 2000. Local governments in the areas where these cocoa organic projects are situated, charges 5% levy on the sale to help its day to day administration of their locality (Barry Callebaut, undated, p.17). On the contrary, though Fairtrade through Kuapa Kokoo provides some form of cushion to cocoa farmers when there is decline in cocoa prices at the world market, the minimum purchasing price of cocoa beans from farmers by Fairtrade is far below the national price under the supervision of Ghana COCOBOD (Valerie et al, 2013, p.109-101). The low price of cocoa despite the leverages in place in case there is drop in price at the world market does not help farmers in economic wise when compared with prices offered by the Fairtrade through Kuapa Kokoo when the project first began (Valerie et al., 2013, p.101).

On employment under the dimension of financial capital of sustainable livelihood, Barry Callebaut (undated, p.18) report about the impact of Biolands organic cocoa program is significant. Bioland besides the 20,000 members has been able to employ about 300 people as part-time, full-time and seasonal workers from the villages where they operate. Biolands is amongst the biggest employers in the Kyela district in Mbeya region of Tanzania in areas such as hand pickers, loaders and office staff creating employment

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opportunities in this regard. Also, those people employed through the project earn significantly above the approved Tanzanian national minimum wage.

A study conducted in South Africa by Bek et al. (2006, p.7-9) reveals that, the rooibos tea project has created employment opportunities both directly and indirectly which has significantly impacted on the local economies of the Wupperthal and Heiveld communities in the Republic of South Africa. Also apart from income being generated from rooibos tea production, according to Bek et al. (ibid) citing Furniss, 2002, women in Heiveld community are gainfully employed in tea bags production which is used to package the tea under Melkraal Women's League Association.

### **3.3.2 Human Capital**

Skills, knowledge, ability to labour and good health which enable a person or group of persons venture into different livelihood strategies to fulfil livelihood aspirations is what DFID (1999, p.7) termed as human capital. The above elements (skills, knowledge, ability to labour and good health) which are composite of human capital was first identified by Scoones (1998) in furtherance of Chambers and Conway (1997) conceptualization of sustainable livelihood without any clear elaborations on them. According to DFID (ibid), within the household level, the amount and quality of labour available has to do with human capital where in many cases there is a variations due to household size, skills levels, leadership potentials, health status among others.

Human capital as an intrinsic value in humans is very important within sustainable livelihood concept as it is indispensable tool in order to explore any of the four types of livelihood assets (DFID, 1999, p.7). And though human capital is intrinsic value, there is a great opportunity to directly or indirectly support its accumulation provided those concerning are willing to invest or avail themselves for say training programmes such as farmers learning new farming techniques harvesting (ibid). Examples of both direct and indirect support to asset accumulation are: “health, education, training personnel, development of relevant knowledge and skills, and changes in local institutions in areas like culture, norms that inhibit for example women access to education” (ibid).

Providing the two types of support is imperative and in this case they are combined in an integrated approach way to help the so-called disadvantage groups in the society through a holistic livelihood analysis (ibid). Knowledge gain as result of human capital

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accumulation must be useful to reap current and possible future livelihood strategies while there should be an opportunity for people to have access to enrich or broaden the knowledge accumulated through say education training (ibid).

To effectively analyse human capital in relation to sustainable livelihood concept require thorough and rigorous indicators in the areas of education and health of people within a demographic settings. In human health for example, DFID (1999, p.8) emphasize that though there are a good number of well-developed indicators such as life expectancy, there may be some complications when it comes to its assessment at the local level. In this case it will be more appropriate to look at the variations on say; live expectancy among different social groups, nutritional situation of indigenous groups children and most importantly the availability or accessibility of quality health care (ibid).

Though assessing education indicators may be less cumbersome, it should not be related only to formal education but also informal education as well (ibid). The argument to this holistic view of education is that, formal education is not the only source of knowledge accumulation of a person or persons (ibid). By also paying attention to local knowledge when analysing human capital in terms of education will lead to an in-depth understanding of the dynamics of the local people which will in turn lead to a purposeful policy implementation.

Neely et al. (2004, p.17) reports of increase in establishment of small scale businesses in the Community Development Organizations (CDOs) project district in Yemen under the funding and supervision of Food and Agricultural Organization (FAO) and the United Nations Development Programme (UNDP) owing to training of the people and the establishment of revolving fund to support them in engagement of economic activities.

Under the Wupperthal and Heiveld rooibos tea initiative/project, tea farmers have gain immeasurable new knowledge which is helping them to diversify their income generating activities (Bek et al., 2006, p.10). Farmers in Wupperthal community are now adding value to their rooibos to by flavouring the tea with lemon for sale to tea consumers while the bye-products from rooibos tea is now being used for soap (ibid).

UTZ (January 2014, p.20) impact report shows for example that, 15% of tea farmers in Kenya between 2010 and 2012 improved their knowledge on farming methods through training under UTZ's good agricultural practices (GAP) programme. Also, UTZ find out

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that, 60% of cocoa producers in Ghana and Ivory Coast who are trained under UTZ certification followed what they taught through training activities which by no means contributes to positive attainment of the dimension of human capital (ibid).

The impact of UTZ training programme according to the report (UTZ, January 2014, p.20) is far beyond their trained farmers and using Ghana as a case, the report reveals that cocoa farmers in Ghana passed on what they have learned to their untrained labourers who help them in their farms but it was opposite in the case of Malawi. In the case of Malawi as the report indicates, lead farmers who were trained to pass on the knowledge could not replicate what they have learned to other farmers.

Also in Vietnam UTZ reports of coffee farmers haven acquired substantial knowledge in monitoring and management practices, and application of agrochemicals like fertilizers and pesticides. Vietnamese coffee farmers according to the UTZ impact report are able to maintain their high yields with less inputs like say nitrogen fertilizer (UTZ, January 2014, p.22).

This finding under UTZ (UTZ, January 2014, p.22) is re-echoed by Valerie et al. (2013) in their survey to assess the poverty impact of sustainability standards under Fairtrade in Ghana with point of reference being Kuapa Kokoo project. Since Kuapa Kokoo trainings organized for cocoa farmer includes safe use of pesticides and proper disposal of used chemical containers, it has led to improvement of farmers health (Valerie et al., 2013, p.47).

CONACADO under the Barry Callebaut (undated, p.24) “Organic cocoa farming” programme in the Dominican Republic also report of how cocoa farmers and technicians have acquire knowledge on how to handle the cocoa beans produced as a food product. That the hygienic way of handling cocoa and all relevant tools for cocoa farming, does not only save consumers of cocoa products but the cocoa farmers health hazards thereby promoting good health.

On child labour, UTZ according to the findings of their study in Ghana shows a 100% seizure of cocoa farmers under its certification program using their children to work on their cocoa farms which has led to increase in children of school going age attending school. And not only that, UTZ farmers have increased the amount of money they spend

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on their children's education when compare with noncertified farmers in Indonesia (UTZ, January, 2014, p.29-30).

On education, Bharat Petroleum sustainability development report (2013-2014, p.77) through collaboration with Pratham an NGO whose main activities are to enhance learning capabilities of pupils and students, there has been improvement in reading and mathematics levels of pupils and students in Nandurbar, Sagar, Sundergahh and Mayurbhanj in India with estimated beneficiaries to be around 48253.

Aside this, Bharat Petroleum (2013-2014, p.78) in an attempt to help demystify science has provided what it calls a 'lab-in-a-box' for schools that lacks science laboratory infrastructure. This 'lab-in-a-box' according to the Bharat Petroleum report (2013-2014, p.78) over 20000 students in Uran India have benefited from this initiative while a total of 100 and 180 young leader instructors and teachers respectively have been trained to offer scientific knowledge in the area of physics, chemistry and biology to students.

### **3.3.3 Natural Capital**

Natural capital, probably the most important of all the capitals after human capital represents all the natural resource stocks which serve as source to materials and services that are critical for livelihood (DFID, 1999, p.11). There are different elements that constitute natural capital which can either be intangible elements such as air quality, storm protection, and tangible elements like Land, forests, marine/wild resources, water among others (ibid).

According to DFID (ibid), there is a strong linkage between natural capital and "*vulnerability context*" in the context of sustainable livelihood. DFID (ibid) argues that, shocks (flooding, drought, earthquakes) which leads to vulnerability of the livelihoods of the poor are all as result of one way or the other a natural developments which depletes natural capital where the shock may occasion seasonal production as the natural capitals changes in value at certain periods within the year or over the year.

Natural capital is indispensable to individual and groups whose livelihoods are all or partially come from works such as fishing, farming, mineral extraction and so on which are in fact resource-based activities (ibid). The survival of all human beings is significantly connected with the services derived from the environment and food

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production from natural capital and it is worthy to note that for example the poor quality of say air might affect human capital where health is one of the elements. This is so because as human beings, the state of our health and well-being depends on existence and functioning diversify bionetwork (ibid).

Building and sustaining the natural capital of the poor is important while in the past years the focus of attention of donors concerning rural development was on only building (ibid). This according to DFID (ibid) did not help in looking at how natural capital is exploited, combined with the remaining assets in order to achieve a sustainable livelihood. The sustainable livelihood concept in building natural capital takes a holistic look at people and comprehend the key structures and processes in coming up with how natural capital is used and its worthiness (ibid). In this regard, there is the need to provide both direct and support in order to promote natural capital under the sustainable livelihood concept where the former has to do with promoting/protecting resource conservation and biodiversity, provision of services/inputs for agricultural, forestry and fishery activities, and the latter is connected to making changes in institution(s) that manages and control access to natural resources, supporting the market chain to increase the value of natural resources, and legislations law enforcement to protect natural resources (ibid).

Analysing natural capital is imperative especially in promoting the sustainable livelihood concept. The existence of natural assets though is important, it will be a mirage if we fail to assess how accessible, quality and the way other natural assets are put together and their contributions in terms of value seasonally (ibid, p.12). According to DFID (ibid) when analysing natural capital, it is salient that one finds out long-term development in quality and use of natural resources taking into account the following typical issues: identify groups and the type of natural resources they have access to; how did they come have access to the natural resources (e.g. private ownership, rental, common ownership etc.); multi-usefulness of the resources; the level of unevenness in quality of resource; external effect on resources (how the activities of other users impact on the resources); the existence of technical know-how to improve productivity; mitigations over natural resources; and productiveness of the natural resources.

According to Bosompem et al. (2011, p.7), under the cocoa high technology programme (CHTP) to promote sustainable livelihoods of cocoa farmers in Ghana has resulted in positive impact of all the four components mentioned under the natural capital. In ranking

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the perceived impact of the CHTP on cocoa farmers in Ghana, natural capital which was based on increase in yield, increase in yield per unit area, increase in yield per unit cost of inputs, and better quality of cocoa beans came first (ibid, p.9).

An estimation of 10 000 hectares of forest lands have been reclaimed under the Lempira Sur project in Honduras where activities such as “slash-and-burn agriculture and cattle ranching led to a rapid loss of soil fertility” (Neel et al., 2004, p.14). Not only has the Lempira Sur project led to reforestation, it has also helped in the prevention of water bodies been dried up (water retention) in the area (ibid).

UTZ certified impact report (UTZ, January 2014) under good agriculture practices programme (GAP) gives a very good account on how the programme has contributed to the sustainable livelihoods of cocoa, coffee and tea farmers in over fifteen countries across the continent. According to UTZ (January 2014, p.27) through its certification under GAP, farmers are now more aware of the relevance of saving water and efficient management of water. Findings about the impacts of the certification shows that 82% of the farmers under the GAP have improved their knowledge management techniques which includes preventing water contamination by establishing buffer zones between water ways and their farmlands.

In Uganda, the Esco organic cocoa and vanilla projects according to Barry Callebaut (undated, p.22) has led to planting of trees to serve shades for cocoa and vanilla plants where all the seedlings are giving to the farmers free without charges. The impact as reported is an improvement in the soil fertility, prevention of drying up of water bodies and promotion of biodiversity.

Bharat Petroleum report (2013-2014, p.79) give a very positive account of the impact of its water conservation project called “Project Boond” in the Mokhada, Thane district, Maharashtra of southern India where there is persistent water scarcity as a result of poor water management in the aforementioned communities. According to Bharat Petroleum report (2013-2014, p.80), it collaborated with DHAN Foundation an NGO in water management project in order to create positive awareness about water preservation and the project has now impacted positively 90 villages found within arid regions in southern India.

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On the impact of the Boond project by Bharat Petroleum in collaboration with DHAN Foundation, there has been 50% cut on water supply from water tank car deliveries among the beneficiary communities and at the same time booming horticultural and agricultural activities in these arid regions thereby promoting some form of sustainable livelihood of the people and most especially the landless people in the communities. The landless people have now opportunity to engage in fishing activities which declined some years back as a result of poor water management in the communities. Besides this positive impact, migration of young people from these communities (Mokhada, Thane district, Maharashtra) in search of non-existing jobs in the urban centres has reduced (Bharat Petroleum, 2013-2014, p.80).

Kuapa Kokoo in collaboration with Conservative International is giving farmers modern techniques on how to give a new lease of life to their old cocoa farms, while at the same time under the Chocolate Halba/Pur project Kuapa Kokoo has established an Environmental Department which is training and educating cocoa farmers on sanitation and reforestation (Valarie et al., 2013, p.124). According Valarie et al (ibid), the above project has led to cocoa farmers being conscious about environmental issues at the district and local level with farmers now engaging in activities like; “tree planting, land/soil management, shade and fire prevention, safe use of chemicals and safe disposal of containers”.

### **3.3.4 Physical Capital**

Basic infrastructural and merchandise produced which are essential to sustainable livelihood enhancement are what constitutes physical capital (DFID, 1999, p.13). Merchandise are equipment's and tools which helps us human to be more effective in terms of productivity, while infrastructure are physical buildings and structures (affordable transport, housing, roads, good drinking water, etc.) in our surroundings (ibid). In most cases basic infrastructures built in our environments do not attract direct payment from people as they are deemed to have positive impact on the general population with the exception of housing provisions which are in most situations privately owned, and water and energy supplies where fees are applied to sustain them. Goods produced under physical capital are either own by single individuals and groups, so require or attract some fees in order to have access to them (ibid).



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Physical capital is very important to the sustainable livelihood concept as evidence from conducted assessments on poverty shows that the nonexistence some infrastructures are key elements of poverty (ibid). For example, lack of good drinking water may lead to health related problems which will in turn affect productivity as individuals and group cannot perform well due to deteriorating health, lack of accessible road network may prevent goods distribution and even if delivered, it comes with high cost to those recipients. Where producer goods are inefficient or lacking, productivity become less despite existence of human capital. In an attempt to provide basic needs, unnecessary time and effort are wasted (ibid).

