



Forum Nachhaltiger Kakao

German Initiative on Sustainable Cocoa

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Public Annual General Meeting

Moderation: Albert Eckert (denkmodell GmbH)

OPENING



Wolf Kropp-Büttner, Chairman of the German Initiative on Sustainable Cocoa, opened the annual general meeting and welcomed in particular Hans-Joachim Fuchtel, Parliamentary State Secretary to the Ministry of Food and Agriculture (BMEL), the guests invited, and the numerous members present. He thanked the Federal Ministry of Food and Agriculture (BMEL) for the hospitality and gave a special welcome to the newly joined members.

Wolf Kropp-Büttner underlined the importance of the topic of sustainability at this year's annual general meeting and also for the further strategic orientation of the German Initiative on Sustainable Cocoa (GISCO). Three central questions would be raised: What must be done to achieve sustainability in the cocoa sector? What can GISCO and its members contribute? How can progress be measured and made visible?

From the demand for sustainability in the cocoa sector arise the challenges of improving and stabilising the incomes of cocoa farmers at a higher level, abolishing abusive child labor and preventing further deforestation in the cocoa production regions and reversing previous deforestation. Above all, the role of GISCO is an intensified discussion of the topic of sustainability. This was started last year with the launch of the working group for sustainability. GISCO's task is also to promote dialogue between producing and consuming countries and between the various stakeholder groups in the cocoa sector – governments, industry, trade/retail and civil society. A strong political will is also required for this. An industry and a trade/retail are still needed that also implement social and environmental criteria in their economic activities and give these criteria the same status as economic criteria. It is the only way to achieve a truly sustainable sector in the long term. A strong International Cocoa Organization (ICCO) is needed, Kropp-Büttner said, who appealed to the Federal Government to work in the International Cocoa Council towards stable and efficient leadership and thus strengthening the ICCO. This will enable ICCO to perform their tasks, which are so important for progress, more efficiently and in a more targeted manner in the future.

Kropp-Büttner said that a successful year with many highlights ends for GISCO. The share of sustainably sourced cocoa in the confectionery sold in Germany increased up to 60 % regarding GISCO members (in comparison: total market: 55 %). This can be considered a great success as compared to international benchmarks. Furthermore, the signing of the Memorandum of Understanding with the Swiss Platform for Sustainable Cocoa laid the foundation of close cooperation. A first joint event at the 4th World Cocoa Conference in Berlin focused on the exchange with and between partner countries and was a great success. During the World Cocoa Conference, the numerous contributions of the GISCO members had helped to shape reporting at international level. The children of the students' initiative "Schokofair" also deserve recognition for their commitment.

Kropp-Büttner thanked the two ministries, Federal Ministry for Economic Cooperation and Development (BMZ) and Federal Ministry of Food and Agriculture (BMEL), which substantially support the work of GISCO, and the heads of the working groups, and handed over to the facilitator Albert Eckert.

WELCOME



In his welcoming address, **Hans-Joachim Fuchtel, Parliamentary State Secretary to the Ministry of Food and Agriculture (BMEL)**, emphasized the topicality of sustainability, especially with regard to the implementation of the Sustainable Development Goals (SDGs). In order to improve cocoa farmers' incomes and to eliminate child labor, it must be ensured that project funds actually reach the cocoa producers. Considering that, an association like the German Initiative on Sustainable

Cocoa is required that connects actors along the value chain and pools competencies.

Fuchtel said that the language of the Word Cocoa Conference was "clearer and more demanding" than before. The main problems of child labor and of environmental protection in the producing countries must also be tackled politically and together with the Federal Ministry for Economic Cooperation and Development (BMZ). At the same time, an efficient measurement of results must be in place and future results must also be better communicated to the outside world. All actors must pursue a common strategy that goes beyond political measures. Everyone should "take the opportunity to become a member of GISCO" in order to be part of this holistic strategy, Fuchtel concluded.

SUSTAINABILITY IN THE COCOA SECTOR

William Saab, NewForesight: Global Cocoa Agenda Monitoring Framework and the Berlin Declaration



William Saab works as senior consultant at NewForesight and leads the work in economic and quantitative analysis. He introduced the Global Cocoa Agenda Monitoring Framework developed by NewForesight. It should serve to make the aims for a sustainable cocoa sector tangible, mentioned among others in the Berlin Declaration of the 4th World Cocoa Conference, and to clearly show progress with the help of measurement.

