

Beyond Chocolate

# Annual Report

# 2022





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# Summary

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## About Beyond Chocolate

Beyond Chocolate is the Belgian multi-stakeholder initiative for a sustainable chocolate industry. The partnership, bringing together a wide coalition of organizations, is funded by Belgian Development Cooperation and managed by IDH, The Sustainable Trade Initiative. Partners in the initiative are working to make long-lasting improvements to the living conditions of cocoa farmers and their families in the cocoa growing regions that are relevant to the Belgian industry. The partnership intends to support cocoa growing communities in their development, ensure access to education for their children, and promote the sustainable use of natural resources.





# COMMITMENTS

Concretely, the partnership's commitments are the following:



## By 2025 at the latest

- ✓ All the chocolate produced and/or sold in Belgium shall comply with a relevant certification standards and/ corporate sustainability scheme.
- ✓ Beyond Chocolate partners shall comply with applicable agreements between governments and companies in the regions included in the Cocoa & Forests Initiative.

## By 2030 at the latest

- ✓ Cocoa growers supplying to the Belgian market will earn at least a living income.
- ✓ Deforestation due to cocoa growing for the Belgian chocolate sector has ended.

# VISION

Beyond Chocolate creates an enabling environment that empowers all stakeholders to take additional action towards a more sustainable cocoa value chain. Collaborative action and the sharing of responsibility across the public and private sectors will increase the impact of the partnership's joint effort, fostering synergies that go beyond the sum of individual contributions.





# 2022 MONITORING RESULTS

Beyond Chocolate partners are reporting annually on their progress vis-à-vis the partnership's goals. The 2022 reporting shows that:



**The Beyond Chocolate partnership is on track to reaching its 2025 objective for the Belgian consumer market but is not progressing fast enough for the export market.**

In 2022, 90% of the chocolate sold in Belgium (B2C) by signatories was certified/covered by a company scheme, a 14% increase compared to the previous year. For the chocolate produced in Belgium (B2B) – thus also covering chocolate made in Belgium but exported abroad - 68% was certified/covered by a company scheme, a 3% increase compared to the previous year.

Efforts need to accelerate for the partnership to ensure that next to chocolate sold and consumed in Belgium, all chocolate produced in Belgium is also certified/covered by a company scheme by 2025, with particular attention for the chocolate destined for export.



**While on the market level there is clearly a shift towards more investments in sustainability, the impact generated at farmer level remains limited.**

In general, partners are struggling to collect impact level data on Beyond Chocolate's key challenges, in particular when it comes to measuring farmers' incomes and living income gap closure. External resources reveal that poverty and deforestation have hardly decreased in the past years. Collecting reliable data on income gaps, deforestation-free cocoa and child labor cases identified and remediated will be crucial to ensure credibility of the partnership.



**There is a positive evolution in the Belgian market to towards more traceability.**

The share of volumes with farm known (whether this is through coordinates or polygons) has increased significantly from 37% in 2021 to 47% in 2022. This is important since knowing where cocoa comes from and understanding the context of farmers is a prerequisite to generating and measuring impact. This also shows partners are preparing for the EU Deforestation Regulation which requires full traceability to farm level.

# THE BEYOND CHOCOLATE CO-FINANCING FUND

Under Beyond Chocolate a co-financing fund of 2 million euros was made available by Belgian Development Cooperation for sustainability projects in cocoa. This fund is an engine for change, allowing to test scalable high impact models, triggering investments for sustainable

production, and bringing new sustainable products to the Belgian market. 8 sustainability projects were approved for co-financing, of which 3 ended by early 2023. The following main learnings can be drawn from these projects.



**Price and quality premiums have proven to be key drivers of household income** within the sphere of control of project partners. One project implemented in Côte d'Ivoire which paid the Living Income Reference Price through a combination of premiums saw an increase in revenue from cocoa with 38% from this intervention alone. A major challenge to close living income gaps which is not necessarily within the sphere of control of project partners are small land sizes.



Many farmers in West Africa do not have security on the tenure of land. Farmers without land rights are less inclined to make substantial investments in their farms in the long term. Negotiating with local authorities and tenant farmer associations to **ensure farmers receive land use documentation is crucial to protect farmers and to support them to participate in income generating activities.**



Farmers are reluctant to participate in projects that require increased investments and capacity without offering immediate return on investment. **Higher prices, long term contracts, incentive payments and labor support are powerful interventions to support and incentivize farmers.**





# Summary French

## A propos de Beyond Chocolate

Beyond Chocolate est l'initiative belge multi-acteurs pour un secteur du chocolat durable. Ce partenariat, qui rassemble une large coalition d'organisations, est financé par la Coopération belge au développement et facilité par IDH, The Sustainable Trade Initiative. Les partenaires de l'initiative s'efforcent d'améliorer durablement les conditions de vie des producteurs de cacao et de leurs familles dans les régions cacaoyères concernées par l'industrie belge. Le partenariat entend accompagner les communautés productrices de cacao dans leur développement, garantir l'accès à l'éducation de leurs enfants et promouvoir l'utilisation durable des ressources naturelles.





# ENGAGEMENTS

Concrètement, les engagements du partenariat sont les suivants :



## D'ici 2025 au plus tard

- ✓ Tout le chocolat produit et/ou vendu en Belgique doit être conforme à des normes de certification et/ou être couvert par un programme de durabilité d'entreprise.
- ✓ Les partenaires de Beyond Chocolate respectent les accords applicables entre les gouvernements et les entreprises dans les régions couverts par l'initiative Cacao et Forêts.

## D'ici 2030 au plus tard

- ✓ Les producteurs de cacao qui approvisionnent le marché belge gagnent au moins un revenu vital.
- ✓ La déforestation due à la culture du cacao pour le secteur du chocolat belge a pris fin.

# VISION

Beyond Chocolate crée un environnement favorable qui permet à toutes les parties prenantes, de prendre des mesures supplémentaires en faveur d'une chaîne de valeur du cacao plus durable. L'action collaborative et le partage des responsabilités entre les secteurs public et privé augmenteront l'impact de l'effort conjoint du partenariat, en favorisant des synergies qui vont au-delà de la somme des contributions individuelles.





# RÉSULTATS 2022

Les partenaires de Beyond Chocolate rendent compte chaque année de leurs progrès par rapport aux objectifs du partenariat. Le rapport 2022 montre que :



**Le partenariat Beyond Chocolate est en bonne voie pour atteindre son objectif de 2025 pour le marché de consommation belge, mais ne progresse pas assez vite pour le marché de l'exportation.**

En 2022, 90 % du chocolat vendu en Belgique (B2C) par les signataires était certifié/couvert par un programme de durabilité d'entreprise, soit une augmentation de 14 % par rapport à l'année précédente. Pour le chocolat produit en Belgique (B2B) - couvrant ainsi également le chocolat fabriqué en Belgique mais exporté à l'étranger. - 68 % était certifié/couvert par un programme de durabilité d'entreprise, soit une augmentation de 3 % par rapport à l'année précédente. Les efforts doivent s'accélérer pour que le partenariat garantisse qu'en plus du chocolat vendu et consommé en Belgique, tout le chocolat produit en Belgique soit également certifié/couvert par un programme de durabilité d'entreprise d'ici 2025, avec une attention particulière pour le chocolat destiné à l'exportation.



**Lors qu'au niveau du marché, on observe clairement une évolution vers davantage d'investissements dans la durabilité, l'impact généré au niveau des agriculteurs reste limité.**

En général, les partenaires ont du mal à recueillir des données sur l'impact des principaux défis de Beyond Chocolate, en particulier lorsqu'il s'agit de mesurer les revenus des agriculteurs et de combler l'écart du revenu vital. Les ressources externes révèlent que la pauvreté et la déforestation ont à peine diminué au cours des dernières années. La collecte de données fiables sur les écarts de revenus, le cacao sans déforestation et les cas de travail des enfants identifiés et traités sera cruciale pour garantir la crédibilité du partenariat.



**Le marché belge évolue positivement vers une plus grande traçabilité.**

La part des volumes dont l'exploitation est connue (que ce soit par des coordonnées ou des polygones) a augmenté de manière significative, passant de 37 % en 2021 à 47 % en 2022. Ceci est important car connaître l'origine du cacao et comprendre le contexte des agriculteurs sont des conditions préalables pour générer et mesurer l'impact. Cela montre également que les partenaires se préparent au règlement de l'UE sur la déforestation, qui exige une traçabilité complète au niveau de l'exploitation.

# LE FONDS DE COFINANCEMENT BEYOND CHOCOLATE

Dans le cadre de Beyond Chocolate, un fonds de cofinancement de 2 millions d'euros a été mis à disposition par la Coopération belge au Développement pour des projets de durabilité dans le domaine du cacao. Ce fonds est un moteur de changement, permettant de tester des modèles à fort impact, de débloquer

des investissements supplémentaires pour une production durable et de mettre de nouveaux produits durables sur le marché belge. Huit projets ont été approuvés pour le co-financement dont 3 sont finalisés en début 2023. Les principaux enseignements suivants peuvent être tirés des projets finalisés à ce jour :



**Les primes de prix et de qualité se sont des moteurs essentiels du revenu des ménages** dans la sphère de contrôle des partenaires du projet. Un projet mis en œuvre en Côte d'Ivoire, qui a payé le Living Income Reference Price (LIRP) par le biais d'une combinaison de primes, a vu une augmentation des revenus du cacao de 38 % grâce à cette seule intervention. La petite taille des terres constitue un obstacle majeur à la réduction des écarts de revenu vital, qui est encore plus éloigné de la sphère de contrôle des partenaires du projet.



De nombreux agriculteurs d'Afrique de l'Ouest ne bénéficient pas de la sécurité foncière. Les agriculteurs sans droits fonciers sont moins enclins à faire des investissements substantiels dans leurs fermes à long terme. Il est essentiel de négocier avec les autorités locales et les associations de métayers pour **s'assurer que les agriculteurs reçoivent des documents sur l'utilisation des terres afin de les protéger et de les aider à mettre en œuvre des interventions visant à assurer un vital.**



Les agriculteurs sont réticents à participer à des projets qui nécessitent des investissements et des capacités accrues sans offrir un retour sur investissement immédiat. Des prix plus élevés, des contrats à long terme, **des primes d'encouragement et une aide à la main-d'œuvre sont des moyens puissants de soutenir et d'encourager les agriculteurs.**





# Summary Dutch

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## Over Beyond Chocolate

Beyond Chocolate is het Belgische multistakeholderinitiatief voor een duurzame chocolade sector. Het partnerschap wordt gefinancierd door de Belgische Ontwikkelingssamenwerking en gecoördineerd door IDH, The Sustainable Trade Initiative. Partners in het initiatief werken aan een duurzame verbetering van de levensomstandigheden van cacao boeren en hun families in de regio's die relevant zijn voor de Belgische markt. Het partnerschap wil de cacaotelende gemeenschappen steunen in hun economische ontwikkeling, hun kinderen toegang geven tot onderwijs en het duurzame gebruik van natuurlijke hulpbronnen bevorderen.





# ENGAGEMENTEN

Concreet zijn de doelstellingen van het partnerschap de volgende:



## Ten laatste tegen 2025

- ✓ Zal alle chocolade die in België geproduceerd en/of verkocht wordt voldoen aan relevante certificeringsnormen en/of vallen onder bedrijfseigen duurzaamheidsprogramma's.
- ✓ Zullen de partners van Beyond Chocolate de overeenkomsten tussen overheden en bedrijven in de regio's van het Cocoa & Forests Initiative (CFI) naleven.

## Ten laatste tegen 2030

- ✓ Zullen cacaoboeren die leveren aan de Belgische markt een leefbaar inkomen bereiken.
- ✓ Is er een einde gekomen aan ontbossing ten gevolge van de cacaoteelt voor de Belgische chocoladesector.

