

It's my great privilege to be in Côte d'Ivoire today to support the vision for this country's future that Minister Sangafowa has presented to us today. The future success of the chocolate industry is inextricably tied to the success of the farmers in the cocoa origins at the start of our value chain. So I want to talk to you today about how we can and must put those Farmers First.

So let me start with the good news.

The good news is that more and more consumers around the world are getting their first taste of chocolate and other cocoa based products and they are enjoying it! There are literally billions of potential consumers who have never tasted chocolate and who will enjoy chocolate over the next decades.

As you know you can't make Chocolate without Cocoa so this is a huge growth opportunity for the whole industry from farmers right through to retailers.

In addition, as we turn our minds to sustainable cocoa, the other element of good news is that more and more individuals and organizations are striving to make this industry truly sustainable. There is a real willingness and energy to try to tackle the issues and those of you in the room here today represent the leaders of this energy.

The result of all our collective efforts in training and technology transfer is that we (working in partnerships across origin governments, consumer governments, processors, trade, NGO's and manufacturers such as ourselves) have been able to make a difference to hundreds of thousands of farmers and start them on the road to greater prosperity.

And the final piece of good news is that here in Cote D'Ivoire, the largest producer of cocoa in the world, the reforms and re-investment that the government has been driving are starting to make a difference in improving price transparency, quality and the efficiency of the supply chain. I congratulate you on the progress so far and for your commitments to the future.

So what is the bad news?

The bad news is that despite all these great efforts from all of us, the key metric of yield per hectare has not really changed in decades. It's still less than Half a Tonne per Ha.

And I put it to you that this is the key metric we should all be focused on because it is the measure of how the farmer can improve his income and hence the quality of their family life from their existing land.

This is unacceptable because it has been shown over and over again that the yield can be improved by at least a factor of 3 if the farmer gets access to the right plant material, the right training and the right fertilizer.

I was in the Soubre region at the weekend and I saw again many trees that had been producing the equivalent of 0.2 T/Ha that are now producing 2T/Ha just 2 years after being grafted.

This is transformational! We have the know-how to transform the lives of cocoa farmers and we have not done it. It's even more unacceptable when you see the 5 fold or more increases in yield of other crops such as corn or cotton over a similar time period.

So what is going on?

We, the industry, have collectively trained hundreds of thousands of farmers over the last decade (we estimate 600,000 or 10% of the world's cocoa farmers) but only around 1% of farmers have had this full package of plant material, training and fertilizer and so as fast as these few farmers are improving their yield others are declining for all the reasons we know about of ageing trees, declining soil fertility and increasing pests and diseases.

So is there hope?

My answer is yes there is as I think together with the good and bad news there is some new news.

Firstly, there is a growing alignment on the core issues and how to solve them – and again I propose to you that the core issue and opportunity is to dramatically boost yield. If we boost yield the farmers have more income to improve the lives of their families with better nutrition, health and education and also funds to re-invest in becoming even better farmers.

Then we have a chance of the next generation wanting to be farmers. There is no better illustration of the sustainability issue when you can't find any children who want to grow up to be cocoa farmers.

Yield and hence prosperity is at the heart and the core of these issues.

Secondly, the science and our understanding of how to transfer it is improving at a pace. With the sequencing of the cocoa genome being complete and in the public domain then we should expect step changes in the quality of new plant material – more productive, disease resistant and with the right flavor attributes.

But we have also learnt perhaps the harder part of how to transfer the science to farmers and we believe we now have the right mechanism through networks of Cocoa Development Centers and Cocoa Village Centers that we and others are building here in CDI and in Asia.

Thirdly, there is a recognition that the efforts so far have failed because there have been far too many small and different initiatives and that has been hugely inefficient. We need to be efficient if we are to reach more than 10 times as many farmers in the next 10 years than have been reached in the last 10.

I put it to you that we have over-complexed this issue and our opportunity is to simplify and focus.

Fourthly, there is evidence of some acceleration and alignment of activities. Certification, although only part of the answer, has grown to be the largest scale program in the industry reaching 6% of farmers in just a few years and there are increasing commitments to 100% certified sustainable cocoa from the industry.

There is also increasing evidence of its positive impact on yield and we need to accelerate our commitments as an industry as this is a way to quickly reach millions of farmers and start them on the road to more prosperity.

But finally and most importantly, there is a growing consensus that the catalyst and leadership for change must come from the biggest industry players acting as one with the origin governments. This has never happened before but I believe we are now closer than we have ever been.

Initiatives such as the Public Private Partnership Platform here in Cote D'Ivoire are exactly the kind of government led and industry supported program that we need to all fully align behind.

My hope is that in 2013 we will finally move from many small and worthy initiatives that are not delivering much real change to a few, massive, fully aligned initiatives. This is the breakthrough we need.

To give this some scale we need to get to more than a million farmers with more than a billion new plants together with training and fertilizer. Simple but massive scale.

So in summary, I call upon the other big industry players. We either align and commit at scale and then work as one with the origin governments or we will fail. If we fail we fail millions of cocoa farmers and their families as well as limiting the growth of this great industry.

Failure is unacceptable - so let's play our role and put the Farmers First.

Thank-you.