

Press release

9th General Meeting of the German Initiative on Sustainable Cocoa

German Initiative on Sustainable Cocoa: Holistic strategies required for lasting income increases in the cocoa sector

Berlin, 5 May 2021 – In their ninth General Meeting, the members of the German Initiative on Sustainable Cocoa (GISCO) underlined their joint commitment to contribute to achieving a living income for smallholder farmers in the cocoa sector. Chairman Wolf Kropp-Büttner emphasised the efforts made so far by business, politics and civil society as well as the cocoa-producing countries to increase incomes. However, it should also be borne in mind that "the one, all-encompassing solution does not exist, otherwise we would have found it already," Kropp-Büttner said. Hence, an interplay of strategies and reform processes as well as cooperation with other sectors is necessary.

In his video message, Federal Minister for Economic Cooperation and Development Dr Gerd Müller highlighted the success of GISCO during its now nine-year existence. However, most of the five million cocoa farmers still earn too little. "The pandemic exacerbates this situation extremely," the Minister said. In order to create just supply chains, it is therefore necessary to focus on four structural fields: Higher market prices and premiums for producers, diversification and increased value creation in the producing countries, uniform minimum standards and legal due diligence obligations as well as bilateral and multilateral development cooperation. The forthcoming due diligence obligations and the Living Income Differential initiated by the governments of Côte d'Ivoire and Ghana would provide a political thrust that must be used consistently.

"Our agriculture achieves a lot and must be adequately remunerated for its performance," emphasised the Federal Minister of Food and Agriculture, Julia Klöckner, in her welcome address. This must also apply to all cocoa farmers worldwide: "Just as we stand up for the farmers here in Germany, we also have an eye on those who work under much more difficult conditions," said Klöckner. In Côte d'Ivoire and Ghana, almost 95% of cocoa cultivation is carried out by smallholders and is often the only source of income for the family. "The German Initiative on Sustainable Cocoa, which was co-founded by our Federal Ministry, is working very concretely to improve the living conditions of the people on the ground." Germany is the initial purchaser of almost ten per cent of the world's cocoa harvest. "We must therefore be a role model in promoting sustainable cocoa cultivation," emphasised Federal Minister Klöckner and praised GISCO's efforts, including its PRO-PLANTEURS project in Côte d'Ivoire.

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Geschäftsstelle des Forum Nachhaltiger Kakao e.V.

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Beate Weiskopf, Executive Director of GISCO, introduced the strategic framework developed by the Alliance on Living Income in Cocoa (ALICO) to achieve living incomes in the cocoa sector: "The responsibility of our member companies to shape a sustainable supply chain, for which GISCO has developed concrete and detailed recommendations for action, must be complemented by transformation processes in the producer countries." Important reforms on forest conservation, agroforestry and cocoa traceability are already initiated or implemented by producer countries, often in close cooperation with the private sector, said Weiskopf. The increasing commitment at the EU level would lead to the expectation of coordinated support for these initiatives together with the member countries within the framework of bilateral and multilateral development cooperation.

In various keynote speeches, the members of GISCO then highlighted different strategies for increasing the incomes of smallholder cocoa farmers. Rosemarie Tanoé, Head of Gender Promotion, Certification and Sustainability Standards at the Conseil du Café-Cacao, presented the African Regional Standard on sustainable cocoa and its contribution to higher incomes, while also promoting support for its implementation. In addition, members discussed the Fairtrade strategy and the approach to achieving living incomes in the cocoa sector by the REWE Group. This was complemented by presentations from Cargill on payments for environmental services and from Rainforest Alliance on the landscape approach and income diversification. After the presentation and discussion of the different approaches, GISCO's members agreed that only a holistic approach that takes many different strategies into account can lead to long-term success.

Milestone: Joint monitoring launched

In close cooperation with the national platforms for sustainable cocoa in Europe (Beyond Chocolate, Dutch Initiative on Sustainable Cocoa, Swiss Platform for Sustainable Cocoa), the German Initiative on Sustainable Cocoa agreed to harmonise the indicators needed to measure the achievement of goals and to develop a joint monitoring system. The joint monitoring process will not only highlight successes in achieving a sustainable cocoa sector, but also which challenges need to be addressed more strongly.

Chairman Wolf Kropp-Büttner named the development of the monitoring system as a highlight of the last year of the association. "At the end of last year, we carried out our first pilot monitoring using a specially designed tool," said Kropp-Büttner. "I am particularly pleased that the second round is now being carried out together with Beyond Chocolate - the launch took place last week". In this way, GISCO is making an important contribution to more transparency in the cocoa sector and is thus taking another important step in the pursuit of its goals.

Farewell to the long-term Chairman of the Board

After seven years as Chairman of the Board of the German Initiative on Sustainable Cocoa, Wolf Kropp-Büttner will not stand for re-election as Chairman in June. Since the founding of the initiative in 2012, he has accompanied, helped shape and seen GISCO grow, and has held the chair since 2014. "We have been able to achieve visible successes and I am particularly pleased that during my term the foundation was laid for us to now also be able to measure this progress and make it visible," said Kropp-Büttner, looking forward to the new monitoring system. "The share of cocoa certified according to sustainability standards or independently verified in confectionery sold in Germany was 83% among our members in 2020. This represents an increase of almost ten percentage points compared to the previous year and it all looks like we will reach our target of 85% for 2025 sooner," he added during the General Meeting. At the same time, however, he stressed that the road to a sustainable cocoa sector is still long. Representatives from GISCO's board and the secretariat thanked Wolf Kropp-Büttner for the many years of trustful and constructive cooperation.



Caption: After seven years as Chairman of the Board of the German Initiative on Sustainable Cocoa, Wolf Kropp-Büttner will not stand for re-election as Chairman. At GISCO's 9th General Meeting, he was bid farewell by the participants with high appreciation and thanks.

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Background information

Excerpt from the objective (Objective 1): The members of the German Initiative on Sustainable Cocoa are committed to " improved farm-gate prices, minimum price and premium systems as well as other income-generating measures as contributions to a living income (1) of cocoa farming households." GISCO's twelve individual goals can be found [here](#).

(1) *Living income is "the net annual income required for a household in a particular place to afford a decent standard of living for all members of that household" (The Living Income Community of Practice, 2015).*

About the German Initiative on Sustainable Cocoa

The 'German Initiative on Sustainable Cocoa' (GISCO) is a joint initiative of the German government, civil society, industry and retail and brings together relevant actors from Germany with those from the producing countries and international initiatives. The aim of GISCO is to improve the living conditions of cocoa farmers, to conserve and preserve natural resources and biodiversity

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in the producing countries, and to increase the share of sustainably produced cocoa. The German Initiative on Sustainable Cocoa currently has 76 members and is open to other interested parties.

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