# VISIE

Beyond Chocolate zorgt ervoor dat partners binnen hun unieke positie in de waardeketen in staat zijn de nodige actie te ondernemen voor een meer duurzame waardeketen. Door samen te werken en de verantwoordelijkheid te delen tussen de publieke en private sector zal de impact van de gezamenlijke inspanningen sterker worden en zullen synergieën ontstaan die verder gaan dan de som van de individuele bijdragen.





# 2022 RESULTATEN

De partners van Beyond Chocolate rapporteren jaarlijks over hun vooruitgang ten opzichte van de doelstellingen van het partnerschap. Uit de rapportage voor 2022 kunnen de volgende conclusies getrokken worden:



**Het Beyond Chocolate partnerschap is goed op weg om zijn 2025 doelstelling voor de Belgische consumptiemarkt te bereiken, maar vordert momenteel niet snel genoeg wat betreft de exportmarkt.**

In 2022 is 90% van de chocolade die in België werd verkocht door ondertekenaars (B2C) gecertificeerd en/of gedekt door een bedrijfseigen duurzaamheidsprogramma, een stijging van 14% ten opzichte van vorig jaar. Voor de in België geproduceerde chocolade (B2B) - dus ook chocolade die in België werd gemaakt maar naar het buitenland werd geëxporteerd - is 68% gecertificeerd/ gedekt door een bedrijfseigen duurzaamheidsprogramma, een stijging van 3% ten opzichte van vorig jaar.

De inspanningen van het partnerschap moeten opgevoerd worden om ervoor te zorgen dat naast de chocolade die in België wordt verkocht en geconsumeerd, alle chocolade die in België wordt geproduceerd tegen 2025 ook gecertificeerd en/of gedekt is door een bedrijfseigen duurzaamheidsprogramma, met bijzondere aandacht voor chocolade bestemd voor de export.



**Hoewel er op marktniveau duidelijk steeds meer wordt geïnvesteerd in duurzaamheid blijft de impact op het niveau van de boeren beperkt.**

In het algemeen blijft het een uitdaging voor partners om data op impactniveau te verzamelen, in het bijzonder als het gaat om het meten van de inkomens van boeren en vooruitgang richting het dichteren van de living income gap. Uit externe bronnen blijkt dat armoede en ontbossing de afgelopen jaren nauwelijks zijn afgenomen. Het verzamelen van betrouwbare data over inkomens, ontbossingsvrije cacao en gevallen van kinderarbeid is cruciaal om de geloofwaardigheid van het partnerschap te garanderen.



**Er is een positieve evolutie op de Belgische markt richting meer traceerbaarheid.**

Het aandeel cacao volumes dat te traceren is tot op boerderijniveau (via coördinaten of polygonen) is aanzienlijk gestegen van 37% in 2021 naar 47% in 2022. Weten waar cacao vandaan komt en de context van boeren begrijpen is een eerste vereiste om impact te genereren en te meten. Dit laat ook zien dat partners zich voorbereiden op de EU Deforestation Regulation die volledige traceerbaarheid tot op boerderijniveau vereist.

# HET BEYOND CHOCOLATE COFINANCIERINGSFONDS

In het kader van Beyond Chocolate heeft de Belgische overheid een cofinancieringsfonds van 2 miljoen euro ter beschikking gesteld voor duurzaamheidsprojecten in de Belgische cacao sector. Dit fonds is een motor voor verandering, die het mogelijk maakt om schaalbare modellen met een grote impact te testen, investeringen in duurzame productie op gang te brengen en

nieuwe duurzame producten op de Belgische markt te brengen. 8 duurzaamheidsprojecten werden goedgekeurd voor cofinanciering. 3 van deze projecten liepen tegen begin 2023 af. Uit deze projecten kunnen de volgende lessen getrokken worden.



**Prijs- en kwaliteitspremies zijn interventies binnen de invloedssfeer van partners die een grote invloed kunnen hebben op het dichten van de living income gap.** Bij een project in Ivoorkust, waarbij de Living Income Reference Price (LIRP) werd betaald via een combinatie van premies, stegen de inkomsten uit cacao dankzij deze interventie alleen met 38%.



Cacao boeren in West-Afrika hebben vaak geen zekerheid van landbezit. Boeren zonder landrechten zijn minder geneigd om langetermijninvesteringen te maken in hun boerderijen. **Ervoor zorgen dat boeren officiële documentatie over landrechten krijgen is cruciaal om hen te beschermen en te ondersteunen om deel te nemen aan inkomstengenererende activiteiten.**



Boeren zijn terughoudend om deel te nemen aan projecten die investeringen en capaciteit vereisen zonder onmiddellijke opbrengsten. **Hogere prijzen, langetermijncontracten, aanmoedigingspremies en financiering van arbeiders zijn krachtige interventies om boeren te ondersteunen en te stimuleren.**





# 1

## INTRODUCTORY REMARKS

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### Dear partners,

It has been almost five years since the Beyond Chocolate partnership was initiated; Five years of joint action to tackle the complex challenges in the cocoa sector. The 2022 reporting data shows that over these five years, there has been a positive evolution of the Belgian market towards more sustainability.

With the establishment of Beyond Chocolate, Belgium has contributed to putting living incomes at the core of our sustainability ambitions. The partnership has allowed to start a collective movement of the sector, to ensure that in future, the brand “Belgian Chocolate” would not only be recognized for its high quality and tremendous craftsmanship, but also for its ethical values.

When Beyond Chocolate started, only 42% of the chocolate produced in our country was covered by a sustainability program. Today, 68% of the chocolate produced in Belgium and 90% of the chocolate sold in Belgium by signatories is certified and/or covered by a company scheme. Furthermore, the 2022 data shows that the Belgian sector is moving towards more traceability, which is an important prerequisite to tackle the partnership’s deforestation and living income targets. Lastly, over the past years, we have seen several innovative sustainability projects being launched and new sustainable chocolate products being brought to the Belgian market.

We are very proud of these joint achievements!

At the same time, we must keep on pushing if we want to remain at the front. And therefore, we should not underestimate the work ahead. Poverty and deforestation are ongoing challenges in cocoa producing countries. The reality in the field stresses once again the importance of initiatives as Beyond Chocolate and should encourage us to accelerate efforts and jointly take leaps forward.

Firstly, all partners should ensure their cocoa is fully certified and/or covered by a company scheme not only for the chocolate sold in Belgium, but also for the volumes exported abroad. Every cocoa bean counts! Next, partners should ensure their cocoa is deforestation-free as defined in the EU Deforestation regulation and that all farming households in their supply chain are covered by living income strategies and are monitored. These are important steps to truly having an impact on the field.

I invite all partners to step out of their comfort zone to accelerate the good work, and all stakeholders that are not signatories yet to join this strong partnership. Only together we can face these complex challenges and make Belgian chocolate sustainable chocolate.



In collaboration,

**Philippe de Selliers**  
Chairman Beyond Chocolate





# JOINT INTRODUCTION BY CSO REPRESENTATIVES

2022 has been a difficult year for cocoa farmers, especially in Côte d'Ivoire and Ghana. In Ghana, inflation reached a whopping 32% in 2022<sup>1</sup>, resulting in significant price rises for petrol and food, and for costs related to cocoa production<sup>2</sup>. This has a detrimental impact on the income of cocoa farmers, and it is estimated that currently about 90% of them do not make a living income<sup>3</sup>. Regarding cocoa related deforestation, 2022 also paints a grim picture. In Côte d'Ivoire for instance a third of cocoa production is estimated to come from previously classified forests and the country has lost about 90% of its forests in the past 50 years.

This is the context against which the 2022 results of the Beyond Chocolate partnership should be evaluated. A context of increased economic challenges for cocoa farmers to access a living income. And a context of increased deforestation. An alarming situation. For cocoa farmers, but also for chocolate companies who will urgently need to comply with EU regulations such as the upcoming regulation on corporate sustainable due diligence and the EU Deforestation Regulation which will enter into force in Belgium on the 30th of December 2024.

Our message to the signatories of the Beyond Chocolate partnership is therefore to really question their commitment and willingness to act. Signatories should not want to wait for legislation to live up to the commitments of the partnership but should rather act now and take on a role as frontrunner to be even more ambitious than what is required legally.

Because after 5 years of Beyond Chocolate we should no longer have to read that most of the chocolate on the Belgian market cannot be claimed 'deforestation free' and "partners are currently in the initial stages of implementing living income approaches". We should rather read 'Beyond Chocolate signatories are well on track to reach their commitments and the partnership stands out as an inspiring example for voluntary commitments towards sustainable value chains'.

1. Source: <https://www.statista.com/statistics/447576/inflation-rate-in-ghana/>

2. Source: <https://www.comunicaffe.com/soaring-prices-of-farm-inputs-and-potential-impact-on-cocoa-supply/>

3. Source: <https://www.oxfam.org/en/press-releases/chocolate-giants-reap-huge-profits-promises-improve-farmers-incomes-ring-hollow>



# 2

## Stakeholder Overview

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The Beyond Chocolate partnership continues to grow year after year. In 2022 Leonidas, Chocolatoa, Envirium Life Science, Gudrun Group, Chocolaterie Elise, Manufacture belge de chocolats, and Vandenbulcke joined the partnership. Beyond Chocolate identified prospection as a priority for 2023. As a result, early 2023 eleven new partners quickly followed: BF Consult, Chocolatier Dumon, Chocolaterie Carré, Bart chocolates, Choc and Co, Delafaille Chocolatier, Belgian Chocolate Group, Valentino, Ovidias, Eight and Sigoji. Each of these companies has committed to contributing in a meaningful way to the partnership's goals. Beyond Chocolate will support these partners in delivering on their commitments and will continue to work on attracting new signatories, thus enlarging its scope and impact.

**In case you are interested in joining the partnership, please register on the [Beyond Chocolate website](#).**





## PUBLIC SECTOR



## RETAILERS



COLRUYTGROUP

## CHOCOLATE SECTOR



## CERTIFICATION STANDARDS



## NGOs



## KNOWLEDGE INSTITUTIONS



## SOCIAL IMPACT INVESTORS



## OTHERS



## TRADE UNIONS





# 3

## Monitoring Results

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To track the progress of the Beyond Chocolate partnership and its members towards its objectives and to increase accountability within the sector, signatories have agreed to report on their performances on an annual basis. In that sense, the measurement of our joint progress as a partnership greatly depends on the individual reports from partners. A monitoring framework was developed in consultation with partners. This framework is aligned as much as possible with that of the other existing national initiatives on sustainable cocoa in Europe.





