

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



FFP/4/5 5 November 2015

Original: ENGLISH Distr: RESTRICTED

ICCO Ad Hoc Panel on Fine or Flavour-Cocoa Fourth meeting, Holiday Inn Hotel Wembley, London Friday, 18 September 2015

REPORT BY THE CHAIRMAN ON THE MEETING OF THE ICCO AD HOC PANEL ON FINE OR FLAVOUR COCOA
TO REVIEW ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

REPORT BY THE CHAIRMAN ON THE MEETING OF THE ICCO *AD HOC* PANEL ON FINE OR FLAVOUR COCOA TO REVIEW ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

OPENING OF THE MEETING

- 1. The fourth meeting of the ICCO *Ad Hoc* Panel on Fine or Flavour Cocoa (the "Panel") for the review of Annex "C" of the International Cocoa Agreement, 2010, was held in London on Friday, 18 September 2015. The meeting was opened by its Chairman, Mr. Edward S. Seguine of Seguine Consultancy, USA.
- 2. The Chairman welcomed all participants to the meeting. He noted that the duties of the Panel were to review the proportions of fine or flavour cocoa exported by the countries already listed in Annex "C" of the International Cocoa Agreement, 2010 and to consider the submissions by any other country for inclusion in Annex "C". In each case, the Panel had to consider the specific conditions in the countries concerned regarding production, exports, quality assessment and selling price, as well as traders' and chocolate manufacturers' confidence in the origin of the fine or flavour cocoa.

ESTABLISHMENT OF THE MEMBERSHIP OF THE PANEL

- 3. The Executive Director recalled Article 39 of the International Cocoa Agreement, 2010 which stipulates that the International Cocoa Council may, at any time during the lifetime of the Agreement, review Annex "C" related to the producing countries exporting exclusively or partially fine or flavour cocoa. Accordingly, the Executive Director had invited experts in the production and marketing of fine or flavour cocoa to participate in the Panel in order to make recommendations on Annex "C", for consideration by the Council at its 93rd regular session in May 2016.
- 4. The Executive Director noted that significant efforts had been made to form a balanced Panel between experts from cocoa importing countries and experts from cocoa exporting countries. This was in accordance with Article 39 of the International Cocoa Agreement, 2010, which specifies that "the composition of the Panel of Experts should, as far as possible, ensure a balance between experts from importing countries and experts from exporting countries". He noted that the Panel would have been fully balanced had one panel member from a cocoa exporting country not cancelled his participation due to a last minute urgent commitment.
- 5. The Executive Director welcomed all participants to the meeting and thanked in particular the members of the Panel for attending. The Panel consisted of 11 experts (in addition to the Chairman) in the production and marketing of fine or flavour cocoa, one of whom had participated in the third meeting of the Panel in September 2010.
- 6. In addition, eight experts nominated by Colombia, Ecuador, Madagascar, Nicaragua, Panama, Papua New Guinea, Trinidad and Tobago and Vietnam had responded positively to the invitation of the Executive Director (as contained in document ED(MEM)975) to introduce and support the case for inclusion of their respective country in Annex "C". The list of Members and Experts is provided in the *Annex II* of this document.

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ADOPTION OF AGENDA

7. The Executive Director presented the draft agenda as contained in document FFP/4/1. He highlighted recent market developments in the *fine or flavour* cocoa market and acknowledged the importance of this market to both cocoa producers and chocolate consumers. The draft agenda was adopted by the Panel.

