

Entering the European market for bulk cocoa

Last updated:

28 October 2024

Bulk cocoa is primarily imported in Europe as cocoa beans, but large volumes of bulk cocoa paste, butter and powder are also imported. The key exporting countries are Côte d'Ivoire, Ghana, Cameroon and Nigeria. Imported beans are processed by large processors or chocolate manufacturers. Bulk cocoa derivatives are used to produce chocolate tablets, confectionery, bakery, ice cream, drinks, and other food and beverage products. The requirements to enter the European market are the same for all cocoa products, although bulk cocoa is often of a lower quality and sold in larger shipments.

Contents of this page

1. [What requirements and certifications must bulk cocoa meet to be allowed on the European market?](#)
2. [Through which channels can you get bulk cocoa on the European market?](#)
3. [What competition do you face on the European bulk cocoa market?](#)
4. [What are the prices of bulk cocoa on the European market?](#)

1. What requirements and certifications must bulk cocoa meet to be allowed on the European market?

There are many relevant requirements and certifications if you are exporting cocoa to Europe. These requirements can be mandatory (which means you must comply with them for entry into Europe) or voluntary (which means they can be asked for by your buyers). They can be required by the EU (which means they are the same for all countries in the EU) or they can be required by local laws (which means they are specific to the country to which you are exporting).

What are mandatory requirements?

Most of the requirements that are relevant for bulk cocoa also apply to all cocoa exported to Europe. This section will only cover the requirements that are specific to bulk cocoa.

What are the legal rules necessary for entry?

Legal rules for entry include requirements on food safety, food contaminants, heavy metals, pesticide residues, and labelling and packaging. These requirements apply to all cocoa imported to Europe. For more details about the legal requirements, read the CBI study [meet to be allowed on the European market?](#)

What are the quality requirements?

The quality requirements are the same for all imported cocoa. However, the methods to ensure quality can be different for bulk cocoa.

Cocoa beans can become infested by insects and other pests. These pests must be treated to avoid infestation of the beans during shipment or spread further beyond the port of entry. For bulk cocoa, extra measures can be sieving the cocoa before storage. This can [remove unwanted small material and a high proportion of insects](#).

For more details about the quality requirements, read the CBI study [meet to be allowed on the European market?](#)

What are the labelling and packaging requirements?

Cocoa beans can be shipped in different ways:

- Bags loaded in a container. Specialty cocoa is often shipped this way. Bags are typically 60-65 kg each.
- Bulk in a container. Loose cocoa beans are loaded in a container that has a topless plastic inner lining.
- Break-bulk. With this shipment method bags of cocoa are loaded onto a ship, without the use of containers. The bags can be tied together in large packages of 25 bags to facilitate loading and unloading.
- Mega-bulk. Cocoa can also be shipped in [mega-bulk shipments of several thousand tonnes per shipment](#). Loose cocoa beans are loaded directly into the hold of a ship. This method is often used by large cocoa processors.

When shipping cocoa in bulk (in a container or mega-bulk), it is important to closely monitor condensation levels. Bulk cocoa needs to be well-protected from mould and bacterial growth. [Moisture levels should not exceed 8%](#). Beans shipped and stored in bulk are less protected than beans stored in bags. This means that extra precautions should be taken.

If moisture levels are too high in bulk shipments, it is difficult to separate the spoiled cocoa from the unaffected cocoa. Mega-bulk has the highest risk of condensation. The advantage of break-bulk is that the cocoa can still be separated more easily, since it is stored in separate 60-65 kg bags. The advantage of liner bags in bulk containers is that they help protect the cocoa against moisture.

The EUDR traceability requirements could have a large impact on bulk cocoa. The entire shipment needs to be EUDR-compliant. If one part of the shipment is not compliant, that part must either be separated or the entire shipment is considered non-compliant. Larger bulk shipments therefore become riskier. This could lead to changes in how bulk cocoa is shipped. Bulk shipments could become smaller, or importers become more careful about which batches are combined per shipment. The impact will become clearer when the EUDR starts on 30 December 2024.