In an effort to enhance physical capital for the vulnerable/poor in our society, is vital that we pay attention to access to suitable infrastructures provision. This is more preferred to provision of producer goods to the poor/vulnerable as DFID have seen it to create dependency syndrome on the part of recipients, and create favouritism which can lead to divisions among beneficiaries (ibid). Focusing on infrastructural provision will contribute positively to producer goods of the poor or vulnerable. Building physical capital can be *direct support* to infrastructures such as providing pipe-bone-water and construction of roads which in this case requires heavy financial investment, whereas *indirect support* includes undertaking structural changes in public institutions concern and encouraging private sector participation (ibid, p.14).

Analysing physical capital under sustainable livelihood should not be limited to looking at availability of basic infrastructures and producer goods in personal terms only, but there should be involvement of those concern (say poor people) as there is the likelihood of users placing some infrastructures and producer goods above other in terms of their relevance, and in many cases there may be availability of infrastructures but difficulty in their access (ibid). According to DFID (ibid), pertinent issues such as how the infrastructures support services and the appropriateness of the available infrastructures in meeting the needs of users.

Bosompem et al. (2011) on perceived impact of CHTP on sustainable livelihood of cocoa farmers in Ghana did only look at farmer's ownerships of farming tools and equipment. The study findings in this regard looking at ownership of spraying machine, pruner, harvester, and access to vehicle, spraying machine, harvester and pruner was positive.

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According to their findings (ibid, p.7) over 50% of the cocoa farmers in the CHTP admitted of owning or having access to these farming tools and equipment.

Biolands under the Barry Callebaut (undated, p.18) organic cocoa farming project in Tanzania writes about how the community can boast of physical capital. According to Barry Callebaut (undated, p.18), Biolands is working with Kyela a local community in Tanzania in the areas of health, education and social welfare. The community is now benefiting from generator purchased for the Matema district hospital while helping the hospital to pay for maintenance of the only hospital ambulance and other administrative services like email. The project the last but not the least under Biolands is supporting the local primary school with books, educational materials and also sponsoring a football team own by an employee in Kyela Tanzania.

Also, the Wupperthal rooibos initiative has been able to fund salient community project such as education which includes providing computers for the schools in the community, financially supporting activities that will help improve learning and at the same time paying for the recruitment of additional staff member to facilitate or promote the human resource needs of the education system (Bek et al., 2006, p.7). Pupils and students from this community will be able to access knowledge from different source by using the computer provided and be abreast with modernity.

Participating farmers under the Wupperthal rooibos tea initiative in the Republic of South Africa have been able to acquire a 4×4 tractor through the use of monies earn from Fairtrade premium of 0.5 Euro per kilogram of rooibos tea purchased from farmers (Bek et al., 2006, p.7). Farmers in this sense are able to get their lands plough with less difficulty and at a cheaper cost as they are shareholder to this important farm machinery.

### **3.3.5 Social Capital**

Social capital according to DFID (1999, p.9) has generated a lot of debate as to what it is about, but adding that within the context of sustainable livelihood, it means social resources which enables individuals or a group to pursue their livelihood objectives. Social capital is built through: *networks and connectedness* where there is establishment of trust among people which enables them to work together and at the same time building important links with relevant institutions such as banks, civil society organizations (CSOs) and political bodies; *membership to a known and interest group(s)* where there is

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are laid down rules for members to follow and sanction(s) are meted out to those who goes against the rules; and lastly, *relationship of trust, reciprocity and exchanges* which promotes co-operation and reduces cost trading may be use as a foundation to cushion the poor people (ibid).

Social capital under sustainable livelihood concept is very important in that all the above three elements mentioned can positively impact other capitals. Social capital can boost the self-esteem of individuals and groups through self-identity and belongingness which in other words contributes to one's sense of well-being (ibid). Social capital based on relationship of trust and exchanges may help people or the poor to save some of their earned income with relevant financial institutions like the banks and also be able to get credit facilities like loans from same which is a plus on their financial capital (ibid). Also under social networks as a social capital, there is likelihood to promote human capital by way of innovative knowledge transfer through training from relevant bodies such as CSOs (ibid). There are equally other benefits to be derive from social capital in relation to sustainable livelihood concept which cannot be delve into for now but in the followed chapters.

Analysing social capital is challenging owing to the fact that social capital levels looking at it from outside is difficult which requires extensive analysis in order to somehow make it discernible (DFID, 1999, p.10). The sheer number of people belonging to membership group in a demographic setting is not enough to properly assess social capital but the inclusion of the nature and quality of the group in the analysis with rigorous eyes on how the group uses social resources in dealing with crisis in their coping strategies (ibid).

According to Bosompem et al. (2011, p.8) on social capital (which included ability to feed family members, pay school fees, support friends), respondents in their study claimed an improvement as a results of the CHTP. While 51% to 97% said the programme has impacted on them positively on their social obligations, 14% of the respondents claimed being able to explore the benefits in the farmers' network associations which according to Bosompem et al. (2011) are key element of building social capital structure.

Under the Wupperthal and Heiveld rooibos tea initiative project, the local rooibos tea farmers in the two communities have been able to secure a well outlined market share of their organic tea products as result of collaboration with an international Fairtrade

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organization (Bek et al, 2006, p.9). The Wupperthal and Heiveld rooibos initiative/project has also been able to bring together all the spatially marginalized communities which are helping in improving socio-economic wellbeing of the people as some of the communities are being used as tea processing centres (ibid).

In Yemen, as result of 53 Community Development Organizations (CDO) projects under the FAO/UNDP Community-Based Regional Development Programme (CBRDP), women have gain socially recognized status where women membership constitutes about 36% of the total number of membership (Neely et al, 2004, p.17). The changed in the perceived social exclusion of women in managerial level in the case of the project districts in Yemen has led to 21% of women serving in the Executive Bodies (EB) and in the case of Gozr Al-Behar CDO the elected chairperson is a female (ibid).

### **3.4 CSR and SL as framework in this study**

Corporate social responsibility (CSR) and sustainable livelihood (SL) concepts are very important not just by their sheer objectives as conceptualized by many authors in the academia, corporations and professionals in the development fields; but how their real life practice affects those at the receiving end. Corporate Social Responsibility (CSR) and Sustainable Livelihood (SL) was used as the framework of this study because, the CLP is touted as having both the elements of the above mentioned concepts (Solidaridad network, 2013). It was therefore important that I used the two concepts to throw more light on what they stand for and serve as a reference point in the analysis of the results in this study. In other words, the CLP initiative did not evolve out of a blue moon and is without any vision.

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## **4 RESEARCH METHODOLOGY**

This chapter provides reasons for the choice of qualitative research method for this study and also tries to explain reasons for using a case study method. The ethical consideration regarding data collection, the validity as well as limitations of the study will be presented as well in this chapter.

### **4.1 Qualitative research methodology**

Qualitative, quantitative and mixed method which is the combination of qualitative and quantitative methods is the three main research methodological approaches available to the scientific research society. This research work was carried out using qualitative case study method of approach to investigate the impact of CSR initiative on sustainable livelihood capitals in the Ahafo Ano South district in Ghana. This study follows systematic empirical examination of a phenomenon which is the CSR initiative in line with SL capitals in order to make a meaning out of how it is impacting on the lives of cocoa farmers in Ghana (Shank, 2002, p.5). Another reason for the application of the above mentioned research tool was that, the study is connected to society where physical realities are inseparable whether conceived as structures, processes, perspectives, experiences, among others (2004, p.11). In this case, this study looks at the how the processes affect physical realities in society with a specific target group already mentioned. Also, choosing qualitative research method of approach in this study was to enable me have the inquiry grounded in the experience of my subjects and understand how they make sense of their experiences (Shank, 2002, p.5).

By understanding how my research subjects make sense of their experiences within this natural setting, I will be able to interpret dispassionately the studied phenomena based on the meanings that they presented to me (Denzin & Lincoln, 2000, p.3). In nutshell, by adopting this research tool for this study, it significantly enabled me to deduce from my research target group their understanding and feeling of this empirical research.

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## 4.2 Cocoa livelihood program (CLP) as a case study

This empirical study used case study approach. This was owing to the fact that the study is to detail examine an ongoing program in order to ascertain its real impact on the group participating in it through face-to-face interviews and observation (Cresswell, 2007, p.92). It is important to note that using the case study approach in this research is the best option to fully understand social realities which is the basic aim of this whole study. And to achieve this, thematic technique based on the various conceptual frameworks under this study were used to gather data information that are relevant and reflects social realities within the society studied (Silverman, 2005, p.126-7). For the benefits and appropriateness of this empirical study, multiple case study design was employed to ascertain the impact of CSR initiative on SL capitals of cocoa farmers in Ghana. The used of multiple case study design was essential especially when the CLP has beneficiaries spread across the middle regions of Ghana where cocoa plants are grown and in the case of Ahafo Ano South District, there are over seventy (70) communities involved (Yin, 2014, p.56). Using the multiple case study design in this research was to enable me effectively examine how the findings support the conceptual framework of this study. Clearly specifying the type of case study design used is necessary as every research is obliged by research guidelines to do so for the fact that every case study is bounded by a system (Punch, 2005, p.145).

This study did identify two groups under the CLP who are either service providers or beneficiaries (Participants). They are the managers of the program, and the cocoa farmers participating and living in the farming communities of the district. As indicated earlier, I selected these two groups since they are the best option for me in examining the research phenomena in a more holistic way. The intention here was to get a broader viewpoint of managers and participating cocoa farmers about the impact of the CLP on SL capitals and possible challenges to achievement of SL of cocoa farmer in Ghana. It is important to note also that, by using the multiple case study design allows the use of many sources (Yin, 2014, p.56) which is in line with this study.

This study, sought the support of several reported views about the impact of CSR initiatives on SL capitals in most especially the so-called Third World nations whose economic earnings are based on raw materials productions. I selected Ahafo Ano South district (see figure 1. for the location of Ahafo Ano Sought District) because I had the opportunity to engage myself in the project as a student intern working Solidaridad West

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Africa carrying out the implementation of the CLP. I had the opportunity to meet most of the participating cocoa farmers during trainings and workshops before the actual data gathering started.

### **4.3 Face-to-face interview**

Though there are a great number of styles variously use by researchers to gather data in their different research fields, I used face-to-face interview which is sometimes called personal interview and observations through active participation to gather all the necessary data in this case study. Cormack (2000, p.78) assert that, people's experiences and accounts of events, opinions and attitudes, and perceptions about phenomena in relation to biographical and demographic details are the three main types of data produced from interviews.

I used face-to-face interview because of my curiosity to examine people's life histories and everyday activities (Silverman, 2000, p.1), and get first-hand perceptions and opinions (Cormack, 2002, p.54) of my subjects about the impact of the CSR initiative on sustainable livelihood capitals of cocoa farmers in Ghana. Using face-to-face interviewing allowed me to know more about my subjects' (interviewees) views and ideas of this case study as mentioned earlier on. As a social researcher, face-to-face interview gives me the opportunity to probe my subjects further while asking for clarification of which the responses are immediate considering that they have privileged access to relevant information (Paul, 2004, p.56-57). I also see the perspectives of my subjects in this case study very meaningful, with an in-depth knowledge and they (cocoa farmers) have the ability to explicitly share them with me (Patton, 2002, p.341). The last but not the least reason I preferred using face-to-face interviews was that it is more natural way of collecting data (Paul, 2004, p.56-57) where I developed special bonding with my subjects in the studies which cannot found in other methods.

I gathered all the data relevant for this study during my internship period. I spent about three months from 26<sup>th</sup> of May to 29<sup>th</sup> of August 2014 to gather data while I was in Ahafo Ano South district in the Ashanti region of Ghana for internship with Solidaridad West Africa which forms part of the study programme. By the middle of the internship, I had already started conducting interviews with two (2) of the workers of the organization in their offices at their own free time. I conducted the interviews with the interviewees on

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one-on-one basis and tape recorded with each of the interview section lasting approximately 45 minutes. The interview questions were pre-planned (see appendix I.) but also in an open-ended way to help me get other relevant information not captured in the set questions.

In the second phase of the interview, thirteen (13) cocoa farmers from different locations within Ahafo Ano South District (AASD) were interviewed using the same format of the first group though the interview questions differed from the first group interviewed (also see appendix I for interview questions). It must be emphasize here that, to avoid any difficulty about the interview meeting time and place arrangements, respondents were notified beforehand by the researcher to get proper time for the interviews.

Face-to-face interview used in the research study came with some difficulties. The communities where the interviews were conducted are far from each other making it expensive and time consuming to get the respondents for the interviews. I had to travel long distance and had to wait for sometimes till late in the evening for the farmers to return from their farms. Most of the interviewees demanded money from me after the interview sessions. The interviewees after spending close to 45 minutes demanded payment for the time spent. The phenomena of interviewees asking or demanding for money as it happened in this study, should not be a surprising thing to readers of this research study. It is common practice nowadays that almost all NGOs both international and local pay participant of their programs as a way of compensating them (participants) time spent with them (NGOs). In the case of the organization that I worked with for example they paid participants during training program and also feed them. The idea is that, they (participants of CLP) would have getting something to fend for themselves by going to their farms on meeting days but then also, the money given to them (participants) motivates them to participate in their (organization) programmes. Interviewees who demanded payments of money to them were informed the relevance of the study and how they intend to benefit from it and so shelve their demand.

The study also made use of semi-structured interview questions for the interviewees to help me get other useful information which otherwise may not have been captured in the prepared questions. Semi-structured interview involves asking a series of structured questions and then inquiring more intensely using open-form of questions to get supplementary information (Meredith et al., 2003, p.240). Desai and Potter (2006, p.144)



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argues that, semi-structured interviews primarily follow the sequence of the interview guide with recommended themes nevertheless there is a dimension for the interviewee to develop their answers. The open questions developed for this study was to give room for the respondents to open up their feelings on the topic being researched (Foddy, 1993, p.131). In all, eleven different semi-structured interview questions for both the cocoa farmers and officials of the organization were set. This was to have a varied range of opinions from those who matter in this study. In this instance, it was important that I formulate two separate questions (See appendix I) which sought to answer the research questions for my interviewees.

#### **4.4 Ethics of data gathering and analysis**

Silverman (2005, p.257) citing German sociologist Weber (1946) pointed out how nearly a century ago research was contaminated to some degree by the value of researchers adding that it was only those values that certain problems get identified and studied in particular ways. According to Meredith (2003, p.63), while there is general assumption that researchers are ethical in that, they are motivated by the noble goals of discovering new knowledge and contributing to professional practice, there is evidence that calls this assumption into question. With regards to a case study in particular, Meredith (ibid, 446) opines that there are some ethical problems still to confront as a researcher when there are some clues that readers can follow to identify the case participants and the field sites. I made sure that I had no other ulterior motive other than in gathering data before going to the research field having been taught the need to follow ethical guidelines in empirical studies. I first requested for permission from Solidaridad Network where I did my internship with regards to the data I was looking find. A brief abstract was first sent the head of the organization to see if the study was not going to breach their organizational protocols.

