



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

**ICC/108/6/Rev.2**  
09 August 2024

Original: ENGLISH  
Distr: RESTRICTED

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**INTERNATIONAL COCOA COUNCIL**

One hundred and tenth regular session

ICCO Headquarters, Abidjan, Côte d'Ivoire, or Videoconference

23 – 26 September 2024, 11h00 to 16h00 UTC

**DRAFT STRATEGIC PLAN OF ACTION (2024-2029)  
FOR THE INTERNATIONAL COCOA ORGANIZATION**

## DRAFT STRATEGIC PLAN OF ACTION (2024-2029) FOR THE INTERNATIONAL COCOA ORGANIZATION

### Summary

Despite the countless initiatives of the private and public sectors, including partnerships, the economic sustainability of the farming sector in general, and the cocoa sector in particular, is no better today than a decade ago. This represents the biggest challenge for the world cocoa economy.

Poverty in cocoa farming communities is the result of the complex interplay between, on the one hand, structural issues characterizing smallholding farming – low yields, farms of small sizes and lack of capacity – and, on the other hand, the inability of stakeholders to tap into all available market opportunities, to add value to cocoa, and sometimes, the level of preparedness to respond to changes in institutional frameworks and business practices.

Additional external factors also contribute to this problem, namely the functioning of the markets and the governance of the sector. Cocoa prices do not account for the negative environmental and social costs of cocoa production. Moreover, cocoa stakeholders give a different meaning to the notion of sustainability depending on the interests of their shareholders or constituencies. Thus, their activities, policies and business practices are not necessarily aligned to address the poverty of smallholder farmers.

During the period 2019-2024, the Organisation and the Secretariat implemented a Strategic Plan of Action (SPA), rooted in the Organisation's legal framework – the International Cocoa Agreement – and developed around four pillars of actions whose overarching objective was to achieve a living income for cocoa farmers. Its implementation has been recently verified and validated by an independent consultant who provided positive feedback. Achieving a living income for cocoa producers is therefore the proposed overarching goal of SPA of the Organization for the years 2024 – 2029.

However, ICCO Member countries cannot solve the above-mentioned issues one by one because they are all interconnected, and because of a mix of endogenous and exogenous factors increasing the difficulty to address the matter. In view of the above, the proposed SPA is structured to achieve five distinct objectives that have been formulated to match the main objectives of the International Cocoa Agreement:

- (i) *Improve market transparency;*
- (ii) *Contribute to market development;*
- (iii) *Enhance the sustainability of the sector;*
- (iv) *Improve governance; and*
- (v) *Enhance the management of the Secretariat's resources.*

Each of these objectives addresses the factors contributing directly and indirectly to the poverty of smallholder farmers. The rationales of these objectives, their outputs, and corresponding indicators are then discussed in turn. Additional details can be found in the document. **Annex 1** and **Annex 2** contain the logical framework and a 5-year budget for the SPA, respectively. **Annex 3** contains the text of the

Brussels' Declaration. For some of its points, there are explicit references to the activities envisaged in the 2024-2029 SPA.

*(i) Improve market transparency*

Transparent, complete market information together with the symmetric distribution of information is the prerequisite to enable all cocoa stakeholders to tap into all available market opportunities, on the one hand, and to create a level playing field, on the other hand. But this is not often the case. In addition, the demand for information and statistics on the cocoa sector has evolved to reflect sustainability challenges. Nevertheless, metrics on cocoa farm revenues and costs, geolocation of farms, social conditions in cocoa farming communities are hard to come by.

In view of this, the Secretariat intends to serve as a knowledge and information centre for its Member countries through the publication of accurate, timely and user-friendly cocoa statistics and metrics on the sustainability of the cocoa sector; and by strengthening collaborations with trade associations and national statistical agencies.

*(ii) Contribute to market development*

The existence of capacity gaps in smallholder farms, cooperatives and local exporting companies prevents them from tapping into all market opportunities and promptly adapting to market and institutional changes. These missed opportunities in addition to the potential reduction in market access have deep implications for the living income of cocoa farmers. Moreover, in cocoa producing countries, there is a growing need to have a price discovery mechanism operating locally, together with the possibility of collateralizing cocoa as a tool for trade financing.

In view of the above, the proposed SPA aims to:

- enable cocoa stakeholders exploit all market potentials by promoting the sensory and sustainability quality attributes of cocoa products and, therefore, cocoa consumption;
- enhance the preparedness of cocoa stakeholders with regard to regulatory changes through timely alert systems, policy dialogues and capacity building; and
- improve price discovery mechanisms and access to the credit market in African cocoa producing countries through the establishment of a regional cocoa exchange.

*(iii) Enhance the sustainability of the sector*

The livelihood of millions of smallholder farmers depends on cocoa farming. However, low producer prices together with the farmers' inability to add value to their production, to diversify their income, to mitigate and adapt to climate change inevitably contribute to the poverty trap.

The proposed SPA aims to:

- increase farm gate prices through advocacy and policy dialogue on strategies aiming to increase cocoa prices with actions on both the supply and demand sides;
- promote the use of conditional, and sometimes unconditional, cash transfer programmes to increase the income of cocoa farmers households;

- advocate for good purchasing practices;
- enhance the capacity of cocoa farmers to add value and diversify their income through capacity building, studies and partnerships with private and public institutions; and
- improve the resilience of cocoa farming to climate change while enhancing the capacity to mitigate the effects of climate change by fostering research, studies and pilot projects.

*(iv) Improve governance*

A plethora of sustainability initiatives have been implemented by the public and private actors. But poverty is still widespread in cocoa farming communities. It is important to realign these initiatives and the available resources towards the overarching goal of achieving a living income for smallholder farmers.

The proposed SPA aims to:

- increase the depth and the reach of sustainability initiatives put in place by Member countries by fostering collaboration with the private sector as well as UN agencies, the World Bank Group, regional development banks, in particular with the AfDB, Afreximbank, cooperation and development agencies, NGOs.
- enhance the impact of the ICCO on cocoa stakeholders by raising awareness and implementing advocacy activities; and
- expand the ICCO Membership.

*(v) Enhance the management of the Secretariat's resources*

The ICCO Secretariat is serving its Members by providing information, statistics, policy analyses to support policy dialogue among ICCO Member countries, on the one hand, and between the Council and the Consultative Board, on the other hand.

To enhance the value of the ICCO membership, the proposed SPA aims to:

- coordinate all ICCO activities through the organization of statutory meetings and other major events;
- enhance the management of human and financial resources put at the disposal of the Secretariat.

The proposed SPA will be dynamic and is intended to be reviewed and updated every year as necessary. It provides the main direction for the annual Work Programmes of the Secretariat.

