

# Entering the European market for semi-finished cocoa products

Exporting semi-finished cocoa products to the bulk cocoa market in Europe is a challenge. You will be more likely to succeed with unique cocoa products of excellent quality, mainly in the chocolate industry. Developing and exporting locally-processed cocoa products requires you to have proper quality management, documentation, long-term commitment and close cooperation with European companies.

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## 1. What requirements must cocoa comply with to be allowed on the European market?

You can only export semi-finished cocoa products to Europe if you comply with strict European Union requirements. For a complete overview of these standards for cocoa beans, refer to our study on [buyer requirements for cocoa](#) or consult the specific requirements for cocoa in the [EU Trade Helpdesk](#).

Legal requirements that apply to semi-finished products are more complex than those for cocoa. In general, the buyer requirements can be divided into:

1. Musts: legal and non-legal requirements you must meet to enter the market;
2. Additional requirements: those you need to comply with to keep up with the market;
3. Niche requirements: these apply to specific niche markets.

The highlights for these requirements are given below.

## Legal and non-legal requirements you must comply with

Semi-finished cocoa products must follow the legal requirements that apply to other food ingredients. Traceability and food safety and hygiene are the most important themes.

## Legal requirements

Relevant legal requirements for cocoa products include:

- [General Food Law](#): this law addresses the basic food safety principles, including traceability;
- [Hygiene of foodstuffs](#): the further processing of cocoa requires producers and exporters to comply with the hygienic standards based on the HACCP principles (Hazard Analysis and Critical Control Points); this is mandatory for products beyond primary production;
- [Pesticides](#): consult the [EU pesticide database](#) for an overview of the [maximum residue levels](#) (MRLs) for each pesticide. This regulation describes the pesticide residue limits as applied to cocoa beans, so as to avoid contamination of derivative products;
- [Microbiological contamination](#): no specific requirements for cocoa products are described under this legislation, but the presence of contaminants such as *E. coli*, *Salmonella*, Enterobacteriaceae, moulds and yeast may result in market withdrawal;
- [Extraction solvents](#): this legislation is only applicable to specific cocoa products; for example, there is a legislative limit on the use of Hexane (1 mg/kg) during the production of cocoa butter;
- [Contaminants in food](#): especially important for cocoa are mycotoxins ([ochratoxin A](#)), polycyclic aromatic hydrocarbons ([PAHs](#)) and heavy metals ([cadmium](#), which is a particular problem for cocoa from some Latin

American countries due to factors like volcanic activity and forest fires – read below);

- [Cadmium contamination](#): the European Union has strengthened its regulation on cadmium in cocoa and derived products. The new regulation became effective as of January 2019. Refer to our study on buyer requirements [for more information on maximum permitted levels of cadmium in different cocoa products](#).

## Quality requirements

The quality of your cocoa products is largely based on the quality of the cocoa beans you use. However, the quality is also based on how you process and handle the beans. If you want to access the European market for semi-finished cocoa products, you will have to meet international quality standards. If you want to access the specialty segment for fine flavour products, the standards you have to meet are particularly high.

Buyers in Europe currently assess the quality and flavour of cocoa beans in different ways and often use a combination of two or more methodologies. The [Cocoa Beans: Chocolate & Cocoa Industry Quality Requirements](#) guide provides recommendations on cocoa growing, post-harvest practices and quality evaluation methods that contribute to cocoa quality.

Other common cocoa quality assessment methodologies and international cocoa standards used among chocolate makers and cocoa traders are, for instance:

- ISO's [Standards on classification and sampling for cocoa beans](#);
- The [cocoa sampling protocol](#) and [cocoa grading form](#) of the Fine Cacao and Chocolate Institute (FCCI);
- Heirloom Cacao Preservation's [genetic evaluation of cocoa](#) to identify and value cocoa and its flavour;
- Equal Exchange/TCHO's [quality assessment and tasting guide](#) to assess the quality of cocoa along the value chain.

There are no harmonised international procedures, nor is there a specific terminology for assessing cocoa bean quality and flavour and its direct relation to high-quality chocolate for buyers and consumers. However, a workgroup, coordinated by the [Cocoa of Excellence Programme](#), is currently developing international standards for assessing cocoa quality. They are available on the website of the [International Standards for the Assessment of Cocoa Quality and Flavour \(ISCQF\)](#).

The United Nations' *Codex Alimentarius* standards for cocoa products provide good guidelines to address quality issues in the processing, handling and storing of semi-finished cocoa products and chocolate. European buyers will look at these aspects when assessing your product. They can be found in the following documents:

- [Standard for Cocoa Powders \(Cocoas\) and Dry Mixtures of Cocoa and Sugars](#);
- [Standard for Cocoa \(Cacao\) Mass \(Cocoa/Chocolate Liquor\) and Cocoa Cake](#);
- [Standard for Cocoa Butter](#).

## Labelling requirements

The labelling of cocoa beans exported to Europe should comply with the [general food labelling requirements of the European Union](#). The labelling should be written in English and should include the following to ensure traceability of individual batches:

- Product name according to the *Codex Alimentarius* definitions;
- Lot or batch code;
- Country of origin;
- Net weight in kilogrammes;
- Name and address of manufacturer, packer, distributor and/or importer;
- List of ingredients;
- Date of processing and packaging;
- Instructions for storage and use;
- In the case of organic and/or Fairtrade: name/code of the inspection body and certification number.

