



**WORLD
COCOA
CONFERENCE 2024**
BRUSSELS, BELGIUM

A circular icon containing a cocoa pod and a globe, symbolizing the global cocoa industry.

**REPORT OF THE 5TH
EDITION OF THE**

**WORLD
COCOA
CONFERENCE**

BRUSSELS,

21-24 APRIL, 2024

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KINGDOM OF BELGIUM
Federal Public Service
Foreign Affairs,
Foreign Trade and
Development Cooperation

EXECUTIVE SUMMARY

The World Cocoa Conference, held in Brussels from April 21st to April 24th, 2024, convened over 1000 stakeholders from diverse sectors of the global cocoa industry. Themed "**Paying More for a Sustainable Cocoa**" the conference emphasized the need to address the inequitable distribution of value among the various stakeholders of the cocoa value chain, and to help small producers achieve a living income through higher farmgate prices.

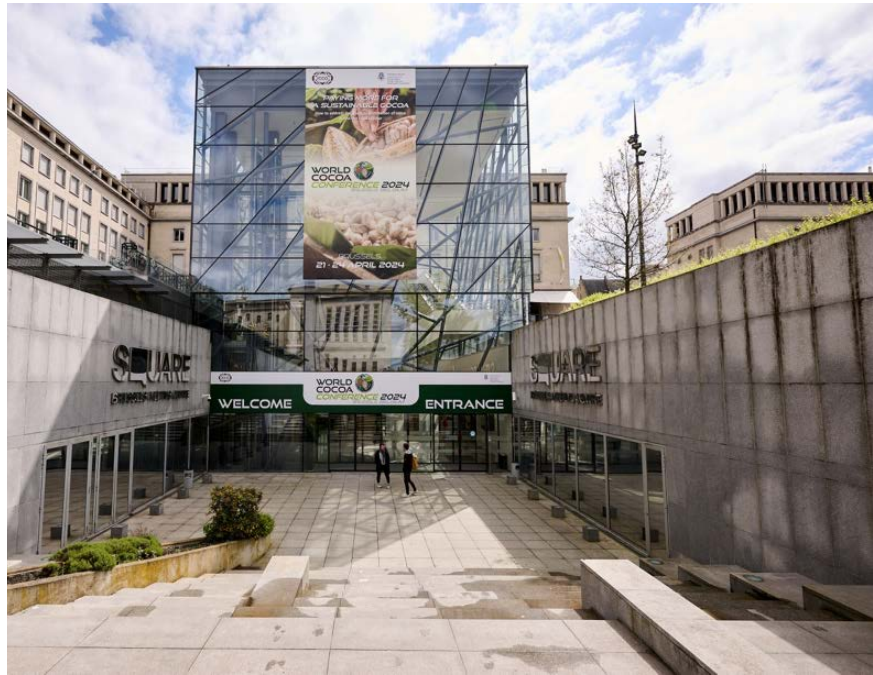


The conference focused on achieving a living income for farmers, sustainability concerns, governance issues and market growth opportunities in the cocoa sector.

Recommendations emphasized the importance of prioritizing decent income for farmers, strengthening producer organizations and empowering farmers and women. They highlighted the relevance of income diversification, especially through women's participation in producing food

crops and the promotion of cocoa by-products. In addition, transparency and accountability mechanisms were highlighted as essential. Furthermore, increased collaboration and partnership among stakeholders, compliance to regulation but also the establishment of regulations that support equitable trade practices were stressed. Finally, suggestions included developing appropriate capacity-building programs, improving quality management systems and encouraging innovation in cocoa processing to enhance the value of cocoa products.

The conference culminated with key stakeholders stressing the need for regulatory compliance, acknowledging shared responsibilities between consumer and producer nations, and advocating for collective efforts to strengthen sustainable supply chains. The Brussels Declaration encapsulated the outcomes and commitments of the event, stressing transparency, equity and sustained collaboration in advancing the cocoa industry.



Michel Arrion – Executive Director ICCO



INTRODUCTION

The 5th edition of The World Cocoa Conference, co-organized by the International Cocoa Organization (ICCO) and the Kingdom of Belgium (Ministry of Foreign Affairs, External Trade and Development Cooperation), took place in Brussels from April 21st to April 24th, 2024. Serving as a pivotal platform, the ICCO orchestrates these conferences to foster exchanges among stakeholders, to contribute to the policy dialogue and to raise awareness on the issues affecting the global cocoa economy.

Themed "**Paying More for a Sustainable Cocoa**" the conference highlighted the pressing need to address the unequal distribution of value within the cocoa sector and to help farmers achieve a living income through higher cocoa farmgate prices



Over 1000 participants from 75 countries, including representatives from governments, cocoa farmers, cooperatives, exporters, traders, manufacturers, brands, retailers, financial institutions, and more, convened from around the globe.

The conference included plenary sessions with speeches and presentations along with breakout sessions with 12 panels on three sub-themes: Sustainable Development, Market development and Governance, management and the functioning of markets. The discussions covered pressing challenges including achieving living incomes for farmers, sustainability, governance issues and market growth opportunities. [Complementing the conference, an exhibition hosted 50 exhibitors, while two side events, "Harnessing the value of cacao quality and diversity for improved producer livelihoods" organized by Bioversity International/CIAT Alliance, and "Value and costs distribution in the cocoa and chocolate value chain" by LE BASIC, offered additional avenues for learning, networking, and engagement within the global cocoa community.

