CBI Product Factsheet: Cocoa in France
Introduction

France is the fourth largest importer of cocoa beans in Europe, and mostly sourced directly in developing countries. France has a large cocoa processing industry with almost all imported beans processed in one of the country’s many processing factories. As in most Western European countries, France is shifting to more high-quality chocolate. There are opportunities for premium products, such as specialty, fine flavour and certified chocolate. In France, the preferred trade channel is direct trade with smaller traders, specialty chocolate shops, coffee houses, chocolatiers and bakeries.

Product description

The cocoa tree (Theobroma Cocoa) grows in tropical regions between 15-20 degrees latitude north and south of the equator. The primary cocoa growing regions are Africa, Asia, and Latin America. After extraction from the pod, cocoa seeds are fermented and sun-dried. A cocoa producing tree can deliver on average 0.5 to 2 kg of dried seeds per year.

Statistical product classification

Harmonised System (HS) codes are used to classify products and to calculate international trade statistics, such as imports and exports. The statistical analysis in this document is based on the HS codes set out in Table 1. The focus is on cocoa beans HS 1801.

Table 1 HS codes for cocoa beans

<table>
<thead>
<tr>
<th>Code</th>
<th>Official product description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1801</td>
<td>Cocoa beans, whole or broken, raw or roasted</td>
</tr>
<tr>
<td>1803</td>
<td>Cocoa paste, whether or not defatted</td>
</tr>
<tr>
<td>1804</td>
<td>Cocoa butter, fat and oil</td>
</tr>
<tr>
<td>1805</td>
<td>Cocoa powder, not containing added sugar or sweetening matter</td>
</tr>
<tr>
<td>1806</td>
<td>Chocolate and other food preparations containing cocoa</td>
</tr>
</tbody>
</table>

Product specifications

Varieties

The cocoa market distinguishes three types of cocoa beans:

1. High-grade, Criollo cocoa (original cocoa tree)
   Originally grown in Venezuela, Central America and Mexico, Criollo cocoa is now also grown in Ecuador, Colombia, Peru, Bolivia, Nicaragua, Honduras, Guatemala and Sri Lanka. Criollo makes up 5 to 10% of global cocoa production. The beans have a delicately bitter, aromatic flavour and are easy to process.

2. Common grade, Forastero cocoa
   Originally grown in the high Amazon region, Forastero cocoa, it is now the predominant cocoa variety cultivated in Africa, and represents around 80% of global cocoa production. The beans have a flatter flavour than the more frutal and citric Criollo and Trinitario beans.

3. High-grade, Trinitario cocoa
   Originally grown in Trinidad, Trinitario cocoa is now also grown in Venezuela, Ecuador, Honduras, Nicaragua, El Salvador, Costa Rica, Cameroon, Samoa, Sri Lanka, Indonesia and Papua New Guinea. Trinitario makes up 10 to 15% of global cocoa production. Trinitario is a hybrid of Criollo and Forastero.

Quality

High-grade (fine flavour) cocoa beans are generally of a higher quality than common grade (bulk) cocoa beans because of their more pronounced organoleptic properties. The distinctive flavour is primarily sought by manufacturers of high-quality chocolate. Fine flavour beans are usually produced from hybrid trees of Criollo and/or Trinitario cocoa varieties, while common grade beans for mass production are genetically derived from Forastero trees. However, harvesting ripe fruits and processing techniques (homogeneous fermentation and especially drying) are also important in achieving fine flavour cocoa beans. Fine flavour cocoa beans fetch higher prices than bulk cocoa beans because of their intrinsic quality but arguably also because of more niche marketing (for example, richer stories and more transparency).

Grading/fermentation
To moderate the initially bitter flavour of cocoa and to develop the typical cocoa flavour, the beans are fermented. Cocoa grading differs between producing and consuming countries. Over the years, standard practices have been set by the main international cocoa trade associations. The Federation of Cocoa Commerce Ltd (FCC) distinguishes two grades:

1. Well fermented cocoa beans: less than 5% mould, less than 5% slate, and less than 1.5% foreign matter.
2. Fairly fermented cocoa beans: less than 10% mould, less than 10% slate, and less than 1.5% foreign matter.