Manifests must clearly state that the contents of the container are in bulk. For more information about shipping and packaging requirements for bulk cocoa, read the [Cocoa Cargo Handbook](#). For more details about the packaging requirements, read the CBI study [What requirements must cocoa meet to be allowed on the European market?](#)

Figure 1: Cocoa stored in bulk and in bags





Source: Ruben Bergsma at [Long Run Sustainability](#)

What are the payment and delivery terms?

Bulk cocoa is usually cheaper than 'fine flavour' or specialty cocoa. This is largely due to the quality, flavour, and other aspects of the cocoa itself. It is also because bulk cocoa has lower transport and shipment costs.

Shipping in bulk reduces the cost of handling too.

What additional requirements and certifications do buyers often have?

There are fewer additional requirements for bulk cocoa than for specialty or fine flavour cocoa. This could make it easier to export bulk cocoa to Europe. This section only covers the requirements that are specific to bulk cocoa.

Lower quality requirements for bulk cocoa

Quality is important for bulk cocoa. However, the requirements for taste and flavour are lower than those for fine flavour cocoa. By mixing bulk cocoa with other origins, a consistent taste can be created.

Certification is often required as a basis for bulk cocoa

The sustainability and quality requirements for bulk cocoa are usually lower than those for fine flavour and specialty cocoa. Many European importers will require certification as the base level for imported cocoa. This way, they can have some assurance that the cocoa is produced more sustainably than non-certified bulk cocoa.

However, bulk cocoa usually does not need to have information in as much detail as is sometimes required for fine flavour cocoa. Chocolate products made from bulk cocoa do not commonly have stories about the farmers that produced the cocoa. Storytelling linked to the content of a bulk cocoa chocolate product is rare. This is more common for single origin or specialty chocolate products.

Tips:

Speak with your buyers about the requirements they have for bulk cocoa. There may be fewer demands for bulk cocoa than for specialty or fine flavour cocoa.

Read the CBI study [What requirements must cocoa meet to be allowed on the European market?](#) for more details about the requirements and certifications that are relevant for Europe. This article with [cocoa shipping and packaging tips](#) also includes helpful information.

2. Through which channels can you get bulk cocoa on the European market?

Most bulk cocoa is not imported for a specific buyer, but rather to meet the demand of several buyers and regions. As an exporter, you usually have no control over which segment the cocoa is purchased for.

How is the end market segmented?

The cocoa market can be segmented into low-range, middle-range and high-range cocoa. All low-range cocoa is bulk cocoa, as well as most of the middle-range cocoa. Specialty cocoa is used to produce chocolate in the high-range segment. Fine flavour cocoa is used for the highest-quality chocolate products.

