



# *Connecting the dots:* Progress measurement in the cocoa sector

*Presentation by William Saab,  
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# An article is available explaining the main talking points of this presentation



## Connecting the dots: Progress measurement in the cocoa sector

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*Written with Eva Schouten*

### Reflecting on the 4th World Cocoa Conference in Berlin

The global cocoa sector agrees that there is a need for a more sustainable sector and that the sector faces critical and complex issues that we need to tackle collectively. This is the reason that 1,500 stakeholders, ranging from producers and producer organizations, civil society, private and public sectors of both origin and consuming countries, came together at the 4th World Cocoa Conference (WCC) in Berlin from 22-25 April. At this conference, I was asked to share recommendations in a plenary session on how the cocoa sector can start measuring progress towards becoming a more sustainable sector.

At the conference, I was inspired by honest and high-energy conversations. Various critical challenges of the sector were raised by different stakeholders, all with an interesting point of view. These topics included:

<https://www.linkedin.com/pulse/connecting-dots-progress-measurement-cocoa-sector-william-saab/>

# Agenda

- 1. Recap World Cocoa Conference**
2. The Global Cocoa Agenda Monitoring Framework
3. Berlin Declaration
4. Next Steps

# What was discussed at the World Cocoa Conference 2018?



**Living income**



**Diversification**



**Prices**



**Child labor**



**Productivity**



**Deforestation**



**Climate change**



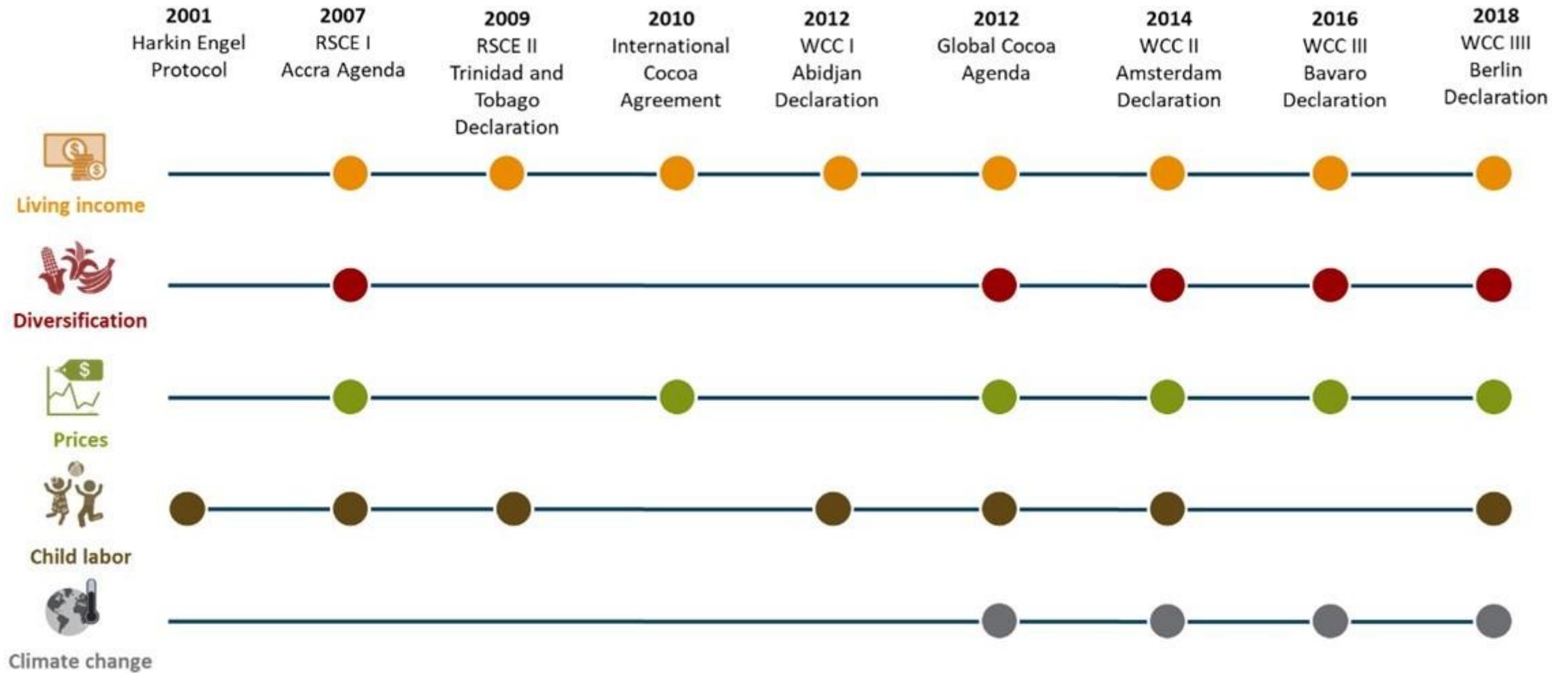
**Policy and  
coordination**

# Does this sound familiar?

“The central aim ... is to ensure that smallholder farmers earn a living income” – **Bavaro Declaration 2016**



