THE CAMEROON COFFEE SECTOR : VALUE CHAIN OR BROKEN CHAIN ?

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Scale of the problem

As a gauge of its importance to the nation, the Cameroon coffee sector provides close to 4 million jobs across its domestic value chain. The vast majority of those jobs are in the rural heartland. That means coffee farming is an eminently rural development endeavour. Coffee growers also happen to fall within the poorest brackets of the national population. That should place them at the top of the government's agenda for poverty reduction, including related rural development programmes and projects. Those are only few examples of a much broader statement on the significance of the coffee sector in Cameroon.

And yet, the coffee sector has been in serious trouble following liberalisation of the agricultural commodity sector in the early 1990s. Since then, no other comparable commodity of the country, be it cocoa, cotton, oil palms, banana or rubber, has performed as poorly as coffee production. In the period before liberalisation, that is from 1960 to 1990, coffee output increased more than twofold, respectively from 45'000 metric tonnes (MT) to over 100'000 MT, averaging a world coffee market share for Cameroon of 2.1%. This good performance was, however, reversed in the post liberalisation period, from 1990 to 2014, which witnessed a continuous drastic fall in exports, reaching a worrisome performance of barely 22'000 tonnes in 2014 (or less than half the 1960 output). This figure corresponds to a statistically neglegible Cameroon share of the world market.

In comparison, the volume of cocoa production has continued to increase steadily in absolute terms from 75'000 MT in 1960 to just over 200'000MT in 2014 even though, here too, Cameroon's global cocoa market share tumbled from an average of 6.7% during the 1960-1990 period to 4% from 1990 to 2014. In the broader African context, the region's coffee production has also slipped steadily since 1990 in absolute and relative terms, from a pre-1990 world market share of 25% to a post-1990 figure of barely 13%. In the cocoa sector, however, the African region as a whole has consistently maintained its world market share of about 70% for more than five decades, from1960 to 2014. This comparison implies that liberalisation of the cocoa and coffee sectors in Cameroon, as in the rest of Africa, did not adversely affect cocoa production to the same extent that it impacted on coffee production, for reasons discussed below.

Roots of the problem

1**. Why the coffee sector?** It is not an easy task to pinpoint the reasons why liberalisation and deregulation of the national commodity sector in the early 1990s impacted more negatively on coffee production and quality than on the performance of other comparable export commodities, such as cocoa. What follows is an attempt to untangle an imbroglio of many factors at play on various levels of the coffee value chain, and to spotlight some fault-lines specific to the sector.

Historically, Cameroon has always produced more cocoa than coffee, at least since independence. The farm gate price for cocoa has also always been historically higher (by at least 30%) than that for Robusta coffee for example. Further, domestic and world cocoa prices have generally been more stable over the years compared to the wild fluctuations observed time and again in coffee market trends. Moreover, the coffee sector lacks a government parastatal enterprise or locomotive, such as SODECAO in the cocoa sector, to drive and support production. With some exceptions such as in the Moungo Division, most coffee farms measure 2-3 hectares and their very low productivity metrics (generally below 500kg/hectare) has been a constant drag on overall coffee output. Low farm productivity rates are common in Africa as a whole (not only for coffee but for other crops as well), compared to average coffee productivity rates reaching as much as 3 tonnes per hectare in Vietnam or Brazil for example. The implication is that coffee production costs are much higher in Cameroon and other African countries than in Brazil.