All the respondents of the interview questions were also briefed about the purpose of the study whiles given all of them guarantee that all information provided will not be passed on to a third party. Also, their identity will not be mention in any part of the study to protect them from (if any) possible victimization and also, all the respondents were made aware with permission granted before their voices audio recorded for analysis purpose. Lastly on ethics, in my utmost desire to avoid any legal implications as a result of addition of informal dialogue and exchanges between me and respondents, I took time to ascertain

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the authenticity of those claims. In this regard, not all the recorded discussions and conversation during the interviews were written down for analysis.

## **4.5 Validity and limitations of the study**

For any research to be deemed valid, it must accomplish credibility, neutrality, conformity, consistency and applicability (Lincoln & Guba, 1985, p.300). In order to meet the standard practice as done in every research, I traveled to Ghana and spent three solid months to work as an intern with Solidaridad Network to gather all the necessary data. I made sure that I stay neutral and avoided the use of personal experiences throughout study though I am from Ghana and have lived most of my life in Ghana. A great deal of time was spent with regards to interpretation of the data collected from the field during the internship period. There were no additions or eliminations of what respondents to the interview said.

The first noticeable limitation was the method of sampling used. The locations and time constraints did not allow the researcher to get a fair representation of all the communities that made up in this case study. That is, picking only ten respondents for interview through opportunity sampling out of over eight thousand (800) people as participants from over one hundred and fifty (150) farming communities. Concept of corporate social responsibility (CSR) and sustainable livelihood (SL) are in fact two big subjects which are studied or are researched differently. Merging two concepts in this case study really had some challenges. The last but not the least of the limitation is avoiding over generalization of findings of CSR concerning SL in the entire country of Ghana. In other words, experiences of cocoa farmers in the case study area may not necessary be the true representation of cocoa farmers in the whole of Ghana.

## **4.6 Method of data analyses**

Method of data analysis within qualitative researches varies and the choice of picking among the lots depends solely on the researcher. As Silverman (2011, p. 213-214) suggests, there are three method (quantitative content analysis, qualitative thematic analysis and constructionist methods) that are available for use when trying to analyze focus group data in social science. And in relation to analyzing a case study which is what

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this study is about, it involves examining, categorizing, tabulating, testing and in some cases, amalgamating both qualitative and quantitative to deal with the earliest propositions of the study (Yin, 2003, p.109). But in the case of analyzing this research data as indicated earlier, the data was analyzed using only qualitative method since I was not testing or replicating any existing study. The aim of adopting a method in analyzing data is to help in generating answers for research questions (Creswell, 2005, p241).

In this case study, the data analysis was done by way of thematic analysis. I adopted thematic analysis approach simply because, this research is exploratory which makes the choice of this method perfect (Creswell, 2007, p.148-157). According to Boyatzis (1998) as cited in Braun and Clark (2006, p.6), “thematic analysis is a method for identifying, analyzing, and reporting patterns (themes) within data. It minimally organizes and describes your data set in (rich) detail. However, it also often goes further than this, and interprets various aspects of the research topic”. I used thematic analysis owing to the fact that all the research materials gathered for the case study are wedded to preexisting theoretical framework (Braun & Clark, 2006, p.9). That is, the framework for this case study relied mostly on developed concepts by Scoones (2001) so analyzing the data by using thematic analysis approach was more convenient.

The case study evaluated the impact of Cocoa Livelihood Program (CLP) on cocoa farmers in the Ahafo Ano South district of Ghana by some transnational corporations (TNCs) by way of corporate social responsibility (CSR) through partnership with non-governmental organizations (NGOs). A sustainable livelihood is one of the major concerns and challenges facing some developing nations if not all in the global south. So any attempt to tackle issues that affect livelihood of the population within the above mentioned jurisdiction brings some form of scrutiny to ascertain how realistic or achievable they are.

A sustainable livelihood framework which looks at five dimensions of human life (see chapter 3) were developed further into twenty major themes taken into consideration all the elements fined in the five dimensions for the analysis of this case study. Themes according to Creswell (2005, p.243) is an alternative way of analyzing data in the fact that, themes are similar codes aggregated together to form a key idea in database which form a core element in qualitative data analysis.

How was the whole thematic analysis of the research data carried out? In doing the analysis these days, one may analyze either by hand or computer. First and foremost, I did transcribe all the audio recordings of respondents’ answers of the interview questions.

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Transcription I understand is technical detail before one proceeds to the core business of data analysis (Silverman, 2011, p.282). I wrote down verbatim all the recorded conversations including non verbal actions like punctuation makers and even coughs (Braun & Clarke, 2006, p. 17) in Microsoft Office Word while repeatedly playing and listening the audio recorded voices of my research respondent. Repeatedly playing and listening to the audio recordings was to help me to pickup earlier unnoticed recurring features of my finished conversation (Silverman, 2011, p.282). I really had to endure lengthy hours to transcribe all the audiotape recordings related to my research.

The next step to follow after transcribing all the recorded data was coding. The process through which answers generated from interview questions are classified into meaningful categories is what is referred to as coding (Chava & Nachmias 2000, p.305). To be able to code the transcribed data, I first patiently read through all the answers I wrote down in Microsoft Office Word to get some ideas from the respondents' answers in relation to the research questions (Braun & Clarke, 2006, p. 26-30). I then highlighted all the identified codes in the transcribed data using Microsoft Office word comments tool. By using this method to generate and analyze the data was to enable me stay close to my data and at the same have a physical contact with the data without the interference of any external knowledge which computer in this case lacks (ibid).

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## **5 RESULTS: IMPACT ON SUSTAINABLE LIVELIHOOD CAPITALS**

This section explicitly presents and discusses results of the data enquiry with the assistance of reviewed literatures in section three of the study which is the core of the whole study process. Based on the concept of sustainable livelihood (CSL), five dimensions which form the core of this concept were factored into data collection process. The following are the research findings which emanated solely from the interview questions which were in line with the five major themes and minor themes identified in the concept of sustainable livelihood (CSL).

### **5.1 Financial capital**

Assessing the financial impact of the CLP project I did not just look at only the responses of the participating cocoa farmers concerning their access to credit facilities (Scoones, 1998) but also looking at the types of existing financial institutions providing services to the farmers and the government indirect support to both farmers and the financial institutions through financial regulation bodies (DFID, 1999, p.15-16). Almost all the financial institutions that existed in this study area are small micro financial institutions whose main activities are to collect daily savings from farmers and other non-wage earners ostensibly to save it for them and provide them opportunity to access credit facility from them.

These existing financial institutions it must be noted are privately own and are loosely regulated by the financial regulations of Ghana. It is therefore uncommon to see them fizzle out sooner after their operation leading to massive loses of savings by their clients which includes poor cocoa farmers. During my internship with Solidaridad West Africa in Ghana and the data gathering period, there were two instances where two of these micro finance institutions went bankrupt leading significant savings loses. Big and commercial banks preferred operating in the bigger cities where commercial activities are taken place and lots of salary earners can be found. Mankranso which happens to be the district capital of Ahafo Ano South district cannot even boast of one big recognized commercial bank to serve the people in the area

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There is in fact lack of indirect support in terms of regulations and laws to streamline financial institution in to help non salary earners which includes cocoa farmers. Framers and for that matter non salary earners do not get any guarantee from government institutions who through their farming activities have created a link between them and Ghana COCOBOD. Lack of this indirect support through laws and financial regulations leaves especially cocoa farmers who are in dare need of credit facility to sometimes use their farms and other valuable properties to secure credit facilities from the financial institutions. Also, lack of indirect support through legislative and regulation on the part of government through financial regulation bodies like Bank of Ghana (BOG) has not helped in bringing down interest rate farmers and other customers of the banks has to pay. Interest rate on loan acquisition from financial institution are not regulated leading to a situation where loan sought from financial institutions can range from 25% to 50% of the money borrowed excluding banking charges especially the micro finance ones who unfortunately operates in the cocoa and other cash crop farming areas in Ghana.

Even though the above revelation may cast some gloomy picture on the financial assets/capitals of the understudied cocoa farmers, that may not be all the case with regards to the impact of the CLP on the above subject bearing in mind the importance of the issues already extricated. Questions inquiring the impact of the CLP in the areas like saving, access to credit and income from say remittances (see appendix) were asked from the farmers. The farmers' responses to the questions concerning how the CLP project has affected the above was in a way positive.

Most of the interviewees confirmed that through the CLP, they are able to save some of their income from their cocoa produce and other farming practices. The confirmation from farmers that they are able to save money takes many forms. While many of the respondents said they are now saving their monies at the banks or available financial institutions in the district, few others said they have been saving monies by giving it to trusted and close relatives. Here are some excerpts of responses from interviewee participating farmers:

*“Saving money at the bank was something I rarely did before I joined this project (CLP, emphasis mine), but now I am a bank account holder some little savings with my work as cocoa farmer living in the village”.*

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*“I do not have bank account not mention savings account at the bank. But eh...I do save some of the money I get after selling my cocoa beans. Do you know I do waste a lot of money on unnecessary things so I always give the money to my wife for safe keeping? She (the wife) keeps the money safe for future use”.*

The managers of the CLP project claimed that they have been using available opportunities like training workshops to inform participating farmers the need to save part of their earnings for future use. According to the CLP managers, it is common practice among the cocoa farmers using their hard-earned money to attend social gatherings such as funerals. This practice really negatively affects their livelihood. They are therefore encouraged to save with the banks instead of saving it with trusted family relations because it is not secure. Below is an extract of what the project managers (CLP) said concerning saving some earned income from the cocoa farming by farmers participating in the project:

*“We have been encouraging farmers who are members of our project (CLP) to save some of their money they get from selling their cocoa beans at the bank. A lot of them (farmers) have complied with advice by opening savings accounts with their preferred banks through our assistance. Despite many of them saving at the bank,.....em still others (farmers) prefer saving the money at home and more so with their spouses. In all these, we will say the farmers who are members of the project now attest to this fact that they have been able to save some monies under this project (CLP)”.*

The managers and the farmers under the Cocoa livelihood Programme (CLP) were of the view that, through the CLP, farmers' capacity to save money for their own future use has been positive and that many of the farmers are saving money with some banks. This finding is a sharp contradiction to findings of Valerie et al. (2013, p.43-44) which revealed that farmers under the Fairtrade Ghana certification project were not able to save as compared with farmers who were not members of the project. The findings here are based on the fact that farmers participating in the CLP project admitted their savings ability has improved but not through control mechanisms as adopted in the case of Valerie et al. (2013) studies which sort to compare two different groups to draw their conclusions. It might also be the case that under the Fairtrade Ghana certification project, farmers participating in the project, are not taught about the need to make savings a habit or priority in their lives.

Accessing credit facilities from financial institutions though continues to be one big challenge to especially farmers in general. The CLP project is facilitating to ensuring easy

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accessibility of credit by the participating in the project. The effort of the CLP project to negotiate on behalf of participating farmers concerning repayment assurance for instance has led to reduction of interest rate on loan acquisition by the farmers with a private financial institution called Opportunity Trust International which is among the renowned financial institutions in Ghana according to the interviewees. Under the CLP project, participating farmers interviewed said they are now able to access credits facilities (loans) from their banks. This according to the farmers, is as a result of their ability to save with some of these financial institutions operating in and around the cocoa farming communities and the effort being taken by the managers of the CLP project to encourage the banks to offer them credit where in the case, they provide the financial institutions with farmers personal details. The extract below gives a positive outcome of the CLP project with earlier revelation of cut-throat loans individual and private financial entities offer farmers leading to their inability to pay it back resulting in the confiscation of all their lifetime assets being it lands or house. These are few of what many of the famers said concerning their accessibility to credit facilities (loans) from the banks:

*“The banks before this project were unwilling to lend us (cocoa farmers) loans and even if one is able to access their (banks) loans offer, it was `cut throat one` ( cut throat is a local Akan language term which means expensive but in the case of the bank’s lending money, very high interest rate). Now because we have formed an identifiable group (associations), is the banks who are now coming to us with their loan offer at a moderate rate compared with going for loans individually”.*

*“As cocoa farmers and the nature of our occupation, we at some point needs credit facility from banks and individuals to carry out some important farming activities such as spraying in our cocoa farms. The agro chemicals are very expensive and looking at the responsibilities we shoulder within our families; it is fair that we get some form of support in way of loans to sustain our farms. The banks,.....thanks to this project (CLP), are now assisting us farmers with loans”.*

*“The bank loans being offered to us cocoa farmers under the Project (CLP) has save some of us from losing our cocoa farms to private money lenders who gives out loans with high percentage rate of interest. They were (private money lenders) seizing our farms because of our inability to pay back the monies they gave to us. Em... do you know some of our friends (coca farmers) committed suicides as a results of loosen their cocoa farms to `cut throat` private money lenders? Yes many of them (cocoa farmers). Many cocoa farmers also became labourers in their own cocoa plantation farms”.*



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The refusal sometimes of the financial institutions to offer credit facilities to farmers may not be a deliberate as some may see it. Most of these farmers may be living and farming at one definite area as they may own two or more farms at different locations. This makes tracing the farmers to retrieve the loans difficult thereby preventing the financial institutions from giving out loans to the farmers. According to the CLP managers interviewed, the issue of traceability of participating cocoa farmers in the CLP by the financial institutions especially have been addressed as the CLP has led to formation of farmers association in their areas of operation making it easier to trace the farmers. Besides, they provide full data concerning farmers' yearly earnings from their cocoa farming with the consent of the farmers thereby winning the trust of these financial institutions. This is what one of the managers interviewed had to say in relation to credit accessibility by the cocoa farmers who are participating in the CLP project:

*“The project has been able to assist cocoa farmers who are our members to access credit facilities from some banks. The banks are now assured of locating these farmers and deal with them unlike the past as through the consent of the farmers we pass on their data concerning their farming activities. We (CLP) works directly and indirectly with the banks to help farmers to secure loans to specifically help them to improve their cocoa farms especially during the lean season within the months of February to May in the year”.*

The above findings in relation to access to credit under the CLP contradicts the earlier research findings of Marchetta (2011, p.15) who found that farmers in the northern part of Ghana are unable to access credit from banks and financial institutions but rather had to resort to using livestock as buffer stock to facilitate their farming activities. This is not to suggest that her findings are with flaws but it might be that conditions available to participating farmers in the CLP project were not there. Take for instance the issue of traceability, it is obvious that most farmers in the northern Ghana especially livestock farmers such as cattle are nomads. This for instance makes their traceability more difficult, hence preventing them from accessing credit facilities from financial institutions.