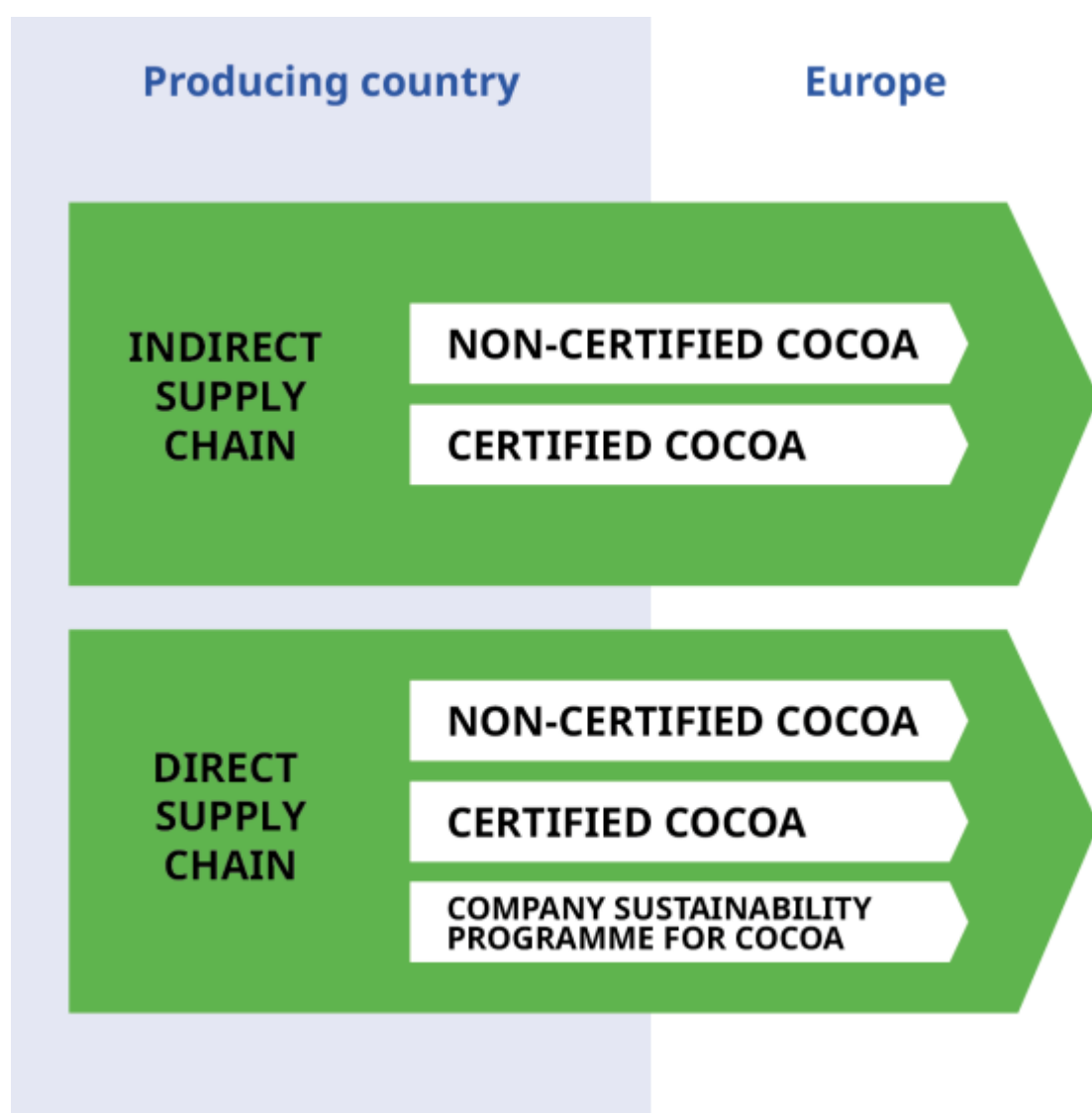
In addition to quality, bulk cocoa can be segmented by its traceability aspects. Bulk cocoa can be traceable or untraceable to its source. Untraceable cocoa means that the cocoa is bought indirectly, from unknown sources. This can include cocoa [purchased through independent middlemen](#) or purchased from producers outside of companies' longer-term sustainability-related programmes. This is also called the indirect supply chain. In the direct supply chain, buyers know where the cocoa comes from.

The direct and indirect supply chains can be further segmented by the sustainability aspects of the cocoa. This includes independent third-party verified programmes such as Fairtrade or Rainforest Alliance certification. It can also include company sustainability programmes.

The indirect supply chain is commonly sourced without any certification or sustainability programme. It can also be certified, but only as 'mass balance' cocoa. Mass balance means that the certified cocoa can be mixed with non-certified cocoa, as long as the company never sells more mass balance cocoa than they buy as mass balance. Indirect supply can be mass balance-certified even if it isn't traceable, since the certification is only administrative and not physical.

The direct supply chain is more likely to have sustainability aspects. It is more common for certified cocoa and for cocoa sourced through a company sustainability programme. However, there is also cocoa sold in the direct supply chain that is not part of any certification or company programme.

Figure 2: The end-market segmentation of bulk cocoa beans (relevant from the perspective of the exporter)



Source: Design by Bart Wortel

Indirect supply chains

Indirect supply chains make up around half of all cocoa exports. An estimated [56% of cocoa is sourced through indirect supply chains](#). In Côte d'Ivoire, [the indirect supply chain is estimated at 60% of total exports](#). Cocoa

sourced through [indirect supply chains](#) is considered bulk cocoa.

The large traders and processors are the main buyers of indirect supply. The share that is indirect isn't commonly reported. In 2021, the indirect supply accounted for [one-third of the Olam supply](#), [60% of the cocoa sourced by Barry Callebaut](#) and [40% of the Cargill supply](#). Together, these three companies accounted for [over half of global cocoa sales in 2021](#).