## Packaging requirements

Semi-finished cocoa products have different transport needs according to their physical characteristics. Some options are highlighted below, but buyers might also have specific requirements and specifications:

- **Cocoa paste and butter** are packed in blocks of 25 kg in polythene-lined fireboard cartons or plastic. These cartons are placed in larger containers for bulk transport. The paste and butter can also be transported in their liquid (molten) condition; the products are then carried in heated tanks. When the liquid cocoa butter and paste are shipped, they are transported in heated stainless-steel tanks.
- **Cocoa powder** is often packed in multi-ply paper bags. In general, there are no extensive restrictions on transporting cocoa powder, but it should be stowed in a dry and clean space and protected against foreign odours and water to maintain its dry properties.
- Couverture chocolates are packaged in aluminium foil or composite films, paper or plastic trays and transported in carton boxes. Presentations and sizes vary depending on the end user. For chocolate confectionery, especially for chocolatiers, grains/chips/drops are the most common (bags of 1, 2.5, 5 and 10 kg), as they are easy to process. Other food industries look for chocolate as liquids, chunks, powder or grains or in different types of containers up to 25 kg. Slabs and blocks (up to 5 kg) have a more limited use outside of the larger industrial users. In the event that you do not have machinery for making chips/grains, you could determine whether your buyer is interested in shavings.

Figure 1: Semi-finished cocoa products: presentation and transport



Sources: [MOI International](#), [Maretaï Organics](#) and [Paris Gourmet](#)

## Tips:

For the full buyer requirements, read the study on [buyer requirements](#) for cocoa in Europe.

Check the website of [EUR-Lex](#) for more detailed information about the regulations concerning cocoa products.

Learn more about maintaining the quality of your cocoa products during transportation on the websites of [the Transportation Information Service](#) and the [Cargo Handbook](#).

Learn about common problems faced by suppliers during border controls and take measures to avoid similar issues. On the website of the [Rapid Alert System for Food and Feed \(RASFF\)](#), you can browse through various border rejections and alerts for specific cocoa products. See the product category 'cocoa and cocoa preparations' when accessing the [RASFF Portal](#).

Provide complete and correct documentation for your semi-finished cocoa products. Learn how international companies compile their specification sheets – for example, [NEDERLAND SA: Cocoa butter](#) and [DO-IT Organic: Cocoa Powder](#).

## Additional requirements to keep up with the market

### Additional food safety requirements

Applying [Hazard Analysis and Critical Control Points](#) (HACCP) is required as a minimum standard for semi-finished cocoa products. Some buyers will expect you to have additional certificates concerning food safety and quality management. Receiving certification from recognised and trustworthy sources demonstrates your commitment to high and consistent quality and safety.

The standards you need to adopt will depend on the profile of your buyer. Large retailers and private label manufacturers are usually more demanding, as they will require compliance with one or more of the following standards:

- [International Featured Standards: Food](#) (IFS);
- [British Retail Consortium Global Standards](#) (BRC);
- [FSSC 22000](#);
- [ISO 22000](#).

### Additional sustainability requirements

Corporate responsibility and sustainability are of growing importance in the cocoa sector. Adopting codes of conduct or sustainability policies on the environmental and social practices of your company can provide you with a competitive advantage. The requirements for cocoa beans are also applicable to semi-finished cocoa products; these criteria are described in [our study of Buyer requirements for cocoa](#).

## Tips:

Familiarise yourself with food safety management systems. If you want to enter the European market, you will very likely have to implement one of these systems. Different buyers may prefer different food safety management systems. Check which one is preferred by buyers in your main European target markets before you consider applying for certification.

Refer to the [International Trade Centre Standards Map](#) or the [Global Food Safety Initiative website](#) to learn about the different food safety management systems, hygiene standards and certification schemes.

Find out which standards or certifications are preferred by potential buyers in your target segment. Buyers may have preferences for a certain food safety management system or sustainability label depending on their end clients and/or distribution channels.

Develop and implement your own corporate social responsibility (CSR) policy or code of conduct. This is a good way to show potential buyers your views on social responsibility. This strategy may also help you to stand out when your buyer must choose between several suppliers.

## Niche requirements

In order to market your semi-finished cocoa products as organic in the European market, they must comply with [the regulations of the European Union for organic production and labelling](#). EU Organic is the minimum legislative requirement for marketing organic products in the European Union. Note that the EU organic regulation will apply some changes as of 1 January 2021; [the website of IFOAM describes these changes in detail and highlights the implications for exporters](#). An important change, already implemented as of February 2020, is that [Certificates of Inspection \(COIs\)](#) must be issued by control authorities prior to the departure of a shipment. If this is not done, your product cannot be sold as organic in the European Union and will be sold as a conventional product. COIs can be completed by using the European Commission's electronic [Trade Control and Expert System \(TRACES\)](#).

The Fairtrade label is a third-party certification that addresses your business' social performance along the supply chain. The most common fair trade standard on the European market is [Fairtrade](#). Another fair trade standard available in the European market is [Fair for Life](#).

Before you can market your cocoa products as Fairtrade and/or organic, an accredited certifier must audit your growing and processing facilities. Examples of accredited certifiers are [Control Union](#), [Ecocert](#), [FLOCERT](#), [ProCert](#) and [SGS](#).

### Tips:

Learn more about organic farming and organic guidelines on the [European Union website](#) and the [Organic Export Info website](#).

Find importers that specialise in organic products on the [website of Organic-bio](#).