# Does this sound familiar?



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# COCOA BINGO



Living income



Diversification



Productivity decline



Aging trees



Prices



Child labor



Deforestation



Climate change



Gender equality



Monitoring



Certification



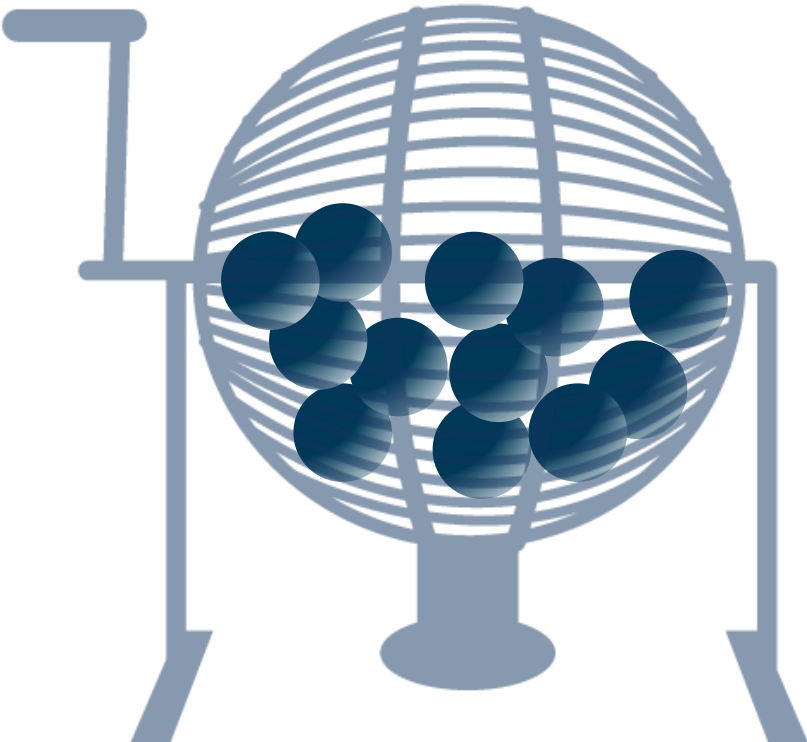
Farm finance



Livelihoods



Traceability



# Systemic solutions for systemic challenges

- 1** *What are we trying to achieve?*
- 2** *What is hindering the path to success?*
- 3** *How will we achieve this vision?*
- 4** *What are we going to do? And who will do what?*
- 5** *How will we measure progress?*
- 6** *How can we improve?*

