

INTRODUCTION

Cocoa plays an important role in the economy of Ghana. Cocoa employs approximately 800,000 farm families spread over six of the ten regions of Ghana. The crop generates about \$2 billion in foreign exchange annually and is a major contributor to Government Revenue and GDP. Cocoa products like chocolate, pebbles, and cocoa powder are used by many Ghanaians. Cocoa is indeed, Ghana and Ghana is Cocoa.

Cocoa cultivation, after Tetteh Quarshie assumed commercial dimensions and spread to all forest areas of the country, particularly Eastern, Ashanti, Brong Ahafo, Volta, Central and Western Regions. Cocoa pods mature and ripe throughout the year.

Cocoa is harvested by cutting the ripe pods from the trees, breaking them open and extracting the beans. The beans are fermented for 6 days with three turnings before drying for another 7 days in the sun. The beans are then bagged, graded and sealed for export.

Value Addition in the Cocoa Industry

Value addition has been a long-standing national goal in enhancing earnings from the cocoa industry. The current goal is to achieve a 50% processed cocoa as a proportion of the cocoa exports.

Analysing the component of the processed cocoa in the exports of cocoa from Ghana gives an indication of the extent to which this goal is being achieved.

Cocoa Processing Companies

As far back as the 1960s, there was an effort to process cocoa before export. The West Africa Mills Company (WAMCO) was established by

private initiatives to process cocoa beans into cocoa paste, cocoa butter and other products.

However, the share of the total processed cocoa in the total cocoa exported was minimal. With one of the major national goals being exporting at least 50% of cocoa as processed, the role of cocoa processing companies has become very important.

Currently, there are about five large processing companies operating in the country all at various levels of processing. These are the Cocoa Processing Company (CPC), Barry Callebaut, Afrotropics, Cargill and Archer Daniels Midland (ADM). There is primary processing into the pastes, butter and nibs and there is secondary processing into confectioneries and chocolates.

OTHER INVESTMENT OPPORTUNITIES IN THE COCOA SECTOR

Production of cocoa shower gel, shea butter-based soap and pomades

Project Description:

Manufacturing facilities are required for the production of cocoa shower gel, shea butter-based soap and pomades for the domestic and international markets.

Over the years, the New Product Development Unit of Cocoa Research Institute of Ghana (CRIG) have been producing these products on a pilot-scale (i.e. using mostly traditional methods of production) as a result of on-going research into their commercial viabilities.

Project Scope:

Strategic options include setting up new factories or upgrading operations of existing small scale processors

through the introduction of modern processing equipment and techniques and packaging equipment for the large-scale production of these by-products from cocoa.

Initial Capital Outlay:

The initial capital requirement for a factory to produce these by-products for the domestic and export markets is estimated at US\$ (1- 3) million.

Project Location:

The manufacturing facilities can be sited in any of the six (6) cocoa growing areas namely Ashanti, Brong Ahafo, Eastern, Volta, Central and Western Regions.

Local Content (Human and Infrastructural Resource Available):

There is a pool of available labour force who can be employed by these manufacturing companies. There are motorable roads for the easy transportation of the raw materials from the farms to the prospective factory sites, constant power supply and adequate water supply in all the cocoa growing areas.

Contact institution:

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Ghana

Production of Cocoa Gin and Brandy

Project Description:

Manufacturing facilities are required for the production of Cocoa Gin and Cocoa Brandy from the cocoa sweating which are mostly wasted after breaking the cocoa pods. These are also economically

viable/feasible for commercial production. These products are currently made from cocoa sweating collected from CRIG's plantations

Project Scope:

Potential investors could partner CRIG to optimize the process of obtaining raw materials from the small holder farms for cost effectiveness and so the need for modern processing factories to be established at the districts or identified large cocoa plantations.

Initial Capital Outlay:

The initial capital requirement for a factory to produce these products for the domestic and export markets is estimated at US\$ (2- 4) million.

Project Location:

The processing facilities can be sited in all the districts located in the six (6) cocoa growing areas namely Ashanti, Brong Ahafo, Eastern, Volta, Central and Western Regions.

Local Content (Human and Infrastructural Resource Available):

There is a pool of available labour force who can be employed by these processing companies. There are motorable roads for the easy transportation of the raw materials from the farms to the prospective factory sites, constant power supply and adequate water supply in all the areas.

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The Cocoa Industry

INVESTMENT
OPPORTUNITIES

Production of Jute Sacks

Project Description:

Manufacturing facilities are required for the production of jute sacks that meet the requirements of the international cocoa trade for the storing of cocoa beans for both the domestic and export markets.

Project Scope:

Strategic options include the commercial scale production of quality jute sacks for the storing of cocoa beans for the export and domestic markets.

Initial Capital Outlay:

The initial capital requirement for a factory to produce these sacks for the domestic and export markets is estimated at US\$ (3-5) million.

Project Location:

The facilities can be sited in the Ashanti, Brong Ahafo, Eastern and Western Regions.

Local Content (Human and Infrastructural Resource Available):

There is a pool of available labour force who can be employed to work in these manufacturing companies.

Contact institution:

The Chief Director
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Accra

Provision of support services in the cocoa sector

Project Description:

- Companies to provide post-production services (transport, packaging and storage facilities)
- Companies to provide distribution of

improved seedlings and agro-chemicals (fertilizers, pesticides, weedicides).

- Developing an agricultural financial lending and insurance packages

Project Scope:

Ghana Cocoa Board spends about \$200 million / year on the fertilizer and agro-chemicals program.

Strategic options include the setting-up of manufacturing facilities for fertilizer and agro-chemicals in Ghana, companies to store and transport the cocoa beans and lastly companies to provide financing for the purchase of the raw cocoa for export.

Initial Capital Outlay:

The initial capital requirement is estimated at US\$ (2-4) million.

Project Location:

The facilities can be sited in the Ashanti, Brong Ahafo, Eastern, Central, Volta, Greater Accra and Western Regions.

Local Content (Human and Infrastructural Resource Available):

There is a pool of available labour force who can be employed to work in these companies.

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