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Country template

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Purpose and usage of the country template

Introduction

The following **country template** has the specific objective to serve as a guide and structure for researchers and practitioners to build a country case study in a cocoa-producing country. It aims to provide the necessary steps in developing the case study by looking at the **process** and the **content**, using the information provided in the Global Market Cocoa Study as a basis.

The 'process' chapter provides a detailed description on how to carry out country-level research, including methodology, tools and tips. The 'content' chapter, on the other hand, provides the specific themes to be investigated during the research, based on the objectives defined by a chapter outline; the chapter includes topics such as where to find relevant information and what data collection tools can be used to answer them.

Purpose and usage of the country template

- This country template provides numerous instructions for cocoa researchers to analyze a cocoa supply chain in a specific cocoa-producing country. It uses valuable information already provided in the Global Cocoa Market Study as a basis, thus allowing researchers to go further into their analysis of the selected country.

- The chapter outline has been defined following the objectives of the research in the 'content' section and aims to enable the researcher or research team to set the basis for gathering information for the final report.

Contents

THE PROCESS

Step 1: Research objective

The research objective should give a clear picture of the final outcome envisioned for the country-level research. For this country template, general and specific objectives have been defined:

General project objective

To determine market opportunities for cocoa-producing organizations and small and medium-sized enterprises in the <given country> that will allow them to improve their positioning and make informed long-term decisions and investments.

1. Specific objectives of the research

- To provide the industry background and historic overview of the <given country> industry.
- To assess the evolution and current position of the <country's> supply relative to global, regional, and local demand for market segments in volume and value; 15-20 years' historic growth and five year potential for growth.
- To describe the <country's> cocoa value chain.
- To determine the number, size and concentration of each stakeholder group and typology.
- To identify untapped market opportunities for <the country> based on the opportunities identified in global and regional markets, derived from the global market study.
- To assess the commercial decision-making process among stakeholders at production level.
- To assess the provided value by each current and potential marketing channel.
- To determine current and potential investments that would be required at each level of the value chain to take advantage of market opportunities.
- To assess selling and purchasing procedures and requirements, contract negotiation power dynamics among stakeholders, and between international buyers.
- To provide recommendations to address key challenges that prevent actors from ownership over a more sustainable approach to cocoa sourcing.

Tips:

- The fine-tuning of the objectives can be done on a case-by-case basis according to the selected cocoa-producing country to be analyzed and according to the purpose of the research; for example: intervention design, program evaluation, etc.
- Objectives should be realistic, easy to understand and engaging.

Step 2: Set up a multidisciplinary team

Bring together specialized professionals with different experiences, skill sets and capacities that will allow the team to achieve the established research objectives. For the country case study, the ideal team should have the following experience, skill set and capacities according to the role of each individual:

Table 1. Suggested team skill set

Title	Role	Skills
Team Leader	Responsible for the overall approach and ensuring the complete study design, approach, final written product, and presentations against strict deadlines.	• Strong team development and management experience • Cocoa industry expertise • Experience in the design and execution of socio-economic research in different cocoa and derivative market segments
Industry Specialist	Identifies and engages core stakeholders. Provides team with insights to ensure the market study adds value to existing industry knowledge and addresses key research questions.	• Education and research background in agribusiness • Strong relationships with, and ability to, engage cocoa industry stakeholders of all types • Thorough understanding of industry growth potential and challenges • Experience in the design and execution of socio-economic research in cocoa and derivative value
Market Specialist	Provides international cocoa and derivative market information. Identifies promotional strategies, trends, and market innovations driven by consumer preferences and industry initiatives.	• Experience in cocoa and derivative products and market segments • Extensive experience in food and packaged consumer goods. • Experience in conducting value chain analysis.
Researcher	Ensure that the research methodology is aligned with the research objectives. Design of the data collection tools. Responsible for the quality of sources during the secondary data collection. Ideally, provides access to academic databases. Analysis of primary and secondary data.	• Experience in methodological research and data collection techniques.
Data Analyst	Ensures that the research methodology is aligned with the research objectives. Supports the team through capturing and analyzing data.	• Experience in methodological research and data collection techniques.

