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MEDIA RELEASE

Indonesian cocoa growers benefit from Australian research partnership

Smallholder cocoa growers in Sulawesi, Indonesia, have the opportunity to boost their incomes and improve their family's welfare by growing new pest-resistant, high-yielding cocoa varieties developed through an Australian and Indonesian research partnership.

Indonesia is the world's third largest cocoa producer, with production worth more than AU\$2 billion annually. Cocoa is the main income source for over a million Indonesian smallholder farm families, half of these living in Sulawesi.

However, the growers' livelihoods are threatened because cocoa production is being cut by up to 50 per cent due to pest and disease incursion, ageing trees and declining soil fertility.

The Australian Centre for International Agricultural Research (ACIAR) has brought together Australian and Indonesian research and extension agencies, and global company Mars Incorporated, in a strong partnership with smallholder cocoa growers to encourage replanting with the improved varieties and better crop management.

"The growers are very interested in the new varieties because they can see the opportunity to put more money in their pockets," said ACIAR's Dr Peter Horne, who recently returned from spending three years working in Sulawesi.

"World cocoa prices are quite high now and Indonesian cocoa growers receive a large proportion – around 80 per cent – of the world cocoa price, so the cocoa industry plays a key role in alleviating poverty in eastern Indonesia," said Dr Horne.

Central to the rebuilding effort is a large-scale variety improvement program established with input from experts from La Trobe University, University of Sydney and Mars Symbioscience, a division of Mars Incorporated, buyer of 16 per cent of Indonesia's cocoa.

"There is a wide variation in the cocoa in Sulawesi because the industry is based on seeds brought back by labourers working in Malaysian cocoa plantations 25 years ago," Dr Horne said. "This variation provides the basis for the genetic improvement program."

"Farmers are involved in identifying the superior, locally-adapted cocoa varieties, taking grafts of these, and in comparing various options for pest and disease control," he said. "We're now at the stage of testing varieties in farmer's fields across Sulawesi."

Dr Horne said the partnership with the Indonesian agencies is boosting the capacity of province-based research organisations to deliver the new technologies into the hands of the cocoa growers.

“Mars field staff are also working closely with growers testing the new varieties, encouraging better crop management, and providing a commercial incentive to growers to lift production and cocoa quality,” Dr Horne said.

“The cocoa is very important to us because the market is very good and the price is very good,” said Sulawesi cocoa grower and leader of farmer groups, Pesianus Lesnusa. He believes the new varieties will help improve the livelihoods and the welfare of the cocoa growing families who have been reluctant to replace old trees. “Many farmers are changing their mind, they want to cut down their old trees and replant,” Mr Lesnusa said.

The cocoa revival is exemplified by more than a four-fold increase from 25 to 110 in students studying cocoa production at one of Sulawesi’s vocational school for agriculture. The school works closely with extension and field staff and has become a source of seedlings of improved cocoa varieties that have become very sought after by the growers.

The cocoa improvement program is one part of the broader Australian Government-funded Smallholder Agribusiness Development Initiative under the Australia Indonesia Partnership. ACIAR manages a component of the Initiative, focused on market-driven adaptive research.

“The Initiative is helping smallholder farmers in eastern Indonesia move from being opportunistic and subsistence-orientated towards being profitable and productive smallholder agricultural businesses,” Dr Horne said. “For example, through the Cocoa Sustainability Partnership, an SMS price information service has been established to give growers 24 hour access to world cocoa prices to build closer links between the cocoa growers and markets.”

The Indonesian Government recently announced a three-year program to revitalise cocoa farming in Sulawesi. The program aims to replace up to 70,000 hectares of cocoa, rehabilitate another 140,000 hectares and intensify farming on 300,000 hectares - bringing the total planted area to around 900,000 hectares of productive cocoa.

“We expect the cocoa research program will have a significant impact on the direction and implementation of the Government’s revitalisation program,” said Dr Horne.

ACIAR is an Australian Government statutory authority which operates as part of Australia's development assistance program. The Centre funds research projects to reduce poverty and encourage sustainable development.

Visit <http://www.aciar.gov.au> for further information and to view ACIAR’s new online cocoa film, audio and photos.

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