This report aims to summarize the discussions that took place at the World Cocoa Conference focusing on the impact of initiatives and progresses presented by stakeholders on the sustainability of the cocoa industry. It seeks to highlight current challenges, identify emerging trends and showcase current strategies and recommendations strengthening the cocoa supply chain.



PLENARY SESSION – DAY 1

OPENING OF THE CONFERENCE

The following speeches were delivered at the opening of the conference:

- Opening Speech by Her Majesty the Queen <https://www.monarchie.be/fr/agenda/discours-de-sa-majeste-la-reine-a-louverture-de-la-5eme-conference-mondiale-sur-le-cacao>
- Address by the EU Executive Vice President, Valdis Dombrovskis
- Address by H.E. Souleymane Diarrassouba, Minister of Commerce, Industry and Promotion of SMEs of Côte d'Ivoire
- Address by Mr. Alvaro Esteban Del Hierro Paredes, Vice Minister for Agriculture and Livestock of Ecuador
- Address by the European Commissioner for International Partnerships, Mrs. Jutta Urpilainen
- Address by the Chairman of the ICCO Council, H.E. Mr. Rafael Soriano Ortiz <https://www.icco.org/wcc5-opening-speech-he-mr-rafael-soriano-chairman-of-the-icco-council/>
- Statement by Mrs. Harper McConnell, VP Global Cocoa Sustainability, Mars, Platinum Sponsor
- Presentation by Michel Arrion, Executive Director, ICCO, on the main theme of the Conference and its relevance for ICCO <https://www.icco.org/wcc5-opening-speech-michel-arrion-icco-executive-director/>



HM Mathilde Queen of the Belgians

POLICY APPROACH OF THE BELGIAN DEVELOPMENT COOPERATION FOR SUSTAINABLE COCOA SUPPLY CHAIN

The discussion opened by Caroline Gennez, the Belgian Minister of Development Cooperation focused on Belgium's efforts to support a sustainable cocoa sector. Belgian organizations such as the Belgian Trade for Development Centre (TDC), the Belgian Development Agency (Enabel) and the public-private platform for cocoa sustainability "Beyond Chocolate" work on projects that aim to support smallholder farmer cooperatives by enhancing agricultural production, diversifying income sources and improving local processing and marketing. As an example, the Yeyasso cooperative in Côte d'Ivoire shared its positive experience with Belgian support highlighting increased production and farmers earnings.

Recognizing the challenges posed by child labour, living income, and deforestation, the panel conveyed optimism about addressing them, highlighting the need for increased collaboration across the sector beyond current initiatives. The discussions stressed the importance of tackling issues like child labour and poverty among cocoa farmers by formalizing informal agricultural workers and enhancing farmer representation.

The panel concluded by reiterating that achieving a decent living income is the central challenge in the cocoa sector. It was highlighted that while sustainable and deforestation-free chocolate will incur higher costs, it will ultimately result in better-tasting chocolate.



From left to right: **H.E. Caroline Gennez**, Minister of Development Cooperation and of Major Cities Policy of the Kingdom of Belgium, **Mr Yessongbananan Moussa Yeo**, Director-General, Yeyasso cooperative, Ivory Coast, **H.E. Abou Dosso**, Ambassador of the Republic of Ivory Coast to the Kingdom of Belgium, the Grand Duchy of Luxembourg and the European Union, former chair of the OACPS working party on cocoa, **Dr Heidy Rombouts**, Director-General, Directorate-General Development Cooperation and Humanitarian Aid, **Professor Dr Surya Deva**, UN Special Rapporteur on the Right to Development, **Dr Frédéric Lapeyre**, Director of the Priority Action Programme on Formalization at the ILO.

PANEL 1: THE QUEST FOR THE LIVING INCOME OF SMALLHOLDER FARMERS: WHY ARE WE STUCK AND HOW CAN WE FIX IT?

The first panel at the World Cocoa Conference discussed the urgent issue of securing a living income for smallholder cocoa farmers. Panellists highlighted progress made via various initiatives as well as challenges faced by farmers. The role of private sector entities and NGOs via sustainability initiatives was stressed as pivotal for progress and collaboration.

KEY DISCUSSION THEMES

1. **Living Income at the forefront:** Throughout the discussions, it became evident that living income has now taken a centre stage in the cocoa industry's discourse, with panellists emphasizing the need to prioritize it as a fundamental goal for sustainable cocoa production. Nevertheless, despite advancements in discourse, significant work remains to achieve a meaningful impact.
2. **The potential of the Living Income Differential (LID) and economic pacts:** The implementation of the Living Income Differential (LID), was acknowledged as a tangible step forward. Additionally, efforts towards forging economic pacts between industry stakeholders and producing countries were seen as promising avenues for progress.
3. **Data transparency and accountability:** A recurring theme was the need for greater transparency and accountability, facilitated by robust data-sharing mechanisms.
4. **Challenges faced by farmers:** Farmers' perspectives illuminated the stark realities they face, including high production costs, stagnant prices and limited bargaining power. They emphasized the urgency of implementing practical solutions that directly address their livelihood concerns.
5. **Role of private sector and NGOs:** Both private sector entities and non-governmental organizations (NGOs) presented their sustainability initiatives. While some efforts such as cash transfers, were recognized, there was a call for more substantial impact and collaboration.