Try to visit trade fairs for organic products, like [Biofach](#) in Germany. Check out their website for a list of exhibitors, seminars and other events at this trade fair.

If you produce cocoa according to a Fairtrade scheme, find a specialised European buyer who is familiar with sustainable and/or fair trade products, for instance through the [FLOCERT customer database](#).

Try to combine audits if you have more than one certification. This way, you can save time and money. Also, investigate the possibilities for group certification with other producers and exporters in your region.

## 2. Through what channels can you get semi-finished cocoa

## products on the European market?

Cocoa and cocoa products are used for processing in four different industries: confectionery, food, cosmetics and pharmaceutical. The cosmetics and pharmaceutical industries work with semi-finished cocoa products only, whereas players in the confectionery industry may start their production process from the cocoa beans.

## How is the end-market segmented?

The different semi-finished cocoa products can be segmented by their end use.

Cocoa paste is essential in manufacturing chocolates. It is also used in other applications, ranging from bakery goods to ice creams and beverages.

Cocoa butter is also an essential element in the manufacturing of chocolate. It is mostly used to give chocolate a smoother texture. To avoid substitution with other vegetable oil alternatives by mainstream chocolate makers, the European Commission [regulates the use of these alternatives within the chocolate industry](#). [An addition of up to 5% of vegetable fats other than cocoa butter is allowed in Europe](#). But specialty chocolate makers in Europe commit to using 100% cocoa butter in their products. Cocoa butter is also used in the cosmetics and health industries.

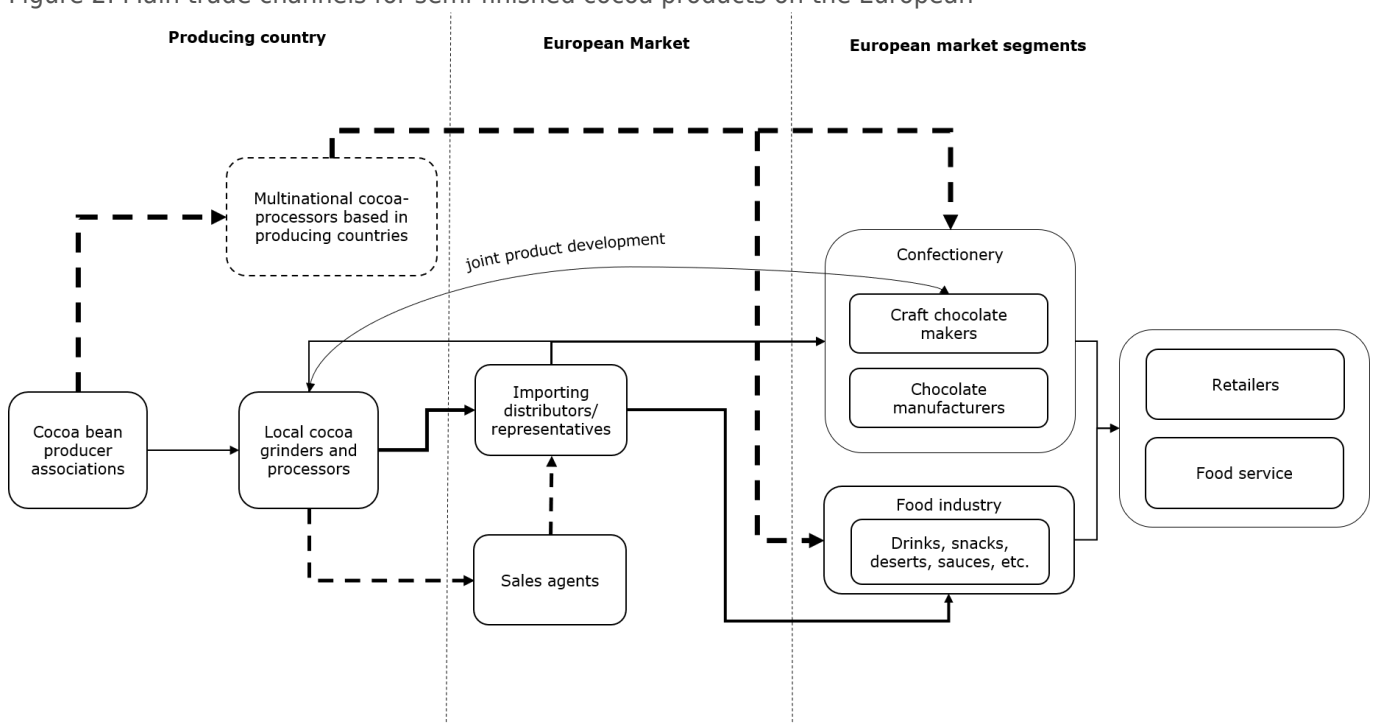
Cocoa powder is an important product for the food industry. It is a by-product of cocoa processing and is widely used in food products such as dairy, bakery goods and instant beverages. Cocoa powder is also sold directly to consumers for use in chocolate drinks and other recipes.

Couvertures are used by chocolate makers of all sizes, from large-scale manufacturers to craft chocolate makers, to manufacture chocolate. Couvertures can also be used by other confectionery industries, chefs and consumers to produce biscuits and breakfast and bakery products, among other things.