However, the findings from this research study seems to be in line with that of earlier findings of a study conducted by Bosompem et al. (2011, p.7) where 92% of their respondents confirmed haven access to credit facility from banks and financial institutions operating within and around cocoa farming communities. The easy accessibility of credit facility from financial institutions from these two studies may be

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due to traceability and recognition the projects have created for the farmers. It is normal that financial institutions inquire from potential borrowers their financial stature for example.

In all, income generated by the farmers during the major harvesting season and other remittances from other sources are vital in achieving the sustainable livelihoods of the farmers. Sustainable livelihood concept aims at militating against stress and shocks that may occur in the course of the year and even beyond (Chambers, 1991; Scoones, 1998; DFID, 1999). It is therefore important to note that income and remittances received can contribute significantly in their coping able to stresses and shocks both in the short and long term. In the situations of stress due to say land losing its fertility as result of long usage for farming activities and shocks from natural phenomena such as flooding, coping strategies becomes easier through diversification of activities which will depend on savings from income. Income aside the above explanations is important and necessary if people and for that matter participating cocoa farmers under the CLP project can acquire basic needs such as food, shelter and clothing.

There are some cases where incomes earned can be converted into natural capital like land (DFID, 1999, p.15). Apart from the confirmation of some degree of improvement in their source of income, most of the participating farmers revealed that there are other sources of income under the CLP project. They earn income by assisting other cocoa farmers to improve farms through activities like spraying, planting and pruning even though the charges for this service is not too expensive. Respondents of the interview were quick to tell how they have become so capable in taking care of their responsibilities as heads of their families. Cocoa farming is mostly dominated by men in the cocoa growing areas with women either taking care of kids at home in most cases or assisting their husbands in the farm. Responsibilities of taking care of family needs in most cases is the duty of the man thereby making it important for the man to strive to make some good earnings. In other words, the income generated by the farmers is crucial to sustainable livelihood living. Income according to the farmers who responded to the interview questions, has improved which they (farmers) can confidently link to the CLP project though they (farmers) thought more can be done to enable them get what they called desirable income (emphasis mine). This is what a farmer said concerning income

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generated from his work as cocoa farmer and more of the responses can be read at the appendix section of the transcribed interviews:

*“I will say my income level is better these days comparing with previous years before joining the project. I could barely get four bags of cocoa beans from two acres of land of cocoa plants. But now, I get almost four times of what I got previous years which has help increase my earnings. Low yields was a problem confronting cocoa farmers in this community but now under this project those us who joined the project are experiencing higher yields from our cocoa plants”.*

The response to the interview questions on project (CLP) impact in terms of income earnings of the cocoa farmers, the managers of the project who were respondents in this research had very elaborate answers to the questions. They started answering the questions on income generated from selling cocoa beans by the cocoa farmers participating in the project by cataloguing inventories on how much cocoa bean were being produced per bags on an acre of land the plantation covered. The managers of CLP project also took inventories of other income generating activities that the cocoa farmers were involved in to enhance their livelihoods. According to the managers of the CLP project, though the assertion from the cocoa farmers that there has been significant improvement in the income earnings, it did not come out of the blue moon but tremendous improvement of their farming activities. They said diversification of income generated activities which is what the CLP seeks to promote is also playing no less role in improving the income level of the participating farmers. Two of the managers participating as respondents to this research study had these to say:

*“The income levels of our members (cocoa farmers) have improved since the initiation of the project (CLP). Almost all our members were under producing bags of cocoa beans on a hectare of land. Ideally a farmer is supposed to get 8-10 bags of cocoa beans but they were getting between 2-4 bags. Now with our farmers haven improve their plants yields under the CLP project, they (cocoa farmers) earnings have increase dramatically. We (CLP) are making sure that farmers cocoa yields keep on improving and sustained to help them (cocoa farmers) live decent and appreciable life”.*

*“Under our project (CLP) the income level of our membership farmers have improve for the better. Our members (cocoa farmers) get income from other sources such planting of plantain to provide shades to the cocoa plants. They harvest for example the matured plantains in their farms*

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*and sell them at the markets which cushions them especially during the lean seasons where there is no cocoa beans to harvest”.*

In the literature review, two different findings came out of two studies in relation to income of farmers studied. According to Valerie et al. (2013, p.109-101) the low price of buying cocoa beans by Kuapa Kokoo under Fairtrade with the view maintaining the price should the world market price fall is rather impoverishing the cocoa farmers instead of helping them to increase their income level. Bosompem et al. (2011, p.7) findings had 92% of respondent cocoa farmers who said they have had a considerable increment in their income under the cocoa innovation for livelihood project. These findings from the study supports the earlier one conducted by Bosompem et al. (2011) where less emphasis was placed on the purchasing price of the cocoa beans.

The CLP project according to the respondents has enabled them to trade with Federated Commodities (FEDCO) a cocoa buying company in Ghana. It must be highlighted here that, though government of Ghana through COCOBOD set prices for all cocoa beans purchased in the country, the purchasing are still done by local licensed cocoa buying companies (LBC). So under the CLP, cocoa farmers participating in the project trade their cocoa beans with FEDCO Ghana.

Aside the trading pact with FEDCO, cocoa farmers participating in the CLP project gets remittances from their international trading partner Ferrero under UTZ certification, training and other initiatives from the CLP project. Farmers from their responses, attested to the fact that they do get remittances after attending workshops and training organize by both internal and external facilitators to the CLP project. It is not surprising that respondents (farmers) demanded payment of money from me concerning the time they will be spending to grant the interviews. To them time is money based on what they have been getting from CLP project training. The farmers through the CLP project now know the essence of time and will try as much as possible to maximize time spent in many areas.

Apart from these remittances from Ferrero by way of premium on their sold cocoa beans and the monies paid to farmers whenever they participate in workshops and training, none of the farmers mentioned any other source of remittance to solidify their sustainable livelihoods aspirations. Instead, they rather send part of their income to relatives and

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children who normally live in the big city to enable them get better education which is nonexistence at their farming communities. These are but few selected interview responds from the interviewees on trade and remittances:

*“I was selling my cocoa beans to Ananse Cocoa buying company (not the real name) and changed to trade with Equity Cocoa buying limited (also not the real name of the company) who were delaying payment for my sold cocoa beans. Now as beneficiary of this project (CLP), I sell all my cocoa beans to FEDCO where I get prompt payment for sales in addition to premium”.*

*“We get money from all training programs. The amount of money paid depends on the number of days we use for the training. Also, we get other things such cassava sticks, cocoa seedlings and plantain suckers for free. This is helping us especially those of us who are new into cocoa farming”.*

The manager interviewed did in fact stress the importance of remitting monies back to farmers after paying the actual price of cocoa beans. According to them, remittances do not only go to enhance sustainable livelihood of the participating cocoa farmers but also motivate them to adhere to good farming practices in general. Farmers knowing very well that they will earn monies from their sold cocoa beans depending on how many bags they sell motivate them to go extra mile all with the aim of increasing their yields. The remittances which are the premium on sold cocoa beans vary from one purchasing company to another. Farmers participating in the CLP project get the best premium compared with their counterparts who sell their cocoa produce to other buying companies.

The CLP remit small amount of monies to participating cocoa farmers after organizing training workshops for them at the district capitals. The Monies paid to the farmers according to CLP managers is more than enough to cater for their transportation and feeding during the training period. In some case, they give farmers extra monies for spending days away from work. This practice is to motivate farmers to participate in training programmes knowing very well that apart from the knowledge they will gain, they will also get money in addition to enhance their livelihoods. These are what the project managers had to say concerning trade and remittances:

*“Since the project is aimed at enhancing the livelihood situation of cocoa farmer, it was important that we connect them (farmers) to a reliable trading partner. FEDCO is our partner under UTZ certification and very concern with sustainable livelihood of cocoa farmers. So far, our farmers get the best premium on their sold cocoa beans in Ghana. They get Gh15 Cedis (5 dollars) as*

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*premium and decide to share Gh9 Cedis while investing the remaining amount into income generated activities”.*

*“It is important that we give them money whenever they are invited to come for training. It serves as motivation to attend these important trainings and it is also fair that they (the farmers) are paid as they would have earned some income by going to their farms. For example we give them cassava sticks and cocoa seedlings for planting. This helps farmers who are beginners in cocoa farming as the cost of cocoa seedlings are high and even getting the desirable seedlings for planting is another problem for them”.*

This results show that cocoa farmers under the CLP project have gotten better trade deals and also getting some forms of remittances in cash by way of premiums and others to enhance their lives. This result goes to support the earlier reviewed literature on trade and remittances which a clear reflection here is the Barry Callebaut’s (undated) project impact on coffee farmers in Tanzania.

What makes financial capital relevant to sustainable livelihood is its versatility (DFID, 1999, p.16), farmers interviewed in this study did not say anything new concerning how they have invested the monies accrued from income and remittances other than engaging in different farm products aside cocoa farming. None of the respondents seems to invest their money in any trading activities of their spouses as a way of diversifying and increasing their sources of income. According to the farmers, engaging in mix crop farming alone is enough to diversify work as farmers which prevent them from becoming too much dependant on cocoa farming.

## **5.2 Human capital**

Exploring the impact of the CLP project on the sustainable livelihoods of studied cocoa farmers, questions connected to the entire composite (skills, knowledge, ability to labour and good health) of human capital were asked (DFID, 1999, p.7). Interviewees, both cocoa farmers and managers of the CLP said the projects’ positive impact on livelihood

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is connected to greater emphasis placed on building a sound human capital among the cocoa farmers. They claim the intensiveness of training of participating cocoa farmers on new farming methods and especially chemical application in their farms. According to DFID (1999, p.7), human capital despite being an intrinsic value there is still potential way to help individuals and groups in society to effectively accumulate new knowledge either directly or indirectly when willing to invest or put themselves up for training. This is exactly what is happening under the CLP project. The participating cocoa farmers claim they do not have the needed resources to enable them acquire knowledge but the CLP is giving them that opportunity free of charge.

It is not strange to hear the cocoa farmers say this especially when most if not all of do not have any formal education. Unlike the developed world where farming is done on commercial scale which implies there is the need of technical knowledge in farming, the opposite is the case in the developing world. Farming is done in a subsistence way with majority of these farmers having no formal education. Notwithstanding, the farmers firmly believe that the CLP has effectively enriched and broadened their knowledge on modern methods of farming.

Good health which is among the best assets of human capitals in relation to sustainable livelihood was given a plausible confirmation. The interviewees said participating farmers in the CLP have from time to time benefited from health screenings. The health screenings are done in such a way that, the whole household of the farmers are screened by professional health workers with no fees attached to the exercise. This health screening exercise is very crucial if sustainable livelihoods of the farmers are to be achieved. If the wellbeing of farmers are compromised, they would not be in position to engage actively in their farming activities which is going to have negative impact on the four remaining capitals. The health screening exercise give the farmers opportunity know if there is any hiding ailment in their body that they do not know. The farmers have opportunity at the same time to interact with the health professional share with them some personal health related problems for advice. This is impossible for the farmers on the normal health attendance visit to the hospital where health professionals have high number of patience to attend to at the hospital or clinic. More so, many of these cocoa farmers according to the managers of the CLP project do not visit the hospital for health treatment but resort

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to traditional herbal medicine for treatment which not all of them are effective enough to treat their ailments.

The impact of CSR projects to promote the sustainable livelihoods in the area of human capital is having positive effect on persons and communities participating (Neely et al., 2004; Bek et al., 2006; UTZ, 2014; Barry Callebaut, undated). From the interviews conducted, both the participating farmers and the managers all said the CLP is having positive impact on the livelihoods of participating farmers. The farmers reiterated that, the CLP project which involves a lot of training has enabled them to acquire new skills, knowledge, good health and ability to labour which in effect has transcended into their communities. Below is response of follow up questions for the selected cocoa farmers for the interview on how the CLP has affected their skills, knowledge, ability to labour and good health:

*“In fact I did not have any planned method of farming previously, all that I did was just to go the farm and do whatever I felt was okay. Now I know when to plant new crops, how to apply chemicals like akate master (name of a cocoa chemical in Ghana) on the cocoa farm. I get support from agric extension officers under the project”.*

*“This is distinct in that, all that they teach us through training workshops are modern ways of farming. Previously I planted at stake and didn’t want to prune the tree which affected my harvesting yields but through this project and the training I got about pruning, I have seen tremendous increase in yields”.*

*“The methods of farming under this project reorient us farmers about the need to be concern with our health. Previously as farmer, we never mind about what is proper way of applying chemical but now, we do know. We have been getting free health screening services health professionals and onward treatment through the CLP project. The whole households of farmers are screened”.*

The managers of the CLP project were fully certain that it has impacted positively on the sustainable livelihood outcomes. The managers based their claim on the fact that cocoa farmers participating in the CLP are reaping heavy yields of their cocoa crop after the introduction of the project. According to the managers, the inventory taken on the stock of cocoa beans produced by the farmers before the project commenced and the one taken now shows significant changes. The managers claim this is as a result of giving the cocoa farmers appropriate and up-to-date training about skills and knowledge needed to enhance



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sustainable livelihood of the farmers. The extract below show how the managers of the CLP reiterated about the claims of the impact of the project on skills, knowledge, ability to labour and good health which falls within human capital:

*“Formally, some farmers produced 5 bags from 10 acres of land. Now some farmers can produce as much as 50 to 60 bags on the same piece of 10 acre of land. Health improvement by educating them on agro chemicals usage and its storage. They are now conscious of their health. No bedroom storage of chemicals anymore. Wearing of protective cloth and covering of their mouth and nose on the field when spraying. Farmers are now conscious with the environment. They have stopped spraying into water bodies and deforestation”.*

*“The farmers need new skills and knowledge to become self-sufficient. It is our responsibility as organization seeking their welfare to provide them with business trainings on how to locate other business in addition to the cocoa farming. Example is records keeping tracking their way of spending. Under this project, we periodically employ the services of health professional in the districts where we operate to screen our farmers and their households to check their health status and possible interventions. Quite a number of the farmers have been referred and treated at the general hospitals after screening for free”.*

Base on the interview results, it has become evidently clear that the CLP project has and continues to impact positively on the human capital needs of the participating cocoa farmers in the areas of skills and knowledge development, labour ability and promotion of good health. The results corroborate Bek et al. (2006, p.10) assertion that under the Wupperthal and Heiveld rooibos tea initiative/project, tea farmers have gain immeasurable new knowledge which is helping them to diversify their income generating activities (Bek et al., 2006, p.10). Whiles tea farmers in Wupperthal community for are now adding value to their rooibos to by flavouring the tea with lemon for sale to tea consumers and the bye-products from rooibos tea is now being used for soap (ibid), cocoa farmers participating in the CLP project have acquired new knowledge of engaging in other business ventures aside cocoa production. Most of the cocoa farmers based on the responses are now cultivating other crops in addition to their main cocoa farming work. In other words, they are now engaging in mix farming where for example plantains are planted together with cocoa in their plantation fields.