KEY RECOMMENDATIONS



While progress has been made, further measures are needed to address the complex challenges faced by farmers. This includes enhancing support for income diversification, strengthening producer organizations to balance power dynamics and setting a up a system for farmers that is profit oriented rather than productivity oriented.



Governments were urged to foster dialogue and coordination among stakeholders, enhancing price transparency, collecting data on the cocoa sector and providing financial support. Stronger regulation is needed to ensure that promised prices and contracts are respected.



The private sector's role was acknowledged, but there were calls for more substantial action. The ISCOs platforms representative announced the adoption of unified principles for sustainable procurement practices.



PANEL 1 - From left to right: Alex Arnaud Assanvo (CIGHCI), Omer Maledy (CICC of Cameroun), Anna Laven, Viwanou Gnassounou (Moderator), Charles Snoeck (ISCO), Leticia Yankey (Cocoa Mmaa Cooperative Ghana), Timothy S. McCoy (The Hershey Company), Pauline Zei (INADES)

THE EU SUSTAINABLE COCOA INITIATIVE

The EU Sustainable Cocoa Initiative (SCI) has been launched by the European Commission in 2020 to serve as a collaborative platform engaging partner countries, EU Member States, industry stakeholders and civil society organizations in addressing critical issues concerning child labour, deforestation and fair income for farmers in the cocoa sector. This panel gave a thorough overview of the progress made and challenges faced by the initiative.

Key actions and achievements of the EU Sustainable Cocoa Initiative have been highlighted:

- An inclusive multi-stakeholder dialogue, the Cocoa Talks, involving representatives from Ghana, CI, Cameroon and other stakeholders, has been organised by the European Commission to bring consensus among stakeholders on the transition toward sustainable cocoa value chain and identify priority actions for sustainable cocoa value chains.
- In June 2022, marking the culmination of the Cocoa Talks dialogues, the EU, Côte d'Ivoire, Ghana and other cocoa stakeholders endorsed the Alliance on Sustainable Cocoa Roadmap to support sustainable cocoa trade objectives. Later that year, the EU Sustainable Cocoa Programme (SCP) a €25 million programme has been launched for Côte d'Ivoire, Ghana and Cameroon to support progress on this Roadmap of Action.

Progress made on the Alliance for Sustainable Roadmap were underlined:

- Focus groups have been organized to deepen the reflection on cocoa markets and prices.

- Activities to strengthen the relevant standards on sustainable cocoa, including the African Regional Standard on Sustainable Cocoa (ARS 1000) that is now operational in Côte d'Ivoire and Ghana.
- Improvement to the Ghana and Côte d'Ivoire national cocoa traceability systems coverage, accuracy, reliability, and transparency with clearly defined roles for farmer organizations with the support of the European Union. In addition, to monitor deforestation in cocoa producing areas a national baseline land cover map of Côte d'Ivoire in 2020 has been developed by the EU and stakeholders.
- Child Labour Monitoring Systems (CLMS) have improved their coverage, with the Child Labour Monitoring and Tracking System in Côte d'Ivoire (SOSTECI) gradually expanding and the establishment of a child labour desk at COCOBOD in Ghana, along with ongoing CLMS pilot projects.

However, the panel also identified several challenges, including producing countries difficulties to comply with the EU Deforestation Regulation, technological limitations hindering sustainable practices and the need for market mechanisms to ensure fair prices and sustainable livelihoods for farmers.

In conclusion, the panel emphasized the importance of securing sustainable investment financing, fostering cooperation and coordination among stakeholders, and enhancing measures of traceability and transparency. It was suggested to expand the initiative's reach beyond the current focus countries and to deepen reflections on cocoa markets and prices to ensure transparency and decent living income for farmers.



From left to right: **Mr. Luc Magloire Mbarga Atangana** (Minister of Trade, Cameroon), **Bakary Traoré** (Executive Director, IDEF, Côte d'Ivoire), **Aldo Cristiano** (President, CAOISCO), **Viwanou Gnassounou** (Moderator), **Guus de Gruiter** (member of the Board, European Cocoa Association), **Antonie Fountain** (Managing Director, the Voice network)

TRACK SESSIONS – DAY 2

PANEL 2: THE TRUE COST OF COCOA

Panel 2 discussions focused on defining the “True Price” in cocoa pricing by considering external costs, exploring various pricing methodologies, highlighting successful pilot projects that have improved farmers' livelihoods but also underscoring the need for comprehensive actions to address these challenges.

KEY DISCUSSION THEMES

1. **Clarification on the concept of “True Price”:** The panel commenced with the objective of establishing a shared understanding of key concepts such as "true cost", "fair price". Speakers emphasized that the true cost of cocoa should account for the living income and negative externalities associated with its production (deforestation, biodiversity loss and soil erosion etc.).
2. **Methodologies for true pricing:** Various methodologies were discussed including the Living Income Reference Price (LIRP), True Price methodology, Payments for Environmental Services (PES), and innovative programs like Puratos Cacao Trace's Chocolate Bonus. In addition, to support the establishment of more equitable pricing structures, producing countries are engaged in the improvement of their traceability systems incorporating features like individual farmers identification, land use mapping, and cost analysis.
3. **Pilot projects and results:** Pilot projects based on these methodologies have shown promising results in improving farmers' livelihoods. However, challenges remain, including limited industry participation and the inability of farmers to sell their entire production at sustainable prices.