## **1. The overarching goal of the Strategic Plan of Action for the Organization: achieving a living income for cocoa producers**

The International Cocoa Organization (ICCO) is an intergovernmental organization that works to support the sustainable development of the world cocoa economy. Among numerous sustainability challenges, the proposed Strategic Plan of Action for the Organization (SPA) for the years 2024 to 2029 gears the ICCO intervention towards the achievement of a living income for smallholder farmers as stated in Article 1(d) to 1(f) of the International Cocoa Agreement (ICA), 2010 as amended in 2022:

Art. 1(d) To obtain fair prices leading to equitable economic returns for both producers and consumers in the cocoa value chain, and to contribute to a balanced development of the world cocoa economy in the interest of all Members;

Art. 1(e) To achieve a living income for cocoa producers;

Art. 1(f) To promote a sustainable cocoa economy in economic, social and environmental terms;

The cocoa sector is beset with a great number of sustainability challenges. Farmer prices are low and often do not reflect the developments observed in the international markets. Yields are low and climate change further exacerbates this problem. Farm sizes are too small to act as a multiplier on the already meagre revenues per hectare. Thus, smallholder farmers are not only unable to secure acceptable living conditions, but they cannot afford agricultural inputs and hire farm labour. This inevitably leads to the encroachment of cocoa farming into protected areas, because these areas are more fertile and less infested with cocoa pathogens, and sometimes, to the employment of family members as labour including children. In addition to these challenges, farmers lack capacity on several fronts: how to improve the quality of their production; how to diversify and add value to the farm income; how to access the credit market; how to manage risks; how to adapt to climate change and mitigate its effects, among others.

Within the cocoa sector, lack of capacity is not limited to farmers only; and those who have it sometimes cannot take advantage of all economic opportunities because market information and statistics are either not made available to them or are not available at all.

Solving these issues cannot occur in a linear fashion. They are all interconnected and depend indirectly on the global level of economic development of rural areas. Moreover, some issues are characterized by feedback loops whose effects are not necessarily going in the direction of the SPA's goal. For example, rising prices – as a mean to increase the living income of cocoa farmers – in isolation from other interventions is not sufficient to address the issue for which this measure has been called for. In fact, unless the unintended consequence of increasing production on a global scale is concurrently addressed, overproduction will offset the original price increase on the one hand, and create additional pressure on the environment, on the other hand. The same consideration applies to increasing yields. Furthermore, while it is beyond the purview of this organization, it is important to recognize that land tenure reforms are often an additional prerequisite for the sustainable development of the cocoa farm sector, more generally for the economic development of rural areas.

Having in mind the stated overarching goal and challenges, including their complex interactions, this document has been written to design a SPA for the Organization for the years 2024 to 2029. The next section outlines the purposes of the SPA while the rationale, outputs and inputs are described in the subsequent four subsections. A logical framework and budget are appended to this document

respectively in Annex 1 and Annex 2. The budget has been estimated using current costs for various services – received directly and indirectly by Members –, consultancy rates, staff salary and the Secretariat’s organogram.

## **2. Purposes, rationales, outputs and activities**

Accounting for the complexity of issues affecting the sustainability of the cocoa sector as well as feedback loops, we believe a systemic approach is warranted in line with the main chapters of the ICA. The proposed SPA aims at:

- A. improving market transparency;*
- B. contributing to market development;*
- C. enhancing the sustainability of the sector; and*
- D. improving governance and management.*

By working along these strategic directions, ICCO Member countries will contribute to achieving a living income for smallholder farmers:

- a) directly by promoting higher prices; and*
- b) indirectly by*
  - o filling the capacity gap faced by cocoa stakeholders; and*
  - o creating the necessary conducive conditions for economic development in cocoa farming communities.*

The rationale of these interventions is outlined in the next sections which also describe the expected outputs, and the necessary inputs of the proposed SPA.

### **2.1 Improve market transparency**

Transparent, complete market information together with symmetric distribution of information is the prerequisite to enable all cocoa stakeholders to tap into all available market opportunities, on the one hand, and to create a level playing field, on the other hand.

Nevertheless, there are gaps in the available data and information concerning the world cocoa economy, and not all cocoa stakeholders have equal access to the relevant market statistics and information. This status leads to an inefficient cocoa economy. On the one hand, cocoa stakeholders can miss market opportunities because of inaccurate statistics on prices, supply, demand, stocks and trade flows. On the other hand, the presence of information asymmetries gives those with access to the most accurate data disproportionate power.

Meanwhile, the demand for economic data and information has changed to reflect the sustainability challenges faced by the world cocoa economy. In addition to statistics on market fundamentals and trade, metrics on cocoa farm revenues and costs, geolocation of farms, social conditions in cocoa farming communities are becoming extremely important together with the distribution of profit margins along the value chain. Without these, it is not possible to:

- *develop and assess the impact of policies and strategies addressing the sustainability of the cocoa sector; and*
- *assess the distribution of risks and rewards along the value chain.*

Despite numerous efforts, accurate and timely cocoa statistics, market information and metrics on the sustainability of the sector are not always available because of:

- *the weak capacity of national cocoa statistical agencies, trade associations and NGOs;*
- *the lack of cross-collaboration among entities and institutions collecting cocoa statistics and metrics;*
- *ill-defined methodologies and processes to collect statistics and market information; and*
- *commercially sensitive information.*

Thus, under the current status, it is not possible to fully characterize the challenges of the cocoa sector and, therefore, to design and implement policies and strategies addressing them.

Against this background, the ICCO Secretariat intends to serve as a knowledge and information centre for its Member countries through:

#### **A.1 The elaboration of accurate, timely and user-friendly statistical information on production, grindings, consumption, trade, stocks and prices of cocoa beans and semi-finished products**

This output will be achieved through the following activities:

- *publication of the daily ICCO prices;*
- *publication of Monthly Cocoa Market Reports*
- *publication of the Quarterly Bulletin of Cocoa Statistics; and*
- *publication of the analysis of market fundamentals for the current crop year, and the 5-year market forecast on a biannual basis.*

#### **A.2 The collection and analysis of cocoa statistics and metrics relevant to the sustainability of the sector**

This output will be achieved through the following activities:

- *ICCO surveys on KPIs for the Global Cocoa Agenda (GCA);*
- *commissioned and desk studies on the cocoa market; and*
- *define, draft and carry out ad hoc surveys.*

### **A.3 Strengthening partnerships with trade associations and national statistical agencies**

This output will be achieved through the following activities:

- *collaborations/partnerships with cocoa trade associations, public and private institutions involved in the collection and/or analysis of cocoa statistics as well as metrics on the sustainability of the cocoa sector; and*
- *organizing the meetings of the ICCO Expert Working Group on Stocks.*

## **2.2 Contribute to market development**

The ability to adapt to the evolving and heterogenous nature of the cocoa demand, and to the continuous changes in the market's institutional and legal frameworks is an essential prerequisite to exploit all market potentials and to maintain market access, respectively. However, challenges and gaps in stakeholders' capacity are observed on both fronts. A deep dive into these issues and the expected deliverables of the SPA is presented in the next subsections.

### **2.2.1 To tap into all market potentials for fine flavour, premium and undifferentiated cocoa**

Two-thirds of the current cocoa production are consumed in advanced economies. In these regions, the low natality rates are limiting the expansion of consumption volumes. Nevertheless, the sophistication of consumers in these regions offer market opportunities for fine flavour cocoa and premium cocoa, however at the expense of undifferentiated cocoa. Indeed, the limited population growth creates a substitution effect on the demand.

The remaining share of the world cocoa production is consumed in developing and emerging economies whose markets serve 85% of the world population. In these regions, however, consumption per capita is very low for two main reasons: low purchasing power and consumer tastes and preferences which are different from those in the traditional chocolate confectionery markets. So, the marketing mix (price, product, distribution channel, and promotion) targeting these markets ought to be different from what is adopted in traditional markets. As a result, it is extremely important that stakeholders in cocoa exporting Member countries refocus their production and commercial practices as well as their campaigns on generic promotion of cocoa consumption having in mind these specificities.