# The European Initiatives on Sustainable Cocoa (ISCO's)



## GISCO

German Initiative on Sustainable Cocoa  
June 2012



## SWISSCO

Swiss Platform for Sustainable Cocoa  
January 2018



## Beyond Chocolate

Partnership for a more sustainable Belgian cocoa sector  
December 2018



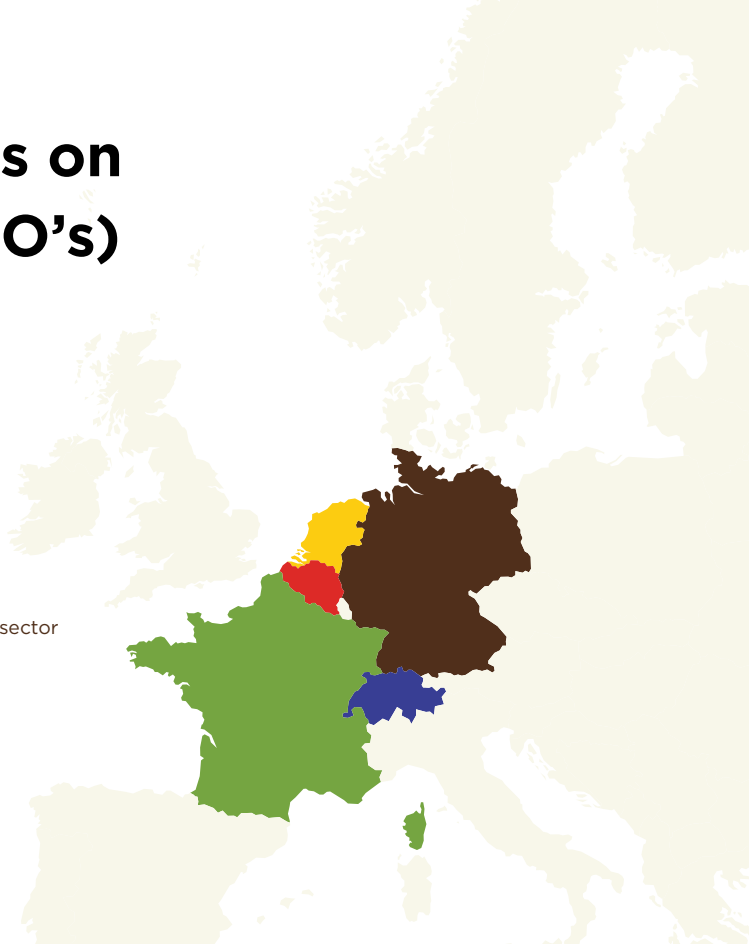
## DISCO

Dutch Initiative for Sustainable Cocoa  
August 2020



## FRISCO

French Initiative on Sustainable Cocoa  
May 2021



Over the past years, National Initiatives for Sustainable Cocoa (ISCO's) have been initiated in Belgium (Beyond Chocolate), the Netherlands (DISCO), Germany (GISCO), Switzerland (SWISSCO) and most recently France (FRISCO). Alignment across these national initiatives reduces the burden for partners and increases the potential for impact at scale.

Therefore, the ISCO's have signed a Memorandum of Understanding (MoU), documenting their collaboration and their common endeavor to realize a more sustainable cocoa sector. The initial MoU signed by Beyond Chocolate, SWISSCO and GISCO was joined by DISCO in January 2021 and by FRISCO in September 2022.

One of the action points identified in the MoU was the harmonization of monitoring frameworks between the ISCOs. Over the past years, the ISCOs have evolved from each having their own set of indicators and reporting timelines to one joint monitoring framework, timeline, and online monitoring tool. This harmonization has reduced the reporting burden for international companies and allows for a better view of the general progress made on the European market. The joint monitoring framework is reviewed and reworked each year by the ISCO working group on monitoring.

[Find out more on ISCO alignment](#)

## The ISCO's have identified four common challenges:



Contribute to a living income for cocoa farmers and their families



Halt cocoa-related deforestation and promote sustainable reforestation and biodiversity



End child labor and forced labor in the cocoa value chain



Enhance transparency in the cocoa value chain



# 3.1 Introduction

## 3.1.1 Reporting Partners

To cover the full scope of the partnership, i.e. all chocolate(s) produced and/or sold in Belgium, the 2022 data are divided into two groups<sup>4</sup>:

The three Belgian chocolate makers - Barry Callebaut, Cargill and Puratos - report on the couverture chocolate they produce in Belgium (B2B).

Consumer brands and retailers report on chocolate sold on the Belgian consumer market (B2C). For retailers, the reporting is at this stage limited to their private label brands.

The following partners have reported on their 2022 progress:

Partners were given the chance to give shape to the data analysis and interpretation in a dedicated working group session that took place on June 28th and by giving written feedback. Together, partners came to the below conclusions.

### COUVERTURE PRODUCED IN BELGIUM (B2B)



### TRADERS



### CERTIFICATION



### CHOCOLATE SOLD IN BELGIUM (B2C)

#### Manufacturers with own company program



#### Retail



#### COLRUYTGROUP

#### Manufacturers without own company program



4. Please note that non consumer facing manufacturers such as Baronie or Gudrun Group also participate to the reporting. Their national level data is not taken up in the aggregation to avoid double counting.



### 3.1.2 Nuances & Limitations

- Data shared in this report is presented at an aggregated level, complying with confidentiality and competition rules.
- The presented data are split between the couverture chocolate produced in Belgium (B2B) and the chocolate sold in the Belgian consumer market by Beyond Chocolate signatories (B2C) to limit double counting.
- New reporting partners join Beyond Chocolate each year, which leads to a certain degree of instability when comparing past and current aggregated results. This is particularly relevant when looking at the evolution of “chocolate sold in Belgium” (B2C), as this data is impacted by new companies joining Beyond Chocolate.
- Since the framework is reviewed and updated every year, there might be a degree of instability and incomparability between past and current aggregated data. This also implies that for some data points only a baseline is collected this year.
- The data presented in this chapter are the data of reporting partners only and not of the entire Belgian market. On the B2B side, about 90% of the Belgian market is currently covered by Beyond Chocolate signatories. On the B2C side, 55-60% of the Belgian market is currently covered by Beyond Chocolate signatories<sup>5</sup>. Beyond Chocolate will continue to work on prospection of new partners to ensure a broader coverage of the Belgian market.
- The data presented on the 2025 commitment (chocolate certified and/or covered by corporate sustainability scheme) is specific for the Belgian market, while data on the four common challenges is global data from the reporting partners, weighed for the Belgian market. Beyond Chocolate will review this data collection approach in consultation with partners in the next phase.
- The data presented in this chapter are the result of voluntary self-reporting by partners. There is no external verification of the reported data.
- The Beyond Chocolate co-financed projects are not included in this monitoring tool. They follow a separate reporting cycle and report twice a year on their individual M&E framework. More information on the projects can be found in chapter 4.



## 3.2 Progress vis-à-vis the Beyond Chocolate 2025 target

By 2025, 100% of chocolate produced and/or sold in Belgium will be certified and/or covered by a corporate sustainability scheme.

While recognizing that current approaches are not sufficient to deliver on the long-term objective of enabling living incomes for cocoa farmers, Beyond Chocolate considers certification and/or coverage by a corporate sustainability scheme to be a valuable first step. Couverture producers who have signed the partnership have therefore committed to ensure that all the chocolate they produce in Belgium (B2B) is certified and/or covered by a corporate sustainability scheme by 2025. Signatory consumer brands have committed to the same for all chocolate sold and produced in Belgium (B2C). Belgian retailers have jointly taken an additional individual commitment on their private label brands and have pledged to reach the goal of 100% certification already by the end of 2020.

**Response rate: 100%**

30 out of 30 partners have reported data on their progress vis-à-vis their 2025 target.

<sup>5</sup> Based on data from Euromonitor.



# Sold in Belgium



## Harper McConnell

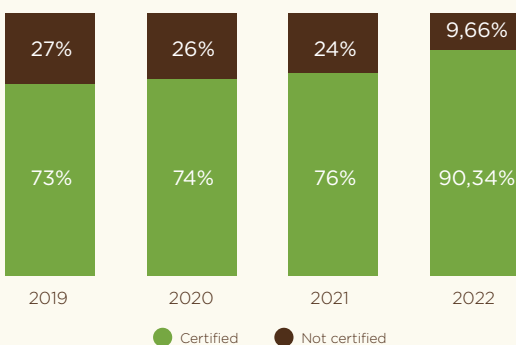
Vice President  
sustainability-cocoa, Mars

2022 data show that 90% of the 34.116 MT chocolate sold by signatories on the Belgian consumer market (B2C) is now certified/covered by a company scheme, a 14% increase compared to the previous year. This means that brands and retailers that are Beyond Chocolate signatories are moving fast towards realising the 2025 commitment for all volumes sold in Belgium. More and more companies are moving away from conventional cocoa towards cocoa that is covered by a sustainability approach. As such, in the past years Galler and Guylian have made a full switch to Fairtrade certification for all chocolate they produced, and Leonidas has done the same for Rainforest Alliance. Others are working with a mix of different certifications and company schemes.

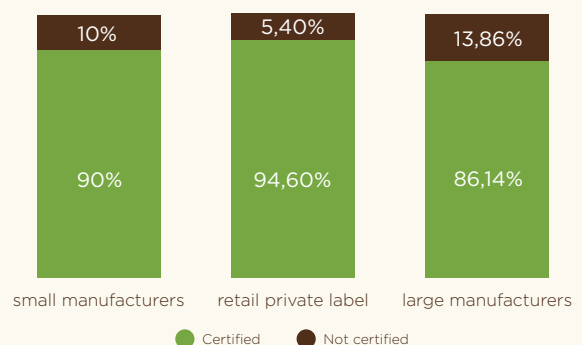
Since the reporting by consumer brands and retailers covers about 60% of the market in terms of volumes, the aggregated data on chocolate sold in Belgium are not fully representative for the Belgian consumer market, but it does give a clear indication on market tendencies. The Secretariat will continue to prospect for new signatories to cover a bigger share of the market and increase impact.

***“In a world grappling with climate change, poverty, and human right challenges, businesses must move beyond commitments to concrete action for impact. Mars has taken strong commitments to increase cocoa sustainability, including sourcing 100% of the cocoa used in mars’ european factory operations since january 2023 through our responsibly sourced cocoa company program and polygon mapping 89% of the farms plots we source cocoa from. However, to make real and meaningful change, such as improving farmer income, we must combine our expertise and leverage partnerships to collectively amplify our impact”***

Share of volumes sold in Belgium by Beyond Chocolate signatories in 2022 that is certified/covered by a company scheme (B2C)



Share of volumes sold in Belgium by Beyond Chocolate signatories in 2022 covered by certification/company scheme, split per stakeholder type (B2C)







# Produced in Belgium

The 2022 data shows that 68% of the chocolate produced in Belgium is now certified and/or covered by a corporate sustainability scheme. This means the share of certified/company scheme B2B chocolate has only slightly increased with 3% compared to the previous year. Since Barry Callebaut, Cargill and Puratos together account for over 90% of the B2B market of couverture chocolate produced in Belgium, the above number gives a clear view on the Belgian B2B market. It is important to note that at this point the Beyond Chocolate monitoring does not track chocolate produced by brands in Belgium and exported abroad. As Beyond Chocolate targets all Belgian chocolate and as these volumes can strongly influence progress towards the Beyond Chocolate objectives, more action will be taken to address and monitor the export market segment.

## Conclusion Intermediate Target

Beyond Chocolate is booking strong progress on its 2025 target for the Belgian market. However, progress towards this target is not moving fast enough for the export market. To link Belgian chocolate to sustainable chocolate these exported volumes need to progress. Efforts need to be accelerated for the partnership to ensure that next to chocolate sold in Belgium (B2C), all chocolate produced in Belgium (B2B) is also certified/covered by a company scheme by 2025.

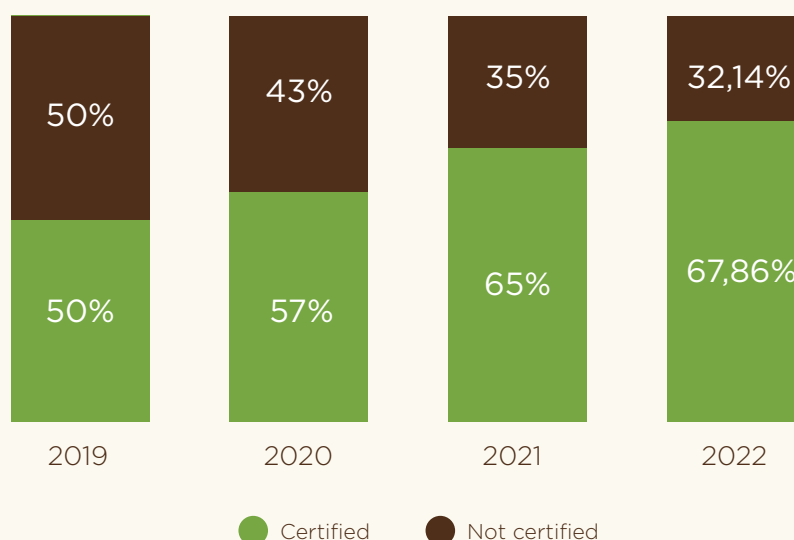


## Kelly Hauspie-Van Lith

CSR Project Manager  
Procurement, Lidl

*“At Lidl Belgium, we believe in the holistic beyond chocolate approach where all actors in the supply chain need to take responsibility. Since 2016, all cocoa you can find in lidl Belgium stores is certified and by 2025, all national cocoa products will be fairtrade certified. Furthermore, with e.g. our way to go! range we are taking steps towards our living income and deforestation-free targets. we are glad to see that the 2025 target of 100% certification is reached by almost all retailers in Beyond Chocolate and that we can now at a steady pace work towards the 2030 living income and deforestation target.”*

**Share of volumes produced in Belgium that are certified/covered by a company scheme (B2B)**





### Commitment of Beyond Chocolate retailers

Since 2020, four out of five Belgian retailers have ensured that their private label products sold in Belgium are fully certified and/or covered by company schemes. This means these retailers have already met the 2025 target and are now looking to move towards the 2030 living income and deforestation targets. Currently, a retail task force is being convened to determine how retailers can further contribute to these targets.