The results also confirms the findings of (Valerie et al., 2013, p.47; UTZ, January 2014, p.20 ; Barry Callebaut, undated, p.24) where coffee farmer in Vietnam, cocoa farmers in Ghana and the Dominican Republic are said to have acquired significant knowledge on

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agrichemical (pesticides, fertilizers etc.) application, new farming methods in monitoring and management.

And lastly, the result from the conducted interviews on health are in variance to earlier literature reviewed in case of Biolands organic cocoa farming project under the Barry Callebaut (undated, p.18) where hospital in the Kyela community in Tanzania now benefiting from generator purchased for the Matema district hospital and at the same time, helping the hospital to pay for maintenance of the only hospital ambulance and other administrative services like email.

Under the CLP project and based on the results from the interviews conducted, cocoa farmers and their families are the direct beneficiaries of the health screening exercise. The farmers participating in the CLP admitted an improvement in their health status as result of the free health screening and treatment support.

### **5.3 Natural capital**

On natural capital which encompasses soil, water, forests and fisheries, findings are based on the same formula of data gathering where relevant questions and follow-up questions were asked to solicit answers from the interviewees. For the farmers to get better yields from their cocoa plantation, it is common knowledge that the land/soil should be fertile and better manage to sustain its fertility. What makes natural capital vital component among all the capital is the powerful association with context of vulnerability in relation to sustainable livelihood (DFID, 1999, p.11). In developing or the so-called poor countries in the global south where many livelihoods depends greatly on natural capitals, depletion by way of human activities (farming and fishing) and natural occurring phenomena (drought and earthquakes) creates room for vulnerability among individuals and groups. This creates vulnerability in that, human beings by nature relies on functioning biodiversity of the environment (ibid). The above makes it important to exhaustively inquire about how the natural capital (air, water, land, fisheries and forestry) are managed. To this end, ascertaining the existence of various supports both direct and indirect according to DFID (ibid) is crucial to sustainable livelihood project impact evaluation. The CLP project have been providing both direct and indirect support in the

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promoting the improvement of natural capitals of cocoa farmers within the framework of sustainable livelihood concept based on what the respondents said. The cocoa farmers claimed to have changed their attitude towards the treatment of natural capital at their disposal. What was most important to the cocoa farmers direct help offered to them by the CLP project to register their lands. In Ghana where farm lands are mostly family lands, they lack proper documentations which usually lead to litigations among family members in situations of passing away of the working on it. The cocoa farmers being able to properly document their farm lands are to prevent future litigations and encroachments.

The impact of CLP in relation to land/soil fertility and management, the participating cocoa farmers based on the respondents' answers as I said earlier were positive. All the cocoa farmers interviewed said some farming practices which they did not know were affecting their output are now known under the CLP project which is helping them to increase their yields. The farmers had this to say when asked how the CLP has affected soil and land management and its effect on cocoa production:

*“I used to burn all the weeds in my farm after gathering them not knowing the repercussions of my action. Now I know burning the weeds do not only kills living organisms in the soil, but makes the soil lose water which the cocoa plants need to bear fruits. The CLP has helped to manage and improve the soil fertility. The cleared weeds are now use as mulch to feed the cocoa plants and my cocoa plants are yielding well as there is enough moisture in the soil”.*

*“Using herbicides (Chemicals for clearing weeds) was what I was practicing in my cocoa farms. Through the CLP I have put a stop to that since I am aware other plants contributes to the soil fertility and also, the chemicals kills flowering insects causing low yields. Our lands have been surveyed and we have our lands registered at the Land Commission of Ghana”.*

According to one of the managers of the CLP project, soil which forms part of the natural capital is the single most important thing they look at. He argues that, for the cocoa farmers to get better result from the farms and sustain it depends on how they treat the soil. In other words, sustainable livelihood of the cocoa farmers greatly falls under the soil quality and its subsequent management. The project is thought to have encouraged farmers to available organic manure like chicken droppings and cleared weeds to feed their cocoa plants. The assertion here is that too much of fertilizer application on the cocoa plants not only weakens soil fertility and kills the living organisms in the soil like worms,

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it also affects nutrient composition of the cocoa beans. This is serious problem when high percentage of potassium is found in cocoa which may result in the rejection of the whole cocoa consignment. Containers of chemicals are properly disposed off and where they are difficult dispose, the CLP has measures in place to collect them from the farmers. Farmers are checked on regular bases to monitor chemical application and the container`s disposal. The earlier claim by interviewee eight (8) was backed by the CLP managers. Below is a response to the question regarding the impact of CLP project on soil and land management:

*“The CLP like any other project has what we call internal control system (ICS). This ICS serves as a guiding principle and we make sure that participating farmers under this project follow them. We expect the farmers to be conscious of the effects of their farming practices on the land/soil. Burning and applying of chemicals to control weeds are prohibited as it makes the land/soil lose it fertility which in turn to affect production of the cocoa beans and any other farm products. This has helped to save the soil from unnecessary destruction. Through collaboration with ME DEEM (GH) Limited, we have helped our farmers to register their farmlands without cost to them”.*

The results from the interviews without any divergent opinions make it evidently clear that there has been positive impact on land/soil component in relation to natural capital as one of the dimensions to look at in the concept of sustainable livelihood. The results also confirms the findings of Neel et al. (2004, p.14) where activities such as “slash-and-burn agriculture and cattle ranching led to a rapid loss of soil fertility” in the literature review section. This is important to sustainable livelihood in that, bush burning for example does not only affect fertility but can create a very devastating effect on the very farm the action is aimed to help. Burning the weeds can get out of control and destroy cocoa plantation. In this case, financial capital of the farmer can be compromised which will in turn affect sustainable livelihood outcomes.

Water like land/soil is very essential when it comes to farming any place in the world. For most plants as it is to cocoa plants, water should be available to support its growth. In other words, water bodies like rivers, lakes and ponds located on and around farmlands support plants and serves as source of drinking water for farmers and communities. According to Bharat Petroleum report (2013-2014, p.79), project Boond which is a collaborative project with DHAN Foundation in the Mokhada, Thane district, Maharashtra an arid region of southern India has helped to conserve water thereby doing away with persistent water scarcity due to poor management of water bodies.

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The results from the interview questions concerning the impact of the CLP project water under natural capital were corroborative by the responding farmers. From the response of the farmers and the managers of the CLP project farming twenty meters along water bodies are not permitted by participation members. This is to protect the cutting down water shading leading to drying up of these bodies as a result of direct impact from the sun. Farmers also said they are no longer using chemical containers to fetch water from rivers and streams under the CLP. Aquatic creatures by this action are protected from extinction while people who consume say fish from these water bodies are saved from food poisoning.

The circle of impact of these attitudinal changes under the CLP is invaluable on sustainable livelihood. Good health which is a composite of human capital is well guided since the environment is devoid of harmful substance as result of human action. Less money is invested in health needs of the people at the long round. These are two of the response from the interviewees:

*“The officers do not tolerate us using agrochemical containers to fetch water our farms. We do not want to be sanction as it is spelt out in our guidebook. The community has been saved from water poisoning”.*

*“My cocoa farm borders the stream which serves as source of drinking water for whole community. Because of the CLP project, I had to demarcate my cocoa farm from the stream to protect it from contamination through their (CLP) awareness campaigns”.*

The interview response of the managers of the CLP project corroborated what the interviewed cocoa farmers claimed earlier. One of them said the CLP project takes serious consideration about actions that poses threat to water bodies no matter how big or small they are. Cocoa farmers are not allowed to plant cocoa trees in for example marshy or water-log to protect aquatic life. This to him is important as chemicals used for cocoa farming can be damaging if they come into contact with water bodies especially living organisms like fish. This is what he said when questioned about the effect of CLP on water bodies in their area of operation:

*“Under our environmental conservation policy, water bodies like rivers and water-logged area such as marshes and swamps, shall be managed as conservation area where possible. The measures, is to prevent aquatic pollution and avoid drying up”.*

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The impact of the CLP in relation to water under natural capital based on the responses from the interviewees and more especially interviewee 15 and 7 with affirmation from interviewee 1, confirms the earlier findings in the Bharat Petroleum report (2013-2014, p.79) on water conservation. Preventing participating cocoa farmers in the CLP project farming along water bodies and the clearing of shade trees are all well within environmental conservation and for that matter water. The measures may be difficult to implement in the initial stage but with constant information through education, it is achievable.

The result from the interview on forests under the CLP project was also positive. Apparently all the respondents' right from the participating farmers to the managers asserted that, the CLP project has led to the conservation of forests. The research study reveals that, under the CLP project, farmers for example are expected to make sure that timber trees (tall cover trees) found in their farms are not cut down. Also, it is obligatory that all cocoa farms have at least ten cover trees per acre of land. The farmers claim they get supply from managers of the CLP project cover tree seedlings ostensibly to plant them in their cocoa farms where cover trees are lacking in order to meet the standard requirements under the project while providing shades for the cocoa plants to the land from drought as result of the direct impact of the sun. These are two selected few responses from the cocoa farmers interviewed:

*“We used to encroach on forest reserves in our area to make way for cocoa farming. The CLP discourages us from doing that. This has led to conservations of designated forest reserves by the government of Ghana”.*

*“I was provided with Nim tree (a local tall tree plant) seedlings to plant in my cocoa farm. They will be providing shades to the cocoa plants very soon. Mangos and other plant species have been left untouched in my farmlands”.*

The managers of the CLP project also said action taken to preserve the environment for the benefit of future generation has been positive and has transcended into the cocoa farmer's livelihood. The project has a clear policy guiding how farmers should interact with the environment based on the response from the managers of the CLP project. They confirmed the promotion of growing shade trees by providing the tree seedlings where

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needed. One of the managers of the CLP project had this to say concerning its impact on forests:

*“Under our environmental conservation policy, when a site is not used for production, it is managed as conservation area for fauna and flora; we encourage members to grow shade trees in their cocoa farms to enhance biodiversity and make sure that our members never burn bushes and forests around their farm. These measures are helping to conserve forests on the part of our member farmers and their communities as a whole”.*

The findings from the interviews concerning the impact of CLP on forests is consistently in line with the earlier literature review findings of Neel et al. (2004, p.14) where an estimated 10 000 hectares of forest lands has been reclaimed under the Lempira Sur project in Honduras. The findings also confirms Valarie et al. (2013, p.124) Chocolate Halba/Pur project under Kuapa Kokoo where an Environmental Department has been established to train and educate cocoa farmers on reforestation. Actions taken under the CLP project may not be land reclamation as one may argue, the important thing is that, they are all aimed at promoting biodiversity by preventing extinction of some plant species and covering up the land against drought.

Concerning fisheries, the results were inconclusive in relation to CLP impact. Apparently this result may be due to the fact that the communities where the interviewees come from have customs which protect fishes in the rivers. In almost all the communities, fishes in the rivers are seen as river goddess and it is forbidding catching and eating them as food. Also, fish seems not to be a delicacy among the cocoa farmers and their communities but instead, wild games (referred to as bush meat by the locals) from the forests.

## **5.4 Physical capital**

In general, physical capital involves the availability of basic social infrastructure like roads, schools, health posts in the community and acquisition of personal effects such as working tools and equipment. Evaluations of sustainable livelihood projects impact are based on the above mentioned elements find within physical capital. Interview questions in relation to physical capital only sought to know how the CLP project has help them to acquire basic but important farming equipment. Almost all the respondents claim have

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been able to acquire farming tools and equipment such as: spraying machine, pruners, and personal protective equipment (PPE).

When the respondent farmers were asked what farming tools they had previously and now under the CLP project, they replied by saying:

*“Before this project, I always had to go and hire spaying machine from my neighbours. They came with high cost as sometimes the machine got broken down additional to repair it. I now own one motorize spraying through CLP assistance”.*

*“I did not have personal protective equipment (PPE) previously. The CLP has provided us free PPE and pruners to carry on our farming activities well protected”.*

One of the managers corroborated the above statements from the cocoa farmers interviewed. This is what he had to say concerning CLP impact on physical capital:

*“At the initial stage of the project, we identified a lot of shortcomings on the part of our participating farmers in relation to basic farming tools and equipment. About 90% of the farmers did not have personal protective equipment’s (PPEs), pruners and spraying machine which very essential and needed in cocoa farming. Every year we provide our farmers free PPE and pruners. We also assist them to acquire spraying machines”.*

The results from the interviews pertaining to the impact CLP on the physical capital of studied cocoa farmers do not support the earlier findings of Bosompem et al. (2011). Bosompem et al. (ibid) claim in their findings that about 70% of their respondents (farmers) have not been able to acquire for themselves spraying machines and pruners under CHTP. The contradiction in the two findings may be due to income differential of cocoa farmers in two projects. In other words, the purchasing powers of farmers may dwell on their earned income. Farmers under the CLP project claimed that their income level has change for the better which may have help them to acquire say spraying machines. The difference in results may also be linked to free provisions of PPE and other farming inputs under the CLP project.

The findings in this study though may be different from Wupperthal rooibos tea initiative (Bek et al., 2006, p.7) in terms of the farmer’s acquisition or possession under physical capital; they all share a positive impact on the participating farmers. That is, while farmers participating in the Wupperthal rooibos tea initiative have been able to purchase farm tractor to plough their lands, CLP farmer on the other hand have acquired PPE, pruners and spraying machines.



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## 5.5 Social capital

Social capitals which offer no less opportunity for individuals and groups to pursue their livelihoods aspirations (DFID, 199, p.9) play a crucial role when assessing sustainable livelihood initiative impact. How individual and groups are able to build ties with relevant bodies connected to their work can have some degree of influence on their work output. In other words social capital available to individuals and group inevitably affect positively or negatively the four capitals at their disposal. On social capital, it is envisaged that farmers participating in the CLP project have a fruitful and sound ties with their immediate families and communities; relevant agencies connected with their work and are member to social associations.

