



# INTERNATIONAL COCOA ORGANIZATION ORGANISATION INTERNATIONALE DU CACAO МЕЖДУНАРОДНАЯ ОРГАНИЗАЦИЯ ПО КАКАО ORGANIZACION INTERNACIONAL DEL CACAO

**ED(MEM) 975** 

Original: ENGLISH

Tel: +44 (0)20 8991 6000

Fax: +44 (0)20 8997 4372

E-mail: exec.dir@icco.org

Westgate House Westgate Road, Ealing, London W5 1YY England

To:

All Members and Observers

From: The Executive Director

Subject: Meeting of the Ad hoc Panel on Fine or Flavour Cocoa

Holiday Inn Hotel, Wembley, London, Friday, 18 September 2015 at 10.00 hrs

The Executive Director presents his compliments and has the honour to inform Members and Observers that, with reference to the decision taken by the International Cocoa Council at its 88<sup>th</sup> regular session in September 2013, an all-day meeting of the *Ad hoc* Panel on Fine or Flavour Cocoa is scheduled for Friday, 18 September 2015 at 10.00 hrs at The Holiday Inn Hotel in Wembley, London.

The purpose of the meeting is to conduct a review of Annex "C" of the International Cocoa Agreement, 2010 in accordance with Article 39 of the International Cocoa Agreement, 2010 which stipulates that the International Cocoa Council shall, at its first session following the entry into force of the Agreement, review Annex "C" and if necessary revise it, determining the proportions in which the countries listed therein produce and export exclusively or partially fine or flavour cocoa.

Under the International Cocoa Agreement, 2001, a meeting of the *Ad hoc* Panel on Fine or Flavour Cocoa took place on 10 September 2010 in London. The Panel deliberated on each of the countries listed in Annex "C" of the International Cocoa Agreement, 2001, considering in each case the specific conditions in the country regarding production, export deliveries, quality assessment and traders' and chocolate manufacturers' confidence in the origin of the fine or flavour cocoa. The recommendations made by the Panel were subsequently adopted by the International Cocoa Council at its 83<sup>rd</sup> regular session in March 2011, contained in document ICC/REP/83, which is attached for convenience.

The Executive Director wishes to invite interested countries to write to the ICCO Secretariat by 29 May 2015 at the latest, presenting their case for inclusion in Annex "C" of the Agreement, to be considered by the Panel at its meeting on 18 September 2015. In its submission, the country should indicate what it considers are the justified percentages for fine or flavour cocoa and provide a full justification for inclusion in Annex "C", as deemed appropriate. The submission should include a three page summary in English (with translation in local language if desired). Parties are invited to include any relevant supporting documentation, but it is noted that only the three page summary will be sent for translation and distribution to Members and Observers in advance of the meeting.

The full submission made by the country (the three-page summary and any supporting documentation) will be circulated to the Panel members prior to the meeting.

When submitting its case, any country may nominate a representative to introduce and support the case of that country during the September meeting of the Panel.

Finally, the Executive Director wishes to inform Members and Observers that he will make every effort to achieve a balance between experts from consuming countries and experts from producing countries in the composition of the Panel, as far as possible. The Executive Director will report on the preparation of the meeting of the *Ad hoc* Panel on Fine or Flavour Cocoa at the 91<sup>st</sup> regular session of the International Cocoa Council, which will take place at the Sofitel Ivoire Hotel in Abidjan, Côte d'Ivoire in March 2015.

18 November 2014



ICC/REP/83 31 March 2011

Original: ENGLISH Distr: RESTRICTED

### INTERNATIONAL COCOA COUNCIL

Eighty-third regular session Bloomsbury House, 2-3 Bloomsbury Square, London

### **EXTRACT OF THE REPORT OF THE MEETING**

22-25 MARCH 2011



## REVISED ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2001 PRODUCING COUNTRIES EXPORTING EITHER EXCLUSIVELY OR PARTIALLY FINE OR FLAVOUR COCOA

### RECOMMENDATIONS MADE BY THE 2010 ICCO *AD HOC* PANEL ON FINE OR FLAVOUR COCOA AND APPROVED BY THE COUNCIL AT ITS 83<sup>RD</sup> REGULAR SESSION, MARCH 2011

#### **TABLE 1**

Countries	Council decision	Panel recommendation	Comments and remarks
	<b>May 2008</b>	September 2010	
	(% total export)	(% of total export)	
Bolivia	<i>b</i> /	100%	Only a small volume of the cocoa beans was exported from this origin (151 tonnes in 2008/09). The Panel recommended establishing the country as an exclusive exporter of fine or flavour cocoa.
Brazil	b/	b/	The Panel noted that, as yet, there were no fine or flavour cocoa exports from this origin. However, the Panel included this country in the list of countries with the potential to produce and export fine or flavour cocoa in the near future.
Cameroon	b/	b/	The Panel noted that, as yet, there was no fine or flavour cocoa exports of any significance (around 23 tonnes expected in 2010/11). However, the Panel included this country in the list of countries with the potential to produce and export fine or flavour cocoa in the near future.
Colombia	100%	95%	Only a small volume of the cocoa beans produced was exported from this origin. The Panel recommended classifying the country as a partial exporter of fine or flavour cocoa, with a share of 95%, due to recent fermentation issues as exports had increased slightly.
Costa Rica	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa.
Cuba	b/	b/	The Panel stated that there was insufficient information available to recommend the inclusion of the country in the list of countries exporting fine or flavour cocoa.
Dominica	a/	100%	Only a small volume of the cocoa beans were exported from this origin (around 150 tonnes in 2008/09). The Panel recommended establishing the country as an exclusive exporter of fine or flavour cocoa as there was no indication that any cocoa exported did not have these attributes.
Dominican Republic	40%	40%	The Panel recognized that the country had sound post-harvest infrastructures thanks to significant investments made in dryers, fermentation capacity and quality control. However, the recent decline in exports of <i>Hispaniola</i> cocoa due to its lower demand from international buyers (as it fetched a significant price premium) led the Panel to recommend maintaining the country as a partial exporter of fine or flavour cocoa, with a share of 40%. It also highlighted the potential for this percentage to be revised upwards in the future.