## 3.3 Progress vis-à-vis the Four Common Challenges

In their Memorandum of Understanding (MoU) the five National Initiatives on Sustainable Cocoa identified four common challenges. The data below presents the progress of Beyond Chocolate partners vis-à-vis these four common challenges.

### 3.3.1 Enhance the transparency in the cocoa value chain

Enhancing the sustainability of cocoa farming and of the whole cocoa sector is not possible without adequate cocoa supply chain transparency and traceability. Knowing where cocoa is being sourced and farmed is an important first step and a pre-requisite to identify risks and design appropriate programs that improve the sustainability of cocoa trading and farming.

#### Response rate: 100%

30 out of 30 partners have reported data on the traceability levels of the volumes they source.

*6. All industry partners are required to report on this indicator.*



# Produced in Belgium



Partners have reported on the share of volumes they source for production on the Belgian market (B2B) per traceability level. The four traceability levels for the 2022 reporting are<sup>7</sup>:

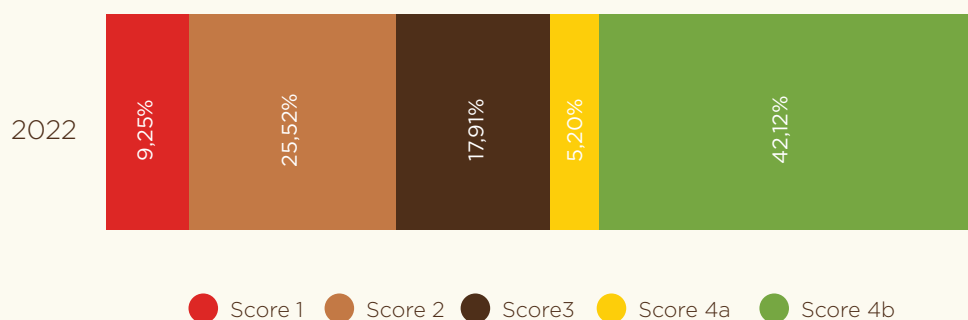
- Score 1: origin unknown
- Score 2: country known
- Score 3: cooperative known
- Score 4a: farm known and having at least one coordination per farm (farm mapping)
- Score 4b: farm known, having point coordinates and/or polygons for plots less than 4ha and polygon boundaries for the plots bigger than 4ha

A comparison of the 2021 and 2022 data shows that the share of volumes with farm known (through coordinates or polygons) has increased significantly from 37% in 2021 to 47% in 2022.

It can be concluded there is a positive evolution towards more traceability. This shows partners are taking more and more control over their supply chains, allowing them to better understand the challenges and define appropriate strategies to address them. The movement towards more traceability also shows efforts to comply to the European Deforestation Regulation which will come into force in 2025.

7. Please note these traceability levels were reviewed by the monitoring working group for the 2022 monitoring round, leading to limitations when it comes to comparing 2022 data to previous years.

**Share of volumes per traceability score (B2B)**





### 3.3.2 Contribute to a living income for cocoa farmers and their families

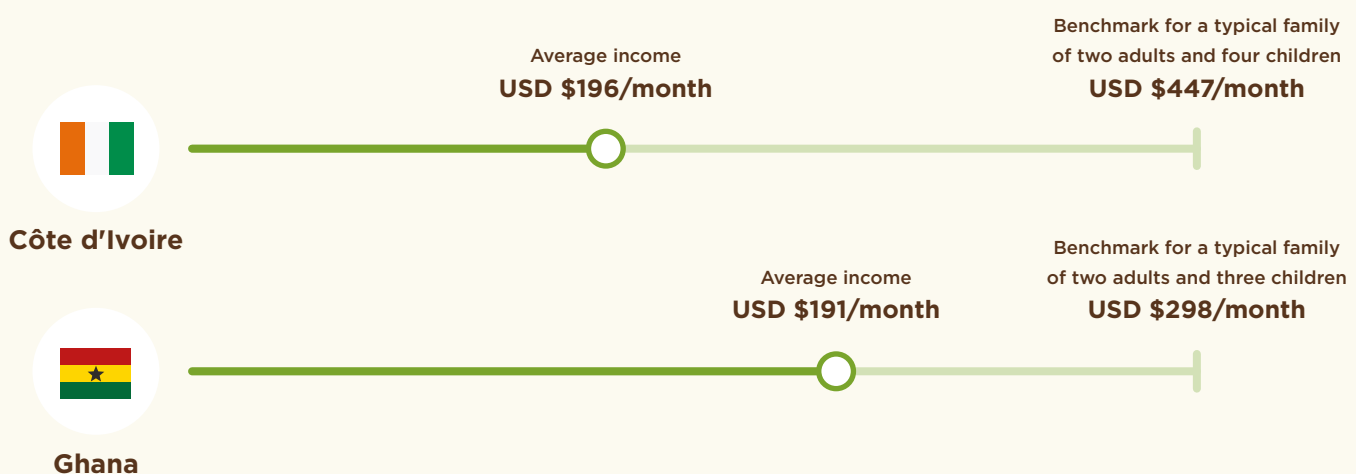
The Living Income Community of Practice defines living income as: “The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household. Elements of a decent standard of living include food, water, housing, education, healthcare, transport, clothing, and other essential needs including provision for unexpected events.”. The Beyond Chocolate signatories have the joint ambition to enable living incomes for all farmers linked to the Belgian market by 2030.

For partners to reach this 2030 commitment, they need to:

- Know where their cocoa comes from;
- Identify benchmarks and measure living income gaps for the farming households in their supply chain;
- Implement living income strategies<sup>8</sup> for the farming households in their supply chain.

8. 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 do not 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.

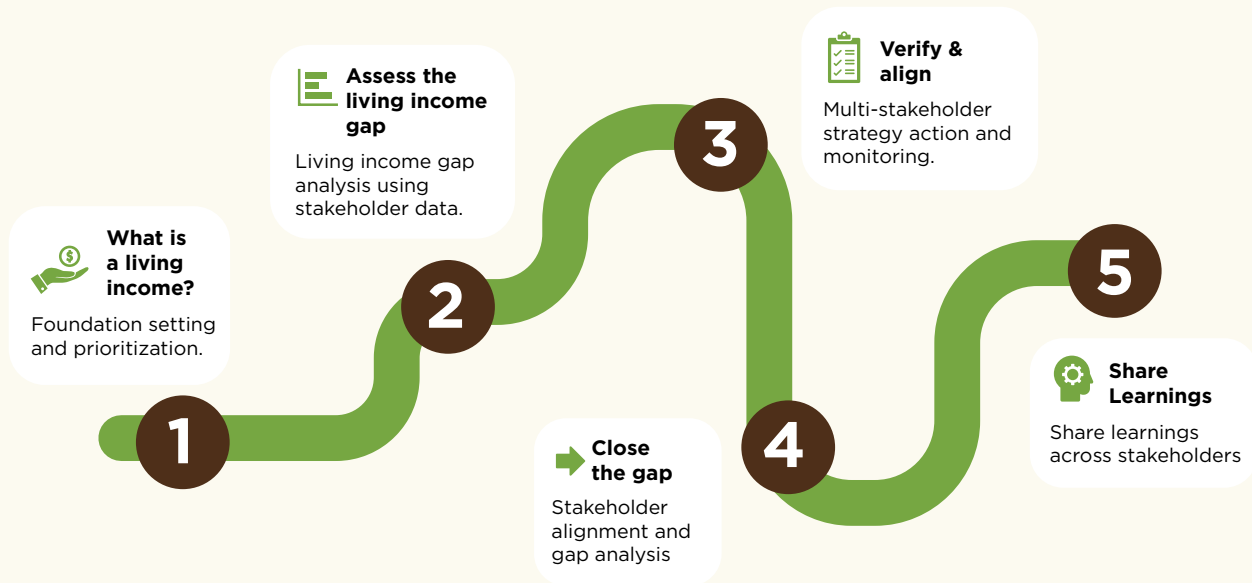
### Living Income Benchmarks versus current farmer incomes



\*Source: [www.living-income.com](http://www.living-income.com)



## Living income roadmap



To support partners to take ambitious and aligned action to close living income gaps, Beyond Chocolate is using the IDH living income roadmap. This roadmap provides a logical framework with useful resources to help guide your company’s journey to close living income gaps in

your supply chain. This framework includes a range of steps, guiding questions and data-driven tools that are designed to be dynamic.

[Find out more](#)

### Response rate: 76%

11 out of 13 partners have reported data on the number of farming households for which they implement living income strategies.

9 out of 13 partners have reported data on living income gap closure.

Please note the quality of the reported data and the representativeness of the sample for the partner’s supply chain was not considered in the response rate.



**ECOM**

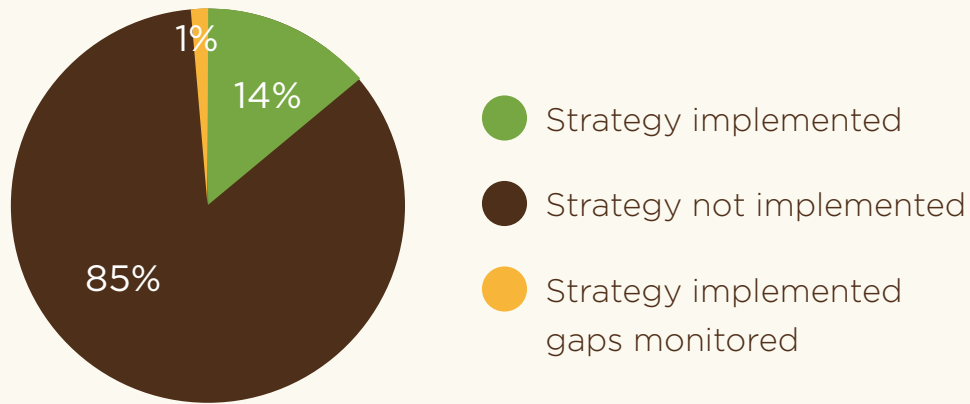
ecom cocoa  
sustainability team

The 2022 data show that about 15% of the farming households in partners’ supply chain are currently covered by living income strategies. For about 7% of these farming households covered by living income strategies, the household income is being monitored. Most partners struggle to get a clear view on gaps at this stage, let alone to design tailor-made interventions. It can be concluded that partners are currently in the initial stages of implementing living income approaches with only a smaller number of farming households benefitting from living income interventions and being monitored.