## Through what channels does cocoa end up on the end-market?

As an exporter of cocoa products, you can use different channels to bring your products to the European market, depending on the quality of your cocoa products and your supply capacities. The figure below shows you the most important channels for cocoa products in Europe:

Figure 2: Main trade channels for semi-finished cocoa products on the European





## Large multinational cocoa processors are not a suitable point of entry into the market

Cocoa grinders/processors process cocoa beans into cocoa mass, cocoa butter and/or cocoa powder, which they distribute to the confectionery, food, cosmetics and pharmaceutical industries throughout Europe. A large share of the imports of semi-finished cocoa products enter the European market through these large multinational processors/grinders. Since these companies have their own processing operations in cocoa-producing countries, they are not a suitable point of entry for independent producers of semi-finished cocoa products. This fact is especially true for producers and exporters of fine flavour cocoa products, which should aim at market channels that reward high quality and engage in long-term business relationships.

Examples of companies that process/grind cocoa beans both in Europe and in cocoa-producing countries include Cargill, Olam, Ecom, Touton and Barry Callebaut.

## Importers are suitable contacts to target the food industry

Importers are the most suitable point of contact if you aim to get access to the European food industry. It is not common to have direct contact with and/or sell to food manufacturers. The food industry is suitable for exporters of semi-finished cocoa products made from standard and good-quality cocoa beans; however, it is not suitable for high-value and high-quality cocoa beans and micro lots.

The role of importers within the European food industry is essential. Importers facilitate the linkage between suppliers and end buyers of ingredients, acting as supply chain managers. They supply various food manufacturers (and the cosmetics industry, in the case of cocoa butter), including chocolate companies, with cocoa products corresponding to their specific needs. Importers normally have a large portfolio of products from different origins and can handle a wide range of cocoa products in different levels of processing: cocoa liquor, cocoa powder and cocoa butter.

As an exporter, you should try to target specialised importers that handle only cocoa products or that cover niche markets such as organic. A large share of European ingredient traders are located in the Netherlands and Germany, purchasing products both for domestic industries and for distribution to other European countries.

Examples of companies that import cocoa products in Europe and specialise in cocoa products include [Daarnhouwer](#), [Theobroma](#) and [Huyser Möller](#) (the Netherlands), [Albrecht & Dill Trading](#) (Germany), [Panamir](#) (Estonia) and [HB Ingredients](#) (United Kingdom). Companies specialised in the purchase and distribution of organic certified products, including cocoa derivatives, include [Naturkost Übelhör](#) (Germany), [DO-IT](#), [Rhumveld Winter & Konijn](#) and [Tradin Organic](#) (the Netherlands).

## Selling to chocolate makers will require uniqueness and trust building

Large chocolate manufacturers in the European market have their own cocoa-processing departments or will source their semi-finished products from large players such as Barry Callebaut or Cargill. Examples of these large chocolate manufacturers include [Ferrero](#), [Nestlé](#), [Mars](#), [Mondelez](#) and [Lindt & Sprüngli](#).

Smaller European chocolate makers may be a more interesting entry point, as they are increasingly searching for personalised products and closer contacts with cocoa producers and exporters in the countries of origin. This development has led to an increase in direct trade of cocoa beans. Direct trade in semi-finished cocoa products is still much less common, but this very small niche market is growing.

Chocolate makers will only import semi-finished cocoa products from the countries of origin in specific situations. For example, they might want to co-develop specific couvertures or chocolate recipes with their supplier (joint product development). This kind of direct trade usually results from long-term partnerships between producers and buyers, combining proven quality, commitment and trust. Cocoa cooperatives and/or exporting companies in producing countries that already work through these channels include [Eco Kakao](#) and

[AgroExport Carmita](#) (Ecuador), [El Ceibo](#) (Bolivia), [Grupo Conacado](#) and [Rizek Cacao](#) (Dominican Republic) and [Twin Track Cocoa Products](#) (India).

Chocolate makers in the speciality segment will only be interested in specialty or fine flavour cocoa products of very high quality, with outstanding flavours and proven traceability and in accordance with their standards and specifications. These criteria can be related to the level of cocoa bean fermentation and cocoa nib roasting, but they can also include specific niche requirements such as organic certification, for example. Chocolate makers will only outsource processing activities if they can make sure that the products will not deviate from their requirements.

Speciality chocolate makers sourcing semi-finished cocoa products from the countries of origin will normally have a genuine interest in the history of the cocoa and its unique qualities. Visits to the production area and processing facilities will be common, as will frequent contact and feedback rounds.

## Having a European representative could increase your competitiveness

Some processors of cocoa products located in cocoa-producing countries make use of European representatives to enhance their possibilities for market access. These representatives can either be a European affiliate of the same company (with a European registration) or independent agents/distributors located in Europe. Examples are [Luker Chocolate Europe](#) (representative of Colombian Casa Luker, based in Belgium), [Cocoa Supply](#) (representative of Ecuadorian company [Cocoa Supply](#), based in the Netherlands) and [Puro Origen](#) (representative of Venezuelan company [Chocolates El Rey](#), located in the Netherlands), among others.

Having a representative based in Europe allows cocoa product exporters to manage promotion, sales, distribution and after-sales activities much more effectively – especially when this representative has warehousing capacities. In addition, having a European representative may allow for more coordination between the place of origin and the target market; that means production can be planned according to market demand and sales projections. For a buyer, whether a food manufacturer or a chocolate maker, purchasing products which are already located in Europe means less paperwork and fewer risks.