The participating cocoa farmers when asked about their networking situation with individuals and bodies connected to their profession as cocoa farmers under CLP project mentioned a lot of bodies including financial institutions. What is most surprising with their answers was the inclusion of their family members and communities to their network of connections. The farmers claim to have had an improvement in their social resource, work and “friendly” networks, and are now members of associations. Apart from getting innovative knowledge transfer as result of training built through social capitals (ibid), it was evident from the responses of the farmers that important farm inputs such as fertilizers were received by the farmers. The government of Ghana through COCOBOD for example gives out fertilizers free of charge to farmers for onward application during the lean cocoa season. It is interesting to know that most farmers who have less or no network connections are not able to access this needy but expensive farm input. Among the interview responses that were corroborated by many of the interviewees are:

*“Now I am able to do all that I want to do. I can say, I have no problem, I have television and DVD so in the even my children need not to go outside to play or watch television out home. I am able to attend social gathering these days which wasn’t the case sometime past..... we help our members when the need arises.....emm example is funeral celebrations. Even people who are not members of the project now want to join us due to the benefits they have seen us enjoy as result”.*

*“Getting free fertilizers to fertilize our farms was very difficult, the project has enable us have contact with agricultural extension officers which has made things somehow less difficult these days. We have now cocoa buying company to purchase our beans with good premium and banks are all over chasing us to come for credit”.*

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The importance of being solidly connected to association whose network with relevant bodies and agencies were re-echoed by the managers of CLP who were interviewed. According to them, they encourage the participating farmers join associations working to improve the lives of farmers especially reiterating that when farmers join such network association, it boosts their self-esteem and challenge them to do more to improve their livelihood status. Cocoa farmers under the CLP as claim by the managers are able to swiftly disseminate important information to members in case there is any suspicion of outbreak of cocoa disease in order to collectively prevent it from spreading which are all as result of good social resource available to them. The respondents from the organization managing the project also had this to say concerning the impact of CLP on participating farmers in relation to social capital:

*“We live in the world today where it is very important for all forward looking people needs to get some form of network or links with other people elsewhere....especially work related ones. We have been able to bring the farmers together even though they live in different locations and communities. Not only that, our farmers has one company buying their cocoa beans”.*

*“Networking farmers with relevant agencies is one of the core mandates under the CLP project. We have been able to create a network between our farmers and agricultural extension officers, financial institutions, other NGOs and agrochemical sellers in and outside the districts. We monitor human/labour rights issues in the association, receive complaints from workers and members on different social issues, and try to resolve social related issues among our members”.*

The results from the study shows a very positive impact of CLP project on the cocoa farmers pertaining to social capital as one of the key elements to look for when assessing the impact of sustainable livelihood concept. The results of the qualitative study by Bosompem et al. (2011) shows 14% of the respondents claimed being able to explore the benefits in the farmers’ network associations, but in the case of this study, effectively all the respondents claimed to been benefiting from farmers’ network associations. There were no claimed of any conditions attached when farmers want to join an association. Punishments according to the responses from the farmers are rare though they exit in their code of conduct for all members. About how inclusiveness these network associations offer to members, farmers who responded to the questions did not mention any impediments to joining them. Farmers in this case join these associations by choice and

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are free to omit themselves from them whenever they (farmer) deem it unhelpful to their cause.

The results in this study on social capital also confirms earlier findings of Bek et al. (2006, p.6) concerning its impact on farmers under the Wupperthal and Heiveld rooibos tea project in the Republic of South Africa. Similar to the Wupperthal and Heiveld rooibos tea initiative/project (ibid), cocoa farmers participating in the CLP project have a secured LBC as result of collaborations with Solidaridad and UTZ an international cocoa certification body. It is through this secured LBC that has helped them to get premium on their sold cocoa beans.

The study failed to confirm or disprove the findings of Neel et al. (2004, p.17) concerning positions being held by women participating in the CLP project even though some respondents were women. This is due to the fact that the study was not interested in finding social positioning of gender though finding out would have enrich the research.

## **5.6 Challenges to sustainable livelihood among cocoa farmers in AASD**

In this qualitative case study, cocoa farmers interviewed were asked what the challenges to their realization of sustainable livelihood are. All the respondents including project managers of CLP came up with some pertinent issues and phenomenon inhibiting the realization of sustainable livelihood. Predominantly among the issues and happenings raised by the interviewees were: cheating through adjustment of weighing scale by purchasing clerks (PCs), illegal gold mining (locally referred to as “galamsey” in Ghana), proliferation of fake agrichemicals, bad roads, illegal timber cutting, and cocoa pricing on the part of government of Ghana through COCOBOD.

According to the farmers interviewed, the activities of most PCs are having serious repercussions on their sustainable livelihoods. As a result of weighing scale adjustment by some PCs, cocoa farmers said they have had to give more cocoa beans there depriving them some substantial amount in income. According to the farmers, they are unable to stand against this negative practice since they (the cocoa farmers) would not get buyers for their cocoa beans as the PCs are specifically assigned to buy from them. Below is one of the transcribed excerpts of interview responses:

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*“Many if not all PCs (purchasing clerks) cheats us cocoa farmers, they adjusting their scale they use to weigh our cocoa beans before they price them”...We unable to do anything” .*

Proliferation of fake agrichemicals in the Ghanaian market is another challenge to the realization of a sustainable livelihood. According to the cocoa farmers interviewed, they are supplied with fake agrichemicals by agrichemical sellers which affect their production and sometimes lead them to become indebted to their creditors. The farmers claim lack of transparency and checks on the part of Food and Drugs Authority who are mandated by law to clamp down on fake agricultural inputs in Ghana. What the cocoa farmers claims makes the situation worrying and challenging to their livelihoods is the fact that the chemicals are too expensive. This is what one of the farmers interviewed said concerning proliferation of fake agrichemicals:

*“The market is full of fake agrichemicals which are difficult to detect us ordinary cocoa farmers. The black pod disease which was affecting my cocoa plants did not go after applying fake chemical I bought from the market which I thought was genuine. I got help from the agric extension officer but with extra cost”.*

With regards to cocoa pricing as another challenge militating against sustainable livelihoods, the interviewed cocoa farmers said they do not get fair price for their cocoa beans. This the cocoa farmers attributed to the monopoly in the purchasing of cocoa beans in the country. They claim that even though cocoa price at the world market is high they only get about 30% of the world market price which to them is meagre considering the high cost of labour and inputs. The farmer’s assertion is in fact backed by figure two in section two of this studying in looking at the cocoa supply chain in Ghana. When interviewed cocoa farmers were asked to tell about some obstacles to their achieving sustainable livelihood, this is what one of them said:

*“The government inability to offer us cocoa farmers reasonable prices for our cocoa beans is affecting our living”.*

It is worth noting in this study that, though the managers of the CLP who were interviewed agrees to most of the issues raised by the interviewed cocoa farmers participating in the CLP project, they also raised other things they thought are inhibiting sustainable livelihoods of the farmers. According to the managers of the CLP interviewed, some challenges facing cocoa farmers which is preventing them from a sustainable livelihood

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living is as result of keeping old cocoa trees in their cocoa plantation. Most of the cocoa trees can be as old as thirty years old which has effect on cocoa beans production. The argument put across by the managers is that, as the cocoa trees grow older, they start to bear little fruit which in turn affect overall cocoa production. One of the mangers of the CLP project had this to say concerning his observation of the challenges facing the cocoa farmers:

*“Aging of cocoa trees. Some cocoa trees are over 30 years which may lead to decrease in yield. At this stage, proper use of the appropriate and approved chemicals on such tress will better the production output”.*

Other reasons the cocoa farmers are facing challenges according the managers of CLP project are flooding, chemical misapplication on their cocoa farms and cocoa farmer’s unwillingness to adapt to new methods of farming practices. They claim that most of the farmers for example finds it difficult changing to important farming methods such as pruning of the cocoa trees despite being trained about the need to prune the cocoa trees to prevent the land from getting dry up as result of cocoa trees competing for water.

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## 6 CONCLUSIONS

The whole idea of this study as pointed in the introduction section was an attempt to evaluate qualitatively the impact of much publicized corporate social responsibility (CSR) initiative dubbed “Cocoa Livelihood Program” to help cocoa farmers to achieve sustainable livelihood (SL) in Ghana. The study also attempted to bring forth the challenges to realization of sustainable livelihood among cocoa farmers in Ghana. And to effectively undertake this study, I chose cocoa farmers in the Ahafo Ano South district participating in the CLP for the case study. The basis of this case study comes from earlier literatures highlighting the impacts of some CSR initiatives which aimed at fulfilling sustainable livelihood aspirations of the so-called disadvantaged or vulnerable people/groups in society.

The impact of the CSR initiative on financial capital within the framework SL as emerged from the respondents’ shows that savings, credit, income from employment, trade and remittances have all improved significantly. Most cocoa farmers are able to save some money with banks, and trusted family members and friends for future use. Access to credit facilities from financial institutions such as banks which the cocoa farmers claim were non-existent is no more a problem to them. That, their access to credit facility today has prevented them from becoming labourers on their own cocoa farms by going for “vulture” loans from private money lenders with high interest rate. There has been a tremendous increase in income under the CLP as also claim by the farmers. They claim of receiving substantial amount of monies on premium for the sale of their cocoa beans compared with farmers who are not participating in the CLP project.

In the same way as above, respondents in the study agreed haven benefited positively to human capital aspects under the CLP. Almost all the cocoa farmers interviewed one-on-one said they have acquired new skills and knowledge which is helping them to improve the methods used to carry on their work in their farmer. That is, they have been receiving training in relations to new farming methods and practices through CLP organized workshops. And to back their claims, the farmers talked about getting new knowledge and skills in applying agrichemicals and mix cropping under the CLP. Also, the cocoa farmers and their households have been getting free periodic health screening and treatment.

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The impact of the CLP on the participating cocoa farmers in terms natural capital when assessing sustainable livelihood based on the findings is also positive. The participating cocoa farmers asserted haven changed the way they used to treat the natural resources such as the forests and water bodies around them. They claimed to have stopped indiscriminate felling of trees, bush burning and pollution of water bodies with harmful chemicals which has helped in preserving the ecological system. The study revealed also that, cocoa farmers participating in the CLP have had their farmlands officially registered with the Lands Commission which has immune them from land litigations and encroachments.

The CLP in the area of physical capitals which involves basic infrastructure such as; roads, schools, health posts, energy, tools and equipment had a positive feedback from the participating farmers even though the impact did not cover all components mentioned. Based on the findings, the CLP project did not have any positive impact in the areas of roads, schools health post and energy as some projects claimed in the earlier literature reviewed in the section three of the study. Nevertheless, the interviewees claimed haven been able to acquire almost all the basic tools and equipment needed to perform well in their farming activities. The cocoa farmers are benefiting from free provisions of personal protective equipment (PPE) and have in their possession spraying machines, pruners to mention but few that they were lacking before the CLP project came in.

And lastly on the impact of CLP on cocoa farmers about social capital, the respondents affirmed that it has been positive. The findings show that cocoa farmers participating in the CLP project have now gotten ties or links with major stakeholders in the cocoa business and supply chain. Though the farmers live distance away from each other, they have been able to form welfare associations and established link especially with agricultural extension officers and LBCs through direct intervention from the CLP project.

On the challenges to sustainable livelihood, the respondents revealed illegal gold mining, cutting down of timber trees by chainsaw operators, adjustment of cocoa weighing scale by PCs, bad roads and monopolization of cocoa purchasing by the government are the obstacle that they are facing. Of all the above mentioned issues seen as obstacle to cocoa farmers achieving a sustainable livelihood for themselves and their dependents, the interviewees claimed illegal gold mining by locals and Chinese nationals, and timber

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logging are their biggest threat. The cocoa farmers interviewed, corroborated the cheating activities of PCs as haven negative effects on realization of a sustainable livelihood.

The results show a very positive impact of the CLP project on the participating farmers as they (participating cocoa farmers) admits of a tangible improvement in almost all the five capitals/assets used in the assessment. The farmers are able to save money for future eventualities and now have possible means to get access to loans from banks if needed. There has been an improvement in human capital as result of skills training under the CLP project. Social networking and associations of cocoa farmers under social capital has been enhanced while ecological resource conservation have also been boosted by the CLP initiative.

With the above elaborated impacts of the CLP project on the participating cocoa farmers, results shows they still faces serious challenges to sustainable living. Issues such as illegal gold mining, supply of fake agrichemicals, timber logging, adjustment of cocoa weighing scale by purchasing clerks (PCs) and bad roads are restricting them from achieving sustainable living. Most of these enumerated challenges which are claims made by the farmers is solvable only by relevant state institutions.

In the same way, the CLP project has been able to help the farmers register their farmlands and this is very important looking at the land tenure system in Ghana. Notwithstanding the catalogued challenges, the CLP is having positive impact on the participating farmers which are similar to the literatures reviewed. Extending the initiative to other cash crop farmers will contribute to sustainable livelihood in a broader context.

The CLP is well in tune with the argument put forward by Katsoulakos and Katsoulakos (2006) and Lantos (2001) about the concept of CSR in the conceptual framework analysis. The CLP first, seeks to promote the perpetual existence of these corporate organizations which is the “sustainability responsibility” argument put up by Katsoulakos and Katsoulakos (2006). These corporations can only exist where there is a continual flow of raw materials for production which is the raw cocoa beans from local farmers. In other words, sustainability responsibility as conceptualized by Katsoulakos and Katsoulakos (ibid) ensures that corporations take an active role in empowering sources of raw material production to effectively boost their supplies.



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In this case, sustainability responsibility action taken as CRS by MNEs and TNCs is well grounded in Lantos' (2001) assertion that CSRs are "altruistic and strategic" in nature. There is both altruistic and strategic (Lantos, 2001) elements in the CLP initiative by the corporations and their collaborators. Altruistic in the sense that, one of the CLP main goals aside promoting sustainable livelihood living among cocoa farmers is to also increase the supply level of cocoa beans. The increase here will not only help the cocoa products manufacturing industries to get constant supply, but also bring down the purchasing price level of the raw cocoa beans at the international market. In other words, the MNEs and the TNCs will be able to have some level of control over the market price since they are in abundance. The CLP initiative is also "strategic" as conceptualized by Lantos (ibid), since beneficiaries (cocoa farmers) are indispensable partners of the MNEs and TNCs. The initiative is strategic in that, cocoa farmers may see that their partners (MNEs and TNCs) have their (cocoa farmers) welfare at heart seems to be working towards achieving that. The CLP has nothing to do with ethical and legal obligations of MNEs and TNCs as Carroll (1979) conceptualized CSR. The corporations that initiated the CLP project are not found in this farming areas and also do not have direct contact with the farmers when it comes to cocoa purchasing. In fact almost all the farmers interviewed, could not mention just one cocoa processing factory. All that they know was that, the government of Ghana is their only point of contact when it comes to cocoa pricing and purchasing. In this situation, the MNEs and the TNCs has little or no legal or ethical obligations (Carroll, 1979) to the cocoa farmers.

