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Kraft Foods Nurtures The Next Generation Of Dominican Cocoa Farmers With Launch Of Cocoa Partnership

Partners with United States Agency For International Development (USAID) Five-Year Plan Will Help 10,000 Small-Scale Farmers

NORTHFIELD, Ill., Oct. 17, 2011 /PRNewswire/ -- Kraft Foods (NYSE) is launching its successful Cocoa Partnership to the Dominican Republic in a five-year commitment with the United States Agency for International Development (USAID). Working together, the Cocoa Partnership and USAID hope to increase the yield and quality of Dominican cocoa, while improving farmer livelihoods and communities. The program will reach 10,000 small-scale cocoa farmers of the Conacado cooperative with training on farming techniques, post-harvest practices and supplemental income opportunities.

The Cocoa Partnership – established by Cadbury in 2008 – has committed 45 million pounds Sterling (approximately \$70 million) to invest in cocoa farming in Ghana, India, Southeast Asia and the Caribbean over 10 years. The program is already in 100 Ghanaian communities, with plans to double in size by year-end. The Partnership has forged successful alliances with The Ghana Cocoa Board and Kuapa Kokoo, a Fairtrade co-op comprised of 60,000 farmers and their families.

"As we've seen in Ghana, the Cocoa Partnership's success depends on the collaborations we establish," said Bharat Puri, Senior Vice President, Global Chocolate, Kraft Foods. "The challenges facing today's cocoa farmer cannot be solved by any one company or organization. Only by working together – public and private sectors along with farmers and civil society – will we be able to make the difference that's needed."

"Public-private partnerships like this one are a key part of USAID's development strategy in the Latin American and Caribbean region, because it has benefits for all the stakeholders," said Mark Feierstein, USAID's Assistant Administrator for Latin America and the Caribbean. "Small farmers earn more money, businesses have access to a higher quality product, and USAID leverages its resources so that we can reach more people. We couldn't ask for a better alliance."

Nurturing the Next Generation of Cocoa Farmers

The Dominican program will focus on nurturing the next generation of cocoa farmers. Of the 40-50 million people around the world who depend on cocoa for their livelihoods, only about five million are cocoa farmers today. And their numbers are dwindling. Most cocoa farmers are smallholders who face many challenges – low productivity, pests and disease, market inefficiencies and limited access to quality education and healthcare. Not surprisingly, fewer younger people are choosing to take up cocoa farming.

Increasing Organic Fairtrade Cocoa Supplies

Sustainable cocoa production in the Dominican Republic is important to Kraft Foods and important to the success of brands like *GREEN & BLACK'S*. Beyond farmer training, the Cocoa Partnership's expansion into the Dominican Republic will work to increase the supply of organic Fairtrade cocoa and provide an additional social premium for community investment and productivity improvements. Kraft Foods is already the world's largest buyer of Fairtrade cocoa and organic Fairtrade cocoa. And by the end of 2011, the entire *GREEN & BLACK'S* organic block bars and beverages will be Fairtrade-certified.

To learn more about Kraft Foods' agricultural sustainability efforts around the world – including video from a visit to Fairtrade cocoa-growing communities in Ghana, and downloadable high-resolution photos – please visit <http://bit.ly/ijlp0n>. And check out Kraft Foods' Creating a Delicious World Report at kraftfoodscompany.com/responsibility.

About Kraft Foods

The company and the Kraft Foods Foundation have donated more than \$1 billion in cash and food to hunger-relief organizations over the past 25 years. Through support of partners, including Save the Children, Feeding America, INMED Partnerships for Children, Charities Aid Federation and CARE, the company and Foundation support programs in 46 countries and on almost every continent.

Kraft Foods Inc. (NYSE: KFT) is a global snacks powerhouse with an unrivaled portfolio of brands people love. Proudly

marketing delicious biscuits, confectionery, beverages, cheese, grocery products and convenient meals in approximately 170 countries, Kraft Foods had 2010 revenue of \$49.2 billion. Twelve of the company's iconic brands – *Cadbury, Jacobs, Kraft, LU, Maxwell House, Milka, Nabisco, Oreo, Oscar Mayer, Philadelphia, Tang* and *Trident* – generate revenue of more than \$1 billion annually. On Aug. 4, 2011, Kraft Foods announced plans to divide and create two independent public companies: a high-growth global snacks business with estimated revenue of \$32 billion and a high-margin North American grocery business with estimated revenue of \$16 billion, based on 2010 financial results, adjusted for divestitures. The transaction will take at least 12 months to complete, during which time plans regarding the structure, management, governance and other matters will be announced. A leader in innovation, marketing, health & wellness and sustainability, Kraft Foods is a member of the Dow Jones Industrial Average, Standard & Poor's 500, Dow Jones Sustainability Index and Ethibel Sustainability Index. Visit kraftfoodscompany.com and facebook.com/kraftfoodscorporate

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