More significantly, Robusta coffee production basins, such as in the East and South West regions, appear to be more landlocked or more difficult of access than areas of the country where cocoa production is concentrated. A poor or inadequate rural road network limits the flow of investments, of farm inputs and of new technologies into rural smallholder agriculture, and that results in low productivity rates and low produce quality. In the South West region, for example, the two Divisions, namely Kupe Muanenguba and Lebialem, which together produce at present upwards of two-thirds of all the coffee output of the South West region, also happen to be the most landlocked of the region's six Divisions. By comparison, Fako and Meme Divisions which produce most of the cocoa from this region also happen to be the more urbanized and more endowed with farm-to-market roads, including paved roads. Which is why rural communities with hardly any farm-to-market roads are condemned to endemic poverty and to rural exodus. Commercial farming cannot prosper in such a context. The foregoing analysis points to the conclusion that for various reasons the national coffee farming population and surface area are diminishing while that for cocoa are either stable or increasing. Although some farmers grow both cocoa and coffee, there is a general trend to disinvest from coffee farming in favour of the cocoa sector or the food sector, as witnessed in the erstwhile coffee production zones of the West Region for example.

2. Broken value chain : World and domestic coffee market volatility following liberalisation may be considered the prime reason why coffee production in Cameroon started a downward curve as from the early 1990s. That was when the consequences of an unregulated domestic produce market started to bite the coffee farmer, more than any other farmer. It should be recalled that within the framework of the International Coffee Agreement (ICA) that operated until 1989 and prior to deregulation of the domestic cocoa and coffee market, farmers enjoyed a stable price each year mostly through the National Produce Marketing Board (Office National des Produits de Base – ONCPB). The state also provided direct support to the farmers with subsidized farm inputs through the National Fund for Rural Development (Fonds National de Développement Rural – FONADER). Liberalisation ended the produce marketing and price-stabilization functions of ONCPB, which became ONCC, and led to the demise of FONADER and to state disengagement from the commodity sector in general.

These pro-market reforms were not specific to Cameroon. They were part of a general neo-liberal movement promoted in the 1980s by President Ronald Reagan of the United States and Margaret Thatcher of the United Kingdom. President Reagan in particular, urging the rest of the world to « discover the magic of the marketplace », pushed through a radical privatization agenda that all but demolished the Keynesian policy pillars of the post-war

welfare state in Europe and elsewhere. The Organizations within the United Nations system, including the Bretton Woods institutons (World Bank and IMF) in particular, were not spared this global pro-market creed; they simply toed the line. This new consensus put paid to international commodity agreements that had until then regulated stocks and stabilized prices, such as in the coffee sector. In Africa more especially, pro-market reforms, code-named « structural adjustment programmes », were administered by the World Bank and IMF, and supported by bilateral development aid programmes as the nostrum or magic cure for the compound (commodity, economic and financial) crisis which many African countries, including Cameroon, had been grappling with since the mid 1980s. State enterprises were privatized and governments stepped back from direct support to the commodity sector, including price stabilization that had previously shielded the farmers from unpredictable and sometimes cruel market behaviour. Thus was the coffee farmer sacrificed on the alter of classical economic orthodoxy.

To better understand the adverse impact of liberalisation on the coffee farmer, let us briefly look at his position and income level within the global coffee value chain before and after liberalisation. This chain, like those of other agricultural export commodities, can have as many as 20 stages of value addition by the chain participants. For our purpose, however, we retain 7 main chain participants who formed the chain before liberalisation: namely (1) the coffee farmer who is the source or mother of the chain and without whom there will be no coffee or chain to talk of ; (2) the cooperatives who worked closely with ONCPB and were also supported by the state; (3) ONCPB as quality controller and exporter ; (4) international traders based in developed (coffee consuming) countries such as importers, distributors, futures traders, etc.; (5) Roasters who manufacture and brand coffees ; (6) retailers such as supermarkets where branded coffees are sold ; and (7) final consumers and coffee shops in the consuming countries. The domestic half of this chain involving : farm operations, drying, milling, quality control, and exports was governed locally by ONCPB and the cooperatives. If this system was far from perfect, it was nevertheless for the farmer an armour against market risks, besides providing a social safety net.