Against this background, the ICCO Secretariat intends to contribute to the development of the market by promoting the consumption of fine flavour, premium and undifferentiated cocoa through:

### **B.1 The promotion of cocoa consumption in all forms in developing, emerging and advanced economies**

This output will be achieved through:

- *activities supporting campaigns on the generic promotion of cocoa consumption implemented by Member countries;*
- *creation of informational content on cocoa quality attributes; and*
- *promotion of events showcasing fine flavour producing countries.*



## **B.2 The promotion of the premium cocoa and undifferentiated cocoa markets**

This output will be achieved through:

- *internal/commissioned projects/studies on the promotion of these markets; and*
- *promotion of events on cocoa quality; and other forms of collaborations with institutions in Member countries.*

## **B.3 The promotion of the fine flavour cocoa market**

This output will be achieved through:

- *support the activities of the experts of the Ad Hoc Panel on Fine Flavour Cocoa; and*
- *the organization of the meetings of the Ad Hoc Panel.*

### **2.2.2 To enhance stakeholders' preparedness with regard to regulatory changes affecting the cocoa market**

The scientific discovery of new safety hazards and additional evidence on previously known hazards is the rationale for the introduction of new safety measures, on the one hand, and the increased stringency on previously introduced measures, on the other hand. While these measures are necessary to reduce risks to consumer health, cocoa stakeholders are often unprepared to deal with them in a timely and orderly manner.

Cocoa stakeholders sometimes lack the capacity to act upon information on regulatory changes, which is readily available to them. At other times, the information exists, but does not trickle down to the policy-takers in the cocoa sector. In both cases, the resulting slow adaptation to these changes entails some opportunity costs that could have been avoided. The same challenges and similar opportunity costs are also recorded when new technical standards are introduced to address negative externalities associated with cocoa production.

Against this background, the ICCO Secretariat intends to contribute to the development of the market by enhancing stakeholders' preparedness to deal with regulatory changes affecting the cocoa market through:

## **B.4 The gathering and prompt analysis of legislative proposals or voluntary business practices which can have an impact on all cocoa stakeholders**

This output will be achieved through:

- *internal/commissioned projects/studies on these legislative proposals or voluntary business measures; and*
- *memoranda of understanding and other forms of collaborations with institutions in Member countries.*

## **B.5 Fostering the dialogue between policy makers and stakeholders so as to promote market access through the international cocoa trade**

This output will be achieved through:

- *creation of a specific ICCO Expert Working Group;*
- *desk studies, information notes, meetings and webinars; and*
- *design, search for funds and implementation of capacity building programmes.*

### **2.2.3 To enhance stakeholders' capacity to access the credit markets**

Cocoa trade is a capital-intensive economic activity characterized by low margins of contributions. The financial viability of these activities depends on a high turnover in inventories, lower costs to finance them, and the availability of instruments to hedge their value over time. In cocoa exporting countries, the business model of small enterprises is mainly challenged by external and internal constraints which reduce the access to capital markets and risk management tools.

Against this background, the ICCO Secretariat intends to contribute to the development of the market by improving stakeholders' capacity to access the credit market through:

## **B.6 Promoting the use of a warehouse receipt system as a tool to collateralize inventories, of regional commodity exchanges, and of price risk management tools**

This output will be achieved through:

- *Establishment of an African Cocoa Exchange;*
- *commissioned studies;*
- *design, search for funds and implementation of capacity building programmes; and*
- *organization of webinars.*

### **2.3 Enhance the sustainability of the sector**

The livelihood of millions of smallholder farmers depends on cocoa farming. However, low producer prices together with the farmers' inability to add value to their production, to diversify their income, to mitigate the effects of and adapt to climate change inevitably create a poverty trap. These issues are not new and are very well documented.

The next subsections will describe how the 2024-2029 SPA intends to contribute to enhancing the sustainability of the sector.

#### **2.3.1 To increase farm gate prices**

There are economic and ethical arguments in favour of supporting higher farm gate prices. Indeed, it is more costly to produce cocoa beans under certain mandatory sustainability requirements, and these additional costs should be reflected in the farm gate prices. But raising prices, in isolation from other interventions, is not sufficient to address the issue at stake, namely poverty, unless the unintended consequence of expanding production on a larger scale is addressed simultaneously.

Against this background, the ICCO Secretariat intends to contribute to enhancing the sustainability of cocoa farming, especially its economic dimension, by promoting policy dialogue on higher farm gate prices.

### **C.1 Facilitation of the dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher farm gate prices**

This output will be achieved through:

- *follow-up actions from strategies on the generic promotion of cocoa consumption;*
- *organization of the meetings of the Working Group on Supply Management;*
- *promote the use of conditional and sometimes unconditional, cash transfer programmes to increase the income of cocoa farmers;*
- *promote good purchasing practices;*
- *desk studies, information notes; and*
- *advocacy and policy dialogue.*

#### **2.3.2 To enhance the sustainability of the sector**

The sale of cocoa by-products on farms offers opportunities for value addition and income diversification. Nevertheless, very often, these opportunities are not realised due to lack of capacity.

Against this background, the ICCO Secretariat intends to contribute to enhancing the sustainability of cocoa farming, especially the economic dimension, by building capacity to diversify the farm income through:

### **C.2 Capacity building programmes to support the farm income through value addition and diversification**

This output will be achieved through:

- *desk and commissioned studies on this topic;*
- *design, search for funds and implementation of capacity building programmes; and*
- *collaboration/partnerships with private companies and public institutions*

#### **2.3.3 To adapt to and to mitigate the effects of climate change**

Climate change affects cocoa farming in all countries worldwide. The increased frequency of extreme weather conditions, which are accompanied by drastic variations in mean rainfall and temperature, affects cocoa yields. In addition to this, land degradation and soil erosion, changes in water availability, biodiversity loss, more frequent and intense outbreaks of pests and diseases are expected.

However, the cocoa sector is not ready for these challenges. Cocoa research institutions have yet to identify cocoa cultivars able to cope with extreme weather conditions. Moreover, experiences on climate change mitigation strategies in the cocoa sector are limited.

Against this background, the ICCO Secretariat intends to contribute to enhancing the sustainability of cocoa farming by supporting climate change adaptation and mitigation strategies.

### **C.3 Farmer capacity to mitigate and adapt to climate changes**

This output will be achieved through:

- *desk and commissioned studies on this topic;*
- *design, search for funds and implementation of capacity building programmes;*
- *organization of specific ICCO events; and*
- *collaboration with cocoa research institutions.*

## **2.4 Improve Governance**

What a sustainable world cocoa economy actually means really depends on the perspectives of a specific group of stakeholders. Each group will emphasise only the aspects aligned with its economic interests, and the pressure from its shareholders/constituencies. These idiosyncrasies will inevitably lead to public policies and business practices which are not necessarily consistent and aligned with the same facets of the notion of sustainability. And, perhaps, this is the reason for the proliferation of voluntary sustainable initiatives, each with its own standards, metrics and monitoring and evaluation framework.

While these efforts are encouraging, their incomparability makes any impact assessment exercise challenging. Moreover, it is unknown whether these initiatives are targeting the same farming communities, and more specifically the same farmers; most of these stakeholders are unwilling to share or to make public the data underlying their surveys. Very often, only partial, incomplete and aggregate data are available in the public domain – annual reports, policy notes – which are of no use in policy dialogue.

Against this background, the ICCO Secretariat intends to contribute to the policy dialogue and international cooperation.