KEY RECOMMENDATIONS



Efforts must be made to harmonize and standardize methodologies within the cocoa industry. This necessitates a fundamental change of mindset and prioritizing fair remuneration for cocoa farmers.



Policymakers need to actively intervene in the market to influence practices and address socio-environmental externalities. The upcoming regulatory initiatives should aim to create a more equitable cocoa market and protect the interests of farmers.



The cocoa industry bears a significant responsibility to ensure fair purchasing practices and equitable remuneration for farmers. The current price levels demonstrate that it is possible to absorb higher costs within the value chain without negatively impacting consumption or market positions.



PANEL 2 -From left to right: Sylvestre Seka (Coffee and Cocoa Council, Côte d'Ivoire), Carla Veldhuyzen van Zanten (Fairtrade International), Anne Meyer (Nitidae), Virginie Mfegue (Solidaridad Internacional), Andrea Rusman (Impact Institute and True Price Foundation), Gricha Safarian (Puratos), Dr. Tedd George (Moderator)

PANEL 3: FARMER INCOME AND SOCIAL RESPONSIBILITY IN COCOA FARMING

Panel 3 focused on strategies to enhance cocoa farmers' income including the use of frameworks like the IDH Living Income Roadmap and various farmer coaching programs while emphasizing the importance of achieving living income in cocoa supply chains.

KEY DISCUSSION THEMES

1. **IDH Roadmap to living income:** The panel explored the IDH Living Income Roadmap, a framework composed of steps that companies can follow to help them close the living income gaps in cocoa supply chains.
2. **Industry initiatives for better farmers income:** Discussions mentioned retailer initiatives like Colruyt's sustainable cocoa program, which pays the Living Income Reference Price and plans to scale the program. Puratos' Cacao-Trace program was also highlighted, focusing on creating tangible value and community development projects for farmers. Nevertheless, it was noted that more work was necessary in aspect of supporting services like financial and technical assistance.
3. **Governments programs and standards:** Discussions encompassed both the EU Sustainable Cocoa Initiative and the African Regional Standard on sustainable cocoa, highlighting the need to integrate sustainability costs into cocoa prices to address issues like deforestation, child labour, and poverty.
4. **Farmer coaching programs:** The panel outlined various coaching programs for farmers, such as Enabel's focus on marketing, financial management, and sustainability, and Lutheran World Relief's efforts in Latin America to enhance farmers' knowledge and market access.

KEY RECOMMENDATIONS



Efforts must be made to support farmers through diversification beyond cocoa production, to empower women, and achieve equity in the cocoa sector, while also fostering a change of mindset that prioritizes the human rights of farmers for sustainable and ethical cocoa production.



The government and the industry should improve the enabling environment and upscale living income programs, as these are essential for achieving equitable income for cocoa farmers.



PANEL 3: **Regis Meritan** (DG-INTPA)

PANEL 4: STRENGTHENING GLOBAL PARTNERSHIPS

Governments and agencies are collaborating through development projects and multistakeholder platforms to enhance the sustainability of the cocoa sector. Panel 4 explored crucial elements, such as prioritizing living income, leveraging data for transparency, fostering collaborative initiatives and the role of regulatory initiatives that currently support global partnerships systems in the sector.

KEY DISCUSSION THEMES

- 1. Growing emphasis on living income and wage:** Ensuring that farmers and workers in the cocoa industry receive a living income is now at the forefront of sustainable development goals. This approach is seen as essential to uphold human rights across the entire value chain.
- 2. Data for transparency and accountability:** Data plays a crucial role in building partnerships and ensuring sustainable, human rights-compliant cocoa production. Indeed, reliable data not only helps provide context but also serves as a foundation for monitoring and enforcing sustainable practices throughout the industry
- 3. Initiatives to strengthen global partnerships:** The collaborative efforts of organizations like the European Forest Institute, Rikolto, Beyond Chocolate, the FAO, the ASEAN Cocoa Club, and the Port of Antwerp contribute to strengthening global partnerships via the provision of essential data, the fostering of multistakeholder platforms, the creation of monitoring frameworks and other sustainability practices. Nonetheless it was noted that there was a strong focus for initiatives on Ghana and Ivory Coast despite the increasing importance of other countries like Ecuador or Peru.



PANEL 4 - From left to right: *Kirsti Gjertsen* (Port of Antwerp), *Johanna Renckens* (Rikolto), *Ramle Kasin* (Malaysian Cocoa Board), *Koen van Troos* (Beyond Chocolate), *Valerie Reboud* (European Forest Institute), *Mohamed Manssouri* (FAO Investment Centre), *Lisa Kirfel* (BMZ), *Dr. Tedd George* (Moderator)

4. **Regulatory initiatives and transparency:** Regulatory initiatives aim to establish clear standards for sustainability and can be a push for actors to cooperate in a more coordinated way. The new EU Deforestation Regulation (EUDR) has led the way. Organizations are encouraged to focus on results and accountability to foster more sustainable cooperation and coordination across the industry.

KEY RECOMMENDATIONS



A key aspect is ensuring that grassroots communities own the sustainability agenda, with farmers understanding and committing to sustainable resource use. Additionally, attention should shift from traditional focus areas like Ghana and Ivory Coast to emerging countries. This regional balance ensures all farming communities have equal opportunities and support to adopt sustainable practices.



Government interventions play a critical role in fostering sustainable cocoa production through the establishment of coherent regulatory frameworks. These frameworks should ensure consistent and fair practices across the cocoa value chain. Moreover, strengthening partnerships through coordination, and co-creation among all stakeholders is vital. Finally, efforts toward enhancing transparency and trust are essential for building stronger and more effective partnerships.