That was the chain structure that operated before liberalisation and during the price stabilisation regime. For the farmer, coffee quality, price stability and price predictability were the key pre-1990 chain ingredients. As 1960-1990 production statistics also bear out, the coffee sector witnessed an optimistic upward curve for three straight decades, simply reflecting the upbeat mood of the coffee farmer. Further still, Cameroon coffee had recognition and even signature in foreign markets. This pre-1990 value chain was also more or less democratic and equitable in its distribution of market power and incomes amongst the different chain participants. This was especially so because the market influence of chain participants in the developed countries was checked by the system of quotas and price bands of the international coffee agreement. During this period the income share of the farmer in the chain averaged 20% (in relation to the retail price in the developed countries), and probably reached 60% of the Douala FOB value. As observed by some authors (e.g. Benoit Daviron and Stefano Ponte in the *Coffee Paradox* (2004), producing countries were able to influence the global coffee value chain thanks to the work of their produce marketing boards and cooperatives representing the aggregated power of the farmers. As such, the pre-1990 coffee value chain could be called producer-driven since producing countries could influence outcomes in the rest of the chain, inter alia, through stock regulation and control – thanks to the pricing mechanism - over the portion of the chain revenue going to the farmer.

The post-liberalisation period, which we are still witnessing, has reversed the pre-1990 stability in several ways. We already know how ONCPB became ONCC, stripped of its produce marketing and price regulation functions. The cooperatives fell upon hard times. A

new cooperative law more in tune with the new liberal economic climate was promulgated in August 1992. The bolt that had secured the farmer from market swings and misfortunes was loosened. With the demise of ONCPB and the cooperatives, cut-throat competition invaded the domestic coffee market now deprived of governance, leadership, order and discipline. Thus the Cameroon (and African) half of the global coffee value chain was broken. In contrast, however, the part of the chain in the developed coffee consuming countries was considerably reinforced as traders and roasters increasingly gained influence over the entire chain (including through mergers and coffee roasting technology improvements). Producer-driven (by producing countries) before liberalisation, the coffee value chain became buyer-driven (by the developed countries) after liberalisation. In short, liberalisation has resulted in multinational giants governing and driving the entire chain with the following consequences :

- The Cameroon segment of the chain, meaning the domestic coffee market, has become fragmented and rudderless almost to the point of becoming a chaotic market in which farmers, buyers, millers, exporters, and other intermediaries seem to read from different market rule books. ONCC's annual coffee campaign directives (Recueil des textes de la campagne caféière) are not systematically disseminated in the field and, in any case, are never complied with;

- Cash-strapped cooperatives are struggling to remain in the sector as they face formidable competition from the more organized and resourced local affiliates of international traders, who now occupy ONCPB's erstwhile territory, implying that the chaotic market conditions seem to favour these foreign buyers over the cooperatives and other local buyers and exporters;

- Coffee quality has deteriorated significantly mostly because of the lack of incentives at farmer or cooperative level to work hard for quality;

- The greatest worry of all has been the farmer's progressive loss of income to the chain participants in the developed countries. As noted in *The Coffee Paradox* (ibidem), for example, coffee producers controlled 20% of total coffee value chain income between 1980 and 1989 while 55% went to chain participants in the developed countries during the same pre-liberalisation period. After liberalisation, the situation changed dramatically. Between 1990 and 1995 the proportion of total income received by producers dropped to 13% while that retained in the developed countries surged to 78%. For Cameroon, the drop in farmer revenue might be lower than 10% due to high production and quality costs. The North – South disparity in coffee revenue represents a substantial transfer of resources from the poor coffee farmer to the developed countries. Another name for such a differential is capital flight. But is it licit or illicit?

