



To: Fairtrade Cocoa producers and traders
Fairtrade members
cc: Standards Committee
Fairtrade International staff
FLOCERT staff

Gudrun Schloepker
Director of Standards & Pricing
g.schloepker@fairtrade.net

2023.07.11

Cocoa Price Announcement from Fairtrade International - Standards & Pricing Unit

Dear Partners,

At its meeting on 28 June 2023, the Standards Committee decided on changes to Fairtrade prices for cocoa purchased from Côte d'Ivoire. Details of the decision can be found in the minutes of the Standards Committee meeting, which will be available soon on our website.

What is changing?

For Fairtrade cocoa beans sold from Côte d'Ivoire:

(1) to reduce the effect of strong exchange rate fluctuations on the Fairtrade Prices for cocoa and with the intention to mitigate market risk, Fairtrade International is publishing prices in euros (EUR) rather than in U.S. dollars (USD), which will be effective for deliveries from 1 October 2023.

(2) to provide a higher degree of stability on the value of the Fairtrade Minimum Price differential¹, the pegged exchange rate between the EUR and the West African CFA franc, or XOF, will be applied to calculate the Fairtrade Minimum Price differential value for each harvest season. Since 1999 it has been set at 1 EUR = 655.957 XOF.

The new Fairtrade Minimum Price and Fairtrade Premium for conventional and organic cocoa from Côte d'Ivoire are shown in the table below. The Fairtrade prices are also available on our website under:

<https://www.fairtrade.net/standard/minimum-price-info>

Product	Form	Quality	Country/ Producer Type	Currency / Quantity	Price Level ²	Fairtrade Minimum Price	Fairtrade Premium	Valid from
Cocoa	Beans	Conventional	Ivory Coast (SPO)	EUR/ Metric tonne	FOB	2,206	221	01/10/2023
Cocoa	Beans	Organic	Ivory Coast (SPO)	EUR/ Metric tonne	FOB	Organic Differential: +276	221	01/10/2023

¹ The Fairtrade Standard for Cocoa requires traders to pay a price differential for Fairtrade cocoa beans if the reference price in Côte d'Ivoire or in Ghana falls below the Fairtrade Minimum Price (FMP) at FOB.

² **Free on Board (FOB)** means that the seller delivers when the goods pass the ship's rail at the named port of shipment. From that point forward, the buyer has to bear all costs and risks of loss or damage to the goods. Under FOB terms, the seller is required to clear the goods for export.



For all deliveries from 1 October 2023, Fairtrade International will compare the reference price for Côte d'Ivoire, that is the 'valeur FOB garanti', once the Ivorian government has announced it at the start of each season, with the Fairtrade Minimum Price of 2,206 EUR/MT. Fairtrade International will communicate the exact amount of the Fairtrade Minimum Price differential value to be paid for each season through an announcement letter and on our website. The Fairtrade Premium of 221 EUR/MT and the Organic Differential³ of 276 EUR/MT must be paid in addition to the Fairtrade Minimum Price differential value. Euro values were converted based on the USD/EUR exchange rate on 1 April 2023.

For non-regulated markets and Ghana (all countries excluding Côte d'Ivoire), Fairtrade International will continue to set prices in USD. This means that the Fairtrade Minimum Price of 2,400 USD/MT at FOB, Fairtrade Premium of 240 USD/MT and Organic Differential of 300 USD/MT must be paid when sourcing under Fairtrade terms from producers in those countries.

Please also note that on 7 July 2023, you have received an announcement about the applicability timelines of the revised requirements in the Fairtrade Cocoa Standard. Details can be found [here](#).

For more information, please contact Standards & Pricing at standards-pricing@fairtrade.net

Best regards,

Gudrun Schloepker

Director of Standards & Pricing

³ Only applicable when sourcing organic cocoa under Fairtrade terms