

POWER OF DATA

Traceability solutions in cocoa to contribute to the Sustainable Development Goals (SDGs)

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KOA
TASTE YOUR IMPACT



To what sustainable development goal do you deliver?

By upcycling the white pulp of the cocoa fruit, Koa increases the income of Ghanaian smallholders and aims to reduce farmer poverty according to SDG 1.



What was the situation?

Over the last decades, supply chain scandals and cocoa farmer poverty have continued to rock the cocoa industry, leading to increased consumer demand and political efforts to improve transparency and accountability within the cocoa industry. While products carry certification labels, the question remains how can consumers be sure that farmers receive the money that they're entitled to? Existing certification labels often validate transactions through non-transparent, error-prone control procedures, with farmers regularly only receiving a portion of the funds claimed to be earmarked for them.

What did you do?

Koa launched a system, using blockchain technology, that proves transactions and higher income for cocoa farmers. In an international collaboration with the companies seedtrace (Germany), and MTN Group (South Africa), Koa has implemented a new, tamper-proof, and scalable transparency system that re-cord payments made to cocoa smallholders. The unique part: Mobile money payments are verified in real-time and are irreversibly stored on a low-emission blockchain.

What are the results?

Transactions are publicly available, differentiating themselves from existing certification labels, providing consumers with direct proof that farmers receive the full payment.

Who was involved and how?

To develop the pioneering transparency system, Koa collaborated with Berlin-based seedtrace, a SaaS start-up on a mission to make supply chain transparency the norm. Moreover, they partnered with MTN Group, Africa's largest telecommunications operator, whose mobile money transaction data serves as secure inputs for the blockchain. Leading the way towards full transparency is Jeff Oberweis, the renowned pastry chef from Luxembourg, who sends consumers on a journey from cocoa farmers to the final product. A QR code on the packaging of the product containing Koa ingredients leads consumers to the seedtrace platform where they can see the additional farmer income.

How could the solution be scaled?

The more internationally renowned companies and multinationals are implementing the "verified by Blockchain" solution, the bigger the steps towards a transparent supply chain, which enables customers to trace payments and products back to their origin to see that cocoa farmers received fair payments. This supports a higher degree of trust regarding food origin but also puts it in the hand of the consumer to choose suppliers that treat their sourcing partners fairly.