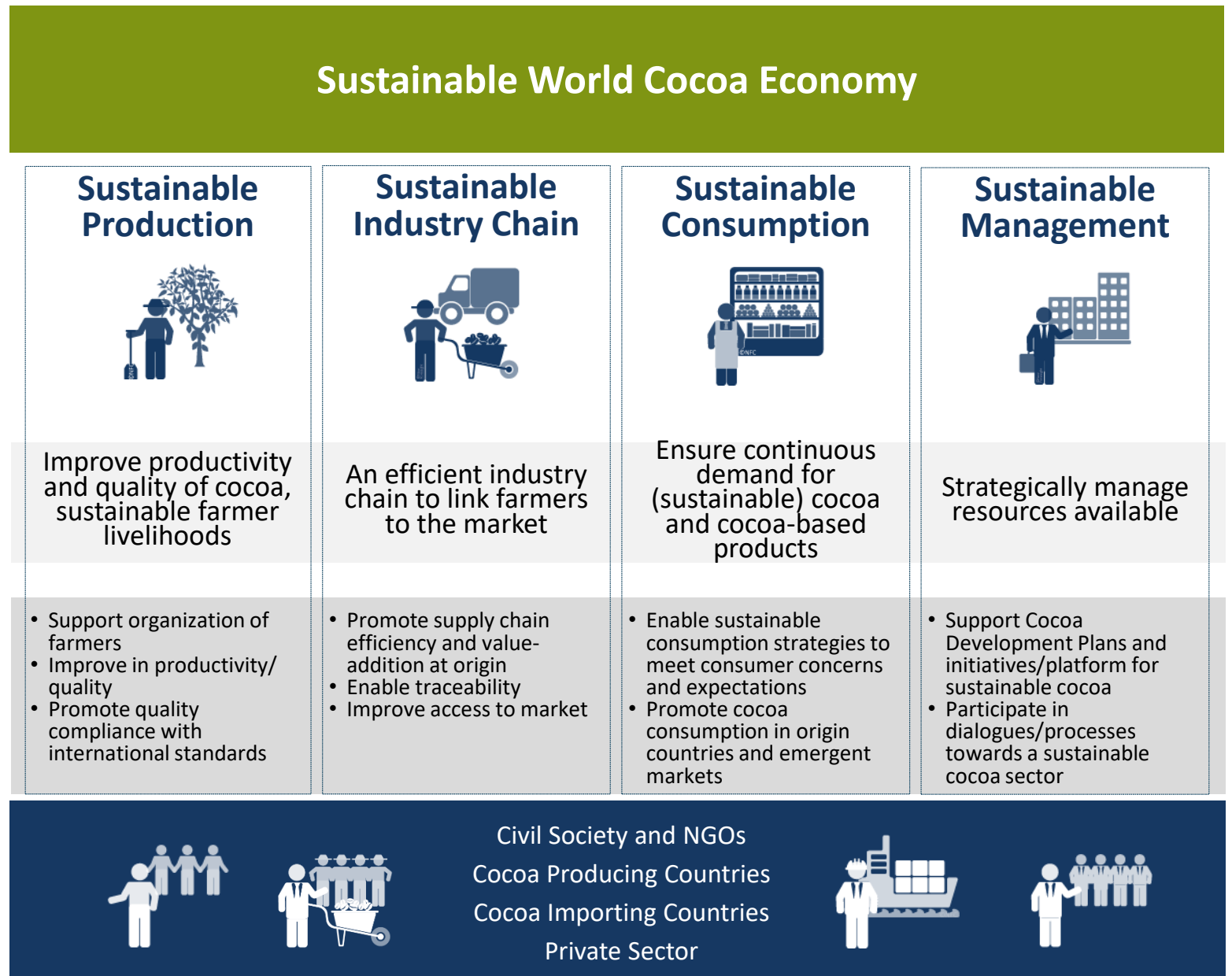


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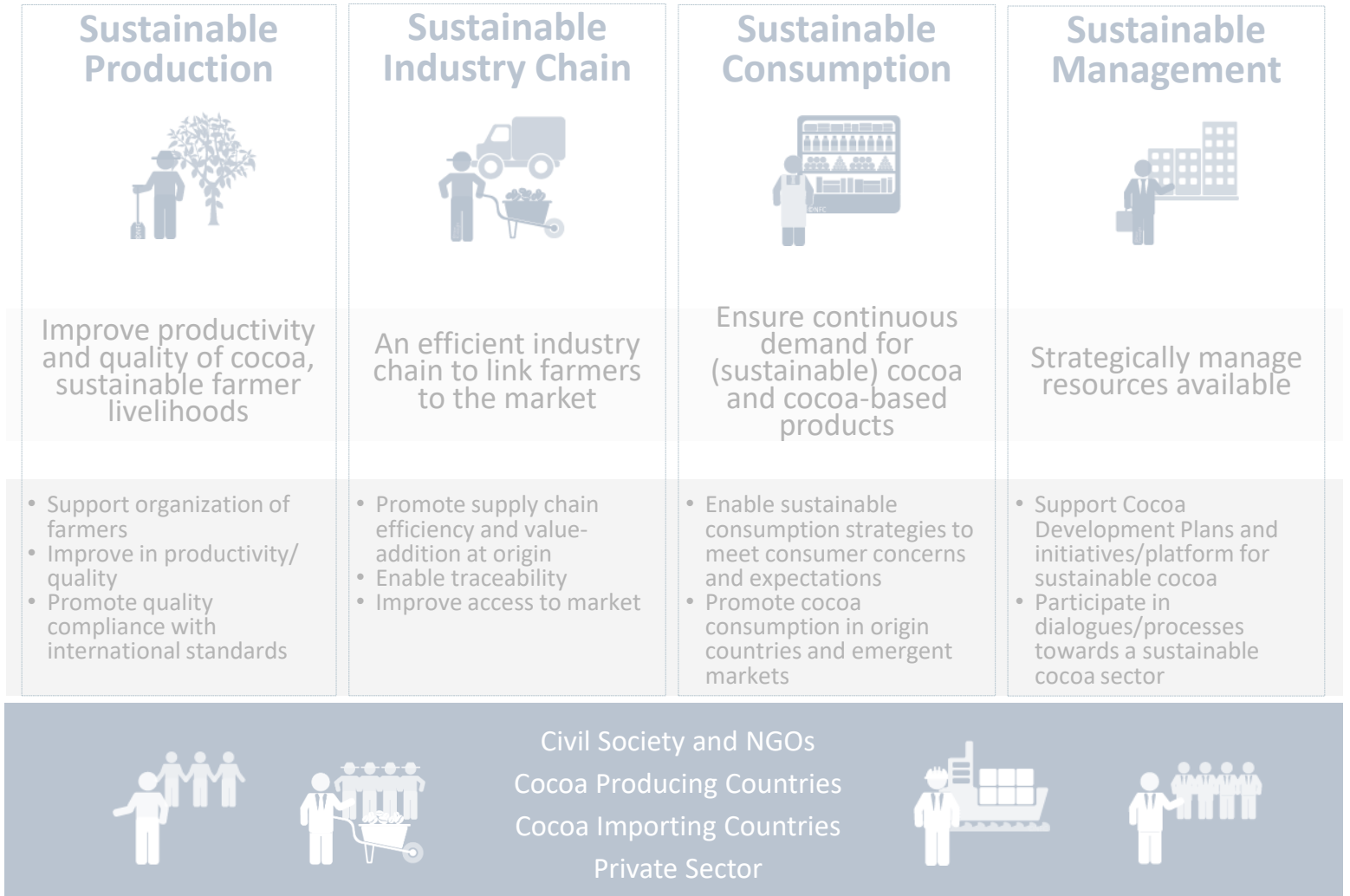
# The good news: we are already halfway there

