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PROBA 21 AGRI 423 DEVGEN 73 FORETS 149 WTO 72

NOTE

From:	European Commission
To:	Delegations
Subject:	Brussels Declaration on sustainable cocoa

Delegations will find attached the Brussels Declaration on Sustainable Cocoa of the 5th World Cocoa Conference, which took place on 21-24 April 2024 in Brussels, Belgium.

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FINAL DECLARATION

Context

- 1. This declaration, while not legally binding, articulates the aspirations of all stakeholders who have participated in the WCC5 to support efforts aimed at achieving a more sustainable global cocoa sector.
- 2. All stakeholders should seize the opportunity offered by the current situation of international prices to work together and adopt the clear goal that cocoa farmers achieve a living income.
- 3. This Declaration follows declarations of the Roundtables on a Sustainable Cocoa Economy (Accra 2007, Trinidad and Tobago 2009) and of the past four World Cocoa Conferences (Abidjan 2012, Amsterdam 2014, Bavaro 2016 and Berlin 2018) and taking stock of the progress and challenges of stakeholders in promoting a sustainable world cocoa economy.
- 4. These declarations encompassed every aspect of the cocoa economy and should have moved the sector in the right direction. However, the income of farmers still do not allow them to make a decent living and to invest in their farms, cocoa remains associated with deforestation, and child labour remains a persistent problem in the cocoa sector.
- 5. At the World Cocoa Conference 2018, stakeholders had already acknowledged that sustainability in the cocoa sector cannot be achieved without securing a living income, recognized as a human right.
- 6. It is of paramount importance to move beyond declarations, promises and commitments to deliver pragmatic solutions and tangible outcomes that effectively address the challenges of farmer poverty, deforestation, and child labour.
- 7. All stakeholders involved in the cocoa value chain should foster a spirit of collaboration and cooperation among themselves to support the achievement of the Global Cocoa Agenda's objectives.

Sustainable Development

8. Low farm gate prices, as well as fluctuating international prices, have a strong negative impact on farmers' incomes and livelihoods, and therefore pose a serious threat to sustainability. Furthermore, little accurate information is available to the farmers. Producing countries, buyers, and industry actors should promote transparency with regards to prices paid to farmers.

- 9. The private sector should ensure the establishment of purchasing practices that take into account the environmental and social costs of producing sustainable cocoa. The price paid to farmers should allow them to make a decent living, produce zero-deforestation cocoa and address child labour and exploitation. This must be done while bearing in mind recognized principles and applicable international labour standards and reflecting the "true cost" of sustainable cocoa production. Meanwhile, governments of both producing and consuming countries should improve the transparency and governance within the sector.
- 10. To further ensure transparency and accountability throughout the cocoa value chain, private sector actors should conduct independent verification of their sustainability claims.
- 11. Producing countries should ensure that capacity building programmes on good agricultural and handling practices are put in place to support cocoa farmers and promote sustainable production of cocoa.
- 12. Producing countries governments should create the conditions for farmers and farmer organizations to have access to finance, including micro-finance as an essential contribution to put in place a favourable ecosystem for the development of their businesses.
- 13. Producing countries government should provide farmers and their family members with adequate social protection services to guarantee them acceptable standards of living.
- 14. Consuming countries should enhance the sustainability of the cocoa sector by supporting capacity-building initiatives, facilitating financial inclusivity through mechanisms like microfinance, and ensuring the provision of social protection services for farmers and their families. The collaboration with producing countries is crucial in reinforcing the actions highlighted in points 11, 12, and 13 above, thereby contributing to the creation of a more sustainable and equitable cocoa sector for all stakeholders. Consuming countries should also promote sustainable consumption practices to further drive the demand for responsibly produced cocoa.
- 15. All stakeholders should support reforestation, afforestation, and agroforestry, to enhance forest carbon stocks and removals, and to strengthen the global response to climate change. This approach offers cocoa farmers the opportunity to provide ecosystem services for which they should receive compensations, including commensurate carbon credits.
- 16. All stakeholders should acknowledge the important role that women have always played in the cocoa production and marketing process and supporting the acquisition of the skills necessary for their inclusion in a sustainable value chain, thereby strengthening human equality. Women's equality should be worked for, both as a human rights issue, as well as an effective way to tackle the diverse challenges facing the sector.
- 17. Producing countries' governments should strive to improve the sector's attractiveness to enable generational renewal and attract a skilled workforce, ensuring rejuvenation and modernization of the cocoa sector.