The share that is indirect supply has probably decreased since 2021. The industry is improving the traceability for its cocoa supply. The EUDR is also encouraging companies to invest in traceability and to shift to direct supply chains.

Indirect supply is purchased for products that have low quality or sustainability demands. Often these are products with a low cocoa content, although some chocolate tablets are also made from cocoa coming from indirect supply chains. When certified cocoa is purchased indirectly, it is usually for products with a low cocoa content. It can also be used by companies that are further down the supply chain, such as retailers.

Direct supply chains

Traders and processors that buy cocoa from the direct supply chain can have higher sustainability demands. This cocoa is more commonly bought as certified or through a company sustainability programme. Many large traders and processors make sustainability claims or commitments only for their direct supply chain.

The large traders and processors sell a large share of their direct supply chain as certified or through their company sustainability programme. In 2020-2021, Cargill sold [49% of its entire cocoa volume](#) as certified, and its entire direct supply chain was covered by Cargill Cocoa Promise (its company sustainability programme). For Barry Callebaut, around [one-third of cocoa](#) was sold through its programme in 2023. Sucden purchased [31% of its cocoa through direct supply chains](#) and sold 11% as certified in 2023. Ofi's Cocoa Compass programme reports most impact only for [its direct supply chain](#).

Tips:

Knowing where your supply comes from is needed to become part of your buyer's direct supply chain. It can be interesting for buyers if this cocoa is also certified or produced under a company programme. When the EUDR comes into force in 2025 it will be a requirement to know the origin for all cocoa imported to the EU. For more information, read the CBI study [How to comply with the EUDR in cocoa](#).

Read the other CBI tips and studies on cocoa export. The study on [tips for organising your cocoa export to Europe](#) gives more information on payment terms, insurance and customs policy. It also describes the logistical and distribution process and packaging aspects. The study on [tips for doing business with European cocoa buyers](#) is about European business culture, sales pitches and marketing information. It also covers quotes, pricing strategies, margins and promotions.

Through which channels does a product land on the end market?

Most bulk cocoa is not imported for a specific buyer. It is usually shipped to one of the main ports in Europe and stored in large quantities in warehouses. Bulk cocoa is processed in large quantities. Much of the cocoa that arrives at a European port is not consumed in that country as a final product. Amsterdam has the largest cocoa port in the world, but only a fraction of that cocoa is consumed in the Netherlands as a final product. As an exporter, you therefore have little control over which segment the cocoa is purchased for.

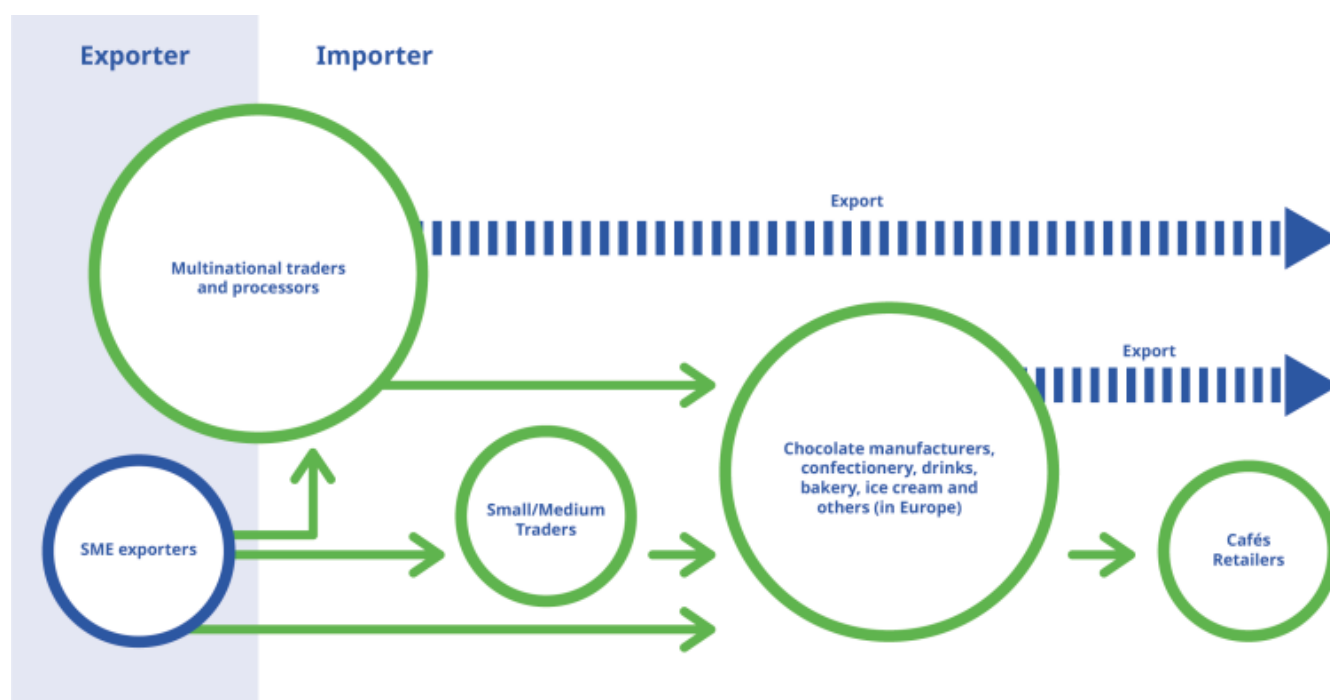
Most bulk cocoa is exported as beans, although it can also be exported as paste, butter or powder. Cocoa paste