While it may be true that ONCPB and its allied cooperatives were plagued by managerial shortcomings and that payments to farmers were often frustratingly tardy – problems which were raised as partial justification for liberalisation reforms – it can be argued that the perceived abuses did not justify a death sentence for their role in support of the farmers. The problems could have been fixed or the pro-market reforms could have been phased in gradually, for example on an experimental 5-year period. The conclusion is clear and obvious. Liberalisation, as was implemented, severely shortchanged and penalized the coffee farmer on several counts and handsomely rewarded coffee traders and roasters in the developed countries. Any surprise, therefore, that coffee producton was declining just as the domestic coffee market was sliding into anarchy, ceding influence and net value to operators in the northern hemisphere? Overall African coffee production data suggest that coffee output

declined almost by the same proportion that the African coffee farmer's share of the value chain declined from 1990 to 2010, that is by close to 50%.

What is remarkable in this discussion is that in the developed coffee consuming countries which championed the liberalisation agenda and its attendant structural adjustment programmes in Africa, the farmers were and still are comfortably protected through various state-support schemes from the same market forces which liberalisation had unleashed so mercilessly on poor African farmers. State subsidies for the farming sector, which were forbidden to African governments under structural adjustment programmes, were generously doled out to prosperous farmers in the developed countries, the EU Common Agricultural Policy (CAP) being a prime example. As such the playing field has never been equal for farmers in the developed and developing countries. With that reality in mind, it can only be hoped that the Economic Partnership Agreements (EPAs) with the EU will not turn out to be new disguised forms of structural adjustment programmes for African countries.

3. **Certification schemes or new regulatory regime :** Another problem is that while the coffee market was being deregulated in Cameroon and elsewhere in Africa, new complex forms of regulation were increasingly imposed on poor farmers by way of certification and sustainability programmes fostered partly by the major operators in the developed countries controlling the coffee value chain. These certification initiatives generally encompass the criteria of coffee quality, environmental conservation, economic benefits for farmers, and social responsibility (e.g no child labour and gender inclusion) . Coffee (and cocoa) producers are required to comply with such criteria for their produce to access more remunerative niche markets in the developed countries. In this respect, however, there is much less consensus and standardization amongst the chain participants in view of the proliferation of such certification schemes.

Among the earliest certification initiatives that came into being in Europe in the coffee sector was the fair trade movement, which probably grew out of the Max Havelaar Foundation in Utrecht, the Netherlands, and is now carried by Fairtrade Labelling Organizations (FLO) based in Bonn, Germany. Its central purpose has always been to ensure that coffee farmers (and producers of other crops like cocoa and banana) receive a fair share of the commodity value chain, and to campaign against abusive market practices detrimental to poor producers in the developing countries. Even though coffees sold with fairtrade certification labels have for long been less than 1% percent of all the coffees traded on the world market, this movement was perceived as a threat by the big players in the coffee value chain, who then devised their own certification initiatives. Examples include : Utz Kapeh, Rainforest Alliance, the Common Code for the Coffee Community or 4C, Shade-grown coffee, Starbucks' CAFE programme.

These are complex schemes which place the technical and administrative burden of compliance on poor and often illiterate farmers. The total coffees sold under all these schemes in 2010 was apparently below 5% of global coffee trade. That means certification programmes have not lifted or may never lift the vast majority of coffee farmers out of endemic poverty. In short these schemes have not even begun to tackle the problems liberalisation has created for the Cameroon coffee farmer. In contrast to certification programmes, sustainable sourcing initiatives, such as Nestlé's, which involve long-term partnerhip arrangements with producers and their organizations aimed at improving the livelihoods of coffee growers, would seem to stand a better chance of succeeding in motivating the farmers to consider their coffee business as a worthwhile profession.

4. Institutional intermediation between the state and the farmer : The coffee sector is also a casualty of the major challenges facing the country's agriculture and rural development as a whole. The most serious and better known of those challenges concerns the limited rural road network and farm-to-market roads, which bedevil the coffee sector and national agricultural production more generally. A much less known handicap but of no less nuisance to the farmer has to do with the structural and functional inefficiencies buried in the institutional machinery – comprising ONCC, CICC, FODECC, different Ministerial divisions and offices directly and indirectly concerned with cocoa and coffee production or agriculture and rural development in general, decentralized Ministerial units at regional, divisional and subdivisional levels, the different externally-funded programmes and projects, FODECC-financed projects; etc - which stands between the government and its international development partners, on the one hand, and the farmer, on the other.