Country lead – Local team	Leverages information from technicians at the producer-level.	• Cocoa industry expertise • Agriculture and/or social science education background, Masters preferred, with 3 to 5 years' experience in agriculture research
Coordinator – Local team	Provides a complementary market perspective to the country's lead producer network and knowledge. Provides an overview of the country's cocoa sector as a sector expert. Organizes overall content, agenda and logistics of the mission.	• Cocoa industry expertise • Agriculture and/or social science education background, Masters preferred

For the selection of the candidates, it is advised to set up a recruitment process. This process should identify, shortlist and interview applicants that match the needs of the project.

Tips:

- Promote the vacancy within your network.
- Publish the vacancy on LinkedIn, which can help identify potential team members in your wider network.
- It is important to consider the financial resources available, time, availability of data, relevance and the team's expertise in the field.

Step 3: Establish a validation panel

Identify a group of experts and academics that can validate the content of your research. For instance, one of them could validate the robustness and statistical significance of the research, while others could contextualize the findings of the project according to the country and/or sector expertise.

Having a support system during the project can save time and provide the team with very valuable advice!

Tips:

- Start brainstorming with your team on the composition and approach to the individuals integrating the panel of experts.
- Try to use your network as much as possible to obtain references and contact data of the experts.
- Initial contact with experts should be made through an invitation letter via email where you can state the objective of the study, its relevance, and the expected time to be invested.

Step 4: Research methodology

The research methodology should include the study design, methods and tools for data collection, sample size and sampling design, and data processing procedures for its execution.

For a country template, the suggested methodology involves a mixed-method approach where both qualitative and quantitative data collection and analysis are in place to get a deep understanding of the country's cocoa sector. It includes an **extensive literature review**, in-depth **semi structured interviews**, **focus groups,** and a **quantitative cross-sectional study design** (producer survey).

1. Systematic literature review

The identification of the adequate bibliography for the study should consider all accessible and relevant documents from cocoa-related organizations and companies published between the given periods of time relevant to the objectives set.

Main sources for data collection should include:

- Bibliography databases e.g., Scopus, Web of Science, ABI/INFORM, EconLit, AGRIS, Google Scholar, Harvard HOLLIS, WorldCat and/or AgEcon
- Worldwide organizations related to the cocoa industry and overall agricultural sector such as FCCI, ICCO, FAO, FCC, WB, IDH, USDA, the National Cocoa Platforms, INCOCOA groups, SICACAO, among others.
- Market studies related to the cocoa industry, e.g., SEO, KIT, CBI, etc.
- Companies' websites, including their annual and sustainability/traceability reports.
- Institutional documents: laws, regulations, public decrees, and standards, among others.
- Publications, census and reports from the Ministry of Agriculture, sector boards and other relevant institutions related to the cocoa sector in the country to be researched.
- Documents from supporting services identified in the country to be researched.

Tips:

- Use free reference managers such as Mendeley or Zotero to create a bibliographic database that can be accessed by and used by all team members.

2. Semi structured interviews

The objective of the interviews is to gain in-depth knowledge about the cocoa sector in the country. The interviews will also be important to validate the findings from the literature review.

It is advised to have a judgmental/purposive and snowball sampling technique to select the total number of interviewees. The judgmental/purposive sampling design will enable choosing individuals who can provide the best information to achieve the objectives of the study. The snowball sampling design can serve to benefit from the interviewees' existing networks.

The exact number of interviews will be known after reaching the point of data saturation in the data collection phase. The data saturation point will be reached when new information is no longer obtained, or this information is negligible. The sample size should include main actors in the country's cocoa value chain and industry experts, and should consider the time available

to conduct field research. Industry experts can be selected based on their expertise relevant to the chapter outline.