### Tips:

Attend trade fairs in Europe to meet potential buyers, such as the [Salon du Chocolat](#) (largest fair in Paris, France) or [Chocoa](#) (Amsterdam, the Netherlands). Also, think about visiting food trade fairs, such as the world's leading trade fair for confectionery and snacks [ISM](#) (Cologne, Germany) or [PLMA's World of Private Label](#) (Amsterdam, the Netherlands). Attending such events can provide you with additional insight into the preferences of European buyers, with regard to origin, flavour and sustainability certification. By understanding the market better, you can ensure that your specific product corresponds to the demand and requirements.

Find buyers in Europe who match your business philosophy and export capacities (in terms of quality, volume, sustainability/certifications). If you produce micro lots of exceptional quality and traceability, for example, aim at direct trade partnerships with chocolate makers. Investigate their requirements and the amount of processing (paste, butter or even couverture) that you can manage locally.

Hook up with local cocoa processors if you are a cocoa farmer or cooperate with buyers that are interested in semi-finished cocoa products from places of origin. Examples of such local cocoa processors are [Bakau](#) and [Quillacaa](#) (Peru).

For more tips on finding the right buyer for you, see our study on [finding buyers on the European cocoa market](#).

Invest in long-term relationships. Whether you are working through an importer or directly with a chocolate maker, it is important that you establish a strategic and sustainable relationship with them. This will help you manage market risks, improve the quality of your product and reach a fair



quality/price balance. For more tips, read [our study on doing business with European cocoa buyers](#).

Investigate collaborations in your country which can leverage marketing and promotion efforts, like sector initiatives such as the [Meso-American Association of Fine Cacao and Chocolate \(AMACACAO\)](#) (Central America) and trade promotion agencies such as [PROMPERU](#) or [PROCOLOMBIA](#).

### 3. What competition do you face on the European market for semi-finished cocoa products?

The intensity of competition on the market is generally high for semi-finished products made of bulk cocoa with low added value. This segment is strongly dominated by multinationals, located in Europe or in cocoa-producing countries. They are able to deliver large quantities and price-competitive products, which makes it difficult for small and medium-sized companies to compete. The level of competition is lower for semi-finished cocoa products made with specialty cocoa. In this segment, there is a stronger focus on quality, relationship-building and sustainability.

#### **The European chocolate industry is your entry point and your main competitor**

Europe is the largest producer of cocoa products worldwide, with a high concentration of players in a few countries. The processing of cocoa and the purchasing of semi-finished products are traditionally done within Europe. The European chocolate industry carefully controls different processing steps to ensure quality and to match consumer tastes in different markets. As a result, European importers and chocolate makers hesitate to outsource cocoa processing to the countries of origin. For example, the initial roasting of cocoa beans defines the taste profile of the finished chocolate product.

The Netherlands and Germany have the largest production volumes of semi-finished products, largely due to their clusters for trade and the cocoa-processing industry.

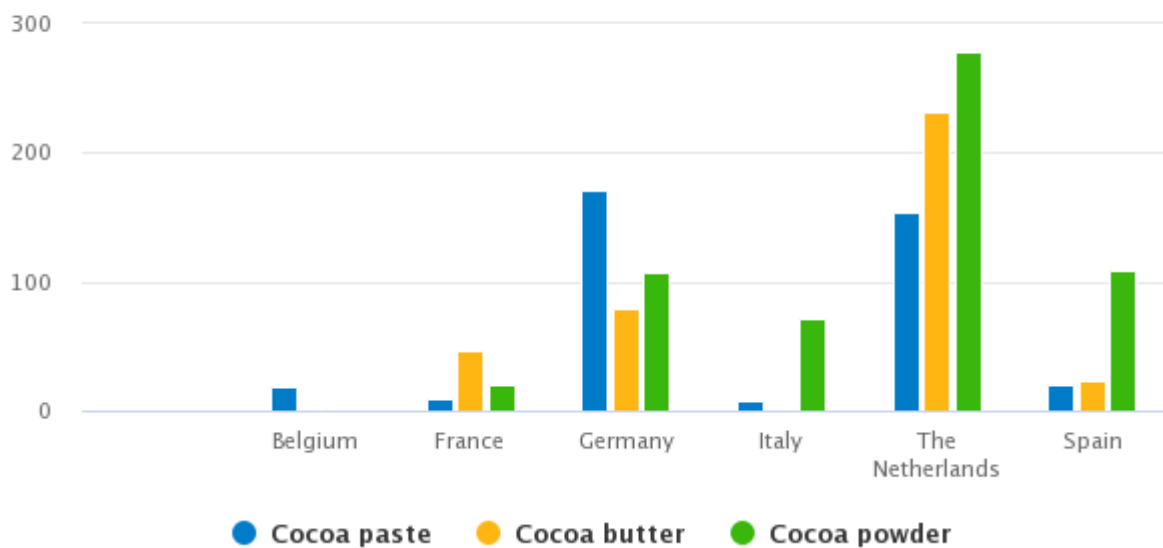
The Netherlands is the largest importer of cocoa beans and has the [second-largest grinding industry](#) in the world, second only to Ivory Coast. The Netherlands houses large cocoa processors such as Cargill, Ecom/Dutch Cocoa and Olam. The particularly high production of cocoa butter in the Netherlands is also explained by its large cluster of vegetable oil refineries.

Germany also houses one of the largest cocoa industries in the world. It is the fourth-largest cocoa-grinder in the world, after Ivory Coast, the Netherlands and Indonesia. Germany is the second-largest cocoa bean importer in Europe. Most imports enter the country via the port of Hamburg, where several large cocoa grinders are located, such as Barry Callebaut and Cargill.