### **D.1 Greater depth and reach of sustainability initiatives of ICCO Member countries**

This output will be achieved through:

- *the work programme of the Consultative Board;*
- *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues;*
- *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations.*

### **D.2 Far-reaching impact of ICCO activities on cocoa stakeholders**

This output will be achieved through:

- *the organization of symposia, conferences and public events*

### **D.3 Enhanced visibility of the work of the Secretariat**

This output will be achieved through:

- Communication strategy, publication of the annual report

### **D.4 Expansion of the ICCO Membership**

This output will be achieved through:

- networking activities, advocacy and intervention with representatives of non-Member countries

### **2.5 Enhance the Management of the Secretariat's resources**

Following the decisions of the International Cocoa Council and under its direction, the Secretariat will implement the activities proposed in this SPA. Thus, in addition to the political willingness of Member countries, the effectiveness of the management of the resources of the Secretariat will be crucial.

Against this background, the ICCO Secretariat intends to contribute to enhancing the management of its resources.

### **E.1 Enhancement of the management and coordination of all ICCO activities, especially statutory meetings**

This output will be achieved through:

- Planning and meetings

### **E.2 Enhancement of the management of the human and financial resources of the Secretariat**

This output will be achieved through:

- staff appraisals;
- social dialogue;
- training;
- compliance with IPSA accounting standards;
- audits;
- reporting.

## **3. Implementation and Monitoring of the Strategic Plan of Action for the Organization**

The Strategic Plan of Action (2024 – 2029) will be dynamic and is intended to be reviewed and updated as necessary. A mid-term review will be conducted in October 2026. The SPA will provide the main direction for the annual Work Programme of the Secretariat. The proposed outputs and activities are not exhaustive as it is difficult to foresee some activities that will become necessary in the future. In this

respect, the Secretariat will work with Members as may be required to develop more or different activities to be included in each annual Work Programme.

At the end of each cocoa year, and as per Article 17 of the ICA, 2010, a monitoring framework in the form of a report on the implementation of the Annual Work Programme will be presented to the Economics Committee. It will include the achievements, as well as the outstanding specific objectives contained in the approved annual Work Programme and in the Strategic Plan of Action itself.

**ANNEX 1:** Logical Framework of the proposed Strategic Plan of Action for the years 2024 to 2029.

	Narrative Summary	Indicators	Means of Verification	Assumptions
<b>GOAL</b>	<b>Achieve a living income for smallholder cocoa producers</b>	The gap in the living income of smallholder farmers has been filled	- ICCO commissioned survey	Cocoa stakeholder policies and business practices converge toward this goal
<b>OBJECTIVES</b>	<b>A. Improve Market Transparency</b>	Cocoa stakeholders are sharing statistics, metrics on the sustainability of the cocoa sector including their production costs and revenues	- 100% compliance ICCO Member countries with the provision of quarterly statistical data - 100% compliance. of ICCO Member countries and Members of the ICCO Consultative Board with the provision of data and information on the KPIs of the GCA	- The required statistics and information are not commercially sensitive; - Stakeholders have the capacity to assess the metrics affecting the sustainability
	<b>B. Contribute to Market Development</b>	Cocoa stakeholders have the capacity to - tap into market potentials offered by emerging and developing economies; - adapt to regulatory changes affecting the cocoa market; - access the credit market	- ICCO Member countries' Generic Promotion Campaigns on Cocoa Consumption - ICCO Working Group on specific Trade Policies and Cocoa Standards - ICCO Surveys of KPIs for GCA	- Capacity building programmes have been delivered effectively, on time and within budget
	<b>C. Enhance Sustainability</b>	Cocoa farming provides a living income to farmers, supports the natural habitat of cocoa trees and contributes to the well-being of farm communities	- ICCO Surveys of KPIs for GCA	- Farmers receive a higher price - Capacity building programmes have been delivered effectively, on time and within budget
	<b>D. Improve Governance</b>	ICCO Member countries' policy objectives are convergent and coherent, and share a common purpose	- ICCO subsidiary bodies' recommendations - International Cocoa Council's decisions and resolutions	- Political willingness

<b>OUTPUT</b>	<b>A. Improve Market Transparency</b>			
	(1) The ICCO Secretariat has served as a knowledge and information centre for its Members	(A.1) Accurate, timely and user-friendly statistical information on production, grindings, consumption, trade, stocks and prices of cocoa beans and semi-finished products have been produced; (A.2) Cocoa statistics and metrics relevant to the sustainability of the sector have been collected; and (A.3) Collaborations with trade associations and national statistical agencies having as an objective the collection of accurate and relevant has been strengthened	- ICCO Secretariat Annual Work Programmes - ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes - ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action	- The Secretariat's capacity
	<b>B. Contribute to Market Development</b>			
	(1) The Fine Flavour, Premium, and Undifferentiated Cocoa markets have been promoted	(B.1) Cocoa consumption in all forms in developing, emerging and advanced economies has been encouraged; (B.2) The markets and production of premium and undifferentiated cocoa have been promoted; and (B.3) The development of the fine flavour cocoa market has been supported	- ICCO Secretariat Annual Work Programmes - ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes - ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action	- An effective demand exists



	(2) Stakeholders' preparedness with regard to regulatory changes affecting the cocoa market has been enhanced	(B.4) The ICCO Secretariat has acted as a permanent observatory on proposed legislations and voluntary business measures which can have an impact on all cocoa stakeholders; (B.5) The dialogue between policy makers and stakeholders so as to promote market access through international cocoa trade has been fostered	- ICCO Secretariat Annual Work Programmes - ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes - ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action	- Information on regulatory changes is available ahead of time - Business practices and public policies share a common purpose, and are convergent and coherent
	(3) Stakeholders' capacity to access the credit markets and risk management tools has been improved	(B.6) The use of a warehouse receipt system as a tool to collateralize inventories, of a regional commodity exchange and of price risk management tools is encouraged	- ICCO Secretariat Annual Work Programmes - ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes - ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action	- Capacity building programmes have been delivered effectively, on time and within budget - Conducive legal system and business environment
	<b>C. Enhance Sustainability</b>			
(1) Farm gate prices have increased	(C.1) The dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher price has been facilitated	- ICCO Secretariat Annual Work Programmes - ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes - ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action	- Capacity of cocoa stakeholders - Business practices and public policies share a common purpose, and are convergent and coherent	

