

# Standard Systems in the Cocoa Sector

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# Sustainable Cocoa Sector

Key elements that need addressing:

- Productivity of cocoa farms  
(incl. responsible environmental & social practices)
- Marketing efficiency and responsiveness to quality requirements
- Supportive policy and institutional environment



# Sustainable Cocoa Sector

Value chain end points:

- The cocoa farmers – looking for greater income
- The consumers – balancing quality-price; *and assurances that the ingredients in chocolate are being produced in a sustainable manner.*

Stakeholders being called upon to address these dual goals:

- The national governments in producing countries
- The private sector



# The Development Angle

Key elements that need addressing:

- Professionalization/entrepreneurship of farmers, farmer organizations, and local private sector
- Intensification of the production system (planting material, inputs)
- Access to price information and finances
- Establishment of efficient and effective production support services
- Improved infra-structure (public and private sector)

→ Need coordination across efforts and ramping up to achieve economic growth and sustainability



# The Standards Angle

- Identification of specific farming and management practices for equity and/or sustainability
  - Mechanism to confirm adherence to standards
  - Visibility through labeling
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- ➔ Need organized farmers
  - ➔ Shortage of trainers to train farmers/farmer organizations
  - ➔ Need pre-competitive collaboration between standard systems



# Potential Benefits of Standard Systems

- Farmers more knowledgeable of good agricultural practices, sound management of natural resources, and applicable social norms
- Farmers and producer associations with greater access to price and market information, and making better business decisions to increase income and profitability
- A value chain remunerating physical quality, the production process, and preservation of identity
- A national cocoa sector diversifying its market base and reaching new segments of consumers

→ Postulate: ***Achievable if linked to sector development efforts.***



# Expectations of Key Cocoa Value Chain Participants

Four constituents:

- Cocoa farmers – greater income and standard of living, reducing risks
- Private sector stakeholders – securing profits, reducing risks
- Producer country governments – national income and growth, employment, and rural welfare
- Consumers – quality-for-price; sustainable production.



## ***DISCUSSION:***

**How can standard systems add value to the aspirations of the four key value chain constituents?**



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A. Consumers – quality-for-price; sustainable production



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D. Producer country governments – national income and growth, employment, and rural welfare

