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**Certified Traders** 

**Producer Networks** 

National Fairtrade Organizations

**FLOCERT** 

CC:

Standards Committee

Fairtrade International staff

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10 July 2024

Subject: Removal of requirement 2.1.10 Mass balance: origin matching of bean volumes from the Fairtrade Standard for Cocoa

Dear Fairtrade partners,

New Cocoa Standard Requirement 2.1.10 "Origin matching on cocoa bean volumes" is currently scheduled to become active for traders on 1st January 2025. The concept of origin matching on Fairtrade beans, means that mass balance buyers should purchase certified cocoa beans from the countries that match the origin of the cocoa used in the product/s they sell as Fairtrade certified with the goal of increased transparency of origin for mass balanced supply chains.

Over the past few of months, it has become increasingly clear that it would not be advisable for Fairtrade to proceed with the implementation of this requirement as scheduled for several reasons summarized below.

- The cocoa sector environment has changed significantly since requirement 2.1.10 was consulted and agreed upon. As well as the supply shortage, EUDR is driving more focus on enhanced cocoa traceability solutions for segregated and identify preserved cocoa.
- 2. Origin matching on beans will add additional complexity and reporting burden to traders and Fairtrade (at a time when the focus of reporting is on EUDR).
- 3. Due to historical price highs and supply shortages, the cocoa sector is currently struggling to meet demand for the current 2023-2024 and next 2024-2025 season.

Introducing origin matching on Fairtrade beans during a time of extreme supply shortage would put stress on Fairtrade sourcing and increase complexity further, when many operators are focused on EUDR compliance.

The Global Cocoa team and the Standards Unit at Fairtrade International therefore recommended to the Standards Committee in their June 2024 meeting that requirement 2.1.10 - Origin Matching of Cocoa Beans - be removed from the Standard to take account of the challenging cocoa sourcing situation. The Standards Committee approved the removal of requirement 2.1.10 Origin Matching of Cocoa Beans and the minutes of the Standards Committee meeting will be published in due course, followed by publication of the revised



Standard. This means that requirement 2.1.10 – Origin Match of Cocoa Beans, will no longer be implemented.

Noting that cocoa contracting is underway for 2025, Fairtrade International is providing prior notice of this change to the Cocoa Standard ahead of its publication in the coming weeks.

Should you have any questions, please contact standards-pricing@fairtrade.net

Best regards,

Melissa Duncan

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