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18. Producing countries highlighted the importance of sustainable cocoa cultivation for generating employment and economically viable entrepreneurship as a key strategy for policies aiming to substitute illicit crops.

Market Development

- 19. Consuming countries should promote market access and provide support, including financial assistance and capacity building, to cocoa producing countries to ensure compliance with food safety, environmental and human rights regulations.
- 20. Producing countries governments and private sector actors are encouraged to strive to meet the evolving demand for cocoa products through enhanced branding and the promotion of sustainable and ethical practices. This promotion should also emphasize the quality and flavour aspects as well as health and nutritional attributes of cocoa and products with high cocoa content.
- 21. Producing countries government should stimulate value addition through the promotion and development of cocoa-by products in cocoa producing countries aiming at diversifying small-scale cocoa farmers income and facilitating their integration into the value chain.

Governance, Management and the Functioning of Markets

- 22. Collaboration among all stakeholders should be strengthened to harmonize existing Monitoring and Evaluation Frameworks and better assess the sector performance.
- 23. Governments should collaborate to pass legislation on environmental and human rights due diligence of companies that recognises the interconnection between social, environmental, and economic aspects of sustainability and that recognises the importance of living income as a systemic driver for sustainable practices in the supply chain. All stakeholders should recognize that poverty is the root cause of unsustainable practices.
- 24. All governments should collaborate to effectively implement legislation on products linked to deforestation. Cooperation between consuming and producing country governments is essential to effectively tackle deforestation, and regional standards are important elements to reach zero-deforestation objectives. Measures taken to protect the environment should support market access for sustainable products.
- 25. All stakeholders should coordinate and scale up their actions to contribute to the elimination of child labour and exploitation (as defined by the International Labour Organization, ILO) recognising the role that living income for households plays in this regard and the need to establish systems allowing for the identification and remediation of child and forced labour.
- 26. All stakeholders should consider the necessary measures to ensure the predictability of cocoa prices in a way that benefits the cocoa sector throughout the value chain.

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- 27. Producing countries governments should put in place policies aiming at coordinating cocoa supply to maximize the economic, environmental and social benefits of cocoa stakeholders in producing countries.
- 28. All governments should promote regional commodity exchanges trading cocoa, as a way to enhance price discovery mechanism and farmers access to credit.
- 29. All governments should ensure that farmers have access to the necessary market information and that their representatives are involved in national and international decision-making process in the sector. This involvement should extend to legal decision-making, social dialogue, labour negotiations and rights, and discussions on market exchanges, all aimed at enhancing their bargaining power.
- 30. All stakeholders should strengthen their support to cocoa scientific research and development into sustainable production and consumption. Producing countries, with the assistance of consuming countries, should address issues related to cocoa pests and diseases that threaten the sustainability of the sector.
- 31. All Stakeholders should strive toward an equitable distribution of risk and rewards throughout the whole supply chain through purchasing practices that compensate farmers, through mechanisms guaranteeing a fair price, shielding them from risk, and ensuring that market actors are held accountable for adherence.
- 32. All governments should provide capacity building services, technical and financial assistance as required to support systems aiming to help smallholders in adapting to new regulations concerning trade or other matters. Private companies should continue or contribute to support these efforts.
- 33. All stakeholders should support the establishment of traceability systems that incorporate economic, environmental, and social traceability and that are independently audited, and regularly and transparently monitored. These traceability systems should be designed to provide a better negotiating platform between buyers and farmers, empowering them in the supply chain.
- 34. Companies and governments should ensure that, in conducting supply chain traceability, they provide farmers' organisations with access and ownership over the data that are being collected, when the data concerns members of the farmers' organisation in question.
- 35. The follow-up process of the Global Cocoa Agenda will cover the achievement of the new commitments undertaken in the present declaration.

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