**“Though farmer poverty is not a new or isolated challenge within the cocoa sector, we are encouraged by the increasing attention living income is gaining within the sustainability realm. Ecom has committed to doing a household cocoa economic analysis and roadmap to address the identified living income gap for all origin-sourced supply chains by the end of 2023. We eagerly anticipate further collaboration with our partners as we continue our efforts to tackle this critical issue.”**



## Share of farming families in entire supply chain for which LI strategies are implemented and for which LI gaps are monitored (B2B)



**Ignace Van Doorselaere**  
CEO Neuhaus

While measuring progress on closing living income gaps remains a challenge, data is increasingly available. In 2021, four partners reported on actual incomes of farmers in their supply chain, leading to a sample of 3.251 farming households. In 2022, 11 partners have reported on actual incomes of farmers, leading to a sample of 22.965 farming households.

***“Neuhaus is committed to reaching a living income for the farmers in our supply chain. like many SMEs, we are still in the process of developing the best approach to deliver on this commitment. we ask Beyond Chocolate to support us in this journey by challenging the sector to be ambitious and by increasing trust and transparency so we can have confidence in our living income approach. We are looking forward to build on the best practices and learnings Beyond Chocolate shares on this topic.”***



## Living income case study: Galler-Yeyasso-Fairtrade-Enabel

Since 2020, the Chocolaterie Galler has incorporated a new dimension into its business model, focusing on the three pillars People, Planet and Profitability. As a first step in 2021, Galler switched to 100% Fairtrade certification and started a collaboration with the Yeyasso Cooperative in Man, Côte d'Ivoire. Per campaign, we buy around 1.000 tonnes from the cooperative, equal to one fifth of the cooperative's volumes. Next to the switch to Fairtrade, Galler and Yeyasso have also set up two sustainability programs together with Enabel and Fairtrade that focus on increasing farmer incomes<sup>10</sup>. Program interventions include the Fairtrade pricing model, diversifying incomes, switching to organic certification, increasing productivity, strengthening cooperatives and working on gender equality.

To track progress and draw learnings, these partners jointly executed a living income assessment based on the Fairtrade farm records methodology. Concretely, this means farmers receive a book in which they can fill out their income (both cocoa and other crops), expenditures, and information on farm size and family composition. The approach allows farmers to follow-up on their

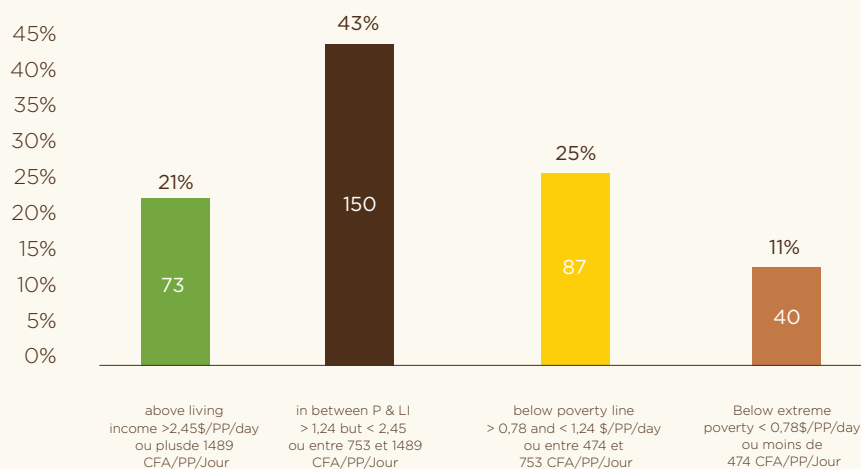
financial profits. As low literacy rates can be a challenge, Galler program coaches were appointed per group of 10-20 farmers to support farmers with filling out the books.

An analysis of the living income data of 360 cocoa producers from 6 sections of the cooperative shows that 21% of the farmers has closed the living income gap, 43% is between the living income and poverty line, 25% is below the poverty line and 11% below the extreme poverty line.

<sup>10</sup>. One program is implemented through the business partnership facility and the other through the Beyond Chocolate co-financing fund.



## Number and % of producers in the different segments



The analysis reveals that the main parameters that influence household income are:

- Price. The analysis showed producers received an additional cocoa income of 13.4% through the Fairtrade differential and premium.
- The size of the households. Farming households in the highest segment generally have a smaller household of 3-5 people while farming households in the lowest segment have a large household of 7 or more people.
- Surface of cocoa plot. Farming households in the highest segment generally have a cocoa surface of 2ha and a total surface of 5ha, while farming households in the lowest segment have a cocoa surface of less than 1ha and a total surface of less than 3 ha.
- Yield. Farming households in the highest segments generally have a yield of over 600 kg/ha.
- Diversification: For farming households in the highest segment 18% or more of their income stems from staple crops, while for farming households in the lowest segment there is little to no diversified income.
- Cost of production and proximity to larger cities also considerably influence household income.

The living income analysis enabled Galler to measure the impact of its interventions and to identify sensitive areas that need more attention. Raising consumer prices is not an option for Galler at this point, as we need to guarantee the balance of our model. However, additional efforts will go to the coaching of the cooperative and to diversification activities to further increase farmer incomes.

The next step right now is to redo the study with 600 producers at the end of this campaign. This will give us a more precise view on the current situation, and we'll see how things evolved. For Yeyasso, the work of collecting and analysing the data offers producers a longer-term vision of the management of their income.





### 3.3.3 Halt cocoa-related deforestation and promote sustainable reforestation and biodiversity

The Beyond Chocolate Partnership aims to end deforestation due to cocoa growing for the Belgian chocolate sector by 2030. To reach this goal, Beyond Chocolate is building on the Cocoa & Forests Initiative (CFI). This initiative is a commitment of top cocoa-producing countries with leading chocolate and cocoa companies to end deforestation and restore forest areas, through no further conversion of any forest land for cocoa production.

The 2022 data shows that most traders and large manufacturers that are Beyond Chocolate signatories have signed the national initiatives to end deforestation applicable for the countries they source from.

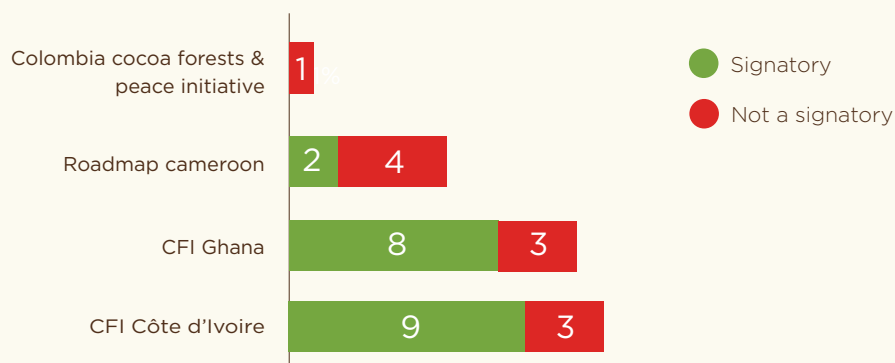
#### Response rate: 96%<sup>11</sup>

13 out of 13 partners have reported on the national initiatives to end deforestation they have signed.

12 out of 13 partners have reported on the share of volumes in their supply chain that can be claimed deforestation-free.

These partners report on their progress to these initiatives on a yearly basis. Being a signatory does not necessarily mean all your cocoa is deforestation-free, however, it is a valuable first step in that direction.

#### Companies that signed national initiatives aiming to end cocoa related deforestation for the countries they source from (not including smes & retail)<sup>12</sup>



The 2022 traceability data reveal increased investments in farm mapping (see chapter 3.3.1) which is a positive trend that allows for identification of risk areas. The EU deforestation regulation requires companies – for all cocoa and chocolate imported into the EU or exported from the EU – to have “polygons of the farm (> 4 ha) and

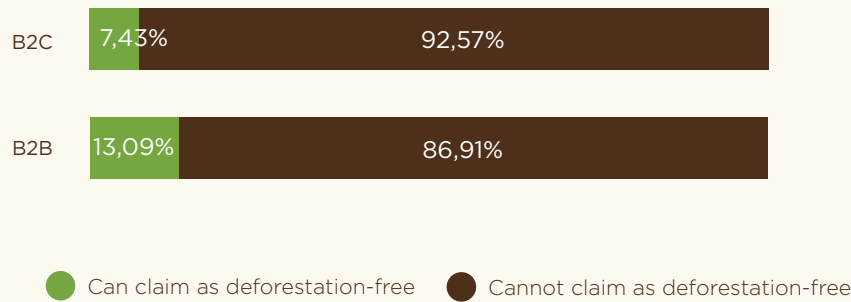
farm plots (< 4 ha) verified as not in a protected forest and as not comprising land that was deforested after December 31, 2020”. This year, partners reported for the first time on the share of cocoa and chocolate sourced globally they can claim as deforestation-free.

11. All industry partners except for SMEs and retailers were required to report on these indicators.

12. The graph can be read as “Of the 12 companies sourcing from Côte d'Ivoire, 9 are also signatory to the Cocoa & Forests Initiative Côte d'Ivoire”.



### Share of volumes B2B and B2C that can be claimed “deforestation-free”



The 2022 data show that partners currently do not yet have the systems and guarantees in place to claim their sourced volumes as deforestation-free. However, it should also be noted that there is not yet full clarity from the EU Commission on the information and benchmarking of risk countries that can be used, therefore making it difficult for partners to prove their deforestation-free claims. In any case the data clearly shows progress will need to accelerate in order to meet the EUDR requirements and move towards the 2030 deforestation target.

#### 3.3.4 End child labor and forced labor in the cocoa value chain

The Beyond Chocolate Partnership document comprises several goals and ambitions with respect to eliminating forced labor, extending schooling, and ending (the worst forms of) child labor in the cocoa value chain. Even though these goals do not appear explicitly in the 2025 and 2030 commitments, they are an implicit part of the living income commitment and part of the four common ISCO challenges. Beyond Chocolate partners are also reporting on their actions and progress vis-à-vis this challenge.

#### Response rate: 88%

13 out of 13 partners have reported on the share of farming households in their supply chain covered by Child Labour Monitoring and Remediation Systems (CLMRS).

10 out of 13 partners have reported on the cases of child labour identified and remediated.

CLMRS or Child Labor Monitoring and Remediation Systems is the leading method of detection and remediation of child labor cases. In 2022, 83% of the cocoa farming households in Côte d'Ivoire, Ghana, Cameroon and Nigeria supplying to Beyond Chocolate partners were covered by CLMRS. 16% of children in these farming households covered by CLMRS were identified as being in child labor and 64% of the children identified as being in child labor received support.

The rate of child labor cases reported is likely lower than the actual number of children registered in CLMRS that are involved in child labor. Many of the systems used are quite new and require further investments to train monitors, improve monitoring techniques and increase trust. There is a great variation in the data partners have reported for these indicators. The fact that some systems have higher child labor identification and higher remediation rates implies that good practice does exist and that CLMRS implementers can learn a lot from each other.

*The minimum cut-off date is aligned with the EUDR: 2020. 7 partners used a cut-off date earlier than 2020.*



The International Cocoa Initiative (ICI) is a leading actor in the protection of the rights of children and adults in cocoa-growing areas in West Africa. ICI has played a central role in the ISCO working group on child labour, increasing expertise and knowledge exchange on the topic. Since ICI and the ISCOs have clear similarities in terms of targets, monitoring systems and members, the two organisations decided to align monitoring systems and facilitate a data exchange. For the 2022 monitoring round, members of both ICI and the ISCOs only needed to report once for both organisations, thus limiting the reporting burden for partners and increasing efficiencies.



International  
**COCOA**  
Initiative



# 4

## Co-Financing Fund

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Under the Beyond Chocolate Partnership, a co-financing fund of 2 million euros was made available for impactful sustainability projects in cocoa. In 2020, eight projects were selected for co-financing. Three of these projects have ended early 2023 while the others are still ongoing. Learnings, successes, and conclusions from the eight projects are shared in this chapter. The Beyond Chocolate secretariat will continue to work with project partners to upscale the projects and encourage the sector to replicate successful models.