This intermediary machinery is ideally supposed to function as a resource and technology transmission belt for the transfer and field application of outlays made available by government and international donors for agriculture and rural development in general, and improvement of the livelihoods of the farmers in particular. In practice, however, it hardly functions as a belt transmitting resources, goods and services from the state level to the farmer. Although it has many devoted and highly qualified professionals who wish to see and make a difference in the life of the village farmer, these professionals find themselves locked in a system that itself functions, almost unconsciously, with a self-serving institutional mindset. Because of its plethora of more or less autonomous organizational units, programmes, and projects with duplicative purposes, operations manuals, and support costs or their different time horizons and funding sources, this layer between the state and the farmer lacks a coherent programmatic direction and is obviously very wasteful of the resources that could make a life-and-death difference in the villages.

A good part of the resources this intermediary layer is supposed to transfer to the farmer consequently ends up being consumed in staff and support costs, overheads, and undocumented practices. For example, huge savings could be achieved if the many projects shared the same premises and facilities; a single permanent national coordination unit (that does not have to be re-established at the onset of each new project); the same support secretariat and translation service; a common management and operations manual; a common vehicle fleet; the same support personnel, etc. Major multilateral and bilateral donors also add to this wasteful fragmentation and overlap of resourcese by prefering to set up and finance separate projects (e.g. PARI, PADFA, PADMIR, PNDRT, PACA, ACEFA, PIDMA, etc) instead of working together as a consortium with a shared strategic development goal and a single operational structure to implement that goal within an agreed timeline. Thus it is indeed doubtful if these intermediation arrangements add much value to agriculture and rural development; they are certainly not serving the coffee farmer as they should under ideal conditions of clinical efficiency and effectiveness.

In the specific case of the cocoa and coffee sectors for example there are close to 30 institutions, bodies, programmes and projects concerned directly or indirectly with the development of these commodities. Examples include: MINADER; MINCOMMERCE; MINEPAT; MINRESI; MINJEUNE; IRAD and its different field centres; ONCC; CICC; PACICC; FODECC; SODECAO ; PSCC; 2P3C; PAPA/RFCC; PAIJA; PAJER-U; PA3C; PPVCC; SDMVCC; PALAF2C; PAUEF2C; SMVAB. PRSSE; PPDR; PPDMVCC; PAGQ2C; PRSC ; SIF; PRDFCC/Pppp; etc. FODECC, the Cocoa and Coffee Development Fund, which finances close to ten projects in the above list, seems to have the most impact on the farmers. It is lean, focused, and efficient, but its role is limited to financing projects

implemented by other government institutions. As such it has no direct relationship at present with the farmers.

By its present structure and mode of operation, this institutional layer confiscates the farmer's daily bread in several ways: Firstly, it is financed essentially from taxes levied from downstream cocoa and cofee value chain participants, who transfer those charges upstream to the farmer in the farm-gate price ultimately paid to him. Without the cocoa and coffee produced by the farmer the institutional machinery in question would not exist. Secondly, the layer costs a lot of money to the farmer to maintain, at least while the sectors concerned are still in the doldrums. So if it could be pruned and streamlined through a root and branch efficiency reform, the resources thus released could be used to raise the farm-gate prices paid to cocoa and coffee farmers, thereby motivating them to higher levels of production. Thirdly, the present system lacks accountability to the farmer for the efficient and effective use of his resources and for field accomplishments (e.g. constantly expanding cocoa and coffee production volumes), which ought to justify the system's continued existence. It does not function on the basis of a results-based rewards and sactions system. For example, the fact that the Cameroon coffee sector development strategy adopted in 2010 (and discussed later in this piece) missed all its coffee production targets by 2015 would have justified a shakeup of the institutional machinery concerned with strategy implementation; but that did not happen, and business continued as usual. Fourthly, the identification and design of many agricultural and rural development programmes and projects at national level are almost always top-bottom bureaucratic initiatives hardly ever involving the participation of farmers and farmer organizations expected to benefit. Bottom-up initiatives (besides micro-projects submitted by beneficiaries) are rare and far between.