and butter exports from producing countries are growing. In 2015, Côte d'Ivoire passed the Netherlands as the world's largest grinder. Grinding in Asia has increased from 586,000 tonnes in 2011 to 859,000 tonnes in 2023. Indonesia is a net importer of cocoa beans to meet its grinding capacity. Many exporters are therefore also able to export paste and butter.

Imported beans are further processed by processors based in Europe. The processors then sell the paste, butter and powder (and in some cases chocolate) to manufacturers in Europe. Some chocolate manufacturers also use the beans to produce chocolate.

The key channels for bulk cocoa import in Europe are multinational traders and processors, chocolate manufacturers and retailers.

Figure 3: Visualisation of the supply chain for bulk cocoa in Europe



Source: Design by Bart Wortel

Multinational traders and processors

The most important channel is through multinational traders and processors. These companies purchase most of the world's bulk cocoa, either as importers or as exporters.

The largest traders and processors in 2021 were [Olam Food Ingredients \(ofi\)](#) (1,019,000 tons), [Barry Callebaut](#) (988,000 tons), [Cargill](#) (875,000 tons), [ECOM](#) (800,000 tons), [Sucden](#) (525,000 tons), [Touton](#) (328,000 tons), [Fuji Group](#) (including Blommer) (200,000 tons) and [ETG](#) (102,000 tons). These companies dominate the global cocoa market, so selling to these companies is the most interesting channel for bulk cocoa.

Many large processing factories are located near the ports of Amsterdam, Antwerp-Bruges and Hamburg. Ofi has [29 facilities across the group in Europe](#). They trade mostly bulk cocoa. Their specialty cocoa is mostly sold through the small company [Twenty Degrees Cacao](#), which is part of the Olam group.

Large chocolate manufacturers

Most of the cocoa for large brands is purchased from one of the multinational traders and processors listed above. Key chocolate confectionery manufacturers are [Mars](#), [Nestlé](#), [Ferrero](#) and [Mondelēz](#). Key brands include

Lindt Excellence (Lindt & Sprüngli), Milka (Mondelēz), Cote d'Or (Mondelēz), [Ritter Sport](#), [Tony's Chocolonely](#), and [Godiva](#) (Pladis). Chocolate confectionery products are mostly sold by retailers.

Some chocolate manufacturers also source beans. For example, Lindt & Sprüngli [sources cocoa beans from five different origin countries](#). [Hershey's direct suppliers](#) include [Ecuakao](#) (an exporter in Ecuador that sells bulk and specialty cocoa), [Atlantic Cocoa Processing and Export Company \(ACPEC\)](#) (a bean exporter from Liberia) and [Tafissa](#) (a cocoa processor in Côte d'Ivoire). The [direct suppliers of Mars](#) include [Rizek Cacao](#) (Dominican Republic). Ferrero includes [COFINA](#) (Ecuador) and [Colcocoa](#) (Colombia) as [direct suppliers](#).