BACKGROUND INFORMATION ON THE FINE OR FLAVOUR COCOA MARKET

8. The Secretariat presented document FFP/4/2 containing information on the fine or flavour cocoa market. The purpose of this paper was to assist the Panel in the determination of the most appropriate proportions of fine or flavour cocoa exported by the countries already listed in Annex "C" as well as by Belize, Guatemala, Honduras, Nicaragua and Vietnam. The Panel reviewed the background information presented in the document on the production and marketing of fine or flavour cocoa as well as details of the work performed in this area by the ICCO Secretariat in recent years. The Secretariat noted that the classification of fine or flavour cocoa exporting countries under Annex "C" of the successive International Cocoa Agreements had changed four times in the past. The original classification covered the International Cocoa Agreements of 1972, 1975, 1980 and 1986. The classification had then been revised, leading to a new list covering the 1993 Agreement and the 2001 Agreement up to March 2005. The second classification had been adopted by the ICCO Council at its 71st regular session in March 2005 following the meeting of the Panel in December 2004, while a third classification had been adopted by the ICCO Council at its 77th regular session in May 2008 following the meeting of the Panel in January 2008. The fourth and latest classification had been adopted by the ICCO Council at its 83rd regular session in March 2011.

PRESENTATIONS BY SELECTED COUNTRIES

- 9. As agreed by the Council at its 83rd regular session in March 2011 and pursuant to documents ED(MEM)975, ED(MEM)980 and ED(MEM)991, the Executive Director had invited interested countries to write to the ICCO Secretariat, presenting their cases for consideration by the *Ad Hoc* Panel on Fine or Flavour Cocoa, for inclusion in Annex "C" of the International Cocoa Agreement, 2010.
- 10. To guide countries in preparing a case for consideration by the Panel and to assist experts in their deliberation process, the ICCO Secretariat had provided a document entitled "Guidelines for the Submission of Information to the *Ad Hoc* Panel, as contained in ED(MEM)980. The document contained three tables with the following categories of information: Agronomic & Technical, Commercial and Price Premiums paid for Fine or Flavour cocoa (cocoa beans, liquor and finished product).
- 11. The interested parties which had submitted their cases to the ICCO Secretariat were Colombia, Ecuador, Indonesia, Madagascar, Nicaragua, Panama, Papua New Guinea, Peru, Trinidad & Tobago and Vietnam. The submissions by these 10 countries were compiled in document FFP/4/3. In addition, supporting documents submitted to the ICCO Secretariat had been sent electronically to the Panel members.
- 12. In addition, Colombia, Ecuador, Madagascar, Nicaragua, Panama, Papua New Guinea, Trinidad and Tobago and Vietnam had responded positively to the invitation by the Executive Director to make a presentation to support their cases to the Panel. The Chairman invited the nominated experts from these countries to give their presentations.

Colombia

- 13. Mr. Oscar Ramírez, Technical Manager at the *Federación Nacional de Cacaoteros* (FEDECACAO), gave a presentation about the cocoa sector of Colombia. The presentation outlined the current cocoa situation in Colombia, detailing the volumes of cocoa produced, areas of production and number of farmers producing cocoa. He highlighted the genetic origin of Colombia cocoa farms, being *Criollo* and *Trinitario*, the main genetic origins available in the country. The presentation also described the work that FEDECACAO has implemented over the past years. Most of the work was implemented through joint Public-Private-Partnership programmes encompassing government institutions, local cocoa processors, NGOs and FEDECACAO. The presentation also brought to light work on the implementation of the Colombian Cocoa Policy. This policy focuses on two major areas: production and quality. The Cocoa Production Policy focuses on the rehabilitation of old cocoa plantations, using *Criollo* and *Trinitario* cocoa varieties and the establishment of new plantations using the same planting materials. The Cocoa Quality Policy focuses on capacity building on adequate harvest and postharvest techniques, the provision of postharvest facilities and infrastructure, setting-up of organoleptic panel and a "tasting" culture.
- 14. Following the Panel recommendation at its meeting in 2010, the FEDECACAO authorities have invested considerable resources to ensure that post-harvest problems are addressed adequately. Efforts have been focused on enhancing the knowledge of cocoa farmers in relation to quality, establishment of strict quality control procedures, as well as traceability systems. Since the last Panel meeting in 2010, Colombia has ensured that the production of the CCN-51 variety is used for local processing and not for cocoa bean exports. The presentation concluded with a request by the Government of Colombia to be recognized as 100% fine or flavour cocoa exporter.