## 4.1 Introduction

The 8 co-financed Beyond Chocolate projects are managed by diverse consortia of stakeholders, including traders, brands, retailers, NGOs, and knowledge institutions. Through the projects, the stakeholders are testing innovative approaches for delivering on their living income commitment. An important aspect of these projects is the element of scalability – the projects might thus start at a relatively small scale, while having an ambitious strategy to scale over time. The projects aim at contributing to market transformation in Belgium, bringing new sustainable products that are accessible to consumers on shelves. The private sector partners provide at least two thirds of the project funding, while one third is provided by the co-financing fund. In this way, Beyond Chocolate creates an environment that triggers action by leveraging private sector investments.

As the projects progress, Beyond Chocolate has been putting more focus on the sharing of successes, challenges, and lessons. To structure the sharing of learnings, a 'learning agenda' is being developed in the ISCO working group on living income. This learning agenda allows partners to jointly build on interventions that work and learn from those that don't to accelerate progress in closing living income gaps. The learning agenda is divided into different areas of interventions or smart-mix strategies. These areas have been categorized according to their sphere of influence and linked to specific learning questions.

### Farming Household



**Income Measurement.** How do we choose the best approach for measuring income and income gaps for different goals?



**Segmentation.** What services are needed for which farms/coops? What are useful segmentation models/frameworks to use?



**Smart Mix Strategies.** To what extent do interventions around different income drivers affect household incomes? What tools or mechanisms can most effectively assess impact of income drivers and integrated smart-mix solutions?



**Farmer Decision making.** What drives adoption of 'income driving interventions'? What factors influence farmers to reinvest their income into cocoa quantity and quality?

### Business Model



**Supply Chain Models.** How can supply chain actors effectively demand and supply 'living income cocoa'? What are principles of effective partnerships that enable living income?



**Procurement Practices.** How do specific procurement practices – including price as a key income driver and other practices such as long term contracts – affect incomes?



**Branding.** What is needed to build the business case for LI branded products? How best to tell the story?

### Enabling Environment



**Landscapes.** How can living income be enabled through a landscape approach? How can a landscape approach benefit from a deliberate living income roadmap?



**Resilience.** How do we effectively link our strategies with public policies and programmes that affect household income such as gender equity, youth employment and child labour?

An ISCO working group is a working group set up jointly by the National Initiatives on Sustainable Cocoa in Europe (ISCOS), at this point including the Belgian, Dutch, German and Swiss initiatives. Members of all ISCOS are welcome to participate in the working groups. These are not limited to interventions under the Beyond Chocolate co-financed projects.



## 4.2 2022 Outcomes & Learnings

Image Credit: Colruyt Group

### A living income for cocoa farmers in Côte d'Ivoire: a chainwide collaboration to move from concept to reality

*Colruyt Group, Rikolto International, Puratos, ECSP, Agro Insight, Fairtrade Belgium and Access Agriculture*

#### Project summary

In this project, partners across the value chain are implementing an integrated approach to securing a living, working on six different parameters: Price, productivity, diversification, agroforestry, access to finance, and quality. Partners have jointly developed a price model that allows farmers in the project to receive the Living Income Reference Price (LIRP). The cocoa produced under this project is processed in the Boni 72% chocolate bar of Colruyt Group, a new living income bar on the Belgian market.



**San Pedro**  
Côte d'Ivoire



**102**  
Cocoa families reached



**2020-2023**



Budget  
**€529.166**

Private sector  
**€377.925**

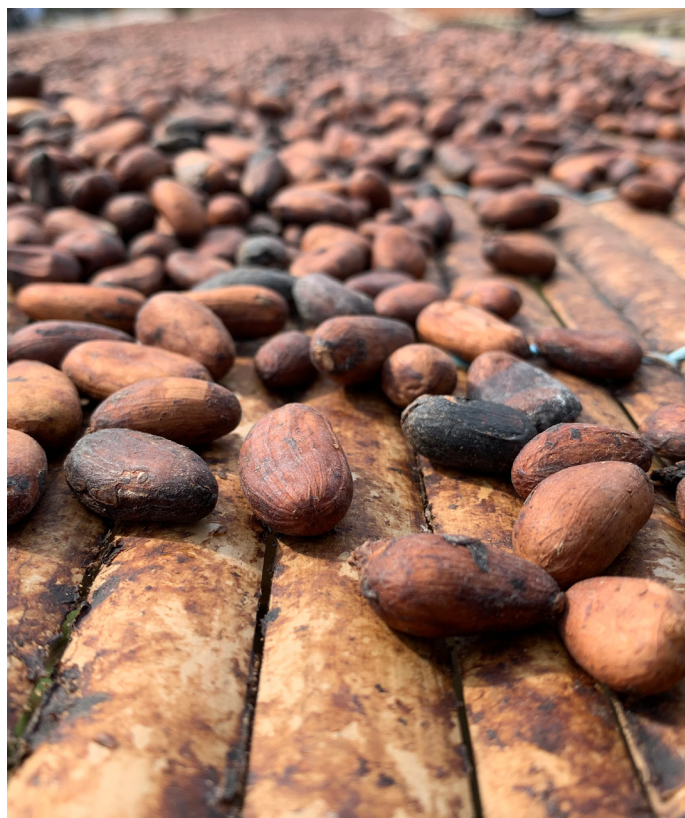
Public sector  
**€154.881**



## Impact, conclusions and learnings

An external impact assessment by Impact Institute shows that the payment of the **Living Income Reference Price (LIRP) has contributed to a significant increase of household income with 31% and an increase in revenue from cocoa with 38%**. This indicates that price and quality premiums are a key driver of household income. Furthermore, the assessment showed that cocoa farmers have improved their production per hectare by nearly 20% which brings the yield to 649 Kg/Ha on average compared to 525 Kg/Ha at the beginning of the project.

The average household income of the 102 households is \$3,132 for the cocoa season of 2021-2022. This indicates that farmers are earning on average 45% of the living income benchmark, which is set at \$6,904 per year. Main reasons for the fact that farmers reach on average 46% of a living income is low farm size and low productivity, as well as relatively low volumes sold into this value chain. Part of the farmers involved in the projects will continue to be monitored, as some of the interventions on diversification and productivity will only have an effect on the longer term. The assumption is that the gap will be smaller if measured again in one year's time, taking the diversification activities (for example, poultry) fully into account.



## Next steps

Colruyt Group has decided to scale the model to its full Boni chocolate range. The chocolate will be sold in Colruyt and Okay in the course of 2024

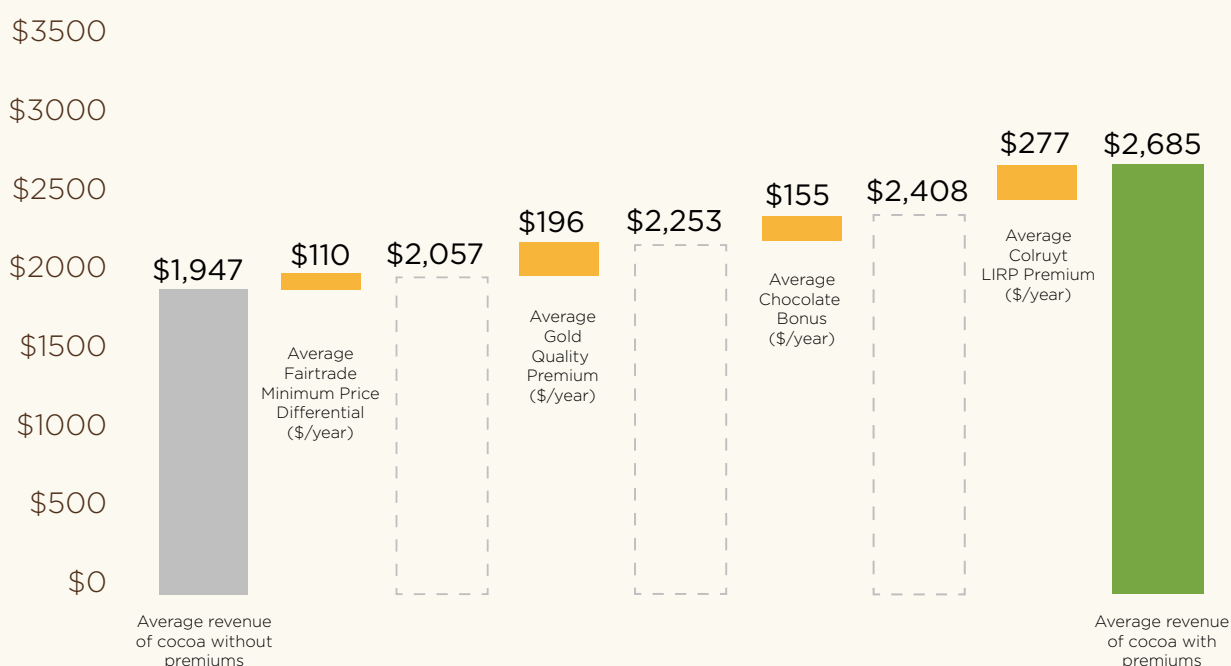




Image Credit: Tony's Chocolonely

## Changing the norm in the cocoa sector

*Tony's Chocolonely, Ahold Delhaize, ECAM cooperative, Socoopacdi Cooperative, Ecojad Cooperative, Kapatchiva Cooperative*

### Project summary

The objective of this project was to support four Tony's Open Chain cooperatives in Côte d'Ivoire to be able to deliver according to Tony's 5 Sourcing Principles. Tony's 5 Sourcing Principles are focused on traceable beans, a higher cocoa price, strong farmers, long term relationships, and productivity and quality. This ensures the long-term support and sustainability of the partner cooperatives in Côte d'Ivoire, thus enabling the scale of Tony's Open Chain.



**Divo, Meagui, Bonon & Daloa**  
Côte d'Ivoire



**6.654**  
Cocoa farmers impacted



**2020-2023**



Budget  
**€744.838**

Private sector  
**€498.865**

Public sector  
**€245.973**





## Main learnings

When it comes to progress on closing living income gaps, it is evident that single interventions focusing on productivity alone are not enough. Farmers who receive a higher price for their cocoa are incentivized to increase their productivity. **This means a smart mix of interventions, higher cocoa prices including certification premiums being a critical part of this, combined with investments in productivity increase general household income levels and reduce living income gaps.**

Tony's Open Chain Living Income Analysis showed that premium payments including the Living Income Reference Price (LIRP) contributed 21.4% of income earned by cocoa farmers on average through cocoa in 2020-21. This was even higher in 2021-22 at 34.8% when farmgate prices dropped further. Simulations demonstrate that if all cocoa is sold through Tony's Open Chain at LIRP level, with premiums directly benefiting farmers, the average living income gap significantly decreases, and the median cocoa income rises to approximately \$6,000 USD per year.