- 1 *What are we trying to achieve?*
- 2 *What is hindering the path to success?*
- 3 *How will we achieve this vision?*
- 4 *What are we going to do? And who will do what?*



## Sustainable World Cocoa Economy

- *What are we trying to achieve?*
- *What is hindering the path to success?*
- *How will we achieve this vision?*
- *What are we going to do? And who will do what?*
- 5** *How can we assess progress?*
- 6** *How can we improve?*






# What are the main questions we want to answer



**1. What is the state of the cocoa sector?**

**Impact indicators**



**2. What are we doing? And is it working?**

**Action and commitment indicators**

# Global Cocoa Agenda Monitoring Framework



Global Cocoa Agenda Monitoring Framework | version 1.0 | February 2018

Summary list of indicators

Table 2. List of indicators

Level	Stakeholder	Challenge	Number	Name	Unit	Source	Type	Frequency
Impact	-	Sustainable production	1.1.1	Average productivity of cocoa farms*	MT/ha	Quarterly Bulletin of Cocoa Statistics	1	Biennially
Impact	-	Sustainable production	1.1.2	Total cocoa production*	MT	Quarterly Bulletin of Cocoa Statistics	1	Biennially
Impact	-	Sustainable production	1.1.3	Sustainable cocoa production**	MT	Fairtrade, Rainforest Alliance, UTZ Certified, individual companies' own progress reports, Cocoa Barometer	3	Biennially
Impact	-	Sustainable production	1.1.4	Contribution of cocoa sector to deforestation	%	ICCO, to be identified	4	Biennially
Impact	-	Sustainable production	1.1.5	Child Labor incidence in Cocoa Growing Communities	# children	US Department of Labor's annual Findings on the Worst Forms of Child Labor and national governments	4	Biennially
Impact	-	Sustainable industry chain	1.2.1	Poverty at Farm Level compared to World Bank poverty line*	\$ per day	Cocoa Barometer	4	Biennially
Impact	-	Sustainable industry chain	1.2.2	Volume of cocoa beans graded at origin*	MT	ICCO, Quarterly bulletin of Cocoa Statistics	1	Biennially
Impact	-	Sustainable industry chain	1.2.3	Farm Gate price as a percentage of the FOB price*	%	Data reported by producing countries	3	Biennially
Impact	-	Sustainable consumption	1.3.1	Total Cocoa Consumption*	MT	ICCO, Quarterly Bulletin of Cocoa Statistics	1	Biennially
Impact	-	Sustainable consumption	1.3.2	Global Production to Consumption Ratio	%	ICCO, Quarterly Bulletin of Cocoa Statistics	1	Biennially
Impact	-	Sustainable consumption	1.3.3	Total Sustainable Cocoa Consumption**	MT	Fairtrade, Rainforest Alliance, UTZ Certified, Cocoa Barometer	1	Biennially

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Global Cocoa Agenda Monitoring Framework | version 1.0 | February 2018

**1.1.2 Total Cocoa Production\***  
Unit of measure: MT

Measures the total volume of cocoa beans produced, disaggregated by country, in MT for any given cocoa year (1 October to 30 September).