Saab demonstrated that many topics and aims listed in the Berlin Declaration have been already present in earlier documents. A lot of progress has been made in the sector, Saab said. However, a coherent monitoring framework is missing. With the help of the framework progress could be measured and made visible and recommendations for a successful implementation of measures could be derived. Likewise, through such a common framework, opportunities for collaboration and coordination would be enhanced. In response to this challenge, he presented the "Global Cocoa Agenda Monitoring Framework" which is designed to "make the global cocoa agenda measurable" in order to achieve the goal of a sustainable world cocoa economy. The monitoring framework is composed of impact indicators that aim to answer the question *What is the state of the cocoa sector?* and of action and commitment indicators, aiming to give insights into the questions *What are we doing?* and *Is it working?* The latter have been developed specifically for each group of actors (incl. governments, private sector, civil society) in line with their responsibilities and commitments to a sustainable cocoa sector.

Saab concluded his presentation by naming three major challenges for the near future: The question of ownership and the consequently, the question of responsibility for the implementation of the monitoring framework. In addition, it is necessary to secure the buy-in from all requisite stakeholders, to ensure credibility of and participation in the monitoring. Furthermore, it is necessary to ensure a credible implementation of the monitoring framework without losing quality.

See [here](#) for the presentation by William Saab.

QUESTIONS – ANSWERS

The discussion that followed the presentation focused primarily on the question of ownership and who could take it over apart from the International Cocoa Organization (ICCO). Furthermore, it was made clear that the monitoring framework presented could be implemented with the help of already existing data, it is not necessary to collect new primary data.



STRATEGIES AND APPROACHES FROM DIFFERENT PERSPECTIVES

Anke Massart, Barry Callebaut: Progress and Monitoring – Forever Chocolate



Anke Massart, agricultural engineer and Business Development Manager – Sustainability (EMEA) at Barry Callebaut, presented the Monitoring Framework of Barry Callebaut which is part of Forever Chocolate, the comprehensive sustainability strategy of the company. Within this strategy, four major goals have been defined which are to be achieved by 2025: lifting more than 500,000 cocoa farmers out of poverty, eradicating child labor from the company's supply chain, being carbon and forest positive, having 100 % sustainable ingredients in all of the products.

According to Massart, Barry Callebaut conducted trainings for over 157,000 farmers during the last year which improved the productivity of the farmers by 23 %. 20,000 farmers were trained in child labor awareness and education measures were implemented. So far, 3 % of farmer groups Barry Callebaut directly sources from, have systems in place to prevent, monitor and remediate child labor. There are still big challenges in this area, Massart said. On the way to a positive CO₂ balance, it is particularly important to improve the company's ecological footprint in the areas of deforestation, dairy products and transport. Barry Callebaut, signatory to the Cocoa & Forests Initiative, is committed not to convert any forest land for cocoa production by 2025, not to directly source from protected forest areas, and to implement an action plan on alternative livelihoods for cocoa farmers in protected forest areas. The goal of 100 % sustainable ingredients in all products is approaching: 36 % of cocoa and 30 % other raw materials such as sugar, dairy and palm oil are sustainably sourced.

According to Massart, data is collected directly from smartphones via the Katchile project and other surveys to measure its progress towards its Forever Chocolate goals. Thus, comprehensive information on the economic and social situation of farmers, their production as well as their land and service use is available, and the progress and success of the implemented measures can be measured on this basis.

The company is testing its Theory of Change through five pilots in five countries aimed at simultaneously achieving the Forever Chocolate goals. The University of Wageningen (Netherlands) conducts accompanying studies on all pilot projects in order to scientifically verify the success of the measures, Massart said.

See [here](#) for the presentation by Anke Massart.

Dr. Marco Hartmann, German Corporation for International Cooperation (GIZ): Commitment of the German Government – Green Innovation Centre Cocoa in Côte d'Ivoire



Dr. Marco Hartmann, agricultural economist and head of the programme for sustainable supply chains and standards at the German Corporation for International Cooperation (GIZ), presented the country package “Sustainable and deforestation-free cocoa economy in Côte d'Ivoire” implemented as part of the GIZ global project Green Innovation Centres for the Agriculture and Food Sector (GIAE). As part of a global project, which has already been active in 13 other African countries and in India, the approach would be to promote the introduction and dissemination of innovations along the different agricultural

value chains together with local partners. Goals are: increasing incomes of smallholder farms, promoting employment – especially in processing –, regional food supply, strengthening of local markets and creating prospects for women and youths.

The focus of the Green Innovation Centre in Côte d'Ivoire should be on cocoa, while the global project works in various countries with around 20 different value chains. The background to this decision is, among other reasons, a visit to the project PRO-PLANTEURS of the German Initiative on Sustainable Cocoa by the German Development Minister Gerd Müller in March 2017. The new project is to be directly linked to PRO PLANTEURS and built on the experience of GISCO. "Without GISCO, the new project in Côte d'Ivoire would not exist," Hartmann said.