Cocoa beans should be shipped shortly after harvest, as extended storage (> 6 months) may result in losses due to the relatively high humidity in tropical environments.

### Packaging

Cocoa beans are traditionally shipped in jute bags, weighing between 60 and 65 kg. However, more recently, bulk shipment of cocoa beans has increased because of lower handling costs. Loose cocoa beans are loaded either in shipping containers or directly into the ship’s hold. This mega bulk method is often adopted by larger cocoa processors. However, cocoa beans are still commonly shipped in bags, especially in the fine flavour cocoa segment.

### Demand for cocoa in France

#### Cocoa grinding

How much cocoa is ground in France?

*Figure 1A: Quantities of cocoa beans ground in France, 2010-2015* (thousand tonnes)

*Figure 1B: Forecast share of cocoa beans ground in Europe (%)*

*2013/2014 are estimates, 2014/2015 are forecasts*

*Source: International Cocoa Organization*
Third largest cocoa grinder in Europe

Cocoa grinding in France has fluctuated slightly over the last five years (Figure 1A). France ground more than 126,000 tonnes in 2014, which makes it the third largest cocoa grinder in Europe, after Germany and the Netherlands. However, compared to these two countries, France’s share (at 9%) is significantly smaller than that of Germany (27%) and the Netherlands (35%). The grinding industry in France is dominated by a few large multinational companies, such as Valrhona, Nestle, Mars and Barry Callebaut. The Touton group recently opened a cocoa processing company in Ghana. Other companies that grind their own beans include Bonnat Chocolatier, Cazenave and Cluizel.

Tips:
- As cocoa beans are increasingly being ground in the country of origin, check whether there is competitive industry in your country. Discuss with potential French buyers/traders opportunities for local cocoa bean grinding and processing, and the required product specifications.
- France has a well-developed chocolate industry for cheaper mainstream chocolates and the premium market. Your target market will depend on your bean quality: bulk beans for the mainstream market; and fine flavour beans for the premium market.

Consumption

How much cocoa is consumed in France?

Among the highest cocoa consumers in the world

Chocolate consumption in France is among the highest in the world. Per capita consumption in 2011 was 6.3 kg, which ranks France as the tenth chocolate consuming country worldwide.

Consumption of sustainable chocolate in France

- The market for sustainable chocolate in France was €123 million in 2012, which is around 14.3% of the total chocolate market. Growth in sustainable chocolate sales averaged 6.7% annually between 2009 and 2012 (Source: Portail du Chocolat). Unlike some of its European counterparts, France does not have a coordinated and comprehensive approach to sustainable cocoa. Many chocolate makers have set their own sustainability goals. For the sustainability programmes and commitments of the larger French chocolate manufacturers see: Lindt: Sustainability Strategy, Callebaut: Cocoa Sustainability, Nestle: Creating Shared Value strategy and Valrhona’s Ethical Commitments.

Tip:
- If you are considering exporting certified beans, talk with your importer about the preferred certification label for the French market, or one of their export markets. If possible, try to connect with existing certification programmes in your country.
Imports
How much cocoa is imported into France?

Figure 2A. Volume of imported cocoa beans to France, 2010–2014 (thousand tonnes)

Source: ITC Trademap 2015

Figure 2B. Main exporting countries of cocoa beans to France in 2014 (%)

Fourth largest importer
Import of cocoa beans to France totalled almost 138,000 tonnes in 2014. Imports have remained quite stable over the last 5 years (Figure 2A). France is the fourth largest importer in the EU, with a share of less than 8.1% in 2014. The total value of cocoa bean imports in France in 2014 was € 328 million.

Ghana is the largest supply country
Almost all cocoa imports to France come from three countries (98%). Ghana is by far the main supplying country with a 48% share (Figure 2B). Second ranks Côte d’Ivoire with 31%, followed at a large distance by Dominican Republic with 6%.
Exports

How much cocoa is exported from France?