In conclusion, the institutional layer between the state and the farmer seems to have appropriated for itself the resources and role rightly belonging to the farmer and farmer organizations. For example, it has taken over the right to represent the farmer in various domestic and international fora concerning agriculture and rural development issues; it speaks with eloquence on behalf of the farmer; it develops and writes projects in offices for the farmer; and much more. By so occupying the farmer's seat at the table, it has consciously or not dislodged and muffled farmer organizations. That may explain in part why the significant resources flowing into agriculture and rural development in general and the cocoa and coffee sectors more specifically seem to sink inevitably into a bureaucratic black hole, leaving precious little to show at field level. That is part of the explanation for declining coffee production statistics since liberalisation in the 1990s.

Tackling the problem

The serious ills of the coffee sector have prompted the government and other sector stakeholders to launch a series of mesures in the past decade to revive coffee production. The first major initiative of note was the adoption in 2010 of the *Cameroon Coffee Sector Development Strategy*, crafted with the support of the stakeholders in the national coffee value chain (e.g. government and parastatal institutions; researchers; farmers and cooperatives; buyers or traders; millers; roasters especially for the local and subregional markets; exporters; quality controllers; forwarding agents ; etc), as well as some major international development partners, such as the European Union; the World Bank; the Common Fund for commodities; Food and Agriculture Organization of the United Nations; and the International Trade Centre (ITC/UNCTAD/WTO).

This coffee revival strategy was timely and comprehensive. It was designed to: (a) improve sector performance at all levels of the value chain, from research to local

consumption ; (b) facilitate implementation of priorities agreed by all stakeholders in the chain, and (c) integrate dynamic progress measurements for strategy implementation and followup. Additionally, the strategy set the quantitative coffee production target to be attained by 2015 at 125’000 tonnes, increasing from a baseline output of 40'000 tonnes in 2010 when the strategy was adopted. Robusta production was to reach 100’000 tonnes and Arabica 25'000 . Export targets were 65'000 for Robusta and 15'000 tonnes for Arabica by 2015. Local consumption of green coffee was also expected to rise to 10’000 tonnes by 2015.

The subsequent drift of the strategy however suggested that it lacked an institutional parent, Ministerial or otherwise, to spearhead its implementation and coordination at all levels. In every bureaucracy, however extensive, a strategy of such national importance, should have had a focal point and primemover inducing, coordinating and overseeing implementaion actions and outcomes, and accounting to superiors and to the nation at large for results and impacts. Judging from sector performance over the past five years covered by the strategy, the most that can be said is that it was carried out, not as foreseen in the strategy implementation matrix, but in bits and pieces and patches. That certainly explains the statistical verdict on the strategy outcomes in 2015: not the 125'000 tonnes of coffee production targeted by 2015, but less than 30'000 tonnes actually produced in 2014 and likely to be produced by the end of the 2015 coffee season.

Nevertheless, the strategy period witnessed some initiatives worthy of note. For example, FODECC quickened its pace in the financing of various projects in the cocoa and coffee sectors implemented mostly by organizational units within MINADER and MINCOMMERCE. Further, CICC’s « NEW GENERATION » programme addressed the serious problem of the aging of cocoa and coffee farmers. This interesting and well-targeted initiative was therefore conceived to attract the youth to engage the sector as professionals, with CICC providing the necessary means and technical support, from nursery preparation to marketing and even certification. The programme’s thrust is to reduce youth unemployment and improve the quality and quantity of national cocoa and coffee production, now and in the future.

