Connecting the dots: Progress measurement in the cocoa sector

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

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

- **Living income**
- **Diversification**
- **Prices**
- **Child labor**
- **Climate change**

Timeline:
- 2001: Harkin Engel Protocol
- 2007: RSCE I, Accra Agenda
- 2009: RSCE II, Trinidad and Tobago Declaration
- 2010: International Cocoa Agreement
- 2012: WCC I, Abidjan Declaration
- 2012: Global Cocoa Agenda
- 2014: WCC II, Amsterdam Declaration
- 2016: WCC III, Bavaro Declaration
- 2018: WCC IV, Berlin Declaration
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?
Agenda

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4. Next Steps
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

**Sustainable Production**
- Improve productivity and quality of cocoa, sustainable farmer livelihoods

**Sustainable Industry Chain**
- An efficient industry chain to link farmers to the market

**Sustainable Consumption**
- Ensure continuous demand for (sustainable) cocoa and cocoa-based products

**Sustainable Management**
- Strategically manage resources available

- **Civil Society and NGOs**
  - Cocoa Producing Countries
  - Cocoa Importing Countries
  - Private Sector

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## Sustainable World Cocoa Economy

<table>
<thead>
<tr>
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- **Sustainable Production**
  - Support organization of farmers
  - Improve in productivity/quality
  - Promote quality compliance with international standards

- **Sustainable Industry Chain**
  - Promote supply chain efficiency and value-addition at origin
  - Enable traceability
  - Improve access to market

- **Sustainable Consumption**
  - Enable sustainable consumption strategies to meet consumer concerns and expectations
  - Promote cocoa consumption in origin countries and emergent markets

- **Sustainable Management**
  - Support Cocoa Development Plans and initiatives/platform for sustainable cocoa
  - Participate in dialogues/processes towards a sustainable cocoa sector

### Stakeholders

- Civil Society and NGOs
- Cocoa Producing Countries
- Cocoa Importing Countries
- Private Sector

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## Questions

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

Impact indicators
Action and commitment indicators
Global Cocoa Agenda Monitoring Framework

Summary list of indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Methodology</th>
<th>Note</th>
<th>Unit</th>
<th>Data Source</th>
<th>Time</th>
<th>Evidence</th>
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<tr>
<td>Total cocoa production*</td>
<td>Unit of measure: MT</td>
<td>Measures the total volume of cocoa beans produced, disaggregated by country, in MT for any given cocoa year (1 October to 30 September).</td>
<td>MT</td>
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<td>1</td>
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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).

Methods and Tools for Data Collection
Based on data that ICO 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 industry sustainability standards (VSS) compliant production volumes in MT by the major voluntary sustainability standards (VSS) in cocoa: Fair Trade, 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 corporate sustainability programs.

1.1.3.3 Volume of cocoa produced in line with COCOA’s sustainability guidelines.

Relevance and additional information
Voluntary Sustainability Standards (VSS) are standards specifying sustainability requirements for farmers to meet. VSS can be developed by individual businesses, public or government, or through multi-stakeholder initiatives such as certification. In recent years, several industry players have, either individually or as part of industry initiatives such as collaborations, established in-house sustainability programs to verify compliance with sustainability criteria. By monitoring the volumes of cocoa within these three spheres, the GCA Monitoring (GCA, 1.2).
**Vision**
Sustainable Cocoa Economy

**Challenges**
- Sustainable Production
- Sustainable Industry Chain
- Sustainable Consumption
- Sustainable Management

**Long-term Objectives**

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<tr>
<th>1. Impact indicators</th>
<th>1.1.1 Average productivity of cocoa farms *</th>
<th>1.2.1 Poverty at Farm Level compared to World Bank poverty line*</th>
<th>1.3.1 Total Cocoa Consumption*</th>
<th>1.4.1 Percentage of GCA country signatories with National Cocoa Development Plan (NCDP) in place*</th>
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<tr>
<td>1.1.2 Total cocoa production *</td>
<td>1.2.2 Volume of cocoa beans grinded at origin*</td>
<td>1.3.2 Global Production to Consumption Ratio</td>
<td>1.3.1 Total Cocoa Consumption*</td>
<td>1.4.1 Percentage of GCA country signatories with National Cocoa Development Plan (NCDP) in place*</td>
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<td>1.1.3 Sustainable cocoa production**</td>
<td>1.2.3 Farm Gate price as a percentage of the FOB price*</td>
<td></td>
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<td>1.1.4 Contribution of cocoa sector to deforestation</td>
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<td>1.1.5 Child Labor Incidence in Cocoa Growing Communities</td>
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# GCA Action and commitment indicators

## Vision

**Sustainable Cocoa Economy**

## Challenges

- Sustainable Production
- Sustainable Industry Chain
- Sustainable Consumption
- Sustainable Management

## Long-term Objectives

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## 2a. Civil Society

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<tr>
<th>2a.1.1 Number of farmers reached through all initiatives/programs during the last year*</th>
<th>2a.2.1 Activities and advocacy efforts to improve sustainability of the cocoa sector</th>
<th>2a.4.1 Participation in PPPs and platforms in the cocoa sector</th>
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<tr>
<td>2a.1.1.1 Number of farmers reached with training in all initiatives/programs during the last year*</td>
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Agenda

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## The Berlin Declaration

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<td><img src="image" alt="Store" /></td>
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### 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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Agenda

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What is next?

- Ownership
- Buy-in
- Credible implementation
Thank you!