The concept of sustainable livelihood in this study reveals mutual benefits of both cocoa farmers and stake/shareholders of these corporations (Mars, Ferrero among others). The decision to empower the poor or the disadvantaged people and in this case cocoa farmers, has a positive trickle-down effect on all agents found within the cocoa supply chain. There is a great opportunity solving the uneven sharing of income in what Chambers and Conway, 1991 called equity in their conceptualization of SL. The CLP offer bonuses by way premium aside what the authorities of Ghana pays to cocoa farmers. Cocoa farmers are assured of getting a fair deal from selling their assets which in this case is the raw cocoa beans. This is also a step towards reducing poverty which also is an argument put across by Scoones, 1998. There are other fringe benefits that sought to augment the normal earnings from sales of cocoa beans and bonuses. Basically the CLP provides tools

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and equipment, seedlings which in effect has reduced the poverty (lack of necessities) levels of the farmers.

The CLP has been well grounded in building of human capabilities as championed by Chambers and Conway, 1991; and Scoones, 1998 in the conceptual framework of SL. This is important because, “capabilities” are seen as both ends and means of livelihood which renders every effort meaningless without it. The participating cocoa farmers’ means to livelihoods has come from various intervention strategies such as training on good farming practices under the CLP. This has in effect, enabled the cocoa farmers to adopt many activities to achieve their life aspirations of which Scoones, 1998 conceptualizes as “livelihood adaptation”. The cocoa farmers based on the findings for example, reported how satisfied they have become in life which Chambers and Conway (1991) argues should entail improvement in one’s purchasing power in things like buying decent clothing.

Creation of working days (Scoones, 1998), has gained much prominence in the CLP. Under the CLP, participating cocoa farmers have well meaningful working engagements throughout the year. For example, most of participating cocoa farmers have been employed under the CLP to sieve the purchased cocoa beans to remove spoil ones before they are loaded into bags for export. This means that more working days are created for cocoa farmers in the post-harvest period which is diversification of employment opportunities.

Natural resource sustainability found in the SL conceptual framework adopted by both Chambers and Conway, 1991; and Scoones, 1998 has been positively strengthened by the CLP. The ability to sustain natural resources plays a pivotal impact on SL capital since its viability means from individual level to community; there is opportunity to exploit them for a decent living. The CLP in other words is helping cocoa farmers become more independent in terms of their needs through moderation and dependence on natural resources within their living environments. This achievement under the CLP is of greater significance as livelihoods of most people living in rural areas depends on available natural resources (Scoones, 1998, p.6). For example, the CLP is encouraging the cocoa farmers to apply only organic fertilizers to their farms to improve their yields and conserve the flora and fauna.

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The research findings may help the ongoing noble initiative (CLP) and other similar programs to take more proactive approach to help cocoa and other cash crop farmer's live sustainable lifestyle. The findings of the study in addition, have implications for current and future CSR initiatives connected to sustainable livelihood of cash crop farmers. This study, therefore give a couple of implications to policy makers, corporate organizations, managers of the CLP, key government institutions and NGOs whose interest is to enhance livelihoods of the poor and vulnerable people in our societies in line with SL concept.

The program practices which make sure that participating cocoa farmers in the CLP are trained both in practical and theoretical way about modern methods of farming, can be pass on to non-participating farmers in the farming communities. This is because, farmers in general share knowledge with colleagues farmers in their daily activities. So adopting this method of training farmers, the program indirectly is extending to farmers in the communities where the CLP is in operation. What makes the practical aspect of the training indispensable is the fact that most of these cocoa farmers did not have any formal education.

Preservation of water bodies, shade trees and proper application of agrichemicals in cocoa farms. The findings from this study suggests that, the CLP have very strong programs in place to make sure that water bodies, shade trees and the most importantly the soil are well protected from farming activities. Cocoa farmers participating in the CLP as matter of principle must adhere to all condition set to protect the environment in order to get accreditation certificate.

Good health as found in human capital assets can be much achieved under the health screening program for cocoa farmers and their dependants. The findings suggest that cocoa farmers and their dependants can benefit greatly if the health screening program is extensively spread to cover all the areas of operation of the CLP in at least four times within a year. Most of the farming communities where the cocoa farmers are living do not have readily accessible health facilities and so rely on herbal medicine prepared by native herbal doctors. What is most important in the health screening program is that, farmers and their dependants stand the better chance of getting early diagnosis of hiding ailment which can lead to early treatment or taking preventive measures against it.

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Increased in cocoa production yields, while helpful, is not the key to promoting sustainable livelihood among cocoa farmers. The CLP initiative which targets cocoa farmers, aims at improving their income earnings needs an increase in level of cocoa production. However, increasing the production level alone as suggested by the study findings may not be the panacea to realization of sustainable living among cocoa farmers. There is the need to pay equal attention to other activities designed in the program which do not necessary lead to increasing production of cocoa.

All the successive governments in Ghana, corporate organizations and a number of NGOs are making effort to make sure good quality of life of people living in the country. The countless projects and programmes both completed and ongoing attest to this fact. The impact of the CLP though has been successful; there are observable things that emerged from the study which needs recommendations as such. The research shows that cocoa farmers' livelihood is being seriously undermined by activities such as illegal gold mining, timber logging and proliferation of fake agrichemicals.

The conditions that farmers needs to fulfil to take part in the CLP initiative should be reviewed as some farmers may be excluded from the program. For example, cocoa who wants to participant and benefit fully in CLP should be able to harvest amount of cocoa beans per bag annually. Cocoa framers no matter how many bags they are able to produce annually, if the farmers are willing to take part, should be allowed without stringent conditions. In other words, certification criteria under the CLP must avoid excluding cocoa farmers willing to take part in the program. Also using the logical framework approach (LFA) in project planning and execution, the program should actively involve cocoa farmers especially at the planning stage. This will motivate the farmers in participating actively events and activities under CLP as they may see themselves being valued by the actors in the field.

In addressing the purchasing of fake agrichemicals, the CLP is helping farmers to detect all adulterated chemical being sold at the open market. The results from the data collected still shows that cocoa farmers have difficulties detecting these fake agrichemicals making it still an existing problem. In view of this, the government of Ghana should adequately resource agencies such Food and Drugs Authority (FDA) to in the first place prevent these fake agrichemicals from being sold to the farmers. Also, chemical sellers found to be

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selling fake agrichemicals must be prosecuted with hefty fines to deter others from engaging in it.

There is the need for the government and its appointed agencies to more proactive in the preventing illegal gold mining in cocoa growing areas of Ghana by enforcing all the existing laws. The government and, for example, the Land Commission should take a keen interest in looking into why most cocoa farmers are giving away their farmlands to gold miners in the first place. This is very important because most of the cocoa farmers are also involved in these illegal gold mining activities. Alternatively, the CLP should collaborate with the authorities in Ghana to undertake an intensive training of people living in the cocoa growing areas of Ghana to diversify their income generating activities.

The forest serves as a vegetative covers for many plants including cocoa plants. The cutting down of vegetative cover trees exposes the soil /land to direct contact with the sun thereby drying up water bodies which in effect renders land unusable for farming activities. The CLP should actively engage with the Forestry Commission an authority responsible for preserving forest resources in order to curtail the rampant cutting down of timber trees in the cocoa growing areas. This action does not only cause desertification but also destroys cocoa trees in the process of cutting and moving them out of the forest. A call centre dedicated to reporting illegal logging of timber is set up to help farmers and people living in the farming communities to report to authorities concern for swift intervention on this menace. The purchasing price of cocoa should be reviewed each year by the authority concerned with the pricing of cocoa beans in Ghana if she cannot privatize the sales for a strategic reason to meet the socio-economic conditions prevailing in the country. Bonuses dues cocoa farmers should be reimbursed to them on time too. Social network connections of cocoa farmers should be improved further to enable them easily get in contact with people and agencies that matter most in their work in times of need. To achieve this, industry players in the cocoa business can be invited to attend training sessions with the cocoa farmers.

In addition to the findings, policy implication and the recommendation made, I suggest for further research in two important areas which might play an important role on the CLP program. There should be further research on how “certification” under the CLP affects sustainable livelihood capitals of cocoa farmers in Ghana. I also recommend further

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research into the impact of increasing the yields of cocoa beans on financial capitals of cocoa farmers.

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## 8 APPENDIX I: INTERVIEW QUESTIONS

### Interview questions for managers of the CLP project

- a). Name:
- b). Age:
- c). Gender:
- d). Organization:
- e). Position:
- f). Years of working:
  - 1. Please what is your understanding of corporate social responsibility?
  - 2. How do you ensure good practices as corporate organization in relation to the cocoa farmers and their communities?
  - 3. Do you consider corporate agencies having legal obligations to the clients and society? If yes how and if no why?
  - 4. What are some of the free service activities being carried out by the corporations under the CLP in the district?
  - 5. How have the activities under the CLP contributed to social, environmental and economic empowerment of the cocoa farmers in the community? In relation to infrastructure, income, education, health care, scholarship, cash in kind, materials in kind, scholarship etc.
  - 6. How do you ensure sustainability of the production of the cocoa in Ghana?
  - 7. How distinct is this sustainable cocoa project from all other projects in relation cocoa production in the district?
  - 8. What impacts have the sustainable cocoa livelihood (CLP) project had on cocoa production as whole?
  - 9. Is the CLP doing enough in achieving sustainable livelihood of cocoa farmers?
  - 10. What are some of the challenges to sustainable livelihood among cocoa farmers in AASD and Ghana in general?

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**Interview questions for selected participation cocoa farmers in the CLP project**

a). Name:

b). Age:

c). Gender:

d). Town/Village

e). Marital status:

f). Occupation:

g). Years of occupational practices:

1. Please, do you consider corporate agencies having legal obligations to their clients and society? If yes how and if no why?
2. In your opinion, do you get fair income from your production? If no, in your opinion, what might be the cause?
3. Are you able to meet your needs and that of your family under this sustainable cocoa livelihood (CLP) project? If yes how? If now why?
4. How has the sustainable cocoa livelihood (CLP) project affected your:
  - A) Social lives and capabilities as farmers and your communities in general
  - B) Human resources?
  - C) Physical infrastructure?
  - D) Environmental protection?
  - E) Income and financial accessibility?
5. Are there any environmental problems/issues affecting you farmers and your communities? If yes, what are they?
6. Do you think as corporate institutions have some role to play on the environment, infrastructural development, and human capacity building for sustainable growth? Why?
7. How distinct are the methods of farming under the CLP different from your own method of farming previously?

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8. What impacts have the sustainable cocoa livelihood (CLP) project had on cocoa production as whole?
  9. What are some of the obstacles to sustainable livelihood among cocoa farmers in Ghana?
  10. Is the CLP doing enough in achieving sustainable livelihood of cocoa farmers? If yes how? If no why?
  11. What in your opinion are obstacles to achieving sustainable livelihood of cocoa farmers?

## 9 APPENDIX II: SAMPLE OF DATA ANALYSIS

### Sample of data Analysis of selected participation cocoa farmers in the CLP project

1. **Please, do you consider corporate agencies having legal obligations to their clients and society? If yes how and if no why?** 21.No. since they do not have the legal backing to enforce us to do certain practices. 54. Yes, they benefit from our sweat but we do not see this happening because there is no direct link between us and the corporate organization. The government is the one having the link with them which is not fair to me. 120. Yes, because if they don't, we will not be able to get them enough cocoa beans that they want from us as farmers. They have to provide for provide us things like dug wells for us to get good drinking water for good health. 153. Yes, they get lots of benefit (profits) through us and therefore, they are legally bound.
2. **In your opinion, do you get fair income from your production? If no, in your opinion, what might be the cause?** 77.No, the price of cocoa is determined by the government so we are not able to bargain. Prices of farm inputs keep on going up too. 132. No. looking at the rate of inflation in Ghana now, we have not gotten any increment of price for our cocoa beans for the past three years. This in my opinion is the monopoly of buying of cocoa beans by the government of Ghana. But.... Emm in a way, our situation is far better done that of say tomatoes farmers who also get cheated by the private market women of their produce. 110. No, there hasn't been increment of cocoa price for the past two years from the government and sometimes cheated by PCs.
3. **Are you able to meet your needs and that of your family under this sustainable cocoa livelihood (CLP) project? If yes how? If now why?**78. I will say yes and no. ...emm/yes because I am able to get things needed for my children to go to school, take care of other family responsibility as head of the family and participate fully in the social activities happening in the community. No because, consider as parent sleeping and sharing the same room with my children. I should be able to get decent accommodation but am sure the project will help me to do that. 155. Yes, through the project I am able to provide three square meals a day to all the people living under my care.... Emm my wife and three kids. I send money to my mum and dad for their upkeep too though they are not here with me. My children are also attending school while my wife does petty trading in front of our house. 23. The situation is better now if I compare when we didn't have this project in our midst. At least am now able to meet most of the needs of my family and that of mine too.
4. **How has the sustainable cocoa livelihood (CLP) project affected you and your community in areas such as: Social lives and connection; Human resources; Physical infrastructure; Environmental protection; Income and financial accessibility?** 122. It has helped us to meet our need as a result of mix farming which we get lots of income from even when cocoa is not there to sell. Warning signs during spraying. Promoting good health in the community and provision of wellington boots and others. We are also able to attend social gathering like helping one another during funeral celebrations and coming together to put up community school for our children. Now, no more going for cut throat loans. We are somewhat economically empowered

Kommentti [gao1]: Economic

Kommentti [gao2]: Sustainability

Kommentti [gao3]: Challenges

Kommentti [gao4]: Challenges

Kommentti [gao5]: Human Capital-education

Kommentti [gao6]: Financial Capital-savings and remittance

Kommentti [gao7]: Human and physical Capital-skills and knowledge improvement/PPEs

making us self-sufficient to meet our social obligations like providing good housing for the family. Saving money at the bank was something I rarely do before I joined this project (CLP, emphasis mine), but now I am a savings account holder some with little savings from my work as cocoa farmer living in the village. As community, we are able to contribute to putting up social infrastructures like (community centre and school through the support of this project. 46. There is now protection of children and women against violence in the communities. Men don't quarrel with their wives because of money for housekeep too. Now I am able to do all that I want to do. I can say I have no problem; I have television and DVD so in the even my children need not to go outside to play or watch television out home. I am able to attend social gathering these days which wasn't the case sometime past,.... even people who are not members of the project now want to join us due to the benefits they have seen us enjoy as result. (We have access to good drinking water, health centre and a community centre where social gathering takes place too. 101. The banks before this project were unwilling to lend us (cocoa farmers) loans and even if one is able to access their (banks) loans offer, it was 'cut throat one' ( cut throat is a local Akan language term which means expensive but in the case of the bank's lending money, very high interest rate). Now because we have formed an identifiable group (associations), is the banks who are now coming to us with their loan offer at a moderate rate compared with going for loans individually. 79. I will say my income level is better these days comparing with previous years before joining the project. I could barely get four bags of cocoa beans from two acres of land of cocoa plants. But now, I get almost four times of what I got previous years which has help increase my earnings. Low yields was a problem confronting cocoa farmers in this community but (now under this project those us who joined the project are experiencing higher yields from our cocoa plants) I am now able to educate my children well by enrolling them in a private school; we are assured of good quality of water for domestic consumption through protection of our water bodies from poisonous chemicals through our farming activities. ....emm good saving practices like banking and records keeping of how we spend our money. I want to say we don't waste money like we used to do previously. 156. I used to burn all the weeds in my farm after gathering them not knowing the repercussions of my action. Now I know burning the weeds do not only kills living organisms in the soil, but makes the soil lose water which the cocoa plants need to bear fruits. (The CLP has helped to manage and improve the soil fertility. )The cleared weeds are now use as mulch to feed the cocoa plants and my cocoa plants are yielding well as there is enough moisture in the soil.