**Figure 3A. Volume of cocoa beans exported by France, 2010-2014 (thousand tonnes)**

![Graph showing volume of cocoa beans exported by France from 2010 to 2014.](image)

**Figure 3B. Destination countries for cocoa beans export from France in 2014 (%)**

![Pie chart showing destination countries for cocoa beans export from France in 2014.](image)

Source: ITC Trade Map, 2015

Exports

France is the fifth largest cocoa beans exporting country in the European Union (EU). The total export of cocoa beans in 2014 was more than 8,500 tonnes, which represents 2.1% of all cocoa bean exports in the EU (Figure 3A). France has only recently become the fifth largest exporter of cocoa beans in the EU mainly because of the sharp increase in exports to Germany (from almost 200 tonnes in 2012 to more than 4,300 tonnes in 2014). Germany and the Netherlands are the main export destinations, together accounting for 91% of exports (Figure 3B), with 8% going to Belgium and Spain, Italy, the USA and Japan account for the remaining 1%.

**Tips:**

- If you export bulk beans, the French market provides good opportunities. However, there is a move to more exclusive chocolate confectionery, with opportunities for fine flavour cocoa and other high-quality cocoa with, for example, a specific origin. Another option is to focus on premium, specialty, and fine flavour cocoa. Even with common-grade bulk beans you may be able to supply the desired quality for the premium market, for example, through tailor-made fermentation. Go to the website of Confectionery News for an example.

- As Germany and the Netherlands are the main export destinations for beans, consider finding out the final destination of your beans and explore the opportunities for shipping your beans directly to this country.

- However, your beans will most probably be processed and manufactured into chocolate in France. If you have the financial means and the right technical knowhow to organise export activities, explore opportunities to work directly with the French chocolate industry. This could be a good way to attract capital for investments, for example, in training farmers and thus producing a better quality product. For an overview of French chocolate manufacturers, see Chocozone. Other partners for exporters could be larger French traders. The Cocoa Federation has a member database that includes French and non-French cocoa traders.
Figure 4: Volume of cocoa exports by France per product group, 2010–2014 (thousand tonnes)

Source: ITC Trade Map, 2015

Large chocolate exporter

Two-thirds of the cocoa exported from France is chocolate (more than 318,000 tonnes in 2014), and about 12% is cocoa butter. Cocoa bean export is very low as most imported beans are processed locally for the manufacture of chocolate products. Export of each product group has remained relatively stable over the last 5 years (Figure 4).

Tips:
- Good quality beans of a specific quality or origin can attract smaller processors, particularly those who prefer to buy from the original source. Ask whether a potential client is willing to buy fine flavour cocoa directly from you. This can increase your margins.
- For more import and export statistics, see ITC Trade Map.

For more information on trade statistics in the European cocoa market in general, see CBI Trade Statistics for Cocoa.

Trends offering opportunities in France

Specialty chocolates

French consumers are increasingly looking for specialty chocolates, especially dark chocolate in combination with, for example, red pepper, apricots or liquor. Chocolate varieties without sugar are also becoming increasingly popular. The French chocolate market is already known for chocolate combined with various types of dough, such as chocolate croissants.

The four major trends worldwide in chocolate confectionery are also applicable to France. These trends are sustainability, health, eventing (producing chocolates for special occasions, such as Easter) and innovation (such as, individualised packaging). All large chocolate manufacturers including Nestle and Barry Callebaut have embraced certification and have launched bestselling lines. In addition, major retailers have introduced sustainable chocolates under their own brand. Regarding innovation, Barry Callebaut has come up with a melt-resistant chocolate (particularly good in hot countries) and a lactose-free product.

Tip:
- Collaborate with your partners in the French market on how to position your product innovatively, on popular chocolate and fruit combinations, and perhaps how you can link to specific events or seasons.
Increasing demand for transparency

There is an increasing demand for transparency by consumers and chocolate makers. Both groups want to know the stories behind the cocoa beans and want to understand who earns what in the supply chain. Transparency comes with improved traceability and this is more easily managed in certified supply chains.

**Tip:**
- Discuss with your buyer which stories he would like to tell his customers. As an exporter, you should also know your story and thus know your farmers and how they live and produce their cocoa beans. Visuals, such as photos and videos, can enhance your story.