Other large grinding competitors on the European market include [Natra](#), [INDCRESA](#) and [Nederland SA](#) (Spain), [Cémoi](#) (France), [August Storck](#), [Confiserie Coppeneur et Compagnon](#), [Ludwig Weinrich](#) and [Schokinag](#) (Germany), [ICAM](#), [Ferrero](#) and [Elah Dufour](#) (Italy).

**Figure 3: Sold production volume of semi-finished cocoa products in Europe, 2018**

in 1,000 tonnes



Source: Prodcorn, 2019

\*Data of the Netherlands are from 2017, as are the cocoa paste data from Belgium. Couverture data are not available due to confidentiality.

## Suppliers of bulk cocoa dominate the market for semi-finished products

Ivory Coast and Ghana are the main cocoa-producing suppliers of cocoa butter, cocoa powder and cocoa paste to the European market. These countries mainly supply bulk cocoa products to the European market. The processing mainly takes place through multinationals or European companies located in those countries, such as Barry Callebaut, Cargill, Olam and ECOM. Hence, being an independent local processor means that you will have to compete with European companies based in Europe which are also active in producing countries.

Examples of local cocoa processors active in Ivory Coast and Ghana include [Susco](#), [ICC](#), [Foragri](#), [Ivcao](#), [Condica](#) and [SAF-Cacao](#) (Ivory Coast) and the [Cocoa Processing Company](#), [Niche Cocoa](#), [Plot Group](#) and [Afrotropic Cocoa Processing Company](#) (Ghana).

Indonesia is another large supplier of bulk cocoa products to the European market. The same large multinationals as mentioned before are also behind Indonesia's strong position in cocoa processing. For example, local Indonesian cocoa processor [BT Cocoa](#) was bought by Olam in 2019.

In 2019, the largest shares of cocoa products sourced directly from cocoa-producing countries were recorded for cocoa paste (52% of the total European imports) and cocoa butter (35% of the total imports). The main suppliers of these cocoa products from cocoa-producing countries in 2019 were:

- *Cocoa butter*: the largest supplier of cocoa butter from a cocoa-producing country is Ivory Coast, with almost 80 thousand tonnes, followed by Ghana with 60 thousand tonnes and Indonesia with 32 thousand tonnes. Supplies from Ivory Coast saw a slight decrease of 1.4% between 2015 and 2019, while Ghana registered an average annual growth rate of 16% in the same period.

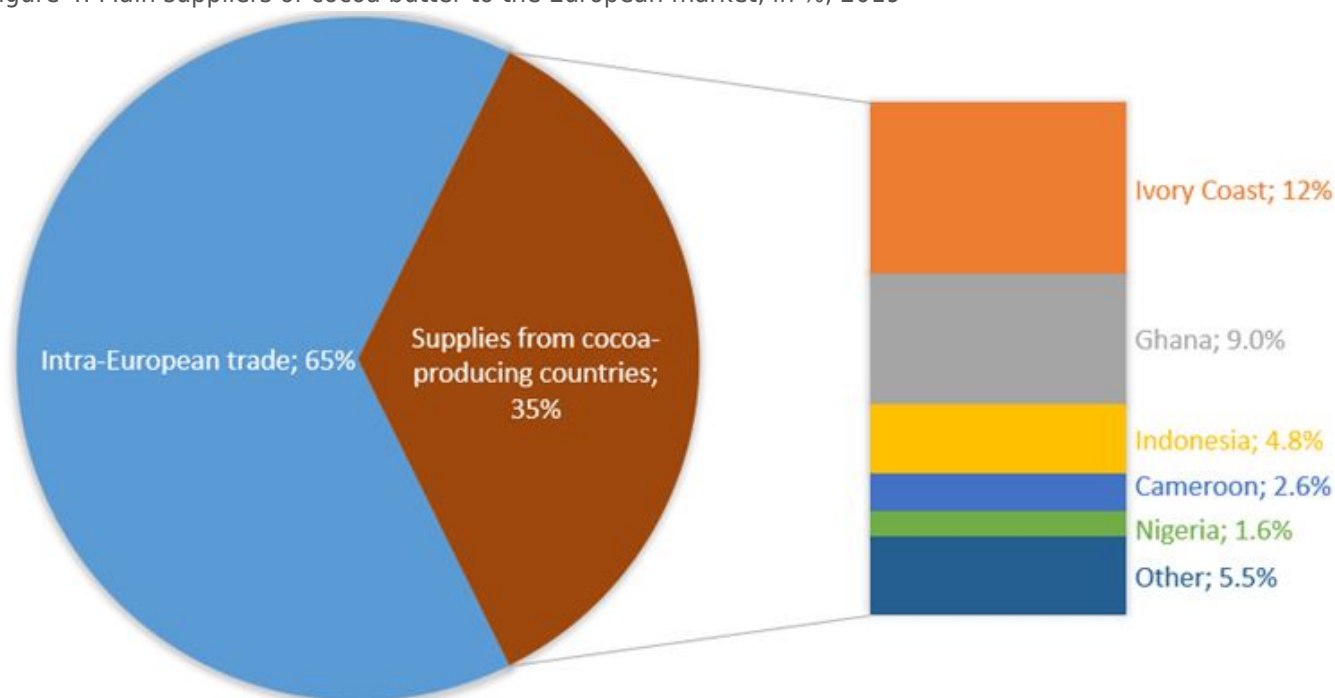
Indonesia is the third-largest non-European supplier of cocoa butter, with exports to Europe of 32 thousand tonnes in 2019. Indonesia also registered a year-to-year growth rate of 16% between 2015 and 2019;

