

KENNEMER FOODS INTERNATIONAL

Kennemer Foods International is a Philippine company specializing in the growing, sourcing and trading of high-quality agricultural crops, especially fermented cacao beans. Kennemer works to increase and sustain smallholder farmers' yields and incomes by providing end-to-end support through its growership program.

THE OPPORTUNITY

For coconut farmers, planting cacao presents an opportunity to improve their livelihoods. It can be cross-planted with coconuts, and it thrives in equatorial conditions. Most importantly, cacao is in high demand. It is used in a range of products from chocolate to cosmetics. Cacao is a perennial cash crop that can raise farmers' incomes. The company *Kennemer* is helping farmers in conflict-affected southern Philippines take advantage of this opportunity by providing them with technical assistance and guaranteed buy-back to reduce their risk and optimize yields.

Smallholder farmers present a unique opportunity as they are among the 4.5 billion people in the world living at the base of the economic pyramid (BOP) who can be strategic distribution and retail partners and can be involved in the value chain in an impactful way. Inclusive businesses like Kennemer create opportunities for entrepreneurship and employment for those living at the BOP.

THE INCLUSIVE BUSINESS APPROACH

In the Philippines, *Kennemer* developed a unique inclusive business model of end-to-end technical support to help smallholder farmers plant high quality beans and produce higher yields. This training and technical support involves a growing protocol which all farmers agree to follow. The protocol includes specific planting materials and fertilizer, as well as methods of pest control. *Kennemer* operates through a farmer entrepreneur network of "cacao doctors" who receive training and become consolidators and distributors. They provide support services to their communities to help their cacao crops thrive, while running their own agri-enterprises.

RESULTS & IMPACT

Kennemer

developed a cacao sourcing network of 12,000 farmers

committed to integrating 35,000 smallholder farmers into their value chain by 2020

increased farmers' incomes by an estimated \$3600 per year through a 4X increase in cacao yields

aims to train and certify 1,300 cacao doctors in the Philippines by 2020

Learn More:



PARTNERING FOR GOOD

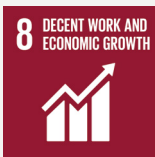
Kennemer is partnering with the Dutch Development Bank FMO and the Sustainable Trade Initiative (IDH) to provide loans to smallholder coconut farmers to invest in cacao through tailor made financing, offering access to finance to help farmers make this transition to an in-demand crop. It has also announced a commitment to Business Call to Action, a multi-donor initiative for inclusive business.

At the local level, Kennemer works together with farmer cooperatives, local government partners and private landowners to manage its contract growing program. Kennemer has set up 10 provincial cacao hubs in the southern Philippines.

“*Kennemer Foods is pleased to showcase the work that we have been doing in the Philippines in an effort to ensure that farmers are integrated into our value chain and support them in their efforts to properly develop, maintain and invest in their farms.*”

Simon Bakker, CEO Kennemer Foods International

RELATED SUSTAINABLE DEVELOPMENT GOALS (SDGS)



Train and employ local communities
Source materials from small-scale producers, sell and deliver products and services through retailers and workforce



Reduce post-harvest losses through improved value chain management in rural areas



SDG 10 targets to achieve income growth of the bottom 40% population at a higher rate than the national average as well as promoting social and economic inclusion, aligning itself to the generation of sustainable income opportunities through inclusive business solutions



SDG 17 highlights the importance of partnerships as a means of implementing action geared towards the SDGs. This holds true especially for scaling inclusive business solutions, as we have seen that most barriers cannot be addressed by business or any other stakeholder on its own.



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