

Making ACP countries a better place for doing business

*Towards a private sector
enabling environment*



Enabling Environment: Cocoa, Herbs & Spices

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Setting the Stage

Global Demand: Herbs and Spices

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- The global herbs and spices market was valued at US \$12 billion in 2012.
- The EU is the 2nd largest market in the world. In 2013, total EU imports of spices and herbs was valued at € 1.8 billion.
- The herbs and spice market is expected to grow at a compound annual growth rate of 4.8% to reach an estimated value of US \$16.6 billion in 2019.



CARIFORUM Industry Leaders: Herbs and Spices

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- Jamaica - pimento (allspice), Scotch bonnet pepper, ginger
- Grenada – nutmeg, mace
- Dominica – bay leaf oil
- Haiti – vetiver oil
- Pepper sauces / Caribbean sauces



Setting the Stage

Global Demand: Cocoa

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- World production for the 2013/2014 season was forecast to top over 4.3 million tonnes
- The demand for cocoa has risen three times faster than population growth over the last 15 years
- The global chocolate industry is valued at an estimated US \$110 billion dollars
- Growing interest in dark chocolate



CARIFORUM Industry Leaders: Cocoa

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- CARIFORUM comprises 6 of the recognized 17 fine or flavour cocoa producing countries in the world
- Increased organic and fair-trade certification
- The region is also home to the largest and most diverse collection of cocoa varieties in the world via the International Cocoa Genebank, Trinidad, enabling access to genetic diversity for a number of interesting traits including unique flavours of cocoa
- The region has won many international awards for its cocoa and chocolate
- Increased focus on cocoa quality and value-added production



Enabling Environment: European Union



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- In 2013, 8 CARIFORUM countries exported cocoa / cocoa products to 13 EU countries
- Included non-traditional markets such as Estonia, Poland, Malta and Croatia
- In the past 5 years 10 of the 15 CARIFORUM countries have exported cocoa / cocoa products to the EU
- In 2013, 13 CARIFORUM countries exported herbs and spices to the EU



Export Trends

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Exports of All Cocoa Products to the EU (1000kg) / Year on Year Change

	2009	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014
Belize	64	14	0	39	98	13	-78.13	-100.00	39.00	151.28	-86.73
Dominica	901	313	213	261	25	5	-65.26	-31.95	22.54	-90.42	-80.00
Dominican Republic	20,234	33,703	25,080	27,501	35,677	32,035	66.57	-25.59	9.65	29.73	-10.21
Grenada	5	206	269	182	333	233	4,020.0	30.58	-32.34	82.97	-30.03
Haiti	150	2,979	898	188	847	1,088	1,886.0	-69.86	-79.06	350.53	28.45
Jamaica	480	249	51	180	261	155	-48.13	-79.52	252.94	45.00	-40.61
Saint Lucia	7	13	15	6	5	13	85.71	15.38	-60.00	-16.67	160.00
Trinidad and Tobago	447	426	312	311	382	328	-4.70	-26.76	-0.32	22.83	-14.14



Cadmium Restrictions

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- Milk chocolate with fewer than 30% cocoa solids should not exceed 0.1 mg/kg wet weight
- Chocolate with between 30-50% of cocoa solids - 0.3