Tips:

- The cocoa sector is a face-to-face business. Request warm introductions within your network to have a greater outreach to potential interviewees.

- Prepare in advance for each of the interviews - gather secondary information from the company's or organization´s websites, and do a basic background check on your interviewee.

- Have a back-up recording device. If possible, record the session during the interview, after asking for permission from the interviewee.

- Transcribe the interviews and categorize them by themes to prepare for your analysis at a later stage.

- Be aware of public and summer holidays when setting up interviews with global industry actors - July and August are generally challenging months to arrange meetings and collect data.

3. Focus groups

The objective of the focus groups will be to collect insightful information on the cocoa value chain, including cocoa production, trade, processing and on the value provided in the different marketing channel. The focus groups exercises will be underpinned by methods such as the PADev method designed to answer the questions.

Focus groups can be used as an opportunity to validate the findings from literature/the bibliography review. Likewise, findings from the focus groups can be validated by individual interviews. This will allow for data to be triangulated and verified.

It is advised to have a judgmental/purposive and a snowball sampling technique to select the participants of the focus groups.

Selection of participants for the focus groups:

Focus groups should include a heterogeneous ensemble of participants including members and management of cooperatives, cocoa specialists from governmental organizations, technicians or extension field officers, local processing companies, exporters, NGOs, financial institutions, among others.

Following the selection criteria for the interviews, the participants should be chosen based on the definition of the different typologies, concentration, and relevance to farmer organizations; industry experts should be selected based on the relevance of their expertise in addressing the subjects defined in the chapter outline.

Tips:

- Respect cultural differences. Learn as much as possible about the local culture, the business practices, and other factors.

- Remember that there are no right or wrong answers during the group discussion. Respect the participants' own viewpoints and personal experiences.

- The discussion should be confidential; notes, videos, and audios should not be shared outside the research team. When reporting, do not mention the names of specific participants (unless upon authorization); analyze data in an aggregated manner.

- Is advised to travel to the cocoa-producing country during low harvest season, as it will ensure availability of actors for meetings and focus groups.

4. Producer survey

The objective of the survey is to obtain information on the typology of the producers in the selected country, selling procedures, price negotiations, commercial decision-making process, production and commercialization cost structure, types of benefits in different production systems, and profit margin.

Producers should be randomly chosen and stratified considering the diversity of respondents in terms of the municipality, gender, age, size of the plantation, production system (agroforestry, intercropping, etc.), production volume, and certifications, among other parameters.

Coordination with local leaders in the selected municipalities prior to the survey is key to enable its execution.

The survey tool can be developed in XLSForm markdown language and deployed on digital tablets running Open Data Kit software. The selection of the software is based on its ease of use and its guaranteed accuracy in data collection when compared with traditional paper-based surveys. Furthermore, it has been used by previous cocoa-related studies and recommended by stakeholder advisors.

To find out more about the survey tool check out the link: https://getodk.org

1. How to determine the sample size?

To determine the sample size of your survey the total number of producers is required (target population) – usually this number can be found via the Ministry of Agriculture of the country, in documents such as an agricultural census.

Sample size can consider a yield of 95% Confidence Intervals (CI) for overall proportions with margin errors of 7.5% (Select Statistical Services) considering a non-response of 9%.

The following source is useful in determining your sample size, the confidence level, and margin errors of the survey according to the size of the population:

https://select-statistics.co.uk/calculators/sample-size-calculator-population-proportion/

Tips:

- Sample size should be realistic and adjusted to the timeline of the project and the resources available to achieve it.
- Validate your sample size and overall methodology with a statistician.
- Prepare your survey in a word document and validate the questions with the project stakeholders, field technicians, industry experts, and the academics on-boarded in the team.
- Field technicians can provide valuable information about suitable terminology for producers' surveys.
- Gather a team of surveyors. Each surveyor should cover a region according to your sampling size.
- Ensure the surveyor team pilots the survey prior to gathering data.
- Keep the surveyor team engaged and connected - create a WhatsApp group (or similar) to communicate more quickly while the survey is taking place.
- It is advisable to have an IT specialist within your team to tackle and solve problems that could arise among the technicians conducting the survey (hands-on technical support).