Financial investment is crucial for implementing sustainable practices, serving as a proxy for commitment to sustainable development. In addition, by emphasizing transparency and trust, private companies can facilitate stronger partnerships and create a more stable and inclusive cocoa sector.

PANEL 5: THE ROLE OF WOMEN IN COCOA COMMUNITIES

The panel discussion delved into the essential role of women for cocoa production and farming communities and barriers that they are facing.

KEY DISCUSSION THEMES

1. **The importance of women economic empowerment:** It is essential that women are economically empowered as they play a key role for the household, managing food, education, health etc.
2. **Women adding value:** Women's role in income diversification such as the production of food crops for domestic consumption but also cocoa product transformation was emphasized.
3. **Main barriers faced by women:** Identified barriers encompassed limited land ownership, access to education and training, discriminative societal norms and income disparities alongside significant challenges related to access to finance.

KEY RECOMMENDATIONS



Support should be provided to women in cocoa farming communities via capacity building and training on business and financial management. In addition, addressing women's access to land, financial and technical resources is crucial for their empowerment.



Government should promote policies that address women's needs and rights.



Collaboration among farmers, government, and the private sector is essential. The private sector must support women access to finance, technology, and training. Key focuses include enhancing women's value addition, addressing land ownership challenges, diversifying family income, and promoting intergenerational land transfer for sustainability.



PANEL 5 - From left to right: **Elda Esneda Daza Piedrahita** (National Federation of Cocoa Growers of Colombia), **Harper McConnell** (Mars), **Sonia Lehmann** (GIZ), **Nadege Nzoym** (Rainforest Alliance), **Caterine Cerda** (Kallari & Trias), **Hilary Barry** (Lady Agri), **Dr. Tedd George** (Moderator)

PANEL 6: PROSPECTS FOR THE ASIAN COCOA MARKETS

While developing and emerging economies represent 85% of the global population, they consume only one-third of the world's cocoa production. Panel 6 explored the prospects of cocoa market expansion in Asia emphasizing the role of product diversification and strategic partnerships.

KEY DISCUSSION THEMES:

1. **Diversification of cocoa products:** There was a consensus on the need to diversify cocoa-derived products to meet the evolving consumer preferences in Asia. Emphasis was placed on promoting artisanal chocolate, cocoa drinks, alongside innovative flavour combinations and premium single-origin chocolates to appeal to Asian markets. Ghana and Ecuador have developed a variety of cocoa products but face commercialization challenges.
2. **Partnerships for market development:** Panellists discussed the importance of building partnerships with Asian processors and retailers to develop processing industries while serving existing markets.



PANEL 6 - From left to right: **Fuad Mohammed Abubakar** (Ghana Cocoa Marketing Company, UK), **Michele Cui** (CAA), **Arief Susanto** (Askindo), **Merlyn Casanova Loor** (National Association of Cocoa Exporters of Ecuador-ANECACAO), **Ramesh Kumar** (Cocoa Manufacturing Group Malaysia), **Leanne de Bassompierre** (Moderator)

KEY RECOMMENDATIONS



Government policies should promote cocoa consumption. Additionally, governments should foster mutual partnerships between producers, processors, and retailers to promote knowledge sharing, technology transfer, and capacity building in the cocoa sector.



The private sector should explore market opportunities in Asia, particularly in China, India and Indonesia strategizing to commercialize cocoa products by leveraging emerging consumer trends.

PANEL 7: SENSORIAL AND NUTRITIONAL QUALITY ATTRIBUTES

Panel 7 examined the opportunities for sensorial and nutritional quality attributes in the cocoa sector.

KEY DISCUSSION THEMES

1. **Utilization of cocoa by-products:** The lead presentation emphasized the potential of using traditionally discarded cocoa pulp and shells to create nutritious products. Discussion highlighted the value of these by-products in creating affordable, nutrient-rich items such as energy drinks and caffeinated products.
2. **Preservation of nutritional properties:** Panellists discussed the importance of nutrient extraction techniques that preserve the nutritional properties of cocoa. This underlined the need for innovative processing methods that ensure that the final products retain their nutritional benefits.
3. **Market considerations and consumer preferences:** The panel stressed the importance of understanding market segmentation and consumer purchasing power when introducing innovative cocoa products. Flavour profiles and quality assessments were identified as crucial factors in meeting consumer demands.



PANEL 7 - From left to right: **Juan Hinojosa Gómez** (Ministry of Agriculture of Dominican Republic), **Sophie Vanderbecken** (Le Caméléon), **Ambroise NKOH** (SCOOP-PCCPA Côte d'Ivoire), **Fabien Coutel** (Treegether), **Leanne de Bassompierre** (Moderator), **M. Simon Bassanaga** (CICC), **Dayog Kabore** (AFOODS Group)

KEY RECOMMENDATIONS



In order to improve cocoa product quality and increased consumer awareness, there was a consensus on the necessity to empower cocoa farmers through resources and training, providing them with the tools for quality analysis of beans and post-harvest processes



Producing countries should invest in sensory evaluation expertise to support local quality assessments.



Promoting innovation in cocoa processing techniques for creating more nutritious products is essential for the long-term viability of the cocoa industry.