The ice cream market is dominated by one company. Unilever owns five of the top-10 selling global ice cream brands, including Wall's, Cornetto, Magnum and Ben & Jerry's. Unilever is planning to [separate their ice cream business by 2025](#).

Chocolate manufacturers like Nestlé, Mars and Mondelēz also sell chocolate ice cream products. Dreyer's Grand Ice Cream is a branch of Nestlé, as is [Häagen-Dazs](#). Many supermarkets also sell private label ice cream products with chocolate.

Figure 4: Chocolate confectionery products made with bulk cocoa



Source: Photo by Denny Müller on Unsplash

Retail

Retailers often sell many different private label (house brand) products that contain cocoa. Some retailers may have a specialty cocoa single origin chocolate brand, but most products are made with bulk cocoa.

Chocolate tablets have the highest percentage of cocoa content and the largest cocoa volume per product. Examples are supermarket brands and private label products like AH and Delica ([Ahold Delhaize](#)), Everyday ([Colruyt](#)), Fin Carré and J.D. Gross ([Lidl](#)), and Choco Changer and Moser Roth ([ALDI](#)). Private label products are produced by manufacturers like [Baronie](#), [Stollwerck](#) and [Storck](#).

However, most of the products with cocoa sold by retailers are bakery, snacks and candy, ice cream and drinks. The cocoa content percentage is much smaller, but there are many more products containing cocoa in these categories. Retailers usually only have a small selection of chocolate tablets or chocolate confectionery.

Most large retailer chains in Europe sell bakery products with cocoa. Chocolate bakery products are also sold by foodservice companies like Starbucks and McDonald's.

Tips:

Regularly check the website of the International Cocoa Organization (ICCO) and read its [monthly review of the cocoa market](#) to find out about the latest developments in supply and demand for cocoa beans and cocoa products. Check the website of the [European Cocoa Association](#) for more data on grinding activities in Europe.

If you export chocolate, read the CBI study on Exporting chocolate to Europe, expected to be published on the [CBI website](#) in late 2024. Read the CBI study on [trends in the European cocoa market](#) to learn more about which trends offer opportunities in the market.

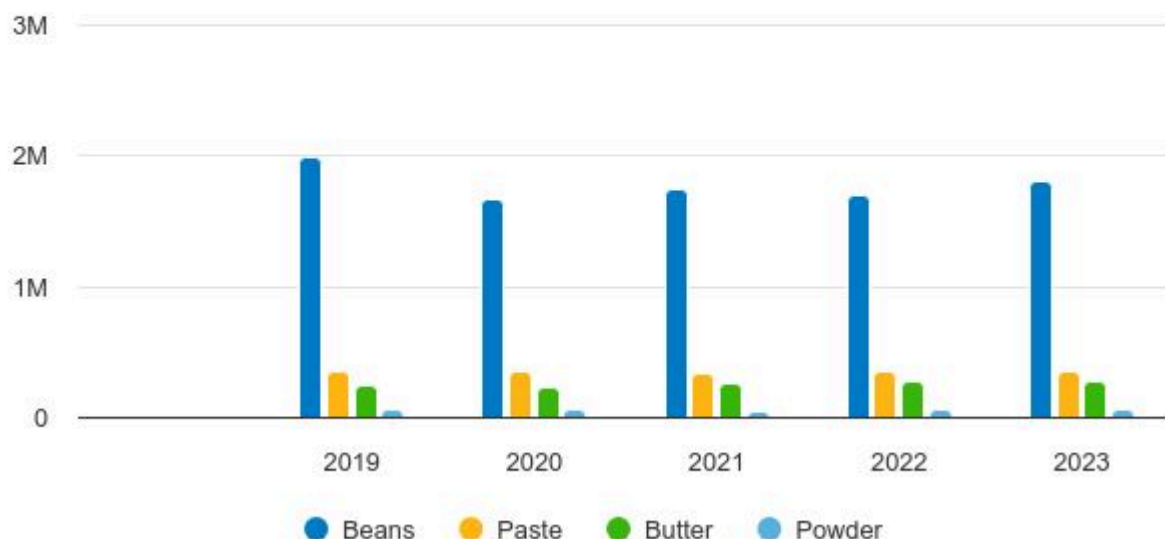
What is the most interesting channel for you?