Ecuador

- 15. H.E. Mr. Luis Valverde, Vice-Minister of Agriculture of Ecuador, gave a presentation about the developments of the Ecuadorian cocoa sector since the previous Panel meeting of 2010. The presentation provided details of the ongoing National Cocoa Plan. Efforts over the last five years have focused on the rehabilitation of new cocoa plantations using new *Nacional* cocoa varieties developed by INIAP. The country has established large nursery facilities in all major cocoa-producing areas to ensure distribution of improved, high quality planting material. The four objectives of the National Cocoa Plan are planting and rehabilitation a total of 350,000 hectares, increases of productivity, improved quality of exported beans and increased farmer associativity.
- 16. The presentation also covered recent work implemented by INIAP on the identification of additional improved *Nacional* planting material. The use of modern technology has allowed INIAP to establish quick screening methods to identify improved planting material. Ecuador has also invested considerable resources in developing a quality control system using NIRS techniques. This system, still in development, would ensure that commercial lots of *Nacional* cocoa are not mixed with other cocoa varieties planted in the country, particularly CCN-51. The Government acknowledges that the issue of mixing is still a top priority for government officials and strict measures are being enforced to avoid this problem. It is expected that the increase in production volumes in the coming years will be a result of the new cocoa plantations using improved *Nacional* planting material. The Ecuadorian Government requested to be recognized as 85% exporters of fine or flavour cocoa.

Madagascar

17. After a brief introduction by Mrs. Voahangy Arijaona, Technical General Director at the Ministry of Agriculture of Madagascar, Mr. Philippe Fontayne, representing the private sector and cocoa producers from Madagascar, made an oral presentation about the recent developments in the cocoa sector. Due to recent changes of government officials, the authorities have given the green light to private sector companies to work with cocoa farmers to address issues related to quality, particularly post-harvest processes. The cocoa sector of Madagascar aims at expanding cocoa areas with high potential for production. At present, consultations are underway between with all major stakeholders in the cocoa sector in Madagascar to formulate a national cocoa plan aimed at increasing production to 10,000 MT and improving cocoa bean quality. The representative of Madagascar requested to maintain its status as 100% exporter of fine or flavour cocoa.

Nicaragua

- 18. After a brief introduction by H.E Ms. Guisell Morales-Echeverry, Ambassador of the Republic of Nicaragua, Ms. Melba Navarro, Cocoa Regional Specialist for VECO Central America, gave a presentation on the cocoa sector in Nicaragua. The presentation described the genetics of cocoa plantations in Nicaragua which are mainly of *Trinitario* origin. Over the past year, cocoa producer organizations and other stakeholders in the supply chain have implemented a programme to revitalize the cocoa sector in the country. A key component of this programme is moving farmers away from individual fermentation to centralized fermentation. This process has resulted in considerable improvements in the overall quality of Nicaraguan cocoa beans, which has been reflected by an increase in exports in recent years. Likewise, several private companies, namely Ritter Sport, Ingemann and Cacao Bisiesto, have been implementing similar programmes to ensure homogenous qualities.
- 19. In view of the positive response from cocoa farmers to the original cocoa programme, the Government of Nicaragua and cocoa farmer associations, under the umbrella of CANICACAO, NGOs, and private sector companies, have developed a new edition of the National Cocoa Programme. The aim of the programme is to bring together all cocoa initiatives in the country with a view to increasing productivity and production, improving capacity in farmers' organizations and enhancing the quality of cocoa beans through appropriate postharvest practices. Within the actions already implemented, Nicaragua has established and has been supporting a national organoleptic/tasting panel, to ensure that the qualities of export lots meet their standards. Private companies such as Ritter Sports and Ingemann have also established quality control laboratories. Furthermore, the National Cocoa Programme aims at encouraging local processing of finished product, as well as technology transfer and capacity building.
- 20. In view of the efforts and evidence of cocoa exports presented during the presentation, the Government of Nicaragua requested to be recognized as 100% exporter of fine or flavour cocoa.