PANEL 8: SANITARY AND PHYTOSANITARY MEASURES

Panel 8 delved into the adoption of new food safety measures, and the challenges that they posed to stakeholders who lack the capacity to adapt.

KEY DISCUSSION THEMES

1. **Lack of harmonization:** Food legislations differ from country to country; the lack of harmonization imposes challenges and duplications of administrative and compliance costs to cocoa stakeholders.
2. **Evolution of regulations:** There is a rapid evolution of food safety regulations, with short transition periods in some case which require constant adaptation for stakeholders, especially for producers and smaller operators.
3. **Lack of capacity:** The complexity and variability of these regulations pose challenges to stakeholders and producing countries that often lack the capacity to comply.
4. **Operational difficulties:** Lack of clarity and ambiguities can lead to inconsistencies and challenges in compliance.

KEY RECOMMENDATIONS



It is essential to implement comprehensive capacity-building programs that support farmers in understanding and complying with food safety regulations. Providing training and resources will help farmers navigate the regulatory landscape effectively.



International concerted efforts to harmonize regulations is necessary. Governments should intervene to provide the relevant information to stakeholders and ensure that an appropriate transition period is granted to enable them to adapt and adopt preventive measures.



Private sector stakeholders should invest in robust quality management systems that enable prevention and continuous improvement, enhancing their ability to meet regulatory requirements.



PANEL 8 - From left to right: **Catherine Entzminger** (ECA), **Patricio Almeida** (AGROCALIDAD), **Hanuman Jain** (Gloster Jute), **Syed Mustaq Kader** (Mask Associates), **Frans Verstraete** (DG SANTE, EC), **Marc Joncheere** (Cargill), **Leanne de Bassompierre** (Moderator)

PANEL 9: COCOA BY-PRODUCTS

Cocoa beans make up only a small portion of the weight of cacao fruits, leaving the pod and pulp often discarded as waste. Panel 9 discussion looked at the potential farm revenue opportunities and the challenges they overcome to tap into these opportunities.

KEY DISCUSSION THEMES

1. **Untapped value in cocoa by-products:** Cocoa by-products, constituting 70% of the cocoa fruit traditionally discarded as waste, hold significant potential for value addition. These by-products include among others, cocoa pulp juice, vinegar, sweeteners but also health, cosmetics products and fertilizers. Effective utilization of these by-products has the potential to add value to cocoa beans and improve the income of cocoa farmers.
2. **Challenges in market development:** Farmers and stakeholders often lack the necessary skills and knowledge to process and market cocoa by-products. Navigating local regulations can pose another barrier to market entry and expansion. Additionally, limited access to finance for producers and marketers hampers the development and commercialization of these products. Furthermore, the market for cocoa by-products is still in a nascent stage and consumer awareness about the potential of cocoa-derived products is limited resulting in high competition and marketing costs.
3. **Environmental and sustainability benefits:** Incorporating by-products into cocoa production can have positive environmental impacts as the waste generated by current cocoa production processes causes emissions.



PANEL 9 - From left to right: *Claudia Delbaere (CACAO LAB)*, *Anian Schreiber (Koa Impact)*, *Fernando Antonio Teixeira Mendes (Ministry of Agriculture and Livestock of Brazil)*, *Leanne de Bassompierre (Moderator)*, *Frédéric-Amon Marc TANOUEH (SCEB cooperative)*, *Lars Gierveld (Kumasi drinks)*, *Christine Englebert (ENABEL)*

KEY RECOMMENDATIONS



It is important to conduct thorough market research and directly engage with farmers to understand their needs and willingness to participate to the creation of these new products. Strengthening the role of cooperatives through training on by-product value and usage for cocoa farmers and infrastructure support is necessary to provide the skills and knowledge to farmers and facilitate the efficient collection and processing of cocoa by-products.



Governments can spur innovation and product development in the cocoa by-products sector through incentives and appropriate regulations. Collaboration with the industry can address commercialization challenges and provide financial and technical assistance to cooperatives.



Larger brands and industry players must promote cocoa by-products to drive market growth. Collaborative efforts like supporting cooperative-led strategies and fostering innovation, setting up processing facilities and investing in research are crucial. Private sector entities should raise consumer awareness through marketing and education, boosting demand. Moreover, private sector actors can address commercialization challenges by investing in technology to enhance efficiency in cocoa by-product collection and processing.

PANEL 10: COCOA POLICIES AND REGULATIONS

This panel explored the challenges posed by sustainability regulations on cacao production with a particular emphasis on the EU Deforestation Regulation (EUDR) and the African Regional Standard on sustainable cocoa production (ARS-1000).

KEY DISCUSSION THEMES

- 1. Strengthening local sustainable cocoa standards:** Strengthening relevant local standards, such as the African Regional Standard on sustainable cocoa production (ARS-1000) is vital to improve national cocoa traceability systems, enhance coverage, accuracy, reliability and transparency.
- 2. Financial burdens of compliance:** The EU Deforestation Regulation (EUDR) and the ARS-1000 are both set out to guide value chain actors in the cocoa sector towards sustainable, deforestation-free cocoa production. However, compliance requires additional investments and raises the costs of cocoa production. A critical discussion revolved around who should bear these expenses which should not be borne by the farmers.
- 3. The importance of collaborative efforts and policy dialogue:** Collaborative actions from governments are necessary, as exemplified by the Côte d'Ivoire-Ghana Cocoa Initiative and the EU Cocoa Talks or the creation of a national baseline land cover map in Côte d'Ivoire in 2020, validated by the EU and stakeholders.