Yet another initiative during the coffee revival strategy period was the : *Projet Pilote d’implantation de 4 Centres d’excellence pour la valorisation du Café produit au Cameroun* implemented from 2010 to 2012, and supported by the same international development partners who had financed or cooperated in the preparation of the coffee strategy document. This was a pilot project with the enormous potential to improve the livelihoods of coffee growers and to include the Cameroon coffee origin tag on the world niche and lucrative market of specialty (gourmet) coffees. As Board Chair of Chede Cooperative Union to which government had entrusted the implementation of this pilot project in the South West region, I witnessed firsthand the enthusiasm with which coffee farmers had received the Robusta coffee pulping machine and washing station the project had established in Muambong, Kupe Muanenguba Division, where the pilot was located.

This unprecedented innovation in the post-harvest treatment of Robusta coffee (washing instead of drying) was probably the most important technological novelty in the Robusta coffee sector since the onset of coffee production in the location concerned. But then this project was not extended beyond its pilot phase that ended in 2012, leaving the farmers underwhelmed to see their revolution of expectations in tatters, for reasons unknown. The main lesson to be drawn here is that this pilot project, like the coffee revival strategy before it, were externally induced initiatives (ITC; World Bank; EU; FAO; etc) that did not seem to have been fully ingested and appropriated either by the relevant government ministries (MINADER, MINCOMMERCE, MINEPAT, MINRESI) or other stakeholders in the national

coffee value chain. This conclusion might therefore explain why both the strategy and pilot project, unlike the projects supported by FODECC and CICC, lacked organizational drivers and accountability centres within the national coffee community. Lack of resources could be no excuse since the strategy development and pilot project together cost over 1 billion FCFA, mostly provided by the external donors mentioned earlier.

The latest government initiative designed to salvage the coffee sector is titled: Programme de Relance et de Développement des Filières Cacao et Café (PRDFCC) : 2015-2020, also known as Public Private Partnership Platform (Pppp). Adopted in September 2014, this latest strategy proposes new and rather ambitious coffee production targets: 130'000 tonnes of Robusta and 35'000 tonnes of Arabica to be attained by 2020. The government hopes to levy 100 FCFA/kg (150FCFA/kg for the cocoa sector) in contributions from coffee value chain participants in order to raise the resources required for plan implementation. However, it is not clear if the fate of previous redress initiatives had been thoroughly diagnosed (as to why the sector had missed its earlier targets) so as to draw lessons to guide the successful operational deployment of this new plan of action.

More important still, it needs to be clarified whether or not the new levies for cocoa and coffee designed to raise the 600 billion FCFA budgeted for this plan will affect the farm-gate prices for the two crops or whether it would be restricted to the handsome margins made by downstream value chain operatiors, as explained earlier. It is a given that in all commodities where farmers have received a price that rewards their sweat production has always risen, as exemplified by the coffee sector in Vietnam, where farmers receive upwards of 80% of the FOB value, as opposed to 60% in Cameroon, of coffee exports (FOB value being different from total value chain income which would include consumer price in the developed countries). As such, for the Cameroon coffee sector to be energized anew so that it performs more and better the farm-gate price must increase to motivational levels. Accordingly, the new revival plan could be counter-productive if not self-defeating if it reduced net revenue accruing to the coffee farmer, source of the value chain. The solution would be to revert to the pre-1990 policy of concentrating domestic value-adding processes in farmer cooperatives

Nevertheless, unlike the previous initiatives discussed above, this new plan flags some real strong points. Firstly, besides some useful lessons of sector experience it borrows from other coffee growing countries, especially Ivory Coast, the plan is almost entirely homegrown, the brainchild as it were of the national coffee stakeholders. Secondly, the plan focuses coordination and accountability for results right in the Prime Minister's Office. That means we all know who holds the key to success or who is to blame for an unlikely flop. Thirdly, the plan is backed up with impressive means of implementation amounting to about 600 billion FCFA budgeted for the six-year plan period (2015-2020) for the cocoa and coffee sectors combined. Lastly, coffee farmers and their cooperatives are expected to play a cardinal role in the plan's ground operations.