The most interesting channel is bulk cocoa beans sold to multinational traders and processors. They buy bulk cocoa in large quantities to satisfy customer demand.

Even though processing in producing countries has increased, most bulk cocoa is still exported as beans. In 2023, Europe imported 1,681,000 tonnes of cocoa beans from producing countries, compared to 336,000 tonnes of paste, 237,000 tonnes of butter and 48,000 tonnes of powder. Most of these beans are imported by the nine largest traders and processors. At least 90% of these beans are estimated to be bulk cocoa.

Figure 5: European imports of beans, paste, butter and powder from producing countries

in tonnes



Source: Eurostat and Trade Map 2024

The top traders and processors are based across Europe. [Ofi has locations in many countries](#), including Germany, Italy, the Netherlands, Poland, Spain and Switzerland. Barry Callebaut has facilities and offices in [more than 40 countries worldwide](#), including Belgium, France Germany, Italy, the Netherlands, Spain, Switzerland and the UK. [Cargill is present in 70 countries](#) and [Sucden operates in 25 countries](#). Smaller global traders like [Touton](#) (Germany, France and Russia) are more focused on specific countries. The most interesting countries are described in the CBI study on the [European market potential for bulk cocoa](#).

Multinationals have a strong negotiating position. They can hedge their risks on the futures market, which smaller exporters may not be able to do. They have more financial resources available to them and can secure large loans more easily. They also have greater flexibility in their sourcing, especially for bulk cocoa that is less origin-specific.

Due to their dominant position in the market, [these companies are price-setters](#). Farmers are price-takers in the cocoa market. SME exporters also have much less negotiating power compared to multinational traders and processors.

Tips:

Build a relationship with the large importers, traders and processors based in Europe. These are the main way to access the European market for bulk cocoa. The largest traders and processors are ofi, Barry Callebaut, Cargill, ECOM, Sucden, Touton, Fuji Oil/Blommer, ETG/Beyond Beans and Cémoi. Together they dominate the bulk cocoa market, importing most of the bulk cocoa that enters the European market. Read the CBI studies on [tips to find buyers](#) and [tips to do business](#) to learn more about how to work with these buyers.

If you sell to a large trader or processor, ensure that you can fulfil the terms of the contract. Avoid breaching your contract for short-term gains. This could damage your reputation and trustworthiness in the long run.

3. What competition do you face on the European bulk cocoa market?

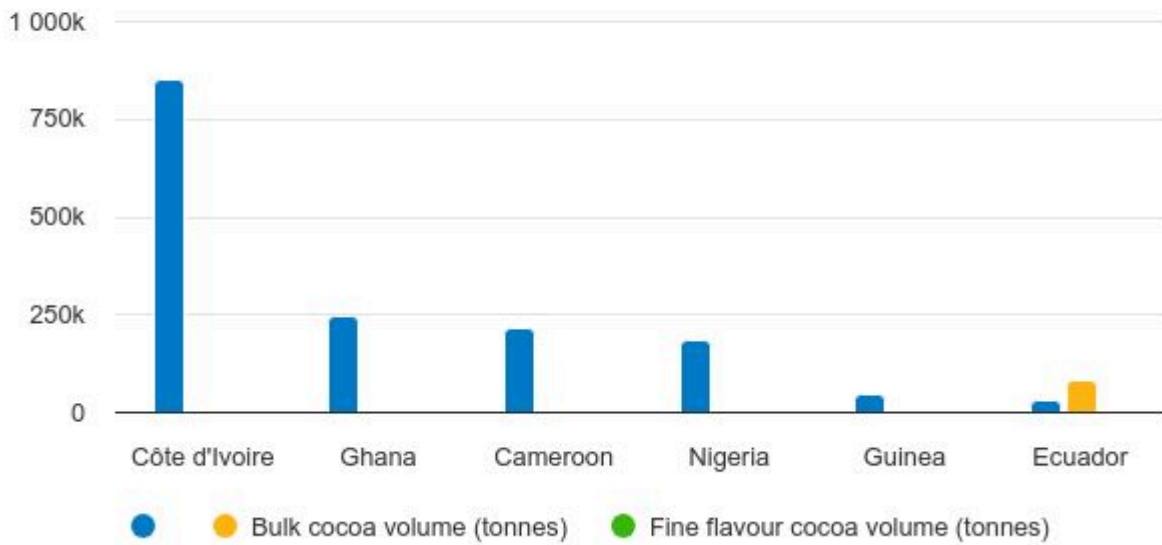
The main exporters of bulk cocoa are Côte d'Ivoire, Ghana, Cameroon and Nigeria. Most export is dominated by multinationals. However, there are some local exporters that are able to export bulk cocoa to Europe.