Panama

21. H.E. Mr. Nestor Gonzales, Vice Minister of Foreign Trade of the Republic of Panama, made a short introduction about the cocoa sector in Panama. He highlighted the fact that, at present, government authorities provide all possible assistance to cocoa farmers' organizations and private sector companies to revamp the sector. Following the brief introduction, Mr. Gonzales gave the floor to

Dr. Silke Elwers on behalf of the Government of Panama.

Dr. Elwers described the current cocoa growing areas in Panama and also provided a description of the genetic variability available in the country. The majority of cocoa grown in Panama is of Trinitario origin (UF type cacao) with several Criollo clones also found. The country has benefitted from the distribution of improved planting material developed by CATIE, which is considered to be fine or flavour cocoa. Although exports from Panama continue to be relatively small, there is great potential for expanding the cocoa production. The presentation continued with a description of the postharvest systems applied in Panama. It was indicated that farmers have been receiving training and facilities to apply centralized fermentation, with a view to obtaining homogenous qualities (physical and organoleptic). Among the other areas of support provided to cocoa farmers are the establishment of cocoa nurseries with recognized fine cocoa varieties, provision of equipment and farm inputs, and training on centralized fermentation. The presentation concluded with a description of research papers and assessments of the organoleptic characteristics of cocoa grown in Panama, stressing that the varieties currently distributed in the country can be classified as fine or flavour cocoa. This situation, coupled with efforts to improve post-harvest processes, highlighted the potential of Panama to become an exclusive producer and exporter of fine or flavour cocoa. In the light of this information, the Government of Panama requested to be recognized as 100% exporter of fine or flavour cocoa.

Papua New Guinea

- 22. After a brief introduction by Mr. Nasser Tamei, First Secretary of the Papua New Guinea High Commission, Mr. Jeffrie Marfu, Plant Breeder from the Cocoa Board of Papua New Guinea (PNG) made a presentation. He described the current work implemented by the Cocoa Board to improve quality. It was noted that all cocoa planting material in PNG was of *Trinitario* origin, in addition to some new improved clones. Due to adverse weather conditions, Papua New Guinea has had a problem of smoke taint in some export batches. This odd-flavour problem has been the main concern for the Cocoa Board. To address this issue, efforts have been made to improve farmers' knowledge on recommended post-harvest practices. In addition, efforts between government officials, the World Bank, NGOs and research institutes, have led to the provision of solar dryers and the formulation of guidelines for postharvest practices.
- 23. Another serious issue affecting cocoa production has been contamination with polycyclic aromatic hydrocarbons (PAH). The presence of PAH in export batches has historically been related to poor or inadequate combustion methods for drying. However, measures to eliminate traditional combustion sources (such as wood, burned car oil, etc.) have been showing results, as measures of PAH at port level have reduced significantly.
- 24. At present, the Cocoa Board continues to implement initiatives aimed at enhancing the quality of cocoa beans. This includes the formulation and dissemination of recommended post-harvest practices. Additionally, new nurseries with improved planting material are being established in the main cocoa producing regions of Papua New Guinea. The planting material must be certified and approved by the Cocoa Board prior to its dissemination. Most notably, the Cocoa Board continues to re-assess its quality control system. The system, currently in place, ensures the highest quality standards are maintained throughout the whole supply chain. In view of the information presented, the Government of Papua New Guinea requested to be recognized as 100% exporter of fine or flavour cocoa.

Trinidad and Tobago

- 25. Mr. Kamaldeo Maharaj, from the Ministry of Food Production, Land and Marines Affairs of Trinidad and Tobago, gave a presentation on the cocoa sector in Trinidad and Tobago. He indicated that, since the last Panel meeting in 2010, cocoa production in the country has maintained a similar level, with an average production of 550 MT/year. The Government of Trinidad and Tobago recently introduced changes in the cocoa sector to accommodate new market realities. These changes resulted in the creation of the Cocoa Development Company of Trinidad and Tobago Limited (CDCTTL). The purpose of the CDCTTL is to provide support for the development of the cocoa industry in Trinidad and Tobago. The strategic objectives are focused on promotion, increased export volumes; the highest quality standards, promotion of Trinidad and Tobago cocoa worldwide and encouraging added value to appropriate technology transfer. There are currently three initiatives underway by CDCTTL: i) establishing a brand for T&T cocoa; ii) Development of a national GI for Trinidad and Tobago cocoa; iii) expansion of cocoa into new markets.
- 26. The CDCTTL will continue to support the cocoa sector through promotion of improved agronomic practices, provision of infrastructure, better access to labour, enhancement of quality assurance system, germplasm development using *Trinitario* varieties and flavour profiling. The Government of Trinidad & Tobago requested to maintain its status as 100% exporter of fine or flavour cocoa.