	<p>(2) The sustainability of cocoa farming has been enhanced</p>	<p>(C.2) Cocoa farmers have the capacity to diversify their income through the collection and sale of cocoa pods, pulp and husk in cocoa by-products</p>	<ul style="list-style-type: none"> <li>- ICCO Secretariat Annual Work Programmes</li> <li>- ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes</li> <li>- ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action</li> </ul>	<ul style="list-style-type: none"> <li>- Capacity building programmes have been delivered effectively, on time and within budget</li> </ul>
	<p>(3) Climate change mitigation and adaption strategies have been developed</p>	<p>(C.3) Cocoa farmers have the capacity to adapt and to mitigate climate change effects</p>	<ul style="list-style-type: none"> <li>- ICCO Secretariat Annual Work Programmes</li> <li>- ICCO Secretariat Biannual Reports on the implementation of Annual Work Programmes</li> <li>- ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action</li> </ul>	<ul style="list-style-type: none"> <li>- Capacity building programmes have been delivered effectively, on time and within budget</li> </ul>
	<p><b>D. Improve Governance</b></p>			
	<p>(1) The depth and the reach of sustainability initiatives of ICCO Member countries has been improved</p>	<p>(D.1) ICCO Member countries have strengthen National Cocoa Development Plans and Sustainable National Cocoa Policy</p>	<ul style="list-style-type: none"> <li>- ICCO Annual Reports</li> <li>- ICCO Secretariat Annual Work Programmes</li> <li>- ICCO Secretariat Biannual Reports on the implementation of the Annual Work Programmes</li> <li>- ICCO Secretariat 5-year Report on the implementation of the Strategic Plan of Action</li> </ul>	<ul style="list-style-type: none"> <li>- Capacity of cocoa stakeholders</li> <li>- Availability of funds</li> </ul>
	<p>(2) Strategic alliances with relevant partners have been created</p>	<p>(D.2) ICCO work programme and activities have benefited from the collaboration with various public and private institutions</p>	<ul style="list-style-type: none"> <li>- ICCO Council documents</li> <li>- Joint projects, activities, events</li> </ul>	<ul style="list-style-type: none"> <li>- Effective communication with representatives of public and private entities</li> <li>- Convergent interests</li> </ul>

	(3) The visibility of the work of the Secretariat has been enhanced	(D.3) The presence of the ICCO on the media and social media has been strengthened; Cocoa stakeholders and the general public are informed of the Secretariat's activities as well as of its financial and organizational progress	- ICCO website, social media and press-conferences - ICCO Annual Reports	- Effective communication strategy
	(4) Expansion of the ICCO Membership	(D.4) The dialogue between policy makers has been facilitated	- ICCO Draft Agendas of the meetings of the Consultative Board	- Business practices and public policies share a common purpose, and are convergent and coherent
	<b>E. Enhance Management of the Secretariat's Resources</b>			
	(1) The management and coordination of all ICCO activities have been enhanced	(E.1) The capacity of the staff of the Secretariat has been improved	- Quality of the services provided by ICCO staff to Members	- Secretariat's capacity
	(2) The management of human and financial resources in the Secretariat has been enhanced	(E.2) Short- and long-term suitability of the ICCO has been provided	- Audited Accounts	- Secretariat's capacity
INPUT	<b>A. Improve Market Transparency</b>			
	(A.1) Publication of the daily ICCO prices; Publication of Monthly Cocoa Market Reports; Publication of the Quarterly Bulletin of Cocoa Statistics; Publication of the Analysis of market fundamentals for the current crop and 5-year Market Forecast on a biannual basis	€ 2,275,000	(A.1) ICCO web site, email distribution and/or Members' corner; Quarterly, biennial publications either available in the public domain or with restricted access	- The Secretariat has access to all cocoa statistics as well as the metrics assessing the sustainability of the sector

	(A.2) ICCO Survey on KPIs for the Global Cocoa Agenda; Commissioned- and desk-study on cocoa markets; Define, draft and carry out ad hoc surveys	€ 265,000	(A.2) ICCO Survey on KPIs for GCA; ICCO documents; Reports; and Studies	- The Secretariat has access to all cocoa statistics as well as the metrics assessing the sustainability of the sector
	(A.3) Organization of the meetings of the ICCO Expert Working Group on Cocoa Stocks; Foster collaboration with cocoa trade associations, public and private institutions involved in the collection and/or analysis of cocoa statistics and metrics on the sustainability of the cocoa sector	€ 225,000	(A.3) Meeting Reports; ICCO Desk-Studies and Documents containing external sources of statistics / metrics / information	- The Secretariat has access to all cocoa statistics as well as the metrics assessing the sustainability of the sector
<b>B. Contribute to Market Development</b>				
	(B.1) Activities supporting campaigns on the generic promotion of cocoa consumption in Member countries; Creation of informational content on ICCO social media on cocoa quality attributes; initiatives promoting cocoa	€ 320,000	(B.1) ICCO Working Group; Reports of meetings; ICCO social media	- Secretariat's capacity
	(B.2) Memoranda of Understanding; Grants; internal/commissioned project/studies on the promotion of cocoa markets	€ 77,000	(B.2) Organization of events; distribution of reports, and studies	- Secretariat's capacity
	(B.3) Support activities to the Experts of the <i>Ad Hoc</i> Panel on Fine Flavour Cocoa; Promotion of activities of activities of Fine Flavour countries	€ 233,000	(B.3) Report on the meeting of the ICCO of the <i>Ad Hoc</i> Panel on Fine Flavour Cocoa	- Secretariat's capacity

	(B.4) Secretariat's desk studies and information notes; Projects on Capacity Building Programme	€ 640,000	(B.4) Draft agendas of meetings of the Consultative Board and/or Economics Committee; Members' corner	- Secretariat's capacity
	(B.5) Meetings; ICCO Expert Working Group; webinars	€ 350,000	(B.5) Organization of webinar and/or meeting reports	- Secretariat's capacity
	(B.6) Commissioned studies and/or project proposals; Establishment of the African Cocoa Exchange	€ 352,000	(B.6) Draft agendas of meetings of the Consultative Board and/or Economics Committee; Members' corner	- Consultants' capacity - Availability of funds
	<b>C. Enhance Sustainability</b>			
	(C.1) Implementation of (conditional and sometimes unconditional) cash transfer programme to increase the income of cocoa farmers; Good Purchasing Practices; Organization of the meetings of the Working Group on Supply Management; Advocacy; Policy dialogue; Desk and commissioned studies on this topic	€ 531,000	(C.1) Draft agendas of meetings of the Consultative Board and/or Economics Committee; Members' corner; Draft programme of the WCC	- Secretariat's capacity
	(C.2) Desk studies, and project proposals	€ 610,000	(C.2) Draft agendas of meetings of the Consultative Board and/or Economics Committee; Members' corner	- Secretariat's capacity

(C.3) Desk Studies, and Project Proposals	€ 630,000	(C.2) Draft agendas of meetings of the Consultative Board and/or Economics Committee; Members' corner	- Secretariat's capacity
<b>D. Improve Governance</b>			
(D.1) Work Programme of the Consultative Board; Collaboration with public and private sector as well as NGOs on the issues surrounding the sustainability of the cocoa sector	€ 830,000	(D.1) Draft agendas of meetings of the Consultative Board and/or Economics Committee;	- Secretariat's capacity
(D.2) Collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, World Bank Group, Darexaban, cooperation platforms and civil organizations	€ 305,000	(D.2) Annual Reports	- Secretariat's capacity
(D.3) Organization of conferences, symposia and other major events	€ 1,555,000	(D.3) Draft agendas of meetings of the Consultative Board and/or Economics Committee;	- Secretariat's capacity
(D.4) Networking activities and meeting with representatives of non-Member countries	€ 227,000	(D.4) Reports of the meetings of the International Cocoa Council	- Secretariat's capacity
<b>E. Enhance Management of the Secretariat's resources</b>			

	(E.1) Planning and meetings, especially the statutory meetings	€ 1,295,000	(E.1) Staff appraisal	- Secretariat's capacity
	(E.2) Staff appraisals, Social dialogue, Compliance with IPSAS accounting, Audits; Reporting	€ 4,780,000	(E.1) Staff appraisal	- Secretariat's capacity

**ANNEX 2:** Estimated Budget of the proposed Strategic Plan of Action for the years 2024 to 2029 maintaining current prices for various services, consultancies rates, staff salary and the Secretariat's organogram

