



OVERVIEW OF BEYOND CHOCOLATE INDICATORS

For SMEs



In case of questions, please contact:

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Indicator	Question	Why this data is requested
Volumes MT-BE that you have bought. <ul style="list-style-type: none"> Find here the methodology to calculate MT-BE. 	Please specify the (estimated) volume of cocoa contained in the products that your company bought in the reporting year.	Beyond Chocolate is a market-based initiative. Members have committed to national targets and are therefore required to report on their progress per national market. The Beyond Chocolate scope includes all chocolate produced and/or sold in Belgium.
Volumes MT-BE contained in the end consumer products supplied to the Belgian consumer market. <ul style="list-style-type: none"> Find here the methodology to calculate MT-BE. 	Please specify the (estimated) volume of cocoa contained in the chocolate and other end consumer products that your company supplied to the Belgian market, as expressed in MT-BE (metric tons bean equivalents) for the reporting year.	
% of volumes sourced per <u>traceability level</u>. <ul style="list-style-type: none"> 1. Origin unknown 2. Country known 3. Cooperative known 4a. Farm known and having at least one coordination per farm (farm mapping) 4b. Farm known, having point coordinates and /or polygons for plots less than 4ha and polygon boundaries of the plots bigger than 4ha. 	Please select the "traceability level(s)" that were applicable to your organisation's supply chain for the reporting year.	Traceability is a means to an end, allowing to identify risk areas related to, amongst others, deforestation.
% of volumes <u>sourced directly</u>.	Please specify the share of cocoa sourced directly in the reporting year.	This indicator helps to assess the relationship between producers and the market.

Sourcing

Certification	<p>Volumes MT-BE <u>certified/independently verified</u> cocoa bought.</p> <ul style="list-style-type: none"> <i>UTZ / Rainforest Alliance, Fairtrade, Organic other than Naturland Fair, Naturland Fair, Company scheme, combination</i> 	<p>Please select the accepted certification standards or independently verified company schemes that are applicable to your organisation's supply chain for the reporting year.</p> <ul style="list-style-type: none"> (Subsequently, you will be asked to provide the corresponding volumes of cocoa, expressed in % of the total volumes bought for each of the selected certification standards or independently verified company schemes.) 	<p>Certification creates a structure and degree of traceability that allows for further improvements in the field of living income and deforestation. For the Beyond Chocolate partnership, full certification is put forward as an intermediate target (2025).</p>
	<p>Volumes MT-BE <u>certified/independently verified</u> cocoa supplied to the Belgian consumer market.</p> <ul style="list-style-type: none"> <i>UTZ / Rainforest Alliance, Fairtrade, Organic other than Naturland Fair, Naturland Fair, Company scheme, combination</i> 	<p>Please select the accepted certification standards or independently verified company schemes that are applicable to your organisation's supply chain for the reporting year.</p> <ul style="list-style-type: none"> (Subsequently, you will be asked to provide the corresponding volumes of cocoa, expressed in % of the total volumes supplied to the Belgian consumer market for each of the selected certification standards or independently verified company schemes.) 	<p>Certification creates a structure and degree of traceability that allows for further improvements in the field of living income and deforestation. For the Beyond Chocolate partnership, full certification is put forward as an intermediate target (2025).</p>
Living Income	<p>Living Income gaps in supply chain.</p>	<p>Do you have a view of Living Income Gaps in your supply chain? If yes, please elaborate.</p>	<p>Closing the Living Income gap is the 2030 target of Beyond Chocolate This indicator helps the Beyond Chocolate secretariat to get a better understanding of where SMEs are in their living income knowledge and strategy, thus allowing to develop appropriate living income guidance.</p>
	<p>MT-BE for which the <u>Living Income Reference Price (LIRP) is paid.</u></p> <ul style="list-style-type: none"> Disaggregation for Ghana and Côte d'Ivoire <ul style="list-style-type: none"> Ghana: 16.50 GHC / 2.12 USD per kg Côte d'Ivoire: 1.602 CFA / 2.39 USD per kg 	<p>Please specify the volume of MT-BE within your supply chain for which your company is paying the Living Income Reference Price (LIRP)?</p>	<p>Paying the Living Income Reference Price (LIRP) is a means to increase farmer incomes and increase farmers' resilience in times of price fluctuations.</p>

Definitions & Methodologies

Certified or independently verified cocoa:

- Cocoa produced in compliance with the requirements of accepted certification standards or independently verified company schemes on sustainable cocoa. The list of accepted certification standards and independently verified company schemes currently comprises the following:
 1. UTZ / Rainforest Alliance
 2. Fairtrade
 3. Organic other than Naturland Fair
 4. Naturland Fair
 5. Company program, please specify
 6. Combination of multiple certifications

Remark: If the corresponding sourcing information cannot be disaggregated per destination (national markets in Europe), please apply the % of your organisation's global sourcing that meets the certified or independently verified cocoa requirements.