- *Cocoa paste*: Ivory Coast was the main supplier of cocoa paste to Europe with 209 thousand tonnes. Ghana

was the third-largest supplier with nearly 93 thousand tonnes. Both countries saw their supplies increase between 2015 and 2019; Ivory Coast registered an average annual growth rate of 2.2% and Ghana 8.3%; Cameroon is the third-largest non-European cocoa paste supplier and Nigeria the fifth-largest. Cameroon registered a year-to-year export increase of 12% between 2015 and 2019, exporting nearly 13 thousand tonnes of cocoa paste to Europe in 2019. Nigeria increased exports by an annual 20% on average, accounting for 11 thousand tonnes in 2019;

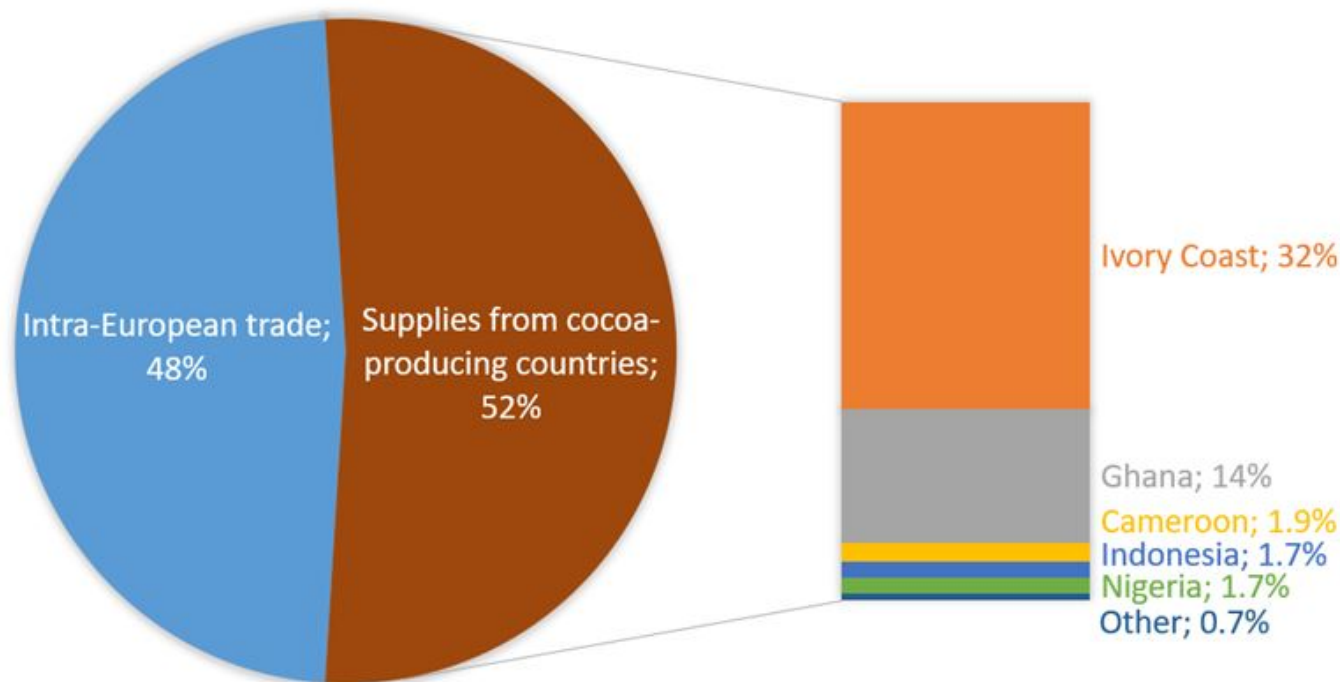
- *Cocoa powder*: about 17% of European imports of cocoa powder were sourced directly from cocoa-producing countries. The largest supplies from origin were sourced from Ghana (7.9% of total European imports), amounting to 27 thousand tonnes in 2019. Ivory Coast registered a market share of 5.5%, with 19 thousand tonnes. Export volumes from Ivory Coast remained relatively stable between 2015 and 2019, while supplies from Ghana registered an average annual increase of 7% in the same period;
- *Couverture*: about 5.8% of European imports of couverture were sourced from cocoa-producing countries. Almost all of these imports were sourced from Ivory Coast.

Figure 4: Main suppliers of cocoa butter to the European market, in %, 2019



Source: Eurostat, 2020

Figure 5: Main suppliers of cocoa paste to the European market, in %, 2019



Source: Eurostat, 2020

## Exports from Latin America remain niche but show slight growth

Imports of cocoa products, including fine flavour cocoa, from Latin America still represent a niche market. The largest Latin American suppliers of cocoa products for each product are:

