

Press release

EU Commission/FAO/ECA launch co-funded independent Comparative study on the distribution of value in European chocolate chains

Brussels, Tuesday, 30 June 2020

The European Commission Directorate General for International Cooperation and Development (DG DEVCO), the Food and Agriculture Organization of the United Nations (FAO) and the European Cocoa Association (ECA) organized a webinar on 30 June 2020 to launch the "Comparative study on the distribution of value in European chocolate chains" – independently conducted by LE BASIC consultancy agency. The study was funded by DG DEVCO, the FAO and the ECA.

The webinar was hosted by the Vice-President of the European Parliament, Ms. Heidi Hautala, and the welcoming remarks were made by Ms. Carla Montesi, Director at DG DEVCO, Mr. Mohamed Manssouri, Director at FAO Investment Centre and Mr. Harold Poelma, ECA Chairman. The event was attended by 200 participants and it welcomed the following speakers: H.E. Abou Dosso, Ambassador of Ivory Coast to Belgium, H.E. Sena Siaw-Boateng, Ambassador of Ghana to Belgium, H.E. Pablo Ortiz García, Ambassador of Ecuador to Belgium, Mr. Antonie Fountain, Managing Director of VOICE Network, Ms. Awa Traoré Bamba, Managing Director of Cooperative CAYAT, and Mr. Aldo Cristiano, Chairman of CAOBISCO.

This study investigates the French market of dark and milk chocolate tablets, as well as confectionery bars and breakfast cocoa powder sold in supermarket stores - made of cocoa beans grown in Côte d'Ivoire, Ghana, Ecuador, and Cameroon to provide better insight into the aggregate on value creation and cost along the various stages of the cocoa and chocolate chain.

It shows that differentiation in value creation and cost takes place mainly in the two last stages of the chain. Main factors linked to downstream differentiation are product brand and reputation, and market segmentation, as well as other less tangible consumer product attributes.

On the other hand, the research indicates that the value and costs associated with the stages from cocoa cultivation to chocolate couverture manufacturing are much more stable.

The research also shows that, within producing countries, the main differences in value and costs distribution stem from three principal factors: the type of regulation and the State's involvement in the sector; the agricultural practices impacting quality and productivity; and the evolution of cocoa world prices. Particularly in the cases of Côte d'Ivoire and Ghana, the study indicates that a key leverage lies in the guarantee of a homogeneous, stable and predictable quality of cocoa as well as the reliability of the supply.

Harold Poelma, ECA Chairman, said: "This study provides a better insight into the value distribution in the chocolate supply chain. It also confirms the need for all actors in the value chain to continue to support cocoa farmer incomes by supporting the professionalization of cocoa farming. This includes investments in crop and income diversification, sustainable intensification of cocoa farms, farmer entrepreneurship, infrastructure and rural development and access to basic services, such as education. Our commitment is to ensure that all actors of the supply chain, and in particular cocoa communities, receive equitable remuneration for their contributions and costs along the journey to produce a bar of chocolate. I expect this study will prove to be an important contribution to the current discussions on a sustainable cocoa sector between the European Institutions, cocoa origin countries, societal stakeholders, and industry".

Full report and the English and French versions of the Executive Summary will be available [here](#) as from 1 July

For more information, please contact Mrs. Catherine Entzminger, ECA Secretary General, catherine.entzminger@eurococoa.com, +32(2)6620006

The European Cocoa Association is a trade association that groups the major companies involved in the cocoa bean trade and processing, in warehousing and related logistical activities in Europe.

Together, ECA members represent 75% of EU cocoa beans grinding, 50% of Europe's industrial chocolate production and well over 40% of the world production of cocoa liquor, butter and powder.

On behalf of its members, ECA monitors and reports on developments impacting the cocoa sector, both at regulatory and scientific levels. In addition, ECA is actively engaged in European and International fora related to the industry's contribution to a sustainable cocoa economy.

More information can be found on the [ECA website](#).