**Relevance and additional information**  
Total cocoa production is an important measurement of the overall health of the world cocoa economy and the means to meet the growing global demand for cocoa and chocolate products (GCA, 1.2.2).

**Methods and Tools for Data Collection:**  
Based on data that ICCO collects through questionnaires and other official data sources, and reports on a quarterly basis in the Quarterly Bulletin of Cocoa Statistics.

**1.1.3 Sustainable Cocoa Production\*\***  
Unit of measure: MT

Measures total volume of sustainable cocoa beans produced globally MT for any given cocoa year (1 October to 30 September). Within this indicator, 3 sub-indicators are measured:

1.1.3.1 Global third party Voluntary Sustainability Standards (VSS) compliant production volumes in MT by the major Voluntary Sustainability Standards (VSS) in cocoa – Fairtrade, Organic, Rainforest Alliance, and UTZ

1.1.3.2 Volume of cocoa in MT produced by Industry signatories to GCA and certified under their in-house company sustainability programs





1.1.3.3 Volume of cocoa produced in line with CEN/ISO sustainability guidelines

**Relevance and additional information**  
Voluntary Sustainability Standards (VSS) are standards specifying sustainability requirements for entities to meet. VSSs can be developed by individual businesses, NGOs or governments, or through multi-stakeholder initiatives (such as CocoaAction). In recent years, several industry players have, either individually or as part of industry initiatives such as CocoaAction, established in-house sustainability programs to verify compliance with sustainability criteria. By monitoring the volumes of cocoa within these three schemes, the GCA Monitoring

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# GCA Impact Indicators

<i>Vision</i>	Sustainable Cocoa Economy			
<i>Challenges</i>	Sustainable Production 	Sustainable Industry Chain 	Sustainable Consumption 	Sustainable Management 
<i>Long-term Objectives</i>	<b>Improve productivity and quality of cocoa, sustainable farmer livelihoods</b>	<b>An efficient industry chain to link farmers to the market</b>	<b>Ensure continuous demand for (sustainable) cocoa and cocoa-based products</b>	<b>Strategically manage resources available</b>
1. Impact indicators	1.1.1 Average productivity of cocoa farms * 1.1.2 Total cocoa production * 1.1.3 Sustainable cocoa production** 1.1.4 Contribution of cocoa sector to deforestation 1.1.5 Child Labor Incidence in Cocoa Growing Communities	1.2.1 Poverty at Farm Level compared to World Bank poverty line* 1.2.2 Volume of cocoa beans grinded at origin* 1.2.3 Farm Gate price as a percentage of the FOB price*	1.3.1 Total Cocoa Consumption* 1.3.2 Global Production to Consumption Ratio	1.4.1 Percentage of GCA country signatories with National Cocoa Development Plan (NCDP) in place*



# GCA Action and commitment indicators

Vision	Sustainable Cocoa Economy			
Challenges	<p>Sustainable Production</p> 	<p>Sustainable Industry Chain</p> 	<p>Sustainable Consumption</p> 	<p>Sustainable Management</p> 
Long-term Objectives	<p><b>Improve productivity and quality of cocoa, sustainable farmer livelihoods</b></p>	<p><b>An efficient industry chain to link farmers to the market</b></p>	<p><b>Ensure continuous demand for (sustainable) cocoa and cocoa-based products</b></p>	<p><b>Strategically manage resources available</b></p>
2a. Civil Society	<p>2a.1.1 Number of farmers reached through all initiatives/ programs during the last year*</p> <p>2a.1.1.1 Number of farmers reached with training in all initiatives/programs during the last year*</p> <p>2a.1.1.2 Number of farmers reached with agricultural input provisions in all initiatives/programs during the last year*</p> <p>...</p>	<p>2a.2.1 Activities and advocacy efforts to improve sustainability of the cocoa sector</p>		<p>2a.4.1 Participation in PPPs and platforms in the cocoa sector</p>

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# The Berlin Declaration

## Sustainable World Cocoa Economy

### Sustainable Production



### Sustainable Industry Chain



### Sustainable Consumption



### Sustainable Management



### Recommendations

- Living income
- Right of women
- Environmental protection
- ...

- Traceability
- Transparency and accountability
- ...

- Origin and emerging markets
- SPS
- ...

- Producing countries coordination
- NCDPs
- Inventory, data
- ...

### Observations

- Challenges
- Root causes

- (Inter-)Dependencies
- Next steps

- Innovative ideas
- Key insights



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# What is next?

Ownership

Buy-in

Credible implementation

# Thank you!

creating  
**shared**  
opportunities



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