Which countries and companies are you competing with?

Over 80% of the global cocoa industry [depends on West and Central Africa for bulk cocoa](#). The largest cocoa bean exporters in 2023 were Côte d'Ivoire, Ghana, Cameroon, Nigeria and, across the globe, Ecuador. Of these countries, only Ecuador is listed by the ICCO as a fine flavour country with a percentage (75% of production). Ghana and Cameroon are also listed as fine flavour countries, but the percentage of cocoa available as fine flavour has not been determined.

After accounting for the fine flavour share of production, the top bulk cocoa bean exporters in 2023 were Côte d'Ivoire (851,000 tons), Ghana (245,000 tons), Cameroon (211,000 tons), Nigeria (180,000 tons) and Guinea (41,000 tons).

Figure 6: Export of bulk and fine flavour cocoa beans to Europe per country
in tonnes



Source: [ICCO](#), Trade Map and Eurostat 2024

In 2023 an estimated 93% of cocoa bean imports were bulk cocoa. This is a slight decrease from 94% in 2019. However, the bulk cocoa market is expected to remain above 90%. As such, Europe will remain an interesting market for bulk cocoa bean exports.

The share of bulk cocoa bean imports per country has not changed significantly. In 2019-2023, the percentage of overall bulk bean imports in Europe from Côte d'Ivoire decreased from 53% of total imports to 51%, bulk bean imports from Ghana (17%) and Cameroon (11%) stayed the same, and imports from Nigeria decreased from 12% to 9% of total imports. Bulk bean imports from the rest of the world rose from 7% to 8%, mostly due to an increase in bulk beans from Ecuador.

Source: [ICCO](#), Trade Map and Eurostat 2024

Regulating bodies of producing countries play a role in affecting the market potential of bulk cocoa. In countries like Côte d'Ivoire and Ghana, local regulators play a large role in regulating the market. In other countries, like Cameroon and Nigeria, there is [hardly any state influence on the cocoa trade](#). The level of influence can affect the price and attractiveness of the cocoa.

The largest cocoa traders and processors globally also dominate exports from the key bulk cocoa countries. This is described further in the country sections below.

Côte d'Ivoire: largest exporter of bulk cocoa

Côte d'Ivoire is the strongest country for bulk cocoa supply in terms of volume. The cocoa industry has made significant investments in the country. Côte d'Ivoire is the main target country of certification programmes and initiatives, such as the [Cocoa & Forests Initiative](#) (Côte d'Ivoire and Ghana).

However, production is under threat in Côte d'Ivoire, as it has declined significantly. The introduction of the [Living Income Differential](#) of \$400 per tonne in 2020-2021 has also affected sales from the country. With production increasing in Latin America and Central Africa, Côte d'Ivoire is losing some strength as the main

supplier of bulk cocoa.

The [conseil du Café-Cacao](#) (CCC) is the regulating body in Côte d'Ivoire. The CCC is responsible for the management and promotion of the country's cocoa sector. The CCC sells 70-80% of the main crop before the harvest starts. The farmgate price is set based on the selling price of these harvests. If cocoa prices change during the harvest, this could change how attractive Côte d'Ivoire cocoa is to European importers.

Six multinational traders dominate the Côte d'Ivoire cocoa trade: Cargill, Barry Callebaut, ofi, Ecom, Sucden and Touton. However, at least 20% of exports from Côte d'Ivoire [must be exported by local processors and exporters](#). This would mean that at least 159,000 tons of total bean exports from Côte d'Ivoire to Europe should be available to local exporters. Ivorian exporters in the top-10 are [AWAHUS](#), [S3C](#) and SCAT cooperative.

Some of the volume from Ivorian exporters goes to multinationals: SCAT cooperative sold to [ofi](#) and [ETG](#) in 2022.