

# Cocoa Producers' Summit on Living Income

Abidjan, May 11<sup>th</sup> 2023

## Declaration

We, cocoa farmers, represented in cooperatives, Réseau Ivoirien de Commerce Equitable (RICE), Association des Présidents du Coopératives de Café et Cacao (ASPCACC), are committed to produce sustainably, stop child labour and avoid deforestation. It is our mission to improve the livelihoods of our families and contribute to thriving communities. This is much needed, as multiple studies show that still a large majority of cocoa farmers cannot afford a decent standard of living. Our earnings are insufficient to feed our families well, live in decent housing, send our children to school or access adequate healthcare. Let alone have savings to reinvest in our farms to improve productivity or diversify crops.

We see it as our responsibility to implement good agricultural practices and improve the productivity, quality and resilience of our farms, producing cocoa and other crops. However, this is only possible if we have access to adequate inputs and technical assistance, affordable finance and stable, reliable markets. We call on the industry and policy-makers to shape an enabling environment that allows us to be efficient suppliers of high quality, sustainable cocoa, while earning a living income for our families.

### **A call to industry:**

- In order to invest in our farms and produce sustainably and to be efficient and professional cooperatives who effectively serve our members' needs, we need stable business partnerships with long term sourcing agreements. Living Income enabling purchasing practices should be embedded in any responsible business conduct: We need to be able to sell our products at a price that covers the costs of sustainable production and allows us to have a decent standard of living.
- Long term sourcing commitments at sustainable prices are needed to plan our business. This way, cooperatives can play a key role in supply management.
- We need industry to share the risks of investing in farm productivity and diversification in the face of climate change.

### **A call to multistakeholder sector initiatives:**

- We applaud the national Initiatives for Sustainable Cocoa in Germany, Belgium, Switzerland, Netherlands and France, and the inclusion of living income goals in these sector commitments. However, it would be important to include the producer voice more strongly in these discussions, to ensure our needs are well reflected and addressed in the forthcoming action. To this end, we have some suggestions:
  - Create more spaces for dialogue between the different signatories and producers to ensure optimal communication.
  - Ensure that the concerns of producers are fully taken into account and that there is a real co-creation of projects and programmes and mitigate the risks of potential unintended consequences.
- We call for the creation of an enabling environment within MSIs with anti-trust authorities, to stimulate responsible procurement practices with sustainable prices for producers. In the same vein, we suggest distinguishing between premiums that really enable living incomes and those that don't in the monitoring frameworks.
- In order to protect farmers against bad business practice and avoid cut and run behaviour by companies, we recommend setting up grievance mechanisms where we can report business conduct that negatively affects our livelihoods.



Co-funded by  
the European Union



Association des Présidents  
de conseil d'Administration  
Café-Cacao



# Cocoa Producers' Summit on Living Income

Abidjan, May 11<sup>th</sup> 2023

## **A call to policy makers in consuming countries:**

- We see legislation as the most important route to realizing income improvement at scale. Coherent policy measures should be developed in cocoa producing and consuming countries to enshrine and promote living income as a human right, to ensure a lasting and profound impact. It is therefore critical for decision-makers to include living income and responsible purchasing practices as an integral part of policies on responsible business conduct to achieve sustainability in the cocoa sector.
- We recommend including responsible and living income enabling purchasing practices in laws and policies related to human rights and environmental due diligence (HREDD) and in particular, we hope to see living income referenced in the EU Directive on Corporate Sustainability Due Diligence. Herein it is critical to ensure that legislation won't have unexpected negative consequences for the most vulnerable farmers due to cut and run compliance strategies by companies.
- In this regard, we welcome the Declaration on living income and living wage, signed by Germany, the Netherlands and Belgium, and encourage other countries to join.
- We recommend facilitating exemptions to competition policies, such as sustainability agreements, to enable smallholder farmers reach a living income.
- We urge decision makers to pass laws that prohibit buying products below the costs of sustainable production as part of the unfair trading practices framework. Living income inclusion in the calculation of what constitutes cost of sustainable production is essential.
- It is crucial that all measures taken are both gender and youth sensitive. This includes, for instance, policies supporting women and youth's economic participation, access to land, credits and training opportunities.
- Complementary to legislation, we call on governments to invest adequately in agricultural and rural transformation, such as sustainable farming practices and new technologies. Donors should also support financially existing living income projects and share the learnings for scaling up.

## **A call to producing country governments:**

- We appreciate the joint initiative of the Ivorian and Ghanaian governments to implement the Living Income Differential as a mechanism to improve farmgate prices for cocoa. However, farmgate prices haven't kept pace with the steep inflation of production costs and the cost of living and current farmgate prices are simply not enough to cover our costs. We look at our governments for even bolder strategies to ensure sustainable prices for our cocoa. In addition, we seek greater transparency of the pricing mechanisms in place.
- While our cocoa farms are strictly being monitored for deforestation, we witness daily how national laws against deforestation are being violated by illegal mining and other enterprises, resulting in environmental disasters that impact cocoa production. We therefore call for law enforcement by our governments.



Co-funded by  
the European Union



Association des Présidents  
de conseil d'Administration  
Café-Cacao



# Cocoa Producers' Summit on Living Income

Abidjan, May 11<sup>th</sup> 2023

Signatories:



Association des Présidents  
de Conseil d'Administration  
Café-Cacao



Societe Cooperative  
Simplifiee Canaan de  
Gabiadji CANAAN



Cooperative des  
Agriculteurs Kignon de  
Grand Bereby CAKIB

Coopérative Agricole  
NZrama de NDouci CANN

Cooperative  
Agricole Unite de  
Divo CAUD



Cooperative  
Espoir Agnikro  
d'Abengourou  
CEAA



Coopérative  
Bassadougou de  
Dies COOBADI

Cooperative  
Agricole Pig  
COOPAPIG

Coopérative Agricole  
des Producteurs de  
Zaranou COOPAZA



Société Coopérative Simplifiée  
Agricole M'Bloussouè ECAM  
Yamoussoukro

FANTEAKWA  
Union



Société Coopérative  
Simplifiée Agricole de  
Gbandegoh de  
Gbangbéguiné CAGG



Société Coopérative  
Agricole de Kames 2  
SCOOPAKAM

Societe Cooperative avec  
Conseil d'Administration de  
Koun-Fao COOP-CA KF



Co-funded by  
the European Union



Association des Présidents  
de conseil d'Administration  
Café-Cacao