	Output	Cost Items								Total
		Accommodation	Audit & Legal Advice Expenses	Capital Expenditure	Consultancies	Meetings	Office Expenses	Personnel	Travel	
<b>A. Improve Market Transparency</b>	(A.1) Accurate, timely and user-friendly statistical information on production, grindings, consumption, trade, stocks and prices of cocoa beans and semi-finished products have been produced	€ 125,000	€ 40,000	€ 20,000	€ 30,000	€ 40,000	€ 200,000	€ 1,800,000	€ 20,000	<b>€ 2,275,000</b>
	(A.2) Cocoa statistics and metrics relevant to the sustainable of the sector have been collected and analysed	€ 20,000	€ 40,000	€ 10,000	€ -	€ 5,000	€ 20,000	€ 170,000	€ -	<b>€ 265,000</b>
	(A.3) Collaborations with trade associations and national statistical agencies having as an objective the collection of accurate and relevant has been strengthened	€ 10,000	€ 20,000	€ 5,000	€ -	€ 5,000	€ 5,000	€ 90,000	€ 90,000	<b>€ 225,000</b>
<b>B. Contribute to Market Development</b>	(B.1) Cocoa consumption in all forms in developing, emerging and advanced economies has been encouraged	€ 40,000	€ 20,000	€ 10,000	€ -	€ -	€ 10,000	€ 200,000	€ 40,000	<b>€ 320,000</b>
	(B.2) The markets and the production of premium and undifferentiated cocoa have been promoted	€ 10,000	€ -	€ 2,000	€ -	€ -	€ 5,000	€ 50,000	€ 10,000	<b>€ 77,000</b>



Output	Cost Items								Total
	Accommodation	Audit & Legal Advice Expenses	Capital Expenditure	Consultancies	Meetings	Office Expenses	Personnel	Travel	
(B.3) The development of the fine flavour cocoa markets has been supported. 2 meetings of the <i>Ad Hoc</i> Panel have been held in a Member country - 100% ICCO funds	€ 50,000	€ 5,000	€ 3,000	€ -	€ 50,000	€ 5,000	€ 80,000	€ 40,000	<b>€ 233,000</b>
(B.4) The ICCO Secretariat has acted as a permanent observatory on proposed legislations and voluntary business measures which can have an impact on all cocoa stakeholders	€ 50,000	€ 50,000	€ 10,000	€ 80,000	€ -	€ 20,000	€ 400,000	€ 30,000	<b>€ 640,000</b>
(B.5) The dialogue between policy makers and stakeholders so as to promote market access through international cocoa trade has been fostered	€ 10,000	€ 10,000	€ 10,000	€ 90,000	€ 10,000	€ 10,000	€ 140,000	€ 70,000	<b>€ 350,000</b>
(B.6) The use of a warehouse receipt system as a tool to collateralize inventories, of regional commodity exchanges and of price risk management tools is encouraged	€ 10,000	€ -	€ 1,000	€ 80,000	€ 1,000	€ 40,000	€ 210,000	€ 10,000	<b>€ 352,000</b>
<b>C. Enhance Sustainability</b> (C.1) The dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher farm gate prices has been facilitated	€ 25,000	€ 5,000	€ 5,000	€ 170,000	€ 1,000	€ 25,000	€ 280,000	€ 20,000	<b>€ 531,000</b>

	Output	Cost Items							Total	
		Accommodation	Audit & Legal Advice Expenses	Capital Expenditure	Consultancies	Meetings	Office Expenses	Personnel		Travel
	(C.2) Cocoa farmers have the capacity to diversify and to add value to their income	€ 100,000	€ -	€ 70,000	€ 100,000	€ -	€ 5,000	€ 300,000	€ 35,000	€ 610,000
	(C.3) Cocoa farmers have the capacity to adapt and to mitigate climate changes	€ 15,000	€ 10,000	€ 5,000	€ 285,000	€ -	€ 15,000	€ 300,000	€ -	€ 630,000
<b>D. Improve Governance</b>	(D.1) ICCO Member countries have strengthened National Cocoa Development Plans and Sustainable National Cocoa Policy	€ 240,000	€ 10,000	€ 5,000	€ -	€ -	€ 25,000	€ 400,000	€ 150,000	€ 830,000
	(D.2) Strategic alliances with relevant partners have been created	€ 15,000	€ 10,000	€ -	€ -	€ 65,000	€ 5,000	€ 150,000	€ 60,000	€ 305,000
	(D.3) The visibility of the work of the Secretariat has been enhanced	€ 150,000	€ 20,000	€ 15,000	€ -	€ 30,000	€ 220,000	€ 900,000	€ 220,000	€ 1,555,000
	(D.4) Expansion of the ICCO Membership	€ 10,000	€ 5,000	€ -	€ -	€ -	€ 2,000	€ 160,000	€ 50,000	€ 227,000
<b>E. Enhance Management of the Secretariat's Resources</b>	(E.1) Enhancement of the management and coordination of all ICCO activities	€ 100,000	€ 20,000	€ 10,000	€ -	€ 400,000	€ 20,000	€ 700,000	€ 45,000	€ 1,295,000
	(E.2) Enhancement of the management of the human and financial resources of the Secretariat	€ 600,000	€ 350,000	€ 100,000	€ -	€ 400,000	€ 280,000	€ 3,000,000	€ 50,000	€ 4,780,000
	<b>Total</b>	<b>€ 1,580,000</b>	<b>€ 615,000</b>	<b>€ 281,000</b>	<b>€ 835,000</b>	<b>€ 1,007,000</b>	<b>€ 912,000</b>	<b>€ 9,330,000</b>	<b>€ 940,000</b>	<b>€ 15,500,000</b>

## BRUSSELLS' FINAL DECLARATION

### Context

1. This declaration, while not legally binding, articulates the aspirations of all stakeholders who have participated in the WCC5 to support efforts aimed at achieving a more sustainable global cocoa sector.
2. All stakeholders should seize the opportunity offered by the current situation of international prices to work together and adopt the clear goal that cocoa farmers achieve a living income.
3. This Declaration follows declarations of the Roundtables on a Sustainable Cocoa Economy (Accra 2007, Trinidad and Tobago 2009) and of the past four World Cocoa Conferences (Abidjan 2012, Amsterdam 2014, Bavaro 2016 and Berlin 2018) and taking stock of the progress and challenges of stakeholders in promoting a sustainable world cocoa economy.
4. These declarations encompassed every aspect of the cocoa economy and should have moved the sector in the right direction. However, the income of farmers still do not allow them to make a decent living and to invest in their farms, cocoa remains associated with deforestation, and child labour remains a persistent problem in the cocoa sector.
5. At the World Cocoa Conference 2018, stakeholders had already acknowledged that sustainability in the cocoa sector cannot be achieved without securing a living income, recognized as a human right.
6. It is of paramount importance to move beyond declarations, promises and commitments to deliver pragmatic solutions and tangible outcomes that effectively address the challenges of farmer poverty, deforestation, and child labour.
7. All stakeholders involved in the cocoa value chain should foster a spirit of collaboration and cooperation among themselves to support the achievement of the Global Cocoa Agenda's objectives.