Socialist Republic of Vietnam

- 27. Mr. Hao Nguyen Van, Deputy Director General of the Ministry of Agriculture of Vietnam, gave a brief introduction to highlight the role of cocoa in the Vietnamese agricultural sector. He indicated that, at present, many farmers growing other commodities (particularly coffee) are moving into cocoa. The presentation continued with an intervention from Mr. Vincent Duong from Puratos Grand-Place. The presentation described the three major cocoa producing regions in Vietnam, in addition to the planting material available, which is mostly *Trinitario* type.
- 28. As part of the efforts underway to boost sustainable cocoa production in Vietnam, many farmers have opted to obtain certification mainly with UTZ and Puratos' Cacao-Trace. In addition a Public Private Partnership cocoa programme is working to increase productivity, as well as expanding the current areas under cocoa plantation. This PPP is led by the Ministry of Agriculture and Rural Development, the Dutch Government, IDH, Helvetas, Oxfam, Mars, Cargill and Puratos. Finally, the Government is supporting the establishment of four cocoa development centres to provide technical training and support to the farmers.
- 29. The demand for Vietnamese cocoa for the fine chocolate market was also described in the presentation. At present, several specialized chocolatiers from major cocoa consuming markets such as Europe, Japan and the USA, use Vietnamese cocoa beans in their recipes. In addition, Vietnam received an award during the 2013 Cocoa of Excellence event in Paris.
- 30. Although there is an evident potential to be recognized as an exclusive fine or flavour exporter, farmers in Vietnam need to improve their post-harvest practices to ensure high standards of quality throughout the supply chain. Current efforts are aimed at enhancing farmers' knowledge about postharvest practices and provision of infrastructure and facilities for centralized fermentation. In

view of this situation, the Government of Vietnam is requesting to be recognized as 40% exporter of fine or flavour cocoa.

REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

- 31. The Panel deliberated on each of the 17 countries already listed in the revised Annex "C" of the Agreement as well as on Belize, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Vietnam, 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.
- 32. The results of the deliberations for these countries are presented in *Table 1*, in alphabetical order.
- 33. The recommendations made by the Panel to the International Cocoa Council of a revised list of producing countries exporting either exclusively or partially fine or flavour cocoa are presented in *Table 2*, with the recommended percentages of export of fine or flavour cocoa.

OTHER BUSINESS

34. The Panel also discussed the current format for the deliberation of the experts and acknowledged that the definition of "fine or flavour" cocoa remains unclear as no recognized international standard is available. Furthermore, the Panel recognized that the information presented by cocoa producing countries related to exports, scientific data and other sources to support their cases was sometimes insufficient and that some countries had not submitted any information to support their case. In view of this situation, the Panel of Experts made further recommendations, to be considered by the ICCO Council, for future improvements of the Panel operation. The specific recommendations are presented in the *Annex I* of the report.

