



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

CB/REP/40
2 October 2020

Original: ENGLISH
Distr: RESTRICTED

CONSULTATIVE BOARD ON THE WORLD COCOA ECONOMY

Fortieth meeting

ICCO Headquarters, Abidjan, Côte d'Ivoire, or Videoconference, 21 September 2020

**REPORT OF THE CONSULTATIVE BOARD ON THE WORLD COCOA ECONOMY AT ITS
FORTIETH MEETING**

(21 SEPTEMBER 2020)

REPORT OF THE CONSULTATIVE BOARD ON THE WORLD COCOA ECONOMY

OPENING OF THE MEETING

1. The fortieth meeting of the Consultative Board on the World Cocoa Economy was opened by its Chairman, Dr. Victor Iyama, National President of the Federation of Agricultural Commodity Associations of Nigeria (FACAN).

ADOPTION OF AGENDA

2. The Board adopted the draft agenda as contained in document CB/40/1.

APPROVAL OF THE REPORT OF THE 39TH MEETING OF THE CONSULTATIVE BOARD

3. The Board approved the report of its 39th meeting in Abidjan, September 2019, as contained in document CB/REP/39.

PREMIUM COCOA

4. The document EC/15/3 outlined the rationale to develop *premium cocoa* as a strategy to improve the living income. *Premium cocoa* would constitute a market segment in its own right and distinct from the bulk and the fine or flavour market.

5. Mrs. Brigitte Laliberté, from the Alliance of Bioversity International and CIAT, further explained the notion of premium cocoa and elaborated on how to achieve it. Indeed, she proposed to use the existing network of the Cocoa of Excellence Programme to improve the capacity of farmers to produce *premium cocoa*, with reference to document EC/15/4.

6. The Board recommended the adoption of the concept and strategy outlined in said documents.

MARKET PROSPECTS FOR COCOA SEMI-FINISHED PRODUCTS

7. The Secretariat presented the main findings of an ICCO-commissioned study, with reference to document ED(MEM)1128:

- a. Opportunities to expand the market of cocoa semifinished products are limited.
- b. Emerging economies, which account for 25% of the market, consume mainly cocoa powder.
- c. Advanced economies are shifting their preferences toward products with sustainable attributes.

8. The Board tasked the Secretariat with formulating initiatives stimulating the cocoa demand.

ALLIANCE ON LIVING INCOME ON COCOA (ALICo)

9. Mrs. Els Haelterman, IDH/Belgian Sustainable Cocoa Program (“Beyond Chocolate”), presented to the Board the ALICo initiative. Its mandate is to (1) coordinate current sustainable programmes; (2) harmonize the metrics to assess farm income; (3) identify and discuss strategies for closing the income gap.

10. Following a series of questions from ICCO exporting Members, Mrs. Haelterman clarified that ALICo was not a sustainable programme in itself but an initiative aiming to coordinate existing ones.

11. The Board recommended ALICo to engage in further exchanges with exporting countries and with the ICCO in general.

REGIONAL NORM ON SUSTAINABLE COCOA

12. Côte d'Ivoire and Ghana briefed the Board on the initiative to develop a joint regional sustainability standard which has been submitted for validation to the African Organisation for Standardisation.

13. The Board took note.

LEGISLATIVE DEVELOPMENTS IN THE EUROPEAN UNION CONCERNING DUE DILIGENCE AND RESPONSIBLE BUSINESS CONDUCT

14. Mrs. Zoe Druilhe, representative of the European Union, briefed the Board on the various EU initiatives regarding due diligence and responsible business conduct.

15. The Board took note.

FOOD SAFETY CHALLENGES RELATED TO THE REVIEW OF THE EUROPEAN UNION REGULATORY LANDSCAPE ON PLANT PROTECTION PRODUCTS

16. The Board received a presentation from Mr. Marc Joncheere, member of the European Cocoa Association (ECA), on the potential impact on the cocoa supply chain of the review of the EU regulatory landscape on plant protection products.

17. The Board took note.

DRAFT WORK PROGRAMME FOR THE CONSULTATIVE BOARD (2020/2022)

18. The Secretariat presented a draft Work Programme (WP) for the Board for the cocoa years 2020/2021 and 2021/2022, with reference to document CB/40/2.

19. The Board recommended to incorporate activities directly linked to the impact of the COVID-19 pandemic on the cocoa sector in the proposed WP.

UPDATE ON THE PREPARATIONS TO HOLD THE FIFTH EDITION OF THE WORLD COCOA CONFERENCE (WCC5)

20. The Secretariat informed the Board on the preparatory work undertaken to organize WCC5, with reference to document ICC/102/5.

21. The representative of Indonesia informed the Board that his government would take stock of the ongoing COVID-19 pandemic and provide a final decision on WCC5 in the second week of December. The Secretariat will be informed accordingly.

ELECTION OF THE CHAIRMAN AND VICE-CHAIRMAN OF THE CONSULTATIVE BOARD FOR THE 2020/2021 AND 2021/2022 COCOA YEARS

22. The Board agreed to allow sufficient time for both elections and that by Friday 25 September 2020, both groups would have submitted to the Secretariat the names of their nominated Board Officials.

OTHER BUSINESS

23. The Board unanimously extended its best wishes to Mr. Michel Arrion, Executive Director, for a speedy recovery.

DATE AND PLACE OF NEXT MEETING

24. The next meeting of the Consultative Board will be held alongside the meetings of the Council and subsidiary bodies in Bali, Indonesia, on 26-29 May 2021.