Expanding market for premium chocolates

Chocolate is expected to be the only sector in the French confectionery market to see growth in the next two years, but growth will be small. The main growth is predicted in boxed assortments and high-quality chocolate. The rising popularity of high-quality chocolates and dark chocolates goes hand in hand with increased health awareness by consumers. The premium chocolate market received a boost in May 2014 with confirmation of health benefits of cocoa flavonoids by the European Food Safety Authority (EFSA).

**Tips:**
- Focus on the premium, specialty, and fine flavour cocoa market. Access to the premium cocoa market is only possible for cocoa of high-quality standards, so make sure you can deliver high-quality cocoa beans.
- Market preferences for flavour and origin can differ per European country. Consult with potential French trade partners on how to create opportunities for premium cocoa products.
- Try to establish direct trade relationships with smaller French traders and chocolate makers, as this is the trade channel most used for premium cocoa.

For more information on trends in the European cocoa market, see CBI [Trends for Cocoa](#).

Requirements for imported cocoa

**What are the legal and non-legal requirements on my product?**

Cocoa exported to France must comply with the legal requirements set by the EU with regard to food safety, food contaminants and labelling. There are no additional legal requirements applicable to cocoa exports to France.

**Are there any additional buyer requirements?**

Some buyers have requirements that go beyond EU legislation with regard to food safety, environmental and social requirements. In general, buyers in Western and Northern Europe, including French buyers, have stricter additional requirements and are more active in sustainability than Southern and Eastern European buyers.

**Tips:**
- See CBI [Buyer requirements for Cocoa](#) for an overview of the main legal, non-legal and additional niche requirements in the European cocoa market because these requirements are largely applicable to French buyers.
- Consider applying for Fairtrade and/or organic certification because this is increasingly valued by French buyers.

What is the competition on the French cocoa market?

Competition on the French cocoa market is based on the same aspects as competition on the European cocoa market. See CBI [Competition for Cocoa](#) for more insights into the competition. See also CBI [Top 10 Tips for Doing Business with European Buyers](#) to prepare for new contacts and to improve existing relationship with European buyers and to gain a competitive edge.
**What are the trade channels and cocoa market segments?**

France has a relatively large premium market for high-quality chocolates produced from fine flavour cocoa. This specialty market is characterised by direct trade relationships and stringent quality requirements, and thus a short and transparent supply chain.

**Cocoa grinding, processing and trading**

France is one of Europe’s main players in processing and grinding cocoa beans. The industry is dominated by a few large multinational players, and is home to key traders, such as Touton, Barques, Soeximex and Ethiquable. There are also bean-to-bar chocolate makers in France, such as Bonnat and Michel Cluizel.

**Confectionery industry**

France has one of the largest chocolate and confectionery sectors in Europe. Some of the largest chocolate manufacturers in France are Valrhona, Mars and Cadbury. See also the Chocozone website. French chocolate is renowned worldwide, and for many years, French gastronomy has promoted the use of dark chocolate in desserts.

In France, supermarkets are the main consumer sales channels for chocolate products, representing 78.5% of the sales volume of chocolate (Figure 5). Specialty stores, such as chocolate gourmet stores, chocolatiers and pâtissiers, are also an important sales channel, especially for exporters of premium, specialty and fine flavour cocoa. Most of these specialty stores are small, family-owned businesses.

**Figure 5: Chocolate distribution channels in France**

![Chocolate distribution channels in France](image)

Source: Dorin

**Tips:**

- The preferred trade channel for premium, specialty, and fine flavour cocoa is direct trade. Try to establish direct trade relationships with smaller traders, specialty chocolate stores, chocolatiers and bakeries.
- Attend cocoa/chocolate industry events in France and neighbouring countries to meet potential direct buyers. Trade events in France include Europain, Salon du Chocolat and Sial. Attending such events can also give you more insights into French buyer preferences on origin, flavour and sustainability certification.
- Use industry associations to find potential buyers in France. See Syndicat du Chocolat or Chocolatiers Confiseurs.

For more information on cocoa market channels and segments in Europe, see CBI Market Channels and Segments for Cocoa.

See also CBI Finding Buyers for tips on locating buyers in the European market.
End market prices for cocoa

Figure 6: Consumer price index for chocolate-based products in France


Consumer prices are rising

Consumer prices for chocolate are quite volatile, partly because of the highly volatile prices of cocoa beans. Consumer prices of chocolate in France have increased greatly over the last 10 years, but are currently declining (Figure 6). An indication of consumer prices in different segments is presented in Table 1. These prices are only an indication because prices may fluctuate during the year.