Step 5: Identifying knowledge gaps

While conducting your systematic desk research/literature review, and after cross checking the data with industry actors, several knowledge gaps will arise. Ensure these gaps are listed to include them during your research.

Tips:

- In literature, gaps can be identified in the sections labeled "Recommendations" or "Further research"
- Prioritize and group each knowledge gap into themes.

Step 6: Analyzing the data

Secondary and primary data should be analyzed in line with the research objectives.

Secondary data can be analyzed by deductive thematic content analysis.

Depending on the number of interviews and meetings gathered over the course of the research, primary data can be analyzed by coding. Coding can be done deductively (using the topic list of the interviews) and inductively (based on new topics that will arise from the data).

THE CONTENT

The following section has been designed as a concise manual to facilitate writing each chapter according to the objectives established. It provides easy to use tools and tips with links to the Global Cocoa Market Study as a reference.

The cocoa value chain analysis can vary slightly from country to country; thus, it is important to capture the dynamics observed in each specific country.

The content of the country case study is provided to facilitate the analysis and writing of the report:

7. Introduction of the project
8. <The country's> position in the cocoa industry
    a. <Country's> cocoa industry background and historic overview
    b. <Country's> cocoa supply
        i. Cocoa bean production
        ii. Production of certified cocoa beans (organic, Fair Trade, Rainforest Alliance)
    c. Exports of cocoa beans
    d. Fine flavor status and exports
    e. Export of cocoa derivatives and finished products (in the last 5 years by <the country>, the region and at a global level)
9. <Country's> cocoa value chain
10. Productivity
11. Analysis of value provided by each marketing channel
    a. Product segments in the cocoa industry related to <country>
    b. Price setting
    c. Price breakdown per cocoa product of the <country> origin
    d. Price structure and profit margin analysis throughout the value chain
12. Sustainability
    a. Climate resilience
    b. Gender
    c. Child labor
    d. Living Income
13. Market opportunities for the <Country>
    a. Current market opportunities for the <country>
    b. Untapped market opportunities for the <country>
14. Recommendations and potential investments in the <country>
15. Bibliography

For each chapter defined above, the **purpose** (relevance in the context of the country), the **content** (items and topics to be considered in the research) and the **tools, tips and research methods required to put the chapter together** will be provided.

\<The country's> position in the cocoa industry

\<Country's> cocoa industry background and historic overview

Purpose:

The cocoa industry background and historic overview of the selected country will give the reader different developments, patterns or trends in history that shaped the sector into its current state.

Content:

This chapter should present information about the main historical events that impacted and shaped the cocoa sector in the selected country. The section may start from when the cocoa crop was introduced in the country and describe which political, commercial, social, and environmental events took place that affected the industry.

It should also include key terms, industry standards, and common definitions specific to the country being analyzed.

Research methods:

Tips:

- It is useful to identify and describe the main events by using a timeline framework.

- Build on the main events identified in the literature review by including a specific session in one of the focus groups. Make sure to also include this question in your interviews with selected actors.

- The section "Main events affecting the global cocoa industry in the last 60 years" from the Global Cocoa Market Study may be used as a reference to understand what happened in the Global context and see its relationship to the specific country analyzed.

Cocoa bean production

Purpose:

This chapter should provide the reader with an analysis and perspective on the evolution and current position of the country's supply relative to global, regional and local demand for market segments in volume and value.

Content:

This section should include a description of the evolution of the cocoa production, cocoa harvested area, and yield in the last decade for the selected country. After providing a general overview at country level, it could also include regional level information.