### DELIBERATIONS OF THE 2010 *AD HOC* PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2001

### CONTD.

Countries	Council decision May 2008 (% total export)	Panel recommendation September 2010 (% of total export)	Comments and remarks	
Ecuador	75%	75%	The Panel recommended maintaining the "status quo" of the percentage established under the 1993 Agreement. The Panel recognized the considerable efforts that had been undertaken to prohibit any blending of "Arriba Nacional" cocoa batches with the CCN-51 variety. However, the increase in the share of the CCN-51 variety in total exports of cocoa beans was emphasized, reaching over 20% in 2008 and 2009. Recognizing almost 100% of the exports of "Arriba Nacional" as being fine or flavour cocoa, the Panel recommended maintaining the level at 75%.	
Grenada	100%	100%	The Panel recognized the high quality of the cocoa beans exported by Grenada.	
Honduras	<i>b</i> /	b/	The Panel stated that there was insufficient information available to recommend the inclusion of the country in the list of countries exporting fine or flavour cocoa.	
Indonesia	1%	1%	The Panel recommended maintaining the "status quo" for the country.	
Jamaica	100%	100%	Although some members of the Panel reported some quality problems, the Panel recognized new initiatives that were underway to improve the quality. The Panel recommended maintaining the "status quo" for the country as a producing country exporting exclusively fine or flavour cocoa.	
Madagascar	100%	100%	The Panel recognized the high quality of the cocoa beans exported by Madagascar.	
Mexico	b/	100%	Only a small volume of the cocoa beans produced was exported. The Panel recommended including Mexico as a producing country exporting exclusively fine or flavour cocoa.	
Nicaragua	b/	b/	The Panel recognized the presence of <i>Criollo</i> and <i>Trinitario</i> varieties but highlighted the need for better post-harvest practices in the country. The Panel included this country in the list of countries with the potential to produce and export fine or flavour cocoa in the near future.	
Panama	b/	b/	The Panel stated that there was insufficient information available to recommend the inclusion of the country in the list of countries exporting fine or flavour cocoa.	

### DELIBERATIONS OF THE 2010 *AD HOC* PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2001

#### CONTD.

Papua New Guinea	75%	90%	The Panel noted that a small percentage of the cocoa exported had a smoky taste and, as such, this portion could not be considered as fine or flavour cocoa. However, the Panel acknowledged that the vast majority of the cocoa exported had fine or flavour attributes and therefore recommended increasing the share of cocoa exported as being of the fine or flavour type.
Peru	100%	90%	Only a small volume of the cocoa beans produced is exported. The Panel highlighted the fact that a significant share of the cocoa planted recently was of the CCN-51 variety. The Panel recommended classifying the country as a partial exporter of fine or flavour cocoa, with a share of 90%, due to recent rejections from importers in relation to fermentation issues. The Panel highlighted the substantial risk that the percentage could be further revised downwards in coming years due to recent changes in the cocoa sector of the country if preventive measures were not implemented.
Saint Lucia	100%	100%	The Panel recognized the high quality of the cocoa beans exported by Saint Lucia.
Viet Nam	b/	b/	The Panel stated that, so far, no cocoa exported from this origin could be considered as being of the fine or flavour type.
São Tome and Principe	35%	35%	The Panel recommended maintaining the country as a partial exporter of fine or flavour cocoa.
Trinidad and Tobago	100%	100%	The Panel recognized the very high quality of the cocoa beans exported by Trinidad and Tobago.
Venezuela, Bolivarian Rep. of	75%	95%	The Panel acknowledged that most of the cocoa exported was of the fine or flavour type and therefore recommended to increase the share of cocoa exported as being of the fine or flavour type. Some cocoa beans exported were reported as being only partially fermented, resulting in the inclusion at 95%.

#### *Notes*:

- a/ The Ad Hoc Panel noted that there was insufficient information to recommend a percentage of total export
- b/ This country was not considered as a producing country exporting fine or flavour cocoa.

**TABLE 2** 

### ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2001

### PRODUCING COUNTRIES EXPORTING EITHER EXCLUSIVELY OR PARTIALLY FINE OR FLAVOUR COCOA

### RECOMMENDATIONS OF THE 2010 ICCO *AD HOC* PANEL ON FINE OR FLAVOUR COCOA APPROVED BY THE COUNCIL AT ITS 83<sup>RD</sup> REGULAR SESSION IN SEPTEMBER 2011

(Share of total exports of the country)

Countries	Council decision May 2008	Panel recommendation September 2010	
Bolivia	b/	100%	
Colombia	100%	95%	
Costa Rica	100%	100%	
Dominica	a/	100%	
Dominican Republic	40%	40%	
Ecuador	75%	75%	
Grenada	100%	100%	
Indonesia	1%	1%	
Jamaica	100%	100%	
Madagascar	100%	100%	
Mexico	b/	100%	
Papua New Guinea	75%	90%	
Peru	100%	90%	
Saint Lucia	100%	100%	
São Tome and Principe	35%	35%	
Trinidad and Tobago	100%	100%	
Venezuela, Bolivarian Rep. of	75%	95%	

#### Note:

a/ The 2008 Ad Hoc Panel noted that there was insufficient information to recommend a percentage of total exports.

b/ Country not included in previous list.