The Green Innovation Centre in Côte d'Ivoire has a comparatively high contract value of EUR 24 million and is expected to be implemented in partnership with the Ministry of Agriculture of Côte d'Ivoire (MINADER) from the third quarter of this year onwards. The Innovation Centre consists of five components; four, which would be implemented in Côte d'Ivoire (sustainable regions and deforestation-free cocoa production, diversification of cocoa-producing farms, local processing and marketing of cocoa products, reform of the cocoa sector), and one in Germany (international dialogue on sustainable cocoa).

This component offers great potential for cooperation with the German Initiative for Sustainable Cocoa. The aim is to promote the South-South and the North-South dialogue and exchange and to be in direct contact and exchange with PRO-PLANTEURS partners as well as GISCO members. By integrating GISCO into cooperation processes, international networks should be established and GISCO members should be involved in information campaigns on consumer information. And last, but not least, the exchange with GISCO at technical level, for example on deforestation and a living income is counted on. Therefore, GISCO is to become a member of the technical advisory group for steering the project in Germany and Côte d'Ivoire. “A good cooperation with GISCO is essential for a successful implementation of the project, and thus the implementation of the goals mentioned in the Berlin Declaration”, Hartmann said. A coordination meeting between the German Initiative on Sustainable Cocoa, the Federal Ministry for Economic Cooperation and Development (BMZ) and the GIZ should follow.

See [here](#) for the presentation by Dr. Marco Hartmann.

Dr. Jan Tolzmann, myclimate: Ecological Sustainability

Dr. Jan Tolzmann, corporate partnership manager at myclimate, presented ideas on the subject of ecological sustainability. As a consulting company, myclimate aims at effectively promoting climate protection together with partners. myclimate is guided by the Sustainable Development Goals (SDGs), which should be the basis of all sustainability initiatives, according to Tolzmann. It is important to understand the SDGs' basic principles, to set priorities within the SDGs, and to define specific goals and steps for action thereof. In this context, it is of particular importance to consider nature and biosphere as the basis for human coexistence and economic activity and to attach appropriate relevancy to it.



The clear orientation towards the SDGs would also result in central advantages for one's own company or organization. New products and services could be developed, new markets could be

entered, and political development could be influenced. Specific measures such as adaptation programmes, reforestation and the use of new technology, for example energy efficient cookers, could be implemented in one of the central themes for GISCO – namely deforestation. Tolzmann recommended to the German Initiative on Sustainable Cocoa a strong orientation towards the SDGs which is part of the discussion on sustainability; the dialogue with science could in turn pace the way for a sustainable cocoa supply chain.

See [here](#) for information on the approaches of myclimate.

WORLD CAFÉS

In World Cafés, participants had the opportunity to exchange ideas on three selected key topics: The **Berlin Declaration as a contribution to a sustainable cocoa sector**, **monitoring of sustainability initiatives**, and **ecological sustainability**. It was the aim of the World Cafés to identify challenges, develop possible solutions and derive specific action steps for the German Initiative on Sustainable Cocoa. The results were presented to the plenary.



Summary of the World Cafés

- **Berlin Declaration as a contribution to a sustainable cocoa sector**
Facilitator: Anna Hübler

“Business as usual in the cocoa sector is no longer an option. We have to break the mould.” Dr. Jean-Marc Anga, Executive Director of the International Cocoa Organization (ICCO), said in the keynote speech opening the fourth World Cocoa Conference in Berlin, April 2018. The Berlin Declaration is preceded by these words. The members dealt intensively with its contents and recommendations for action in the annex of the declaration, including important topics such as living income, joint responsibility of all actors involved, including cocoa farmers, and insufficient effects of voluntary self-commitments.

The members identified three main fields of action:

- Recommendation 7 and 8 “Sustainable Industry” – more transparency in the supply chain:
Here, GISCO could make an important contribution, as there is already a trusting cooperation. Networking with other actors along the supply chain would promote transparency.
- Recommendation 9 and 15 “Sustainable Consumption”:
Addressing consumers and educating them about sustainably produced cocoa could be done in close cooperation with schools and the media. In addition, measures such as the “2 Cent initiative” proposed by Schokofair and the feasibility of its implementation should be further discussed. The possibility of tax reduction or exemption for sustainable products could be an option to promote sustainable consumption. Active participation by the German Federal Government, the food trade/retail, sustainability organisations and the media is proposed.
- Recommendation 17 “Sustainable Management” – approaches with broadest possible impact:
In order to achieve greater impact, the large number of existing projects should be connected and the exchange of experience promoted. In this regard, a close exchange with the project work of the German Corporation for International Cooperation (GIZ) is desired.

See [here](#) for the complete text of the Berlin Declaration.

Monitoring of sustainability initiatives in the cocoa sector for greater impact orientation and transparency

Facilitator: William Saab

The members defined the main challenges and fields of action regarding a common sustainability monitoring in the cocoa sector. It is based on the implementation of a global monitoring system that integrates data and information from national systems and initiatives.