**5. Are there any environmental problems/issues affecting you farmers and your communities? If yes, what are they?**80. Yes. The community is be devilled with lots of environmental problem. Destructions of the environment through activities of human such as (illegal lumbering by chainsaw operators and bush burning by game hunters.) Yes. Farming along water bodies like rivers, soil erosion and galamsey (illegal gold mining) are some of the problems affecting our environment. People looking for gold are destroying our lands making it unusable for farming activities. 91. All the top soil and trees are cleared and our water bodies are

**Kommentti [gao8]:** Financial Capital-savings

**Kommentti [gao9]:** Physical Capital-school building

**Kommentti [gao10]:** Social Capital-social relations and association

**Kommentti [gao11]:** Physical Capital-good drinking water

**Kommentti [gao12]:** Financial Capital-credit accessibility

**Kommentti [gao13]:** Natural Capital-improvement in plant yields

**Kommentti [gao14]:** Natural Capital-improvement in the soil

**Kommentti [gao15]:** Challenges



farms. Most of the time, the river bodies in our community overflow it banks making it difficult to crossover to our farms. It can happen that we stay at home for more than a week without accessibility to our farms due to flooding of the rivers. 47. No, there is no galamsey (illegal gold mining) in this community. 157. Galamsey operators are seriously polluting our water bodies which serve as our source of drinking water.

Kommentti [gao16]: Challenges

**6. Do you think as corporate institutions have some role to play on the environment, infrastructural development, and human capacity building for sustainable growth?**

Why? 125. Yes, if they do not play a role, a time will come when they will not get raw material like cocoa beans which will collapse their production. They have to educate the people on ways to conserve the environment and the effects of destroying the environment. 115. Yes, they have responsibility to help in promoting environmental sustainability but I do not know what kind of agreements the government have with them. 59. We only know about the government and not the corporations. 92. Yes. They have to help us in checking soil erosion and educate people on effects of ..... emm ..... I mean galamsey.

Kommentti [gao17]: Challenges

**7. How distinct are the methods of farming under the CLP different from your own method of farming previously?**

71. We are being train on good methods of planting and also mix farming to make us have something to get income from when cocoa is not ready for harvesting. You know, hha, cocoa is annual crop so at some point of the year we need to get something to rely on. 137. They came to us to offer us training which we never knew or lack. Example is how to take care of the cocoa trees after post harvest. Previously, we only have to wait for the next season without proper monitoring of our cocoa trees. 159. In fact I did not have any planned method of farming previously, all that I did was just to go the farm and do whatever I felt was okay. Now I know when to plant new crops, how to apply chemicals like akate master (name of a cocoa chemical in Ghana) on the cocoa farm. I get support from agric extension officers under the project. 60. This is distinct in that all that they teach us through training workshops are modern ways of farming. Previously, all what we did as cocoa farmers were to use any cocoa beans for replanting and also, we didn't know anything about pruning or never did we do that in our cocoa farms. Now we know pruning and the essence to prune our cocoa. 27. The methods of farming under this project reorient us farmers about the need to be concern with our health. Previously as farmer, we never mind about what is proper way of applying chemical but now, we do know. We were just for example plugging the cocoa beans from the cocoa trees without knowing where to cut it from but now through the project we do know which is resulting in high yields.

Kommentti [gao18]: Natural Capital-environmental protection

Kommentti [gao19]: Human Capital-skills

Kommentti [gao20]: Human Capital-knowledge and ability to labour

**8. What impacts have the sustainable cocoa livelihood (CLP) project had on cocoa production as whole?**

94. Previously I planted at stake and didn't want to prune the tree which affected my harvesting yields but through this project and the training I got about pruning, I have seen

my farm and the surroundings by not polluting water bodies and cutting down trees) 149. I am a pensioner; I never concerned myself about production previously. It has helped me to put the farm in order which has resulted in increase cocoa production. I use to get ten bags of cocoa beans but now I get as much as twenty five bags from the same piece of land with good income. 83. There is good increase in cocoa bear harvesting and good income. 105. In fact I did not have any planned method of farming previously, all that I did was just to go the farm and do whatever I felt was okay. Now I know when to plant new crops, how to apply chemicals like akate master (name of a cocoa chemical in Ghana) on the cocoa farm. I get support from agric extension officers under the project.

Kommentti [gao22]: Natural Capital-protecting natural environment

Kommentti [gao23]: Financial Capital-income

Kommentti [gao24]: Human Capital-skills and knowledge

9. What are some of the obstacles to sustainable livelihood among cocoa farmers in Ghana? 139. High cost of cocoa inputs like chemicals and poor cocoa price being giving to us by the government are some of the obstacles to livelihood among us. (There is also poor roads and lack of social amenities in the cocoa growing areas. We are forced in such of quality of life move to the cities bringing the cocoa cultivation down. Activities of our purchasing clerks is some very bad..... amm I mean they don't help us at all. Imagining you get five bags of cocoa instead of say six through weighing scale adjustment. 128. PCs adjust the weighing scale to cheat us cocoa farmers. But we cannot blame them all the time as some farmers also do not dry up their cocoa beans which may lead the PCs to incur losses when they send the cocoa beans to the depot. Activities of illegal chainsaw operations are also destroying our source of livelihood which is the cocoa farming. 73. Poor cocoa price, adjustment of scale by cocoa purchasing clerks and activities of illegal gold miners are the most obstacles to our livelihood. People are using the land because; they think is the fastest possible way to get rich. 29. We farmers get cheated by cocoa PCs (purchasing clerks). Governments' inability to increase the price of cocoa beans per bag despite the economic hardship we face in the country. We have not gotten cocoa price increment for over two years now.

Kommentti [gao25]: Challenges

Kommentti [gao26]: Challenges

Kommentti [gao27]: Challenges

10. Is the CLP doing enough in achieving sustainable livelihood of cocoa farmers? If yes how? If no why? 125. Yes, there has been an increase in cocoa production, our health situations has improve the community health screening (whiles our social lives and participation) and basic needs are met. 74. Yes, it was very expensive when spraying the cocoa farms previously but now is not. We get knowledge from agric extension officers which weren't the case. We have now also knowledge in home keeping..... amm, how to plan our finances example opening bank accounts and culture of saving money for future use. 96. Yes. The project is providing us with free seedlings and cocoa pods for planting, teaching us modern methods of farming and ability to detect fake chemicals being sold in the market and chemical applications in the farm. I forgot... emm the project is providing us with free protective clothes (PPEs) whiles spraying our cocoa farms for free too which is contributing to ensuring we enjoy good healthy life.

Kommentti [gao28]: Social Capital-relations and association

Kommentti [gao29]: Natural Capital-seedling

Kommentti [gao30]: Human and Physical Capital-health promotion, tools and equipments

11. What in your opinion are obstacles to achieving sustainable livelihood of cocoa farmers? 210. Poor remuneration of cocoa farmers on the part of government is what is leading to the destruction of the environment by especially galamsey activities (illegal gold mining). 119. Illegal chain sawing and cheating by cocoa purchasing clerks are the main obstacles to our livelihood as farmers. 31. The government inability to offer us cocoa farmers reasonable prices for our cocoa beans and activities of cocoa purchasing clerks is not helping us as farmers. Even though we are told cocoa price is high at the world market, we are yet to get increment due us and it has been two years now. The increment of the cocoa beans price from us farmers is always marginal.

Kommentti [gao31]: Challenges

Kommentti [gao32]: Challenges

**Sample of data Analysis of managers of the CLP project**

1. **Please what is your understanding of corporate social responsibility?**1. Company's responsibility towards the communities or the environment in which they operate. For example provision of public borehole water supply or information centre and it has to be voluntary. 11. Cooperate means two or more people doing something for a purpose. A group aiming at helping people to improve their standard of living.
2. **How do you ensure good practices as corporate organization in relation to the cocoa farmers and their communities?**2 We ensure good practices through training of farmers on certification standard, good diagonomic, social, environmental, economical and agricultural practices. 12. International standard. That is to train the farmers to the international standard on child labour, storage of agro chemicals. We take them through these exercises and do follow up to check if they are doing as well. Emm apart from this, we also have internal standard too.
3. **Do you consider corporate agencies having legal obligations to the clients and society? If yes how and if no why?**3. Legally no. these agencies have their objectives, missions and visions in operating in the various communities. It is optional or may be voluntary for them. 13. Yes. Because, they work within the community. Like, they get all the cocoa beans for example from these communities which the reason why they are able to manufacture say chocolate, body creams and..... Emm many things
4. **What are some of the free service activities being carried out by the corporations under the CLP in the district?** 4 Free training without any fee. We provide them with free training on Personal Protective Equipment. That is how to train them with on the use of harmful chemical. Also how to plant the cocoa,4 We provide them Spraying machines, Personal Protective Equipment, premiums (i.e. bonuses) and provision of public borehole drinking water supply.
5. **How have the activities under the CLP contributed to social, environmental human natural and economic capitals of the cocoa farmers in the community? In relation to infrastructure, income, education, health care, scholarship, cash in kind, materials in kind, scholarship social networking, environment etc.** 5 Labor laws governing people in the country on child labour. Also how cocoa farmers sign contract to their labourers. It also relates to the co-workers in the community not to infringe on people's right. Good Agricultural practice. Increase in yield which gives them more income if they follow on what we train them. Avoid bush burning, leave a distance away from water bodies when spraying (water pollution). We also educate them on hunting of animals that is, obeying wild life laws in Ghana 15 Since the project is aimed at enhancing the livelihood situation of cocoa farmer, it was important that we connect them (farmers) to a reliable trading partner. FEDCO is our partner under UTZ certification and very concern with sustainable livelihood of cocoa farmers. So far, our farmers get the best premium on their sold cocoa beans in Ghana. They get Gh15 Cedis (5 dollars) as premium and decide to share Gh9 Cedis while investing the remaining amount into income generated activities.
6. **How do you ensure sustainability of the production of the cocoa in Ghana?**6. Cocoa is grown in forest areas in Ghana and if we destroy our forest, there will be a time where there will be no longer cocoa in the country. Therefore we should protect our forest. The youth should also be engage in all agricultural activities more specifically on cocoa. In Ghana, majority of the youth all migrating from the cocoa growing areas to the cities for different jobs. The government should make farming attractive to the youth to get them involve. Illegal mining should be avoided to conserve the forest and water bodies. 16 Improvement of productivity through training of internal standard. We make sure that this is done continuously through the assistance of trained agricultural extension officers.
7. **How distinct is this sustainable cocoa project from all other projects in relation cocoa production in the district?**7. Free of services, cheaper, free registration, and good communication with the farmers. We are always on the field with the farmers. Transparency

**Kommentti [gao31]:** Human, Financial, Social and Natural Capital

**Kommentti [gao32]:** Human Capital- skills and knowledge

**Kommentti [gao33]:** Physical Capital- tools and equipments

**Kommentti [gao34]:** Natural Capital- protecting water bodies

**Kommentti [gao35]:** Social Capital- networking

**Kommentti [gao36]:** Financial Capital- Remittances

**Kommentti [gao37]:** Natural Capital- protecting the lands and forests

**Kommentti [gao38]:** Human Capital- knowledge and ability to labour

(i.e. premiums in some projects, farmers premiums will come but they may not receive unlike our project). When farmers sell their produce, they attract a premium. Solidaridad makes it as much as possible for the farmers to get their required premiums. In our project, the farmer owns the project and entitled to any benefits. Our project is for non profit. 17. Training on certification, and supplying farm inputs to farmers on credit bases and Emm most importantly traceability. Making follow-ups to insure that farmers are doing what they have been taught to do through the much training.

8. **What impacts have the sustainable cocoa livelihood (CLP) project had on cocoa production as whole?**8. Positive impact. Yield improvement/production improvement. Formally, some farmers produced 5 bags from 10 acres of land. Now some farmers can produce as much as 50 to 60 bags on the same piece of 10 acre of land. Health improvement by educating them on agrochemicals and its storage. They are now conscious of their health. No bedroom storage of chemicals anymore. Were of protective cloth and covering of their mouth and nose on the field when spraying. Farmers are now conscious with the environment. They have stopped spraying into water bodies and deforestation. Children are school through our education on child labour. Child labour has come down in the farming communities. 18. Increase in yield than previous. The farmers now know the new method of production by introducing them to the new hybrid than the local one. Also we have introduced them to new methods of planting of cocoa trees and application of chemicals to their plants.
9. **Is the CLP doing enough in achieving sustainable livelihood of cocoa farmers?**9. Yes. Ghanaian farmers always compare their income to farmers in Cote D'ivoire. Some farmers smuggle their cocoa from Ghana to in Cote D'ivoire due to the price differences. They always compare their self to their neighbour in Cote D'ivoire. Also adjustment of scale by some cocoa purchasing clerks. A farmer may expect a certain quantity and it may reduce due to the scale adjustment. The project is helping them to detect for scale adjustment by PCs. Like I said earlier, the training being offered to the farmers is enough to help them sustain their livelihood positively. Emm... I told you about the free health screening program for all our farmers and their households. 19. Yes. Because of the premium added, you see, apart from the money they get from selling their cocoa beans, we pay them extra money based on the number of bags of cocoa beans they were able to produce during the year. Free PPEs.
10. **What are some of the challenges to sustainable livelihood among cocoa farmers in AASD and Ghana in general?**10. Some of the challenges are; bush burning, illegal mining and deforestation. 20. Deforestation by chainsaw operators, heavy storms and illegal mining and erosion.

**Kommentti [gao39]:** Financial Capital-increase in income

**Kommentti [gao40]:** Human Capital- Skills training, good health promotion

**Kommentti [gao41]:** Natural Capital- protecting natural bodies like water

**Kommentti [gao42]:** Social Capital- connecting children to school

**Kommentti [gao43]:** Human Capital- skills and knowledge training

**Kommentti [gao44]:** Financial Capital-income and remittances

**Kommentti [gao45]:** Physical Capital- tools and equipments

**Kommentti [gao46]:** Challenges

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