TABLE 1

DELIBERATIONS OF THE 2015 AD HOC PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

Countries	Council Decision March 2011 (% of total export)	Panel Recommendation September 2015	Comments and remarks
Bolivia	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
Colombia	95%	95%	The Panel acknowledged the efforts undertaken by Colombia to address some post-harvest problems and noted that it was expected that the efforts may result in the country becoming an exclusive exporter of fine or flavour cocoa in the near future.
Costa Rica	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
Dominica	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
The Dominican Republic	40%	40%	The Panel recommend maintaining the country as a partial exporter of fine or flavour cocoa, with a share of 40%. The Panel urged the country to submit information for the next meeting of the Panel.
Ecuador	75%	75%	The Panel highlighted the fact that significant work had been carried out in Ecuador since the previous meeting. Despite the evident effort, the results of the new planting material distributed are not yet available. The Panel also indicated that Ecuadorian authorities need to put in place a verifiable quality control system to detect mixtures of <i>Arriba Nacional</i> cocoa with CCN-51. More detailed export data is required in order to assess the percentage of exports more closely. The Panel decided to maintain the <i>status quo</i> with a percentage of 75%, to be carefully reviewed at the next meeting.

DELIBERATIONS OF THE 2015 AD HOC PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

CONTD.

Countries	Council Decision March 2011 (% of total export)	Panel Recommendation September 2015	Comments and remarks
Grenada	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
Indonesia	1%	1%	The Panel recommended maintaining the "status quo" for the country. The Panel urged the country to submit information for the next meeting of the Panel.
Jamaica	100%	95%	The Panel reported some consistency problems in the lots exported from this origin. The Panel recommended downgrading slightly the current status of Jamaica to reflect these quality problems. The Panel urged the country to submit information for the next meeting of the Panel.
Madagascar	100%	100%	The Panel indicated that, although some defects had been detected in the past on export lots from this origin, the issue was minor and expected to be temporary. The Panel recommended maintaining the status as exclusive exporter of fine or flavour cocoa.
Mexico	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
Papua New Guinea	90%	90%	The Panel noted that the country still had problems with smoky flavours in its exports. The Panel recommended the authorities from the country to provide more detailed statistics about their exports, as well as quality reports from buyers, to show improvements related to smoky off-flavours. The Panel decided to maintain the percentage of exports of fine or flavour.
Peru	90%	75%	The Panel acknowledged that most of the expansion of cocoa plantations in Peru was done using CCN-51 cocoa trees, which are not considered fine or flavour. Moreover, the Panel recognized that the typical flavour notes of Peruvian cocoa (fruitiness and acidity) have been reduced over the years. The Panel recommended that the Peruvian authorities establish a strict traceability system to ensure that CCN-51 cocoa is not mixed with other local varieties considered fine or flavour. In view of this situation, the Panel recommended downgrading Peruvian fine or flavour exports, as compared to the Panel recommendation in 2010.

DELIBERATIONS OF THE 2015 AD HOC PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

CONTD.

Countries	Council Decision March 2011 (% of total export)	Panel Recommendation September 2015	Comments and remarks
Saint Lucia	100%	100%	The Panel recommended maintaining the country as an exclusive exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
São Tome and Principe	35%	35%	The Panel recommended maintaining the country as a partial exporter of fine or flavour cocoa. The Panel urged the country to submit information for the next meeting of the Panel.
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	95%	95%	The Panel acknowledged that most but not all of the cocoa exported was of fine or flavour type. The Panel decided to maintain the <i>status quo</i> with a percentage of 95%, to be carefully reviewed at the next meeting, with a risk to be downgraded. The Panel urged the country to submit information for the next meeting of the Panel.
Belize	<i>b</i> /	50%	The Panel confirmed that some Belize cocoa exports are fine or flavour cocoa and recommended the country's inclusion in Annex "C". However, due to the lack of clear information about cocoa exports, it was decided to recognize Belize as 50% exporter of fine or flavour cocoa, with a view to assessing detailed commercial information at the next Panel meeting.
El Salvador	<i>b</i> /	-	The Panel recognized the potential of the country to become listed as a fine or flavour origin but acknowledged that the volume exported was minimal and that no sufficient information was available. The Panel decided not to include the country in the list but its case will be discussed at the next meeting, if the country submits its case.
Guatemala	b/	50%	The Panel recognized that Guatemala produces and exports fine or flavour cocoa. However, due to the lack of clear information about cocoa exports, it was decided to recognize Guatemala as 50% exporter of fine or flavour cocoa, with a view to assessing detailed commercial information at the next Panel meeting. The Panel urged the country to submit more information for the next meeting of the Panel.