### Sustainable Development

8. Low farm gate prices, as well as fluctuating international prices, have a strong negative impact on farmers' incomes and livelihoods, and therefore pose a serious threat to sustainability. Furthermore, little accurate information is available to the farmers. Producing countries, buyers, and industry actors should promote transparency with regards to prices paid to farmers.
  - **The elaboration of accurate, timely and user-friendly statistical information on production, grindings, consumption, trade, stocks and prices of cocoa beans and semi-finished products (Ref. Act. A1).** Among others, this output will be achieved with the following activities:
    - o *publication of the daily ICCO prices;*
    - o *publication of Monthly Cocoa Market Reports*
    - o *publication of the Quarterly Bulletin of Cocoa Statistics; and*
    - o *publication of the analysis of market fundamentals for the current crop year, and the 5-year market forecast on a biannual basis*
  - **Strengthening collaboration with trade associations and national statistical agencies (Ref. Act. A3).** Among other, this output will be achieved with the following activities:
    - o *collaborations/partnerships with cocoa trade associations, public and private institutions involved in the collection and/or analysis of cocoa statistics as well as metrics on the sustainability of the cocoa sector; and*

- *organizing the meetings of the ICCO Expert Working Group on Stocks.*

9. The private sector should ensure the establishment of purchasing practices that take into account the environmental and social costs of producing sustainable cocoa. The price paid to farmers should allow them to make a decent living, produce zero-deforestation cocoa and address child labour and exploitation. This must be done while bearing in mind recognized principles and applicable international labour standards and reflecting the “true cost” of sustainable cocoa production. Meanwhile, governments of both producing and consuming countries should improve the transparency and governance within the sector.

- **Facilitation of the dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher farm gate prices (Ref. Act. C1).** Among others, this output will be achieved with the following activities:
  - *promote the use of conditional and sometimes unconditional, cash transfer programmes to increase the income of cocoa farmers;*
  - *promote good purchasing practices;*
  - *desk studies, information notes; and*
  - *advocacy and policy dialogue.*

10. To further ensure transparency and accountability throughout the cocoa value chain, private sector actors should conduct independent verification of their sustainability claims.

- **The collection and analysis of cocoa statistics and metrics relevant to the sustainability of the sector (Ref. Act. A2).** Among others, this input will be achieved through the following activities:
  - *ICCO surveys on KPIs for the Global Cocoa Agenda (GCA);*
  - *commissioned and desk studies on the cocoa market; and*
  - *define, draft and carry out ad hoc surveys*

11. Producing countries should ensure that capacity building programmes on good agricultural and handling practices are put in place to support cocoa farmers and promote sustainable production of cocoa.

12. Producing countries governments should create the conditions for farmers and farmer organizations to have access to finance, including micro-finance as an essential contribution to put in place a favourable ecosystem for the development of their businesses.

13. Producing countries government should provide farmers and their family members with adequate social protection services to guarantee them acceptable standards of living.

14. Consuming countries should enhance the sustainability of the cocoa sector by supporting capacity-building initiatives, facilitating financial inclusivity through mechanisms like micro-finance, and ensuring the provision of social protection services for farmers and their families. The collaboration with producing countries is crucial in reinforcing the actions highlighted in points 11, 12, and 13 above, thereby contributing to the creation of a more sustainable and equitable cocoa sector for all stakeholders. Consuming countries should also promote sustainable consumption practices to further drive the demand for responsibly produced cocoa.

15. All stakeholders should support reforestation, afforestation, and agroforestry, to enhance forest carbon stocks and removals, and to strengthen the global response to climate change. This approach offers cocoa farmers the opportunity to provide ecosystem services for which they should receive compensations, including commensurate carbon credits.

- **Farmer capacity to mitigate and adapt to climate changes (Ref. Act. C3).** Among others, this output will be achieved through:
  - *desk and commissioned studies on this topic;*
  - *design, search for funds and implementation of capacity building programmes;*
  - *organization of specific ICCO events; and*

- *collaboration with cocoa research institutions*

16. All stakeholders should acknowledge the important role that women have always played in the cocoa production and marketing process and supporting the acquisition of the skills necessary for their inclusion in a sustainable value chain, thereby strengthening human equality. Women's equality should be worked for, both as a human rights issue, as well as an effective way to tackle the diverse challenges facing the sector.

- **Greater depth and reach of sustainability initiatives of ICCO Member countries (Ref. Act. D.1).** Among others, this output will be achieved through:
  - *the work programme of the Consultative Board;*
  - *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues; and*
  - *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations.*

17. Producing countries' governments should strive to improve the sector's attractiveness to enable generational renewal and attract a skilled workforce, ensuring rejuvenation and modernization of the cocoa sector.

- **Greater depth and reach of sustainability initiatives of ICCO Member countries (Ref. Act. D.1).** Among others, this output will be achieved through:
  - *the work programme of the Consultative Board;*
  - *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues; and*
  - *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations.*

18. Producing countries highlighted the importance of sustainable cocoa cultivation for generating employment and economically viable entrepreneurship as a key strategy for policies aiming to substitute illicit crops.

- **Greater depth and reach of sustainability initiatives of ICCO Member countries (Ref. Act. D.1).** Among others, this output will be achieved through:
  - *the work programme of the Consultative Board;*
  - *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues; and*
  - *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations*

## Market Development

19. Consuming countries should promote market access and provide support, including financial assistance and capacity building, to cocoa producing countries to ensure compliance with food safety, environmental and human rights regulations.

- **Fostering the dialogue between policy makers and stakeholders so as to promote market access through the international cocoa trade (Ref. Act. B5).** Among others, this output will be achieved through:
  - *creation of a specific ICCO Expert Working Group;*
  - *desk studies, information notes, meetings and webinars; and design, search for funds; and*
  - *implementation of capacity building programmes.*

20. Producing countries governments and private sector actors are encouraged to strive to meet the evolving demand for cocoa products through enhanced branding and the promotion of sustainable and ethical practices. This promotion should also emphasize the quality and flavour aspects as well as health and nutritional attributes of cocoa and products with high cocoa content.

- **The promotion of cocoa consumption in all forms in developing, emerging and advanced economies (Ref. Act. B.1).** Among others, this output will be achieved through:
  - o *activities supporting campaigns on the generic promotion of cocoa consumption implemented by Member countries;*
  - o *creation of informational content on cocoa quality attributes; and*
  - o *promotion of events showcasing fine flavour producing countries.*
- **The promotion of the premium cocoa and undifferentiated cocoa markets (Ref. act. B.2).** Among others, this output will be achieved through:
  - o *internal/commissioned projects/studies on the promotion of these markets; and*
  - o *promotion of events on cocoa quality; and other forms of collaborations with institutions in Member countries.*
- **The promotion of the fine flavour cocoa market (Ref. Act. B3).** Among others, this output will be achieved through:
  - o *support the activities of the experts of the Ad Hoc Panel on Fine Flavour Cocoa; and*
  - o *the organization of the meetings of the Ad Hoc Panel.*

21. Producing countries government should stimulate value addition through the promotion and development of cocoa-by products in cocoa producing countries aiming at diversifying small-scale cocoa farmers income and facilitating their integration into the value chain.

- **Capacity building programmes to support the farm income through value addition and diversification (Ref. Act. C2).** Among others, this output will be achieved through:
  - o *desk.and.commissioned.studies.on.this.topic*
  - o *design?search.for.funds.and.implementation.of.capacity.building.programmes.and.*
  - o *collaboration-partnerships.with.private.companies.and.public.institutions*

## Governance, Management and the Functioning of Markets

22. Collaboration among all stakeholders should be strengthened to harmonize existing Monitoring and Evaluation Frameworks and better assess the sector performance.

