

EUROPEAN COCOA ASSOCIATION aisbl

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COPAL 40th Anniversary - Abuja, Oct 14-16 - ECA/RAZ speech (prepared in situ)

Excellencies, Ministers,
Distinguished delegates,
Ladies & Gentlemen,

- First & foremost, may I join previous speakers
 - in congratulating the Producers Alliance on its 40th anniversary, and on its work and representation on the international scene,
 - but also in expressing our appreciation to COPAL for granting consumer representatives an important share of this programme, and more specifically
 - in thanking Mr Sona Ebai for extending an invitation to the European Cocoa Association to address this honourable international assembly.
 - Just as Phil Sigley, I am glad to be back in Nigeria, which I first visited... only 22 years ago, and to now discover its interesting capital.
- Being the third such European presenter this morning, and with Mr Sigley having already comprehensively covered a similar issue, I shall be brief and avoid repetition.
- A few introductory words, first, to remind you of **what exactly is ECA**, the European Cocoa Association, formed just over 2 years ago.
 - It regroups trade members, converters processing beans into semi-finished products, and logistic companies.
 - As such, it represents an important link within the international cocoa chain, between the origins, on one hand, and on the other the industrial customers of its members, i.e. primarily the chocolate industry.
 - Its members include companies such as - in alphabetical order! - ADM, ARMAJARO, the BARRY-CALLEBAUT group of companies, CARGILL, CONTINAF, CORNELDER, ECOM, ED&F MAN, SGS, UNICONTROL.
 - Our Board is composed of their CEOs, Managing Directors or Division Directors.
 - Most of our members are present in West Africa, but also in Latin America and Asia, where they often are major local investors in financial and manpower terms.
 - Together, they process around $\frac{3}{4}$ of the beans imported in Europe (in addition to processing plants in Cameroon, Côte d'Ivoire, Ghana and elsewhere), represent 40% of the world's processing, and 50% of industrial chocolate production.
 - Whereas the FCC has a broad representation, involving all parties to cocoa contracts, ECA, like CAOBISCO, the European confectionery association, has a focused membership. This is because one of its primary roles is one of lobbying, principally within the European Union.

- **ECA works closely with other European players:**
 - With the FCC, as for instance ECA originated endeavours to develop standard Products contracts (liquid butter, powder, etc.),
 - With CAOBISCO, we jointly sponsor the OTA research which Martin Gilmore described for you earlier - by the way, this is one form of political lobbying, benefiting hopefully the entire cocoa chain, as we are resisting the EU Commission's proposal for a limit which would hurt the chocolate and cocoa market.
 - ECA also enjoys an observer status at the ICCO, and participates in its quality working group.
- ECA has been very active on the matter of "child labour".
 - I sit on the Steering committee of the Global Issues Group (otherwise known as the GIG),
 - I am also a Board member, member of the Executive committee and Treasurer of the International Cocoa Initiative, the recently established Geneva-based foundation, where, as the only non-chocolate-brand industry representative, I represent the trade, logistics and processing sectors.
 - But first and foremost in this matter, the ECA members have funded 1/5 of the 2.5 million dollars spent this year on developing the successful response to primarily the media and the US legislators, to a threat to the entire cocoa chain.

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- These links with other associations, and with the global cocoa community at large, brings me now to the core part of this presentation, addressing **the matter of international cooperation, among cocoa stakeholders.**
- Mr Godwin Ukaa, a journalist from the Voice of Nigeria, asked me earlier what had to be done to improve international cooperation. I replied:
 - That more, than what is generally perceived by the outside world, has being ongoing for many years, in terms of research, sustainable development, etc., through the ICCO, the chocolate industry, trade and processors and their respective associations. But I then stated what is also needed is:
 - To abandon too frequent rhetoric, and take on a pragmatic and open approach, as non-political as possible.
 - To recognize and remember that cocoa is a global commodity, freely traded in open markets around the world.
 - To draw a list of priorities from private producers' organisations and from the consuming industry, and constructively look together at what each party can fairly ask of the other. One has to bear in mind the approach is not a one way exercise, but one of give and take.
- This echoes to some extent, I hope, Hope Sona Ebai's presentations to a Cocoa Forum earlier this year in London, and to our Members and guests, last month.
- The new International Cocoa Agreement calls for greater participation by, and consultation with the private sector. ECA's members will gladly be part of this effort.
 - To do so, we seek by preference representative counterparts, in the origin countries, within in the private sector.
 - But we do see the need, for both sides and all parties, to maintain an open communication flow, and a regular exchange of ideas, with all stakeholders. This is why I asked Hope Sona Ebai to share his views last month with 125 business leaders of the cocoa chain, from 21 countries, at a joint ECA/FCC Event in Strasburg, France. The topic? Exactly the same one.

- The Secretary General of COPAL stated "*An alliance is a means to progress, not an end in itself*". In line with this concept and our desire to maximise the links with origins, ECA's Board has invited both COPAL and the Ghana Cocoa Board to join ECA as Honorary Members, to help further this communication and dialogue process.
- *Dans le même ordre d'idées, nous avons des contacts réguliers avec les partenaires étatiques de la filière cacao. Et par exemple avec les jeunes ARCC et la BCC de Côte d'Ivoire. Nous avons récemment reçu une délégation de ces deux organismes, pour leur faire visiter les installations de stockage et manutention en vrac, auquel recourent nombre de pays exportateurs. En effet, nous évoquons régulièrement avec eux et le gouvernement ivoirien un des problèmes qui préoccupent particulièrement nos membres. A savoir le transport en vrac et big bags, transport auquel ils s'opposent, sous couvert d'un faux problème de qualité du produit.*

L'idée n'est pas nécessairement de partager le même avis, mais de dialoguer, de se comprendre pour arriver à s'entendre. Car l'évolution inéluctable du transport international de cacao, comme de tant d'autres produits, est en vrac, des pays producteurs vers les pays consommateurs, comme du transformateur vers le client industriel, pour le beurre liquide.

- *Nos membres, individuellement, ont mis en place leurs propres programmes de développement indigène, au sein des communautés locales où ils sont présents, en assistant dans la scolarité, l'hygiène publique, ou la création de coopératives, etc., par exemple au Cameroun, au Ghana, en Côte d'Ivoire ou ailleurs. ECA était présent, en leur nom notamment, aux conférences internationales sur la filière cacao, à Abidjan, en mai 2000, et à Yaoundé, l'année suivante, pour rencontrer les groupements de producteurs en formation.*
- Yes, Mr Sona Ebai, like you, our members do not want to be dinosaurs on the way to extinction. We recognize, as you said, that we are all in the same boat. You referred to the **Food of the gods**, but what you really referred to, was undoubtedly **Food for thought**.
- As the Brazilians say; "*Todo Ben*". Ladies and gentlemen, I thank you for your attention and wish this robust assembly a productive, "beanful" or rather fruitful meeting.