- *Cocoa paste*: less than 0.5% sourced directly from cocoa-producing countries in Latin America. The largest supplier in 2019 was Peru with 1,571 tonnes, followed by Brazil with 1,203 tonnes and Ecuador with 495 tonnes. Both Peru (+70%) and Brazil (+241%) showed a steep increase in exported cocoa paste to Europe, although the amounts remained very small compared to the supplies of West-African countries;
- *Cocoa butter*: 3.1% of European imports in 2019 were sourced directly from Latin American cocoa-producing countries. The largest suppliers were Peru (8,442 tonnes), Mexico (5,680 tonnes), Ecuador (2,535 tonnes) and Colombia (1,931 tonnes). All countries registered increasing supplies to Europe, with year-to-year growth of around 20% between 2015 and 2019. This growth is explained by the increasing consumer demand for high-end chocolate products, where consumers expect the use of cocoa butter and no substitution of vegetable oils;
- *Cocoa powder*: 1.2% of European imports in 2019 were sourced directly from Latin America. The largest suppliers were Brazil and Peru, with 3,795 tonnes and 166 tonnes respectively. Cocoa powder is mainly used in the food and beverage industry, where the trend of premium cocoa ingredients is not as well established as in the chocolate market. That explains the low number of cocoa powder imports from Latin America;
- *Couverture*: 0.1% of European imports in 2019 were sourced directly from Latin America. Almost all supplies came from Colombia, where [Casa Luker](#) and [Chocolate Cordillera](#) (part of Compañía Nacional de Chocolates) play a dominant role in the production and export of couvertures. Total Colombian exports to Europe reached 587 tonnes in 2019, marking an average annual increase of 37% between 2015 and 2019.

Besides Casa Luker, other examples of Latin American companies exporting semi-finished cocoa products include [Machu Picchu Foods](#), [Naranjillo](#) and [Agro Americano](#) (Peru), [Cacao Pacífico](#) (Colombia), [Cafiesa](#) and [Cofina Cocoa](#) (Ecuador), [Ingemann](#) (Nicaragua) and [Xoco Gourmet](#) (Honduras).

### Tips:

Emphasise your unique characteristics to improve your export chances. In general, it is hard to compete with the European industry for cocoa processing. So set yourself apart, for example by

manufacturing cocoa products derived from high-quality micro lots, having direct trade relationships with chocolate makers (such as a joint development of chocolate blends), offering possibilities for tailored product development (such as couverture) or providing a positive social impact for producing communities.

Consider collaborating with cocoa processors and exporters in your region if you lack company size or product volume. Together, you can promote good-quality cocoa products from your region and be a more attractive and more competitive supplier for the European market.

Develop long-term partnerships with your buyer. This implies that you must always comply with their product and quality requirements and keep your promises. Doing so will provide you with a competitive advantage, more knowledge and stability on the European market.

Check out the website of the [European Cocoa Association](#) and the [International Cocoa Organisation](#) to learn more about worldwide production and grinding.

## 4. What are the end-market prices for semi-finished cocoa products?

The semi-finished cocoa products described in this study are usually not sold as consumer products. There are exceptions, however, since products such as cocoa butter, cocoa powder and couvertures are also available through retail outlets. As an exporter, selling directly to retailers is not a feasible strategy. However, being aware of end-market prices as indicated below can help you to consider the price structure for your products and your export prices.

Table 1: Prices for semi-finished cocoa products in Europe

Cocoa butter: brand and details	Company	Price and packaging size	Price per kg
Consumer product: LUCY Cocoa Butter, organic	Retailer <a href="#">Albert Heijn</a> , the Netherlands	€4.99/150 grammes	€33.27
Consumer product: Force Ultra Nature Cocoa Butter, organic	Brand <a href="#">Force Ultra Nature</a> , France	€9.20/250 grammes	€36.80
Industrial product: Deodorized Organic Cocoa Butter, origin: Peru	Distributor <a href="#">Food Circle</a> , Germany	€980.00/100 kilogrammes	€9.80
Industrial product: Callebaut Cocoa Butter	Distributor <a href="#">Baktotaal</a> , the Netherlands	€77.99/4 kilogrammes	€19.50

Cocoa Liquor: brand and details	Company	Price and packaging size	Price per kg
Industrial product: Organic Natural Cocoa Liquor, origin: Peru	Distributor <a href="#">Food Circle</a> , Germany	€660.00/100 kilogrammes	€6.60
Cocoa powder: brand and details	Company	Price and packaging size	Price per kg
Consumer product: Blooker, cocoa powder	Retailer <a href="#">Albert Heijn</a> , the Netherlands	€1.99/250 grammes	€7.96
Consumer product: Naturaplan, cocoa powder, organic and Fairtrade-certified	Retailer <a href="#">Coop</a> , Switzerland	€3.11/200 grammes	€15.57
Industrial product: alkalised 10/12 Organic Cocoa Powder, origin: Sierra Leone	Distributor <a href="#">Food Circle</a> , Germany	€540.00/100 kilogrammes	€5.40
Couverture: Brand and details	Company	Price and packaging size	Price per kg
Industrial product: Callebaut, dark chocolate callets couverture	Distributor <a href="#">Baktotaal</a> , the Netherlands	€10.59/1 kilogramme	€10.59
Industrial product: Chocolatemakers Couverture Virunga 70%, origin: Congo	Distributor <a href="#">Chocoladeverkopers</a> , the Netherlands	€44.95/2 kilogrammes	€22.48
Industrial product: Hoja Verde, couverture 72%, organic, origin: Ecuador	Distributor: <a href="#">Ecuador's Fine Taste</a> , the Netherlands	€28.50/1 kilogramme	€28.50

### Tip:

Monitor end-consumer prices of cocoa products and chocolate and bulk cocoa product prices to get an idea of price ranges and margins. Good sources for price information are the websites of supermarket chains, chocolate speciality stores, chocolate web shops and distributors. Examples are [Chocolatiers](#), [Chocoladeverkopers](#), [World of Sweets](#), [Chocolats-de-luxe](#) and industry distributor



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