**Introduction**

- 79% of Toledo is impoverished, mostly farmers.
- Deforestation in Belize is on the rise, mostly due to slash-and-burn agriculture.

Organic, shade-grown cacao can be a lucrative cash crop. Cacao-based agroforestry can be favorable for creation of buffer zones to protected areas and for maintaining biological corridors, by retaining some forest integrity.

**Objective**

Examine the economic viability of organic, shade-grown cacao as a method for improving livelihoods and forest conservation, by identifying economic opportunities and barriers for smallholder farmers within the context of Belize.

**Methods**

- Value chain analysis employing:
  - Informal, semi-structured interview with cacao farmers and key informants
  - Secondary data

**Conceptual Framework**

- **Value Chain Analysis in Toledo District, Belize**
  - World market price June 2011
  - World market price July 2013
  - Price per kg.

**Results & Analysis**

**Market Map**

- Prices are in BZD and may be subject to change.
- Exporters and Importers
- Suppliers
- Consumers
- Ministry of Agriculture
- Cacao Farmers
- Farmers' Association
- Negotiators
- Charitable Organizations
- Company

**Enabling Environment**

**Structures**

- National/local government and research agencies
- Policies and regulations
- Product development
- Extension services
- Financial services
- Input supplies
- Marketing information
- Transportation
- Market development

- Little interest from the government prior to June 2013
- National Cacao Platform was created in June 2013
- Ministry of Agriculture does not often service small farmers
- No research agencies dedicated to cacao
- Poor transportation infrastructure
- Undifferentiated world market disfavors organic, shade-grown cacao

**Institutions**

- Some over-story trees (mahogany and cedar)
- Protected by law
- High US import duty on chocolate, but 0% on beans
- High BZ import duty on packaging materials (plastic bags)
- Unclear land registry or communal land tenure issues
- No national organic standards
- No fire prevention regulations

**Service Providers**

- MIMC
- TOCA
- Belize NGOs
- Other Providers

**Recommendations for Trio Agro-processing Cooperative**

- **Pro:**
  - Higher quality beans, less functional performed by farmer
  - Decreased operating and transportation costs

- **Con:**
  - Costs and leadership required for establishing and managing

- **Contract Directly with Chocolatier**
  - Consistent buyer, higher prices, funding for training, expansion or facilities improvement

- **Eco-Labeling**
  - Organic, bird-friendly, fair trade, etc.

**Conclusions**

- Strong international market for fine flavored cacao
- Mechanisms for accessing this market are uncertain
- Enabling environment is limited
- Service providers are insufficient
- Farmers need a better outlet if they will continue growing cacao after payments end
- Price for dark chocolate is significantly higher than price for cocoa beans

**Recommendations for Cacao Sector**

- Establish Geographic Indication for Cacao
- Upgrade Enabling Environment
- Protect cacao trees from illegal or malicious fire casualty
- Develop research agency
- Educate consumers
- Establish domestic certification schemes
- Upgrade Services Provided
- Technical training
- Business skills and time management training

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