Cocoa traceability levels

- The cocoa traceability level concerns the level of information on the origin of cocoa being documented at the initial stage of the cocoa sourcing process, with such information remaining available at later stages of the value chain. The cocoa traceability level does not require segregation but can be applied also with a mass balance mechanism. Distinction is made between the following traceability levels:
 1. Origin unknown, expressed in % of the total volume supplied/ processed.
 2. Country known, expressed in % of the total volume supplied/ processed.
 3. Cooperative known, expressed in % of the total volume supplied/ processed.
 - 4a. Farm known and having at least one coordination per farm (farm mapping), expressed in % of the total volume supplied/ processed.
 - 4b. Farm known, having point coordinates and /or polygons for plots less than 4ha and polygon boundaries of the plots bigger than 4ha, expressed in % of the total volume supplied/ processed.

Direct Sourcing

For cocoa to be categorized as “cocoa sourced through a direct supply chain”, there shall be a relatively stable partnership and collaboration, in which the individual cocoa farmers / farming families are known (registered). Such partnership and collaboration may cover issues such as price, quality, good agricultural practices, social, human rights and environmental issues, certification requirements, etc. This partnership and collaboration between the ISCO cocoa sourcing company and the producers (cocoa farming households) may be conducted through cooperatives, farmer organisations and / or other intermediaries embedded within the direct supply chain.

Living income benchmarks

- Please refer to the [LICOP website](#) for an overview of living income benchmarks and studies. If there is no benchmark available for the region you are working in, please consult the [LICOP FAQ living income benchmarks](#) which provides guidance for using alternatives when there is no benchmark available.

Living Income Reference Price

- A Living Income Reference Price indicates the price needed for an average farmer household with a viable farm size and an adequate productivity level to make a living income from the sales of their crop. It can be calculated with the formula:

$$\text{Living Income Reference Price (LIRP)} = \text{Cost of decent living} + \text{cost of sustainable production} / \text{viable land area} * \text{sustainable yields}$$

For Fairtrade the current LIRP (2022) at farmgate is:

Ghana: 16.50 GHC / 2.12 USD per kg

Côte d'Ivoire: 1.602 CFA / 2.39 USD per kg

Living Income Strategy

- A living income strategy is a strategy with the explicit goal to enable cocoa farming households to earn a living income. A living income strategy includes a monitoring and learning component.
A living income strategy uses a combination, or “smart-mix” of strategies that target multiple income drivers. Multiple income drivers* are being assessed strategically for the purpose of closing the living income gap**. The interventions for each driver depend on the current situation of those drivers and to what extent addressing these drivers can help close the living income gap among different segments and profiles of farmers.

Strategies that can improve income drivers go beyond addressing changes in the farm system and household behaviour. These strategies include improved procurement practices. They range from service delivery for improved production and processing, to brand and consumer engagement, and to improving the enabling environment.

A living income strategy goes beyond income generating activities (IGAs) that don't have the explicit aim of closing living income gaps.

*land size, yield, price, cost of production, diversified incomes

**the difference between the actual household income and the existing living income benchmark

Methodology to calculate MT-BE:

- Conversion to MT-BE, of cocoa sourced in different forms, is to be done using the ICCO conversion factors, being: 1,33 for cocoa butter (1804); 1,25 for cocoa paste/liquor (18031); and 1,18 for cocoa powder and cake (1805, 18032). With respect to the MT-BE of cocoa contained in consumer end products supplied to the national market in Europe, reporting is to be done by the consumer brands. For their own labels (brands), retailers are expected to report in the same way as the consumer brands. Of course, where required, these brands / retailers will rely on the corresponding information obtained from their suppliers.