KEY RECOMMENDATIONS



The cost of implementing the compulsory regulations and standards should be borne by the final consumer to ensure fair compensation for farmers



Producing countries are encouraged to implement regional or national regulations that ensure fair trade. Furthermore, the EU should focus on the redistribution of wealth to support sustainable and equitable cocoa production practices, reinforcing the overall framework of regulatory efforts.



Private sector interventions in the cocoa industry should focus on ensuring compliance with the EU Deforestation Regulation (EUDR) to contribute to sustainable cocoa production and trade.



PANEL 10 - From left to right: **Barbara Trachte** (Secretary of State of the Brussels Government), **Cecile Renier** (UCL), **Chris Vincent** (WCF), **Beatrice Moulianitaki** (Meridia), **Joseph Boahen Aidoo** (Ghana Cocoa Board), **Koné Brahima Yves** (Coffee and Cocoa Council, Côte d'Ivoire), **Astrid Ladefoged** (DG ENV -EC), **Olivier Wybo** (ASAFO & Co), **Viwanou Gnassounou** (Moderator)

PANEL 11: SUPPLY MANAGEMENT

Panel 11 delved into the multifaceted factors impacting cocoa production decisions and the complexities of production management

KEY DISCUSSION THEMES

1. **Difficulties to manage cocoa production:** Panellists outlined that factor beyond price, such as land tenure, weather and climate change significantly influence production volumes. These factors make cocoa supply management particularly challenging for stakeholders. In addition, given the perennial nature of cocoa, the time lag between planting and harvesting adds a layer of complexity to respond to market demands.
2. **Impact of El Niño:** El Niño has been pinpointed as a critical contributor to current production shortfalls, stressing the need for climate adaptation strategies.

KEY RECOMMENDATIONS



Governments should adopt and enforce supply management policies such as buffer stocks, production quotas and export restrictions to effectively manage cocoa supply. Additionally, to mitigate the risks of over-supply governments should facilitate the opening of new markets, particularly in Asia.



The private sector, comprising exporters and importers, should prioritize enhancing transparency concerning cocoa stock levels to enable better prediction of market trends and planning for supply fluctuations. Simultaneously, companies operating within the cocoa industry should make direct investments towards improving storage facilities.



Panelists:

- Pascal TILLIE, *JRC*
- Marijn MOESBERGEN, *Cargill*
- Merlyn CASANOVA,
National Association of Cocoa Exporters of Ecuador - ANECACAO
- Victor IYAMA, *FACAN*
- Emmanuel OPOKU, *Ghana Cocoa Board*

Moderator:

Viwanou GNASSOUNOU

Lead Panelist:

*Olasunkanmi OWOYEMI
(Sunbeth Global Concepts)*

PANEL 11 - From left to right: **Emmanuel Opoku** (Ghana Cocoa Board), **Victor Iyama** (FACAN), **Merlyn Casanova** (National Association of Cocoa Exporters of Ecuador - ANECACAO), **Marijn Moesbergen** (Cargill), **Pascal Tillie** (JRC), **Olasunkanmi Owoyemi** (Sunbeth Global Concepts), **Viwanou Gnassounou** (Moderator)

PANEL 12: COMMODITY EXCHANGE

The panel explored the transformative role of an Africa Cocoa Exchange (AfCX) in addressing key challenges and opportunities across cocoa marketing, policy frameworks and critical success factors.

KEY DISCUSSION THEMES

1. **Role of an Africa Cocoa Exchange (AfCX):** The establishment of an AfCX holds the promise of addressing various issues in cocoa marketing, including price discovery, quality control, fair trade, sustainability, export promotion, agro-industrialization, market access, and access to finance.
2. **Importance of policy framework and feasibility studies:** Recognizing Africa's significant share in global cocoa production, there was a consensus on the necessity for a strong policy framework, support for the ongoing ICCO feasibility study and leveraging insights from previous initiatives to ensure the success of an AfCX.
3. **Critical success factors:** Five key factors were identified as crucial for the success of an AfCX, including robust policy intervention, regional integration, stakeholder engagement, the central role of the International Cocoa Organization and global interaction with established commodity exchanges like ICE Futures Europe and ICE Futures US.
4. **Challenges and opportunities:** While acknowledging the challenges in trading cocoa within liberalized markets and those with government control, the panel emphasized the potential of an AfCX to provide a balanced approach and deliver significant benefits to all stakeholders.



PANEL 12 - From left to right: Kingsley Mbah, (Afreximbank), Vladimir Zientek (Stone), Debajyoti Bhattacharyya (AFEX Nigeria), Tucci Ivowi (Ghana Commodity Exchange), Viwanou Gnassounou (Moderator)

KEY RECOMMENDATIONS



Comprehensive engagement with all stakeholders, including farmers and farmer cooperatives, is crucial to ensure that their needs are understood, and their interests are represented in the establishment and operation of the Africa Cocoa Exchange (AfCX).



It is crucial to communicate the benefits of an AfCX to government. Indeed, governments should ensure the AfCX's stability and liquidity and should actively participate and support it through regulations, investments and policies conducive to cocoa trading.



Private sector entities, including cocoa traders, processors, and exporters, should actively engage and view AfCX as complementary to established exchanges like ICE London and ICE New York thereby fostering cooperation.