DELIBERATIONS OF THE 2015 AD HOC PANEL ON THE REVIEW OF ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010

CONTD.

Countries	Council Decision March 2011 (% of total export)	Panel Recommendation September 2015	Comments and remarks
Honduras	<i>b</i> /	50%	The Panel recognized that Honduras produces and exports fine or flavour cocoa. However, due to the lack of clear information about cocoa exports, it was decided to recognize Honduras as 50% exporter of fine or flavour cocoa, with a view to assessing detailed commercial information at the next Panel meeting. The Panel urged the country to submit more information for the next meeting of the Panel.
Nicaragua	<i>b</i> /	100%	The Panel highlighted the fact that cocoa from Nicaragua is all fine or flavour, and exports from the country have not recorded any problems. The Panel acknowledged that the country has the potential and encouraged it to increase the volume produced and exported of fine or flavour cocoa beans. It was recommended to include Nicaragua as an exclusive exporter of fine or flavour cocoa. The Panel noted that the characteristics of the cocoa exported will be monitored as the country develops its cocoa sector.
Panama	b/	50%	The Panel recognized that the country produces and exports fine or flavour cocoa. However, additional data on exports needs to be provided for the next meeting of the Panel to better evaluate the country's exports.
Vietnam	<i>b</i> /	40%	The Panel noted the increase in cocoa exports from Vietnam during the last five years. The Panel highlighted the efforts to improve the quality of cocoa exports in the country. It was recommended to recognize 40% of the exports as fine or flavour, with the possibility of increasing this percentage at the next Panel meeting.

Notes:

b/ This country was not considered as a producing country exporting fine or flavour cocoa.

TABLE 2:

ANNEX "C" OF THE INTERNATIONAL COCOA AGREEMENT, 2010 PRODUCING COUNTRIES EXPORTING EITHER EXCLUSIVELY OR PARTIALLY FINE OR FLAVOUR COCOA

RECOMMENDATIONS OF THE 2015 ICCO AD HOC PANEL ON FINE OR FLAVOUR COCOA

(Share of total exports of the country)

Countries	Council decision March 2011	Panel recommendation September 2015
Belize	<i>b</i> /	50%
Bolivia	100%	100%
Colombia	95%	95%
Costa Rica	100%	100%
Dominica	100%	100%
The Dominican Republic	40%	40%
Ecuador	75%	75%
Grenada	100%	100%
Guatemala	<i>b</i> /	50%
Honduras	<i>b</i> /	50%
Indonesia	1%	1%
Jamaica	100%	95%
Madagascar	100%	100%
Mexico	100%	100%
Nicaragua	<i>b</i> /	100%
Panama	<i>b</i> /	50%
Papua New Guinea	90%	90%
Peru	90%	75%
Saint Lucia	100%	100%
São Tome and Principe	35%	35%
Trinidad and Tobago	100%	100%
Venezuela, Bolivarian Rep. of	95%	100%
Vietnam	<i>b</i> /	40%

Note:

b/ This country was not considered as a producing country exporting fine or flavour cocoa.

ANNEX I

ICCO AD HOC PANEL ON FINE OR FLAVOUR COCOA RECOMMENDATION

THE ICCO AD HOC PANEL ON FINE OR FLAVOUR COCOA

CONSIDERING that the situation of the national cocoa sectors has been evolving at a quicker pace in recent years than in the past, as a result of government and private sector initiatives;

RECOGNIZING that the market would benefit from a clearer definition of fine or flavour cocoa;

DECIDES TO RECOMMEND TO THE INTERNATIONAL COCOA COUNCIL

To ESTABLISH an Expert Working Group to provide precise criteria for fine or flavour cocoa, including testing protocols and standards, in coordination with cocoa sensory certification initiatives;

To CONVENE a meeting of the ICCO Ad Hoc Panel on Fine or Flavour Cocoa every two years;

To REQUIRE cocoa exporting countries wishing to be included or maintained in Annex "C" of the International Cocoa Agreement, 2010 to submit their cases, on a timely basis, for consideration by the ICCO Ad Hoc Panel on Fine or Flavour, based on the criteria defined by the ICCO Secretariat; and

To NOTIFY all cocoa exporting countries wishing to be included or maintained in Annex "C" of the International Cocoa Agreement, 2010 that a lack of sufficient relevant information to assist the ICCO Ad Hoc Panel on Fine or Flavour to review their case will negatively affect the recommendation made.