Research methods:

Suggested sources for literature review:
Production data (example: Ministry of Agriculture, FAOSTAT, ICCO, etc.)

Production of certified cocoa beans (organic, Fair Trade, Rainforest Alliance)

Purpose:

This information is useful to assess the relevance of the country regarding different certification schemes.

Content:

This chapter should include information about the production of organic, Fair Trade and Rainforest Alliance cocoa production in the selected country. In case other types of certifications exist in the country, including company-specific certification programs, these should be also included.

Also, if possible, consider researching the numbers of harvested areas, certified production volumes, and percentage of certified/sold production in the country, compared with other cocoa producing countries that may be of interest to the target audience.

Qualitative information about the evolution and factors that contributed to the growth of every type of certified bean might be illustrated to give a better understanding of the cocoa sector in the country.

Research methods:

Suggested sources for literature review:
Annual reports of various certifiers and certification programs.

Tips:

- Interviews with cocoa experts may provide valuable insights on the most important factors for the growth of certified cocoa beans. Ensure theses questions are included when interviewing actors who can provide deeper understanding on the topic.

2. <Country's> cocoa value chain

Purpose:

The cocoa value chain is complex and comprises all activities related to cocoa production, commercialization, processing, chocolate manufacturing, and other industries, and retail. During interviews and discussions, it can be revealed how the value chain in the selected country operates and how stakeholders interact.

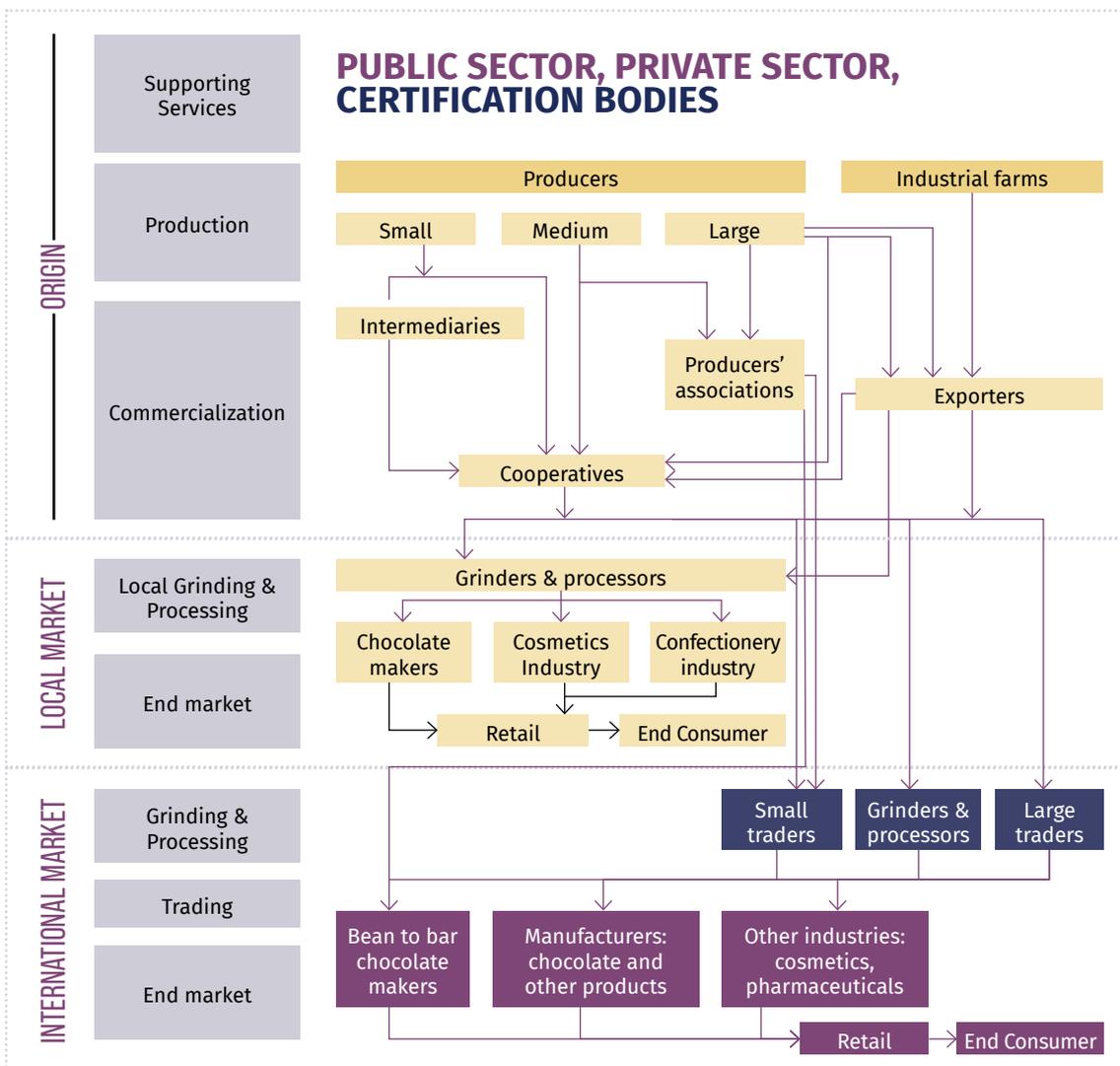An example of the cocoa value chain identified in the Dominican Republic is shown in Figure 1:

Figure 1. Value chain analysis example. Source: Own elaboration

Content:

This chapter will include a qualitative and quantitative description of various typologies of stakeholders at every level of the value chain and will provide an analysis of their dynamics

(examples: selling and purchasing procedures and requirements, power dynamics among stakeholders and with international buyers in contract negotiation, factors influencing the commercial decision-making of producers, and producers' organizations, etc.).

A focus group is a good activity to conduct a value chain mapping exercise and identify the estimated number of actors, their main roles and activities in the cocoa value chain, and other interesting facts relevant for the study.

For the producer typology, refer to the results of the survey, which will provide trends and data sets that will offer solid descriptors of the cocoa producers. These data can be used for the characterization of producers and be further validated through other (qualitative) data collection methods (i.e., interviews and focus groups).

Research methods:
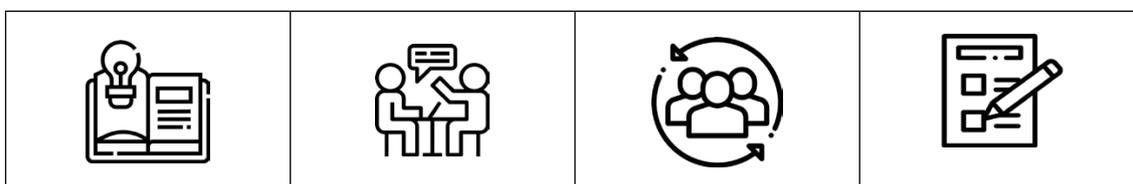
4. Productivity

Purpose:

Productivity in cocoa farms is a key indicator of profitability of the production area.

This chapter can enable readers to understand the different factors that play a role in the bottlenecks and in the potential improvement of the country's productivity, thereby offering prospective intervention areas that could be integrated in future projects in the country's cocoa sector.

Content:

Productivity can be calculated by averaging the production level over the past three years reported by the surveyed cocoa producers, divided by their production area.

Also, several correlations can be made to determine the relationship between different variables. i.e., what factors may impact productivity: size of producer, access to credit, technical assistance received, level of education, among others.