Main challenges and fields of action:

- Based on the Monitoring Framework ...
 - establish a coherent process,
 - define responsibilities,
 - develop and apply a coherent methodology or integrate different methods
 - promote the process together with ICCO as well as producing and consuming countries,
 - make use of national platforms and of partnerships with producing countries.

It would be important to integrate existing monitoring systems, to promote learning processes and to integrate actors. A major challenge is the credibility of data. It is an important requirement to deal with methodological questions in the pre-competitive area and to develop pre-competitive solutions.

GISCO is asked to drive the process forward in close coordination with the Swiss Platform.

- Small and medium-sized enterprises should be supported to set up a monitoring system. GISCO should contribute to transparency between members, make monitoring results accessible and also supply consumers with them.

Facilitator William Saab recommended to GISCO going beyond what others in the sector are willing to do and becoming a "cheerleader for more sustainability", who encourages others to participate.

- **Ecological sustainability in the cocoa supply chain**

Facilitator: Dr. Jan Tolzmann

Deforestation due to extensive cocoa cultivation, the use of environmentally harmful pesticides, the scarcity of water resources and the CO₂ emissions in the supply chain were identified as the most important challenges associated with ecological sustainability in the cocoa sector.

Fields of action:

- Deforestation in the cocoa supply chain: Economic actors cannot tackle the complex problem of deforestation in the producing countries alone; political actors in both consuming and producing countries must also be involved through the government dialogue.
- Within the context of sectorial strategies such as the Cocoa & Forests Initiative for Côte d'Ivoire and Ghana measures to protect forests and reforest degraded areas are to be supported. Furthermore, the training and support measures of the state advisory services and the projects must be directed towards intensive farm management, the promotion of agroforestry systems, and the omission to cultivate cocoa in monocultures.
- In order to keep cocoa cultivation effectively out of forest areas, long-term incentives are to be created along the supply chain that ensure that the individual actors remain loyal to the goals set.
- In order to achieve sustainable effects, consumers should also be well informed about approaches and achievements.
- The entire supply chain should focus more on sustainability, for example through careful management of water resources, environmentally friendly packaging of its products and reduction of CO₂ emissions throughout transport (raw materials, semi-finished and finished products).
- New BMZ project in Côte d'Ivoire: It will make an important contribution to the ecological sustainability of cocoa production in this country.



CLOSING WORDS

In her closing remarks, **Dr. Maria Flachsbarth, Parliamentary State Secretary to the Federal Ministry for Economic Cooperation and Development (BMZ)**, seized the motto of the fourth World Cocoa Conference: "A new vision for the cocoa sector". The motto must now be brought to life. Germany is a pioneer and has already achieved a lot, the German Initiative on Sustainable Cocoa is a "success story".

Nevertheless, the situation of cocoa farmers has not yet changed fundamentally. There are still poverty and child labor, partly due to the sharp drop in the world market price for cocoa last year. Specific measures and decisive intervention are necessary to make the cocoa sector a fair sector. Concrete points such as a fair income, more local added value, conservation of natural resources and an end to child labor are included in the Berlin Declaration. However, everyone must act in concert in order to achieve these goals together with the producing countries. Within the scope of the project PRO-PLANTERUS, there has already been a start. The project has begun to support cocoa farmers in evolving into entrepreneurs. The new Green Innovation Centre in Côte d'Ivoire also starts here. In this context, Flachsbarth encouraged all members to take part in GISCO's trip in November and to get an idea of the cultivation regions and the projects.



However, projects alone would not be sufficient; instead, private sector investments would also have to drive local value creation in the growing countries in order to combat poverty and child labor in cocoa production in the long term. Flachsbarth said: "The Federal Government explicitly supports you, the companies, in this regard." She is open to feedback from companies on the planned investment law. But it is also part of the whole truth that we "have to adjust to a higher cocoa price," Flachsbarth continued. Chocolate is not a "cheap product" but rather hard work and complex processing processes are behind every bar. It must be ensured that additional funds actually reach the producers.

Thanks to the German Initiative on Sustainable Cocoa, there is a platform that brings together all major players to tackle the problems in the cocoa sector together – at European and global level. The Federal Government wants to assume joint responsibility and "lead the Berlin Declaration to success together with GISCO," Flachsbarth concluded.

GISCO's Chairman, **Wolf Kropp-Büttner**, closed the public part of this annual general meeting and thanked all those present for their active participation. Kropp-Büttner said that the team wants to work together on the goals set and ensure that the work of the German Initiative on Sustainable Cocoa and its members is also noticed locally in the partner countries.



The presentations and further information are available on our website, see [here](#).
See [here](#) for the complete text of the Berlin Declaration.

All pictures: © Forum Nachhaltiger Kakao

Note:

The minutes of the internal meeting have been prepared and sent separately.

ANNEX: GRAPHIC RECORDING