PANEL 13: FARMERS' ORGANIZATIONS AND REPRESENTATIONS

The panel delved into the crucial topic of empowering cocoa farmers within the cocoa value chain, highlighting the challenges faced by farmers and cooperatives, the importance of effective representation, and the need for inclusive governance structures.

KEY DISCUSSION THEMES

1. **Empowering farmers in the cocoa value chain:** Farmers represent a crucial pillar of cocoa production, yet they often lack sufficient representation and resources to voice their concerns effectively. Initiatives at the national level have provided avenues for farmer representation but are lacking on a global scale.
2. **Challenges faced by farmers cooperatives:** Farmers organizations and cooperatives face various challenges including limited resources and difficulty in meeting international regulations. Consultations among cooperative members are essential for effective governance and decision-making within these organizations. Additionally, there is a call for greater involvement of women in leadership roles and decision-making processes within cooperatives.



PANEL 13 - From left to right: **Freddy Cabello** (UNOACE), **Traoré Bakary** (COOP CA SOCAMEA, Côte d'Ivoire), **Alexandre Robitaille-Lachance**, (SOCODEVI), **Wendy Arenas Wightman** (ALISOS), **Abdulahi Aliyu** (Rikolto), **Nkoulou Wong** (SCOOPS-AC), **Assata Doumbia** (COOP CA ECAM, Côte d'Ivoire), **Evelyn Bahn** (INKOTA), **Viwanou Gnassounou** (Moderator)

KEY RECOMMENDATIONS



Farmers' organizations should work together for better representation at both national and international levels. This involves fostering dialogue among farmers, strengthening cooperative governance and ensuring transparent and inclusive decision-making.



Farmers should be actively involved in the development and implementation of regulatory frameworks to ensure their effective execution.



Cooperatives should develop robust business plans focused on long-term benefits and collaborate with technical, financial and trade partners to make informed decisions in a multilateral manner. Investments to strengthen farmers cooperatives and to create global farmer networks are crucial for advancing the collective agenda of cocoa farmers.

PLENARY SESSION & WCC5 BRUSSELS DECLARATION - DAY 3

THE QUEST FOR SUSTAINABILITY: CHALLENGES AND PROSPECTS

Lieve Verboven, Director of the Office of the International Labor Organization (ILO) to the EU, described sustainability in the cocoa industry as challenging but achievable.

Mrs Verboven stressed the interconnectedness between poverty, inadequate wages and the lack of social protection with issues of child labour and deforestation, advocating for holistic and collective actions. She acknowledged recent legislative efforts but emphasized the need to address the root causes for lasting changes.

She outlined ILO strategies focusing on labour rights and private sector engagement. Mrs. Verboven called for alignment between government policies and private sector investment in matter related to social protection and education.

She concluded by calling for shared responsibility and sustained collaboration to tackle unsustainable practices in the cocoa industry, emphasizing the need for ongoing innovation and scaling up successful initiatives for lasting impact.

Lieve Verboven – Director of the Office of the International Labor Organization (ILO) to the EU



THE GLOBAL COCOA AGENDA: A ROADMAP OR A DEAD END?

Antonie Fountain, managing director of Voice Network, delivered a speech on the history and goals of the Global Cocoa Agenda. He put emphasis on key elements of this Agenda such as the importance of transparency, national cocoa plans and stakeholder responsibilities.

Reflecting on the past 12 years, he acknowledged initial challenges but highlighted significant progress, including increased dialogue, stakeholder collaboration and regulatory developments. Mr. Fountain expressed optimism about addressing issues of child labour and environmental sustainability, noting measurable progress and growing awareness.

His speech emphasized the need for more transparency, accountability and global collaboration among stakeholders, moving beyond the West African focus. Mr. Fountain recognized the current crisis in the cocoa sector, with rising prices, dwindling yields and the vulnerability of farmers. He called for proactive policies, long-term planning, and cross-sector collaboration to ensure fair pricing and safeguard cocoa farming's future.

Overall, Fountain's speech inspired hope for sustainability, advocating for commitment, collaboration, and holistic approaches to tackle sector challenges.



WRAP-UP PANEL

The Conference wrapped up with a panel where key stakeholders, including representatives from producing countries, industry leaders, and NGOs, shared their commitments to drive change in the cocoa industry. They emphasized the following points:

REGULATORY COMPLIANCE:

- The panel stressed the need for cocoa production to meet strict European regulations, focusing on transparency and sustainability across the entire supply chain.

SHARED RESPONSIBILITIES:

- Advocated for collaboration between consumer and producer countries while also forming alliances among cocoa-producing regions to strengthen collective bargaining power and share best practices.
- Balanced implementation of European Union regulations was highlighted, considering potential negative social impacts on producer countries if regulations are too strict or not well-coordinated.
- The importance of involving women and youth in the cocoa production chain was emphasized.

COLLECTIVE ACTION FOR SUSTAINABLE SUPPLY CHAINS:

- Recognized that sustainable cocoa supply chains require collective action, involving cooperation from all industry stakeholders.
- Emphasized transparent and equitable practices in the cocoa industry, with calls for continued dialogue and partnership among all players to achieve common goals.

BRUSSELS DECLARATION

The conference concluded with the reading of the Brussels Declaration by the Executive Director of the ICCO, Michel Arrion, summarizing the key outcomes and commitments made during the event. The full declaration can be accessed on the ICCO website: <https://www.icco.org/world-cocoa-conference-2024-brussels-declaration/>

