

Integrated Assessment of Trade-Related Policies and Biological Diversity in the Agricultural Sector in Cameroon:

Brief Summary

Assessment of liberalization policies and growth strategies in the cocoa sector

The assessment in Cameroon focused on the economic, social and environmental impacts of the liberalization of the country's cocoa sector. Due to its extensive use of land, the production of cocoa in Cameroon has an important relationship with the environment and biodiversity. The specific policy considered was the national Law N°2004/025 of 30 December 2004 that promoted liberalization of the sector following an economic crisis. In conjunction with this law the Government introduced a new agricultural policy including a 're-launch' strategy for the sector aiming to increase annual cocoa production to 320 000 tons by 2015. Cameroon currently produces 180 000 tons and ranks fifth in the world in terms of cocoa production.

The study shows that the impacts of the re-launch on the environment and biodiversity vary according to the system of production, meaning whether cocoa is grown in extensive or intensive production systems, and whether it is grown in direct sun or in agro-forestry plantations under shade. From a socio-economic perspective, the re-launch of cocoa production led to an increase of area under production and an increase in prices and quality. With new cocoa producers entering the market this translated into important opportunities for employment and improved living standards. The expansion of the production in some regions, however, was at the expense of forests and led to habitat fragmentation with negative impacts on biodiversity. Following the liberalization, producers no longer received subsidies to purchase inputs such as pesticides. As a result, the use of pesticides dropped as farmers found substitutes and employed plant-based pesticides as alternatives. This avoids toxic residues on cocoa trees, environmental contamination and risk to human health. However, while plant-based processes avoid the use of chemicals, they can threaten the viability of the source plants and so must be carefully managed. The study has also shown that agro-forestry products make a significant contribution to Cameroon's gross domestic product and that agro-forests are the dominant and most profitable form of cocoa production in Cameroon. This is in contrast to many parts of West Africa where cocoa is grown as a monoculture crop in direct sun. Following the liberalization, production, prices and revenues from shade-grown cocoa steadily increased. Agro-forestry encourages higher levels of biodiversity, contributes to erosion control and carbon sequestration, and provides opportunities for additional sources of income from wood and non-wood products.

Main recommendations:

- Reinforce the capacity of institutions related to professional and agricultural training to enable them to provide training on sustainable cocoa production.
- Take biodiversity into consideration in zoning and land-use planning policies.
- Create strategic plans for the development of the sector to (i) promote products from agro-forests, (ii) enhance the sustainable use of adjacent ecosystems, (iii) oversee intensification, and (iv) promote innovation and practices that promote biodiversity.
- Develop of environmental standards, certification and labeling, specifically related to cocoa agro-forestry systems and products.
- Provide financial incentives for cocoa producers who are respectful of the environment.
- Further assess laws and decrees with the aim of identifying linkages to trade and biodiversity.

In response to the study, stakeholder consultations have taken place to agree on the content and outline of the strategic action plans for the sector. Further laws and decrees related to forestry and environmental impact assessment have been screened with respect to their potential implications for, and reference to, biodiversity. In addition, further capacity building on integrated assessment for government official has been initiated.

The project was led by the *Ministère de l'environnement et de la protection de la nature (MINEP)* and was implemented by the *Centre d'étude de l'environnement et du développement au Cameroun (CEDC)*.