- **Greater depth and reach of sustainability initiatives of ICCO Member countries (Ref. Act. D.1).** Among others, this output will be achieved through:
  - o *the work programme of the Consultative Board;*
  - o *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues; and*
  - o *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations*
- **The collection and analysis of cocoa statistics and metrics relevant to the sustainability of the sector (Ref. Act. A2).** Among others, this input will be achieved through the following activities:
  - o *ICCO surveys on KPIs for the Global Cocoa Agenda (GCA);*
  - o *commissioned and desk studies on the cocoa market; and*
  - o *define, draft and carry out ad hoc surveys*

23. Governments should collaborate to pass legislation on environmental and human rights due diligence of companies that recognises the interconnection between social, environmental, and economic aspects of sustainability and that recognises the importance of living income as a systemic driver for sustainable practices in the supply chain. All stakeholders should recognize that poverty is the root cause of unsustainable practices.

24. All governments should collaborate to effectively implement legislation on products linked to deforestation. Cooperation between consuming and producing country governments is essential to effectively tackle deforestation, and regional standards are important elements to reach zero-deforestation objectives. Measures taken to protect the environment should support market access for sustainable products.

- **Fostering the dialogue between policy makers and stakeholders so as to promote market access through the international cocoa trade (Ref. Act. B5).** Among others, this output will be achieved through:
  - o *creation of a specific ICCO Expert Working Group;*
  - o *desk studies, information notes, meetings and webinars; and design, search for funds; and*

- *implementation of capacity building programmes.*

25. All stakeholders should coordinate and scale up their actions to contribute to the elimination of child labour and exploitation (as defined by the International Labour Organization, ILO) recognising the role that living income for households plays in this regard and the need to establish systems allowing for the identification and remediation of child and forced labour.

- **Greater depth and reach of sustainability initiatives of ICCO Member countries (Ref. Act. D.1).** Among others, this output will be achieved through:
  - *the work programme of the Consultative Board;*
  - *collaboration with the public and private sectors as well as NGOs on the issues surrounding the sustainability of the cocoa sector, with a special emphasis on gender issues; and*
  - *collaboration with UN agencies, bilateral development agencies, NGOs, AfDB, the World Bank Group, Afreximbank, cooperation platforms and civil organizations*

26. All stakeholders should consider the necessary measures to ensure the predictability of cocoa prices in a way that benefits the cocoa sector throughout the value chain.

27. Producing countries governments should put in place policies aiming at coordinating cocoa supply to maximize the economic, environmental and social benefits of cocoa stakeholders in producing countries.

- **Facilitation of the dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher farm gate prices (Ref. Act. C1).** Among others, this output will be achieved with the following activities:
  - *follow-up actions from strategies on the generic promotion of cocoa consumption;*
  - *organization of the meetings of the Working Group on Supply Management;*
  - *promote the use of conditional and sometimes unconditional, cash transfer programmes to increase the income of cocoa farmers;*
  - *promote good purchasing practices;*
  - *desk studies, information notes; and*
  - *advocacy and policy dialogue.*

28. All governments should promote regional commodity exchanges trading cocoa, as a way to enhance price discovery mechanism and farmers access to credit.

- **Promoting the use of a warehouse receipt system as a tool to collateralize inventories, of regional commodity exchanges, and of price risk management tools (Ref. Act. B6)** Among others, this output will be achieved through:
  - *Establishment of an African Cocoa Exchange;*
  - *commissioned studies;*
  - *design, search for funds and implementation of capacity building programmes; and*
  - *organization of webinars.*

29. All governments should ensure that farmers have access to the necessary market information and that their representatives are involved in national and international decision-making process in the sector. This involvement should extend to legal decisionmaking, social dialogue, labour negotiations and rights, and discussions on market exchanges, all aimed at enhancing their bargaining power.

- **The elaboration of accurate, timely and user-friendly statistical information on production, grindings, consumption, trade, stocks and prices of cocoa beans and semi-finished products (Ref. Act. A1).** Among others, this output will be achieved with the following activities:
  - *publication of the daily ICCO prices;*
  - *publication of Monthly Cocoa Market Reports*
  - *publication of the Quarterly Bulletin of Cocoa Statistics; and*
  - *publication of the analysis of market fundamentals for the current crop year, and the 5-year market forecast on a biannual basis*
- **Strengthening collaboration with trade associations and national statistical agencies (Ref. Act. A3).** Among other, this output will be achieved with the following activities:

- *collaborations/partnerships with cocoa trade associations, public and private institutions involved in the collection and/or analysis of cocoa statistics as well as metrics on the sustainability of the cocoa sector; and*
  - *organizing the meetings of the ICCO Expert Working Group on Stocks.*
- **Promoting the use of a warehouse receipt system as a tool to collateralize inventories, of regional commodity exchanges, and of price risk management tools (Ref. Act. B6)** Among others, this output will be achieved through:
- *Establishment of an African Cocoa Exchange;*
  - *commissioned studies;*
  - *design, search for funds and implementation of capacity building programmes; and*
  - *organization of webinars.*
30. All stakeholders should strengthen their support to cocoa scientific research and development into sustainable production and consumption. Producing countries, with the assistance of consuming countries, should address issues related to cocoa pests and diseases that threaten the sustainability of the sector.
- **Far-reaching impact of ICCO activities on cocoa stakeholders (ref. Act. D.2).** Among others, this output will be achieved through:
- *the organization of symposia, conferences and public events*
31. All Stakeholders should strive toward an equitable distribution of risk and rewards throughout the whole supply chain through purchasing practices that compensate farmers, through mechanisms guaranteeing a fair price, shielding them from risk, and ensuring that market actors are held accountable for adherence.
- **Facilitation of the dialogue among all cocoa stakeholders on their contributions to a sustainable cocoa through higher farm gate prices (Ref. Act. C1).** Among others, this output will be achieved with the following activities:
- *follow-up actions from strategies on the generic promotion of cocoa consumption;*
  - *organization of the meetings of the Working Group on Supply Management;*
  - *promote the use of conditional and sometimes unconditional, cash transfer programmes to increase the income of cocoa farmers;*
  - *promote good purchasing practices;*
  - *desk studies, information notes; and*
  - *advocacy and policy dialogue.*
32. All governments should provide capacity building services, technical and financial assistance as required to support systems aiming to help smallholders in adapting to new regulations concerning trade or other matters. Private companies should continue or contribute to support these efforts.
- **The gathering and prompt analysis of legislative proposals or voluntary business practices which can have an impact on all cocoa stakeholders (Ref. Act. B4).** Among others, this output will be achieved through:
- *internal/commissioned projects/studies on these legislative proposals or voluntary business measures; and*
  - *memoranda of understanding and other forms of collaborations with institutions in Member countries.*
33. All stakeholders should support the establishment of traceability systems that incorporate economic, environmental, and social traceability and that are independently audited, and regularly and transparently monitored. These traceability systems should be designed to provide a better negotiating platform between buyers and farmers, empowering them in the supply chain.
34. Companies and governments should ensure that, in conducting supply chain traceability, they provide farmers' organisations with access and ownership over the data that are being collected, when the data concerns members of the farmers' organisation in question.
35. The follow-up process of the Global Cocoa Agenda will cover the achievement of the new commitments undertaken in the present declaration.