Research methods:
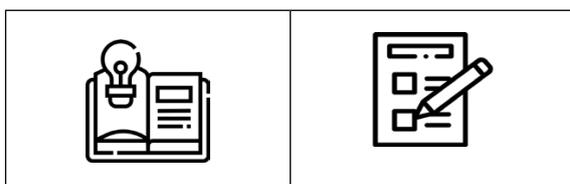
Tips:

- Define the different correlations to investigate and work the calculations systematically, in a manner that will allow you to address the subjects defined in the study outline.

- Use other research projects in the cocoa sector and interviews with sector experts in the country as a basis to define the possible correlations.

5. Analysis of value provided by each marketing channel

Purpose:

Each marketing channel and product segment should have a different cost structure, thus understanding this dynamic will enable the reader and end-user of the study to make better-informed decisions and investments in the cocoa sector.

The value chain analysis will focus on the actor and the type of activity conducted, starting at cocoa production level until its processing into final products. The ultimate goal in performing this type of analysis is to understand the value created along the chain, try to maximize it while attempting to minimize costs.

Content:

This chapter includes a quantitative and qualitative description of market entry level in the principal consuming countries for each product identified, including the price structure and a profit margin analysis throughout the value chain for different stakeholders in the value chain. The analysis should include cocoa and derivative products produced and processed within the selected cocoa-producing country, and the respective market channels. Expected elements are costs related to production, cooperative and non-cooperative sales, transportation, inputs, taxes, and export procedures.

It should also include an analysis of the value provided to producers by the different marketing channels, allowing for an identification of revenue variations. This includes an analysis of whether profit margins justify the inputs and labor required to comply with the requirements of each market segment identified in the Global Cocoa Market Study.

Other types of benefits that producers might receive when producing in agroforestry systems (for instance) will be considered in this analysis.

Research methods:
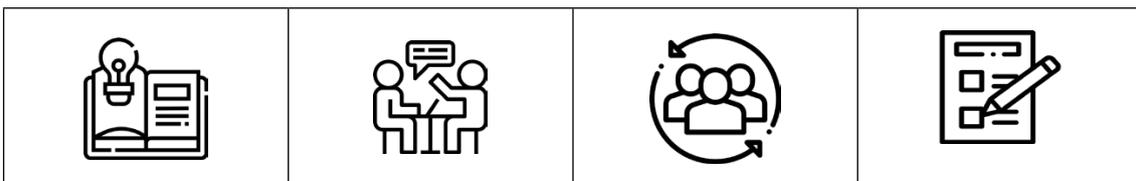
6. Sustainability

This chapter will cover the following (but not limited) elements:

- Deforestation
- Child Labor
- Gender
- Living income
- Diversification

This chapter should address the issues around the country's cocoa, enabling a discussion on how the sector can become more socially, commercially, and environmentally sustainable.

Research methods:
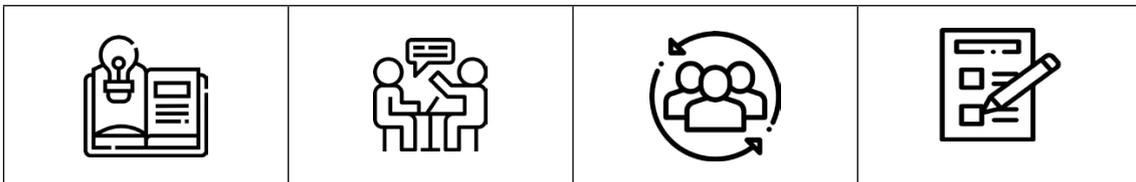
7. Market opportunities for the <Country>

This chapter (section?) should provide a description of the current and potential investments required at each level of the value chain to take advantage of market opportunities.

8. Recommendations and potential investments in the <Country>

The recommendations chapter should propose interventions that can either capitalize on the country's strengths or tackle the country's weaknesses related to its cocoa industry. During the research, several improvement opportunities and recommendations can be grouped into categories.

Recommendations can be based on the results from primary research to address key challenges that prevent actors from ownership over a more sustainable approach to cocoa sourcing.