Table 1: Consumer prices in chocolate market segments in France, November 2015

<table>
<thead>
<tr>
<th>Segment</th>
<th>Brand</th>
<th>Type</th>
<th>Price per 100 g</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper end</td>
<td>Pacari</td>
<td>Tablet 70% Bio, demeter, USDA labels</td>
<td>€8.90</td>
</tr>
<tr>
<td></td>
<td>Saldac</td>
<td>Chocolat Cru Criollo 75% Bio label</td>
<td>€6.45</td>
</tr>
<tr>
<td></td>
<td>Puyriscard</td>
<td>Chocolat Amer 76.5%</td>
<td>€5.91</td>
</tr>
<tr>
<td></td>
<td>Weiss</td>
<td>Tablet 100%</td>
<td>€5.10</td>
</tr>
<tr>
<td></td>
<td>Chocolat Bonnat</td>
<td>Dark chocolate 75% (Madagascar)</td>
<td>€4.70</td>
</tr>
<tr>
<td>Middle range</td>
<td>Ethiquable</td>
<td>Noir Intense 80%, Bio label</td>
<td>€2.61</td>
</tr>
<tr>
<td></td>
<td>Alter Eco</td>
<td>Noir Intense Fairtrade and Bio label</td>
<td>€2.42</td>
</tr>
<tr>
<td></td>
<td>Côte d'Or</td>
<td>Pecan nuts and salt 70%</td>
<td>€2.06</td>
</tr>
<tr>
<td></td>
<td>Lindt</td>
<td>Creation 70%</td>
<td>€1.84</td>
</tr>
<tr>
<td></td>
<td>Nestlé</td>
<td>Dark chocolate 64%</td>
<td>€1.49</td>
</tr>
<tr>
<td>Lower end</td>
<td>Milka</td>
<td>Milk chocolate</td>
<td>€1.04</td>
</tr>
<tr>
<td></td>
<td>Auchan</td>
<td>Milk chocolate with nuts</td>
<td>€0.92</td>
</tr>
<tr>
<td></td>
<td>Carrefour</td>
<td>Milk chocolate tablet</td>
<td>€0.77</td>
</tr>
<tr>
<td></td>
<td>Poulain</td>
<td>Noir Extra</td>
<td>€0.77</td>
</tr>
<tr>
<td></td>
<td>Twix</td>
<td>Twix</td>
<td>€0.75</td>
</tr>
</tbody>
</table>

Source: Websites of several retailers
Tips:

- Monitor consumer prices for chocolate on the French market to get an indication of price ranges. Good sources for price information are websites of supermarket chains, chocolate specialty stores and chocolate web shops, such as Chocolat Only, Meilleur de Bio, Weiss (web shops for high-quality chocolate products), and Shoptimise France for an overview of chocolate prices in French supermarkets.
- Monitor cocoa bean prices on the international markets to keep up-to-date with current prices and future price prognoses of cocoa beans. A useful source is the Monthly review of the Market published by the International Cocoa Organisation.
- Margins for actors in the cocoa value chain in France do not differ significantly from margins applicable in the cocoa value chain in Europe. For an overview of value distribution in the cocoa sector, see CBI Market Channels and Segments for Cocoa.

Useful sources

- Confectionery News - [http://www.confectionerynews.com](http://www.confectionerynews.com) - online news portal for the confectionery industry. Has a section dedicated to chocolate.
- European Cocoa Association - [http://www.eurococoa.com](http://www.eurococoa.com) - trade association that groups the major companies in the cocoa bean trade and processing, in warehousing and related logistics in Europe, including France.
- International Cocoa Organisation - [http://www.icco.org](http://www.icco.org) - provides statistics and other insights into the global cocoa industry.
- Chocolat Show - [http://chocolat-show.fr](http://chocolat-show.fr) - French website with news, statistics, market developments and background information on the French chocolate sector.

For all CBI cocoa-related market intelligence documents, see CBI Market Intelligence Platform for Cocoa.
CBI Market Intelligence

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