ANNEX II

LIST OF PARTICIPANTS

A. MEMBERS OF THE AD HOC PANEL

1.	Mr. Edward S. Seguine	-	Chairman Seguine Consultancy	-	United States
			Members		
2.	Mr. Pierre Costet	-	Valhrona	-	France
3.	Mr. Fabien Coutel	-	Nestlé	-	Switzerland
4.	Mr. Francisco Gomez	-	Casa Luker	-	Colombia
5.	Mr. Marcus Grob	-	Walter Matter S.A	-	Switzerland
6.	Ms. Maria Jimenez	-	Daarnhouwer & Co BV	-	The Netherlands
7.	Mr Jorge Redmond	-	Chocolate El Rey	-	Venezuela
8.	Dr. Christina Rohsius	-	Rausch Schokoladen	-	Germany
9.	Mr. Lars Saquero	-	Ingemann	-	Nicaragua
10.	Mr. Saurabh Shukla	-	OLAM Cameroon	-	Cameroon
11	Dr. Darin Sukha	-	Cocoa Research Unit (CRU)	-	Trinidad and Tobago
12.	Mr. Stephen Yaw Opoku	-	Cocoa Research Institute	-	Ghana

B. EXPERTS FROM INTERESTED COUNTRIES

1.	Mr. Oscar Dario Ramírez	-	FEDECACAO – Colombia
2.	H.E Sr. Luis Valverde	-	Vice Minister of Agriculture, Livestock, Fishery and
			Aquaculture of Ecuador
3.	Mr. Philippe Fontayne	-	Coordinateur Institutionnel of GACM
4.	Mrs. Melba Navarro	-	Cocoa Specialist - Nicaragua
5.	Dr. Silke Elwers	-	Forest Finance - Panama
6.	Mr. Jeffrie Marfu	-	Cocoa Board of Papua New Guinea
7.	Mr. Kamaldeo Maharaj	-	Ministry of Food Production, Land and Marine Affairs of
			Trinidad and Tobago
8.	Mr. Vincent Duong	-	Puratos Grand-Place, Vietnam

C. OBSERVERS

Brazil

1. Mr. Leonardo Bastos Azevedo Secretary, Embassy of Brazil, London

Côte d'Ivoire

2. Mrs. Silvie Koffi Permanent Representation of Côte d'Ivoire to International Commodity Organizations, London

Ecuador

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4.	Mr. Francisco Mena	Trade Commission, Embassy of Ecuador, London
5.	Ms. Maria Eugenia Aviles	First Secretary, Emabssy of Ecuador, London
6.	Mr. Juan Teran	Second Secretary, Embassy of Ecuador, London

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7.	Dr. Torben Erbrath	Association of the German Confectionery Industry (BSDI)
8.	Dr. Daniel Kadow	August Stork KG Chocolates
9.	Mr. Sebastian Lemke	H.C.C.O Hamburg Cocoa & Commodity

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10.	Mr. Atu Yudhistira	Third Secretary, Embassy of the Republic of Indonesia,
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11. Mr. Vernon Barrett Caribbean Fine Cocoa Forum

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12.	Mrs. Voahangy Arijaona	Technical General Director at the Ministry of Agriculture
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16.	H.E Mr. Nestor González	Vice-Minister of Foreign Trade, Panama
17.	Ms. Jaeljattin Jaen	Counsellor, Ministry of Foreign Trade, Panama
18.	Mr. Rupilio Abrego	General Manager, COCABO, Panamá

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