Way forward

The new cocoa and coffee revival plan of action adopted in September 2014 and discussed above is a commendable and timely initiative with a good chance to succeed in saving the Cameroon coffee sector from complete meltdown. The fact that the plan is backed up with significant resources levied from domestic coffee value chain participants themselves, thus materializing their full commitment to the plan, also augurs well for its successful implementation. Some doubts have however been raised by some members of the national cocoa and coffee community as to whether the treasure chest (600 billion FCFA) to be

contributed by each and all would be applied efficiently and effectively to attain agreed production and quality targets. These may be legitimate reservations considering the unflattering scorecard of previous similar endeavours already noted, and the fact that the new resources to be mobilized are very likely to be channelled through the highly fragmented and duplicative machinery intermediating between the state and the farmers and farmer organizations, a machinery which, by its very track record, seems to have failed the farmers so far, as explained earlier. Fittingly therefore, the new plan could have gone a bit further in the direction of applying efficiency reforms to that intermediation machinery. This indispensable task may never be too late.

Other issues on a possible reform agenda could include:

- **Improve the rural road network** especially in high production and potential production zones. This would benefit the agriculture and rural development sector in general, not only cocoa and coffee production. There is need to rethink present conventional approaches to this national challenge. Borrowing a leaf from community labour practices so widespread in our villages and being extended increasingly to some cities, beneficiary communities could be mobilized more systematically and psychologically to help themselves to the point of placing them on a self-reliant « development war path». Road construction and maintenance equipment could be provided to the rural city councils of landlocked communities for that purpose with the technical support of reinforced Divisional Delegations of Public Works in the localities concerned. The mayors and district officers would see to the details of building and maintaining the rural road network using community labour on the basis of inter-community competition. Needless to recall that major « communautés urbaines » like Yaoundé and Douala are self-sufficient in road maintenance hardware.

- **Restore annual stability of cocoa and coffee farm-gate prices:** This measure, which is already envisioned in the new plan of action even though ground implementation details remain under wraps, would go a long way in restoring discipline and stability in the domestic half of the coffee value chain. Additionally, it would enable farmers to plan their farm operations and expected revenue on a yearly and even biannual basis. They would moreover, if necessary, be able to access bank credit on predictable repayment terms. Indeed, farmers have often wondered why oil, gas, and beer prices for example are stable throughout the year but not the prices of cocoa and coffee which the state recognises as strategic commodities vital to rural development and to national economic growth.

- **Rebuild and reinforce the cooperative movement** so that farmer cooperatives can effectively articulate and communicate the aggregated concerns of the farmers, efficiently deliver goods and services to the farmers, and contribute in plural ways to the implementation of the new plan of action on the ground, particularly in the provision of inputs and farm credits to the farmers, as well as milling and quality control operations. That would, for example, imply reverting to the pre-1990 policy by which farmer cooperatives assumed full responsibility for pre-export value-addition processes in order to increase the percentage of the global value chain income going to the farmer – who must be motivated for production to increase. To those ends, courses on cooperative governance, organization, and management could be introduced in all agricultural training schools, including at University level.

- **International traders should support farmer cooperatives:** In the spirit of corporate social responsibility, international traders and exporters should be required to work with and through farmer cooperatives, not compete with them as at present. This would have the advantage of strengthening the organizational and technological base of the domestic commodity sector, bearing in mind that without such a base chaos would continue to rage at farmer level and Cameroon's half of the coffee value chain would continue to lose market power and net produce value to the developed countries.

The foregoing is a minimalist's agenda for saving our coffee sector from extinction, and for levelling the currently unequal and rigged playing field of the North-South coffee value chain.

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