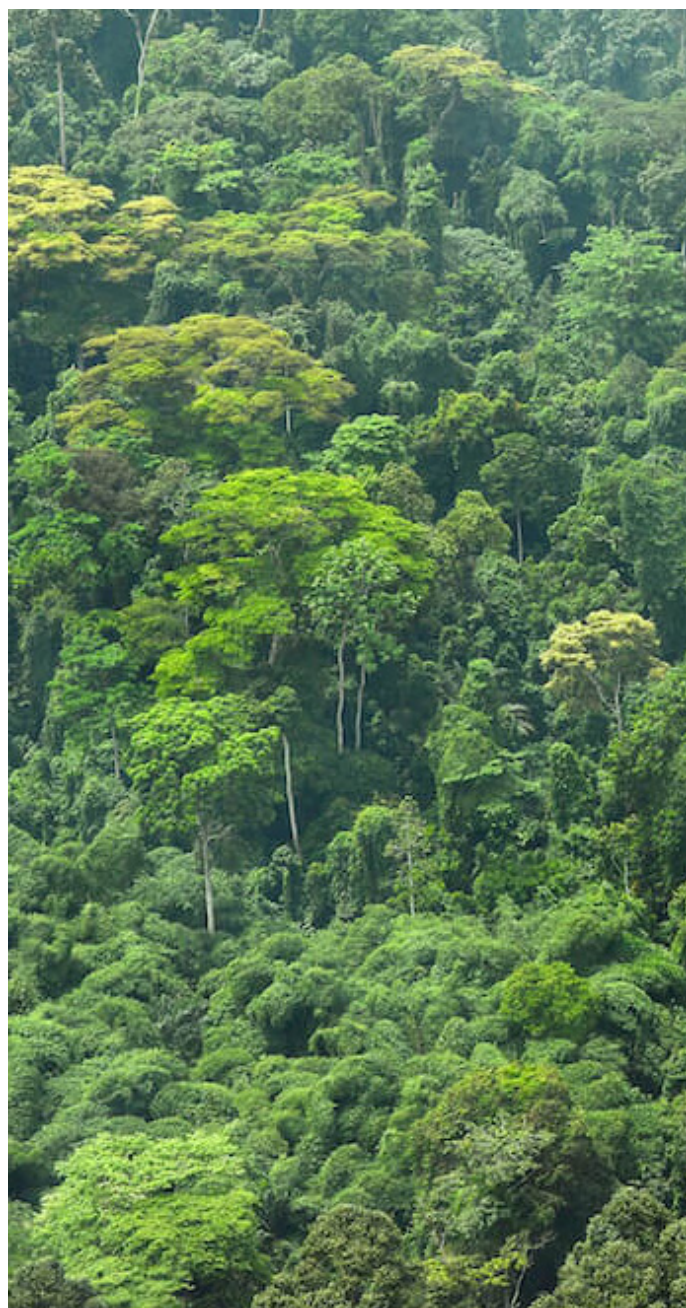
Inflation has been a big concern, with cost of inputs already doubling. There has been a significant spike of over 50% additional fertiliser costs, as well as major cost of living increases – estimated to be soaring at a rate of 14% per person per day (according to the LICOP benchmark). In response, together with fairtrade, we have adjusted the Living Income Reference Price (LIRP). This means that in Cote d'Ivoire, living income reference prices for cocoa increase from \$2200 per ton to \$2390 per ton for the 22/23 season i.e. 82% over the farmgate price.

Database management is a continued challenge for cooperatives as seen in different datasets such as the polygon data and membership lists. However, all cooperatives are engaged to improve their database management and indicated that they would like to receive more capacity building on data sensitisation and management.

## Next steps

Tony's Open Chain keeps on growing; having forged partnerships with more than 12 mission allies. Their goal is to source 5% of West African cocoa in the near future. To achieve this, the focus is shifting towards collaborative efforts with partner cooperatives, empowering them to autonomously implement tools such as GPS mapping, CLMRS, and best agricultural practices, including coaching and labor brigade professionalization.

This expansion not only broadens Tony's Open Chain but also amplifies its potential for making meaningful impact while enhancing impact measurement capabilities. As the next phase is entered, data and methodology alignment with various stakeholders to foster shared learning and to drive impactful change, both within Tony's Open Chain, as well as in the ISCOs, is vital. .





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## Cocoa Household Income Diversification Project

*Barry Callebaut, ALDI SOUTH Group, Boris B Farms Limited, Envirofit West-Africa limited, Koudijs Ghana Limited, Meridia, Solidaridad West-Africa*

### Project summary

The project aimed to improve the incomes of cocoa farmers linked to Callebaut, a premium Belgian brand, and the Aldi South Group through the Cocoa Horizons program implemented in Ghana. It supported eighty households to rejuvenate 40 hectares of old cocoa farms and facilitated the building and development of 77 village Savings and Loans Associations (VSLAs). Purpose of these groups was to cultivate the habit of saving and investing and to ensure financial inclusion. In addition, land titles were provided to 501 farmers. Furthermore, 400 household members of forty VSLAs were supported to raise poultry as an additional livelihood. The project supported farmers in developing farm business plans and brought farm services support and financial inclusion activities.



**Western North, Ashanti & Central Regions**  
Ghana



**1.500**  
Cocoa farmers impacted



**2020-2022**



Budget  
**€948.054**

Private sector  
**€683.113**

Public sector  
**€264.941**



## Impact, conclusions and learnings

While at the start of the project the average income gap of the farmers involved was 54%, by the end of the project the gap had closed to 39%. About 27% of the farmers involved have reached a living income.

The setting up of Village Savings and Loans Associations (VSLAs) has proved to have a positive effect on the financial inclusion of farmers involved. As such, 76% of the farmers have achieved more savings since joining the group, 60% claim they have more money available to cater for their children's school needs and 47% mentioned they have more disposable income per month. Linking the VSLA groups to financial institutions like the local rural banks helped the groups to make interest income on their savings. The VSLA groups also served as a means of creating awareness on other social issues such as human rights, environmental degradation and climate change.

The poultry activity requires in-depth knowledge in poultry production and veterinary services. Finding off takers for the birds has proven a challenge as there are a limited number of them in the region.

**Without a security on the tenure of land, tenant farmers (who form about 60-70% of cocoa farmers) are unwilling to make any substantial investments into their old farms as lands will revert to landowners when old trees are replaced.** Technical partner Meridia spent two years working with local authorities to fully resolved the grievances between traditional authorities who are the custodians of the land and tenant farmer associations and negotiated acceptance of a new way of land use documentation. This new way of land rights document will at least protect the beneficiary cocoa farmers for the next 50 years to invest in the land.



## Next steps

This project's concept, as well, as its results have been included in Barry Callebaut's learning list for discussion. The outcomes of this discussion will be systematized in internal platforms and used to guide upcoming evaluation and benchmarking opportunities at the light of the Forever Chocolate Strategy.



## Sustainable organic and high-quality cocoa production for the cooperative Yeyasso in Ivory Coast

*La Chocolaterie Galler, Yeyasso, Enabel, Zoto and Université de Gembloux*

### Main outcomes in 2022

In 2022, the project carried out the organic certification for the farmers involved and in 2023 the certificate will be issued for 165 farmers of the Yeyasso cooperative. Yields fell by only 1% thanks to inputs funded by the project and by Yeyasso as well as to good agricultural practices that were closely monitored throughout the year. Furthermore, the quality of the cocoa beans has increased considerably thanks to the set-up of a fermentation center and adapted drying infrastructure. An achievement under the diversification activity was the operationalization of the henhouse. Lastly, the coaching by the Trade for Development center continued in 2022, focusing on the entry of the cooperative in the organic market (identification of potential buyers, preparation of organic fairs,...).



**Tonkpi**  
Côte d'Ivoire



**150**  
Cocoa farmers reached



**2020-2025**



Budget  
**€352.000**

— Private sector  
**€250.000**

— Public sector  
**€102.000**



## Main learnings

The diversification of labels, programs and buyers is essential to withstand the fluctuations that can arise in the cocoa market. Niche markets with high added value are a real avenue of resilience. Therefore, the coaching established the importance for Yeyasso to confirm its volumes of certified cocoa: Fairtrade (Saco/Galler), RA (Ocean/Ferrero & Olam), Mondelez (Saco/Barry Callebaut).

In 2022, Galler together with Fairtrade, Enabel and Yeyasso analyzed the income gap of 350 cocoa farmers of the Yeyasso cooperative, including farmers included in the project. More information on this living income analysis can be found in chapter 3.3.2. of this report.

## Next steps

In 2023, the project will continue with the implementation of Good Agricultural Practices (GAP) through pruning, weeding and pest management. Furthermore, the focus will be on further improving cocoa quality and ensuring markets for poultry.



## Beyond trees, towards better incomes for cocoa farmers

*Cargill, PUR Projet & Empow'Her*

### Main outcomes in 2022

One of the goals of the project is to promote female entrepreneurship and support the implementation of women micro-enterprises. 60 women from the CSC and Cagnan cooperatives were trained on entrepreneurial skills and knowledge, while 12 women received agricultural kits and other materials to start their activities. Furthermore, 50 men were selected for a period of 6 months to work on topics related to equal opportunities between men and women (men's school). On the environmental side, the project continued to sensitize farmers on agroforestry and tree benefits and executed collective trainings prior to the distribution of trees to explain planting models, parcel preparation and tree maintenance. 692 ha of agroforestry have currently been established under the project.



**San-Pédro, Bas  
Sassandra District**  
Côte d'Ivoire



**1.200**  
Cocoa farmers  
impacted



**2020-2023**



Budget  
**€763.695**

- Private sector  
**€510.454**
- Public sector  
**€253.241**

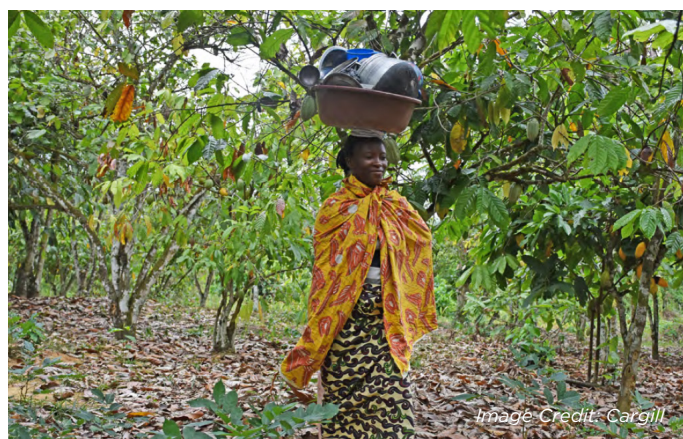


## Main learnings

The incentive payment that farmers received for the tree planting activity has proven to be an important motivation. Per producer, 100 FCFA (0,15 EUR) and per living tree was distributed after monitoring the tree survival rate 3 - 6 months after planting.

Timber companies are still very active in the Southwest region. Farmers are reluctant to plant trees by fear of having their parcels damaged. Cargill and PUR Projet are therefore involving the MINEF in future sensitizations on the new forest code and is in discussion with timber companies. Tenure is also a key factor affecting farmer willingness to plant trees. Since land in particular is the farmer's primary tool, farmers rely on their rights to inhabit, cultivate and manage the land to earn a living and ensure a future for next generations. Without secure rights, farmers are discouraged from investing their time and resources in agroforestry.

It is necessary to offer functional literacy courses for women to learn the Roman alphabet, French and mathematics (negotiation in the markets, and simplified calculation to strengthen their capacity to manage income generating activities). This capacity building for women also helps them to better express themselves in society and to participate in public spaces and debates.



## Next steps

In 2023, the project will continue supporting the distribution and planting of seedlings, as well as the incentive payment. As the project end is coming closer, there will be a focus on monitoring the project's impact.



## Landscapes for cocoa livelihoods

*Mondelez, CIAT, Olam, Sustainable Food Lab*

### Main outcomes in 2022

The landscapes for Cocoa Livelihoods project will develop and validate a framework for managing landscapes that differentiates livelihood strategies for cocoa farmers. The approach recognizes that certain farmers will be better placed to achieve living income through sustainable intensification, while others who generate more ecosystem services through forest conservation will benefit from a stronger livelihood component of payments for ecosystem services. Both groups will be able to benefit from income diversification through promotion of agroforestry. 2022 focused on the “design & test” phase of the project. In this phase, the targeted cocoa farming communities are engaged in determining factors required for the success of both intensification and conservation intervention. The most significant achievements of 2022 include:

- Selecting the forest-fringe community to engage and completing the participatory design of the Payment for Ecosystem Services (PES) mechanism together with the community;
- Creating a beta version of the remote sensing monitoring system for tracking land use change and estimating ecosystem services impacts, and;
- Identifying success factors for the intensification intervention (Targeted GAP) to achieve the targeted improvement in yields and incomes of farmers.



**Landscape around Tano Offin reserve, Atwima Mponua district**

Ghana



**650**

Cocoa farmers impacted



**2020-2024**



Budget

**€1.141.393**

— Private sector

**€802.000**

— Public sector

**€339.393**





## Main learnings

The Targeted Good Agricultural Practices or TGAP intervention focuses on improving smallholder incomes through increased cocoa productivity. After 3 years of implementation, an overall increasing productivity was observed, although the level of increase varied widely between the implemented regions as well as the cacao farmers. By conducting intensive monitoring using quantitative and qualitative approaches in year 3, project partners learned that inconsistent pest and disease management is most likely the greatest source of variability in TGAP farm results. Based on these results, several specific recommendations were made to focus on provision of GAP as a first priority before fertilizers and how to simplify and streamline coordination between community level stakeholders, the implementer and the sponsor.

## Next steps

2023 activities will include the design and piloting of a monitoring tool (deforestation alerts) with an impact dashboard (environmental and social outcomes), the publication of a learning brief by Sustainable Food Lab covering the Theory of Change for conservation and intensification initiatives to increase incomes of cocoa farmers, and the signing of Free, Prior and Informed Consent (FPIC) agreements between communities (local landscape beneficiaries) and industry partners (representing consumers as remote landscape beneficiaries) on PES area management plan, common objectives, roles and responsibilities.



## Farmers-Chocolatiers Sustainable partnership

*Puratos, Fairtrade Belgium, Belvas*

### Main outcomes in 2022

The project aims to secure a living income for 1000 Cacao-Trace and Fairtrade farmers by engaging in an innovative qualitative conversion and long-term commercial partnership. The project partners will ensure that the farmers participating in the project will be paid the Living Income Reference Price and that route to market will be ensured for them through long term contracts. So far, the project has engaged three chocolatiers and has identified 6 communities in 5 different cooperatives. In 2022, the three chocolatiers visited the project and connected with “their” communities. 2022 also marked the finalization of six community fermentation centers, allowing the farmers to deliver the Cacao Trace high-quality standard.

### Main learnings

Engagement of the farmers toward the constructed fermentation centres did not happen automatically. Cooperative engagement and the implementation of a pro-active prefinancing scheme from the exporters associated in the system are key to address this challenge. Furthermore, it has proven to be a challenge to attract new customers to the project.

### Next steps

In 2023, the project will focus on attracting new customers. In the meantime, continuous training, monitoring, and mapping will be done.



**San Pedro**  
Côte d'Ivoire



**1.000**  
Cocoa farmers impacted



**2021-2023**



Budget  
**€482.000**

— Private sector  
**€382.000**

— Public sector  
**€100.000**



## Direct market access for Ituri smallholder farmers producing deforestation-free premium cocoa

*ZOTO, Silva Cacao, Rikolto, UPCCO, Cacao Okapi*

### Main outcomes in 2022

The project aims to help 1,500 cocoa producers of the Ituri district in DRC reduce the living income gap through long term direct access to the remunerative Belgian market with specialty and premium bulk cocoa. In 2022, the first 769 farmers - corresponding to 2,034 ha - managed to obtain their organic certification for EU and US markets. Furthermore, the project has so far trained 900 farmers on improved on-farm fermentation methods, thus increasing cocoa quality. Project activities have also focused on increasing sales. Twenty-three chocolate makers are currently engaged to work with the Congo specialty beans and Cargill has included one of the specialty cocoa in its Veliche gourmet line. Also, Silva Cacao has won a sales tender in 2023 and the on-farm produced cocoa of Ituri can be used for chocolates served by a renowned airline group.



**Ituri province,  
Mambasa & Irumu  
territories**

DRC



**1.500**

Cocoa farmers  
impacted



**2021-2024**

Reporting on March  
2021 - February 2022



Budget

**€425.665**

— Private sector

**€224.165**

— Public sector

**€201.500**



## Main learnings

A large restriction to further boost promotion, sales, and volumes is the lack of local access to finance or micro-financing for both CCO and UPCCO. The continuous conflict in the region (state of siege, declared by President Tshisekedi to begin on May 6th) and insecurity make it very difficult to set-up a system allowing access to finance. This strongly slows down the process of promotion and sales while many cocoa farmers tend to abandon their farms and get demotivated. Project partners are in conversation with local banks and impact investors to explore options for prefinancing. Despite the numerous challenges, the partner consortium is still motivated and pushing for real change while many other projects have quit in the areas affected by the conflicts and the instability.

## Next steps

In 2023, focus will go to expanding the organic certification to the remaining cocoa farmers in the project; it has to be emphasized though, that the certification costs for DRC make audits challenging and almost unaffordable. Furthermore, attention will go to decentralized cocoa quality increases and the signing of new export contracts. Lastly, a Living Income survey and analysis will be implemented by Rikolto to monitor living income gaps and the progress of the project. as well as de-centralized techniques, having an impact in 5 primary communities (Manyá, Mambasa, Kilimamwenza, Mayuano, Babungwe).





# 5

## Events & Working Groups

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The Beyond Chocolate Partnership brings together know-how and expertise on sustainable cocoa production and creates a context in which best and worst practices can be openly shared. In 2022, Beyond Chocolate together with the other National Initiatives on Sustainable Cocoa (ISCOs) organized a large-scale learning conference in Brussels. Furthermore, a series of working groups on living income, deforestation, child labor, traceability, and monitoring were organized jointly with the ISCOs<sup>18</sup>.

3. Find more information on the harmonized ISCO working groups and events here: [https://www.idhsustainabletrade.com/uploaded/2023/01/ISCO-Working-Groups-Task-Forces-Learning-Events-\\_01032023-update-1.pdf](https://www.idhsustainabletrade.com/uploaded/2023/01/ISCO-Working-Groups-Task-Forces-Learning-Events-_01032023-update-1.pdf)





**ISCO  
MONITORING  
WORKING GROUP**

February 21<sup>th</sup> 2022

**WORKING GROUP  
CHILD LABOUR**

March 31<sup>th</sup> 2022

**ISCO WORKING  
GROUP FORESTS  
& AGROFORESTRY**

February 9<sup>th</sup> 2022

**WORKING GROUP  
TRACEABILITY**

March 2<sup>th</sup> 2022

**WORKING GROUP  
LIVING INCOME**

April 19<sup>th</sup> 2022

**WORKING GROUP  
TRACEABILITY**

June 30<sup>th</sup> 2022

**WORKING GROUP  
CHILD LABOUR**

July 7<sup>th</sup> 2021

**WORKING GROUP  
FORESTS &  
AGROFORESTRY**

June 28<sup>th</sup> 2022

**WORKING GROUP  
LIVING INCOME**

July 5<sup>th</sup> 2022



## ISCONFERENCE

September 1<sup>th</sup> 2022

On September 1st, the National Initiatives on Sustainable Cocoa in Europe (ISCOs) jointly organized a live learning conference on living income in Brussels. The ISCONference aimed to inspire and empower ISCO members to adopt, strengthen and scale sustainability approaches. The event featured panels and presentations by ISCO members and other high-level speakers from both consuming and producing countries. As poverty is often seen as the root cause of the social and environmental challenges within the sector, the event put Living Income at the center, making links with the challenges of deforestation, child labour and traceability.

Find the event report [here!](#) Find the recordings [here!](#)

## GENERAL ASSEMBLY

October 10<sup>th</sup> 2022

During the General Assembly of October 18th Beyond Chocolate presented its 2021 annual progress results, as well as its 2023 priorities and action points for. Furthermore, new signatories of the partnership were introduced to the group. The event was preceded by a networking breakfast amongst members.

## ISCO MONITORING WORKING GROUP

September 7<sup>th</sup> 2022

## ISCO WORKING GROUP TRACEABILITY

October 6<sup>th</sup> 2022





**ISCO WORKING  
GROUP CHILD  
LABOUR**

November 3<sup>th</sup> 2022

**ISCO WORKING  
GROUP LIVING  
INCOME**

November 10<sup>th</sup> 2022

**WORKING GROUP  
FORESTS &  
AGROFORESTRY**

October 24<sup>th</sup> 2022

**ISCO MONITORING  
WORKING GROUP**

November 9<sup>th</sup> 2022



## ISCO MISSION TO GHANA

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**November 14<sup>th</sup> 2022 - November 18<sup>th</sup> 2022**

In November 2022, the secretariats of the National Initiatives on Sustainable Cocoa in Europe (ISCOs) undertook a first joint mission to Ghana. In a series of meetings with local partners, the secretariats touched on areas of collaboration and complementarity between the ISCOs and producing country initiatives. The mission also allowed the ISCO secretariats to better grasp the realities on the ground during field visits and interactions with cocoa farmers.

Find out more [here!](#)



## BEYOND CHOCOLATE PROJECT MISSION TO CÔTE D'IVOIRE

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**December 12<sup>th</sup> 2022 - December 16<sup>th</sup> 2022**

In December 2022, the Beyond Chocolate secretariat joined Colruyt Group, Puratos, Rikolto, Fairtrade Belgium and Impact Institute during their visit of the Beyond Chocolate co-financed project in San Pedro, Côte d'Ivoire. The mission allowed all stakeholders to openly exchange with farmers as well as with each other on challenges, points for improvement and opportunities for upscaling. The group also met with Ambassador Michael Wimmer during a high-level breakfast.

Find out more about the project [here](#).



# 6

## Governance structure

The Beyond Chocolate Partnership is managed by IDH, the Sustainable Trade Initiative with generous funding from the Directorate-General Development Cooperation. Partners are represented in the decision-making processes through the Beyond Chocolate Steering Committee, which provides strategic guidance and direction to the program. Outside of the national borders, Beyond Chocolate is collaborating closely with the other National Initiatives on Sustainable Cocoa in Europe or 'ISCO's'.



# Beyond Chocolate

## GOVERNANCE STRUCTURE

### PROGRAM MANAGEMENT



Employees of IDH, the Sustainable Trade Initiative who coordinate the Beyond Chocolate Program and prepare the Steering Committee meetings



**Charles Snoeck**  
Program Manager



**Marloes Humbeek**  
Senior Program Officer

### BELGIAN GOVERNMENT

Funding partner of the Beyond Chocolate Program



**Belgium**  
partner in development

### STEERING COMMITTEE

gives direction to the IDH Secretariat on strategic program development and implementation issues and advises on new developments and priorities in the Belgian chocolate sector.

Find out more about the Steering Committee [here](#)

#### INDUSTRY



**Philippe de Selliers**  
representative small manufacturers

#### NGOs



**Koen van Troos**  
Civil Society Representative

#### INVESTORS



**Wouter Vanderspyen**  
Social Impact Investor Representative

#### KNOWLEDGE CENTERS



**Patrick Van Damme**  
Knowledge Center Representative

#### PUBLIC SECTOR



**Filip Vandenbroeke**  
Public Sector Representative

#### RETAIL



**Karen Janssens**  
Retail representative

#### LARGE MANUFACTURERS



**Ricardo Romero Perez Grovas**  
Large manufacturer representative

#### TRADERS



**Anne Widart**  
Trader representative

### NATIONAL INITIATIVES ON SUSTAINABLE COCOA IN EUROPEA (ISCO'S)

Partner initiatives that are bundling efforts with Beyond Chocolate for a sustainable cocoa value chain through collaborative action. The secretariats and boards of the initiatives have regular meeting to discuss our common strategy and activities.



Swiss Platform for Sustainable Cocoa



Forum Nachhaltiger Kakao  
German Initiative on Sustainable Cocoa



DISCO  
DUTCH INITIATIVE ON SUSTAINABLE COCOA



FRISCO  
French Initiative for a Sustainable Cocoa



## STEERING COMMITTEE

Koen van Troos

Filip Vandenbroeke

Wouter Vandersypen

Patrick Van Damme

Philippe de Selliers

Karen Janssens

Anne Widart

Ricardo Romero



## CONTACT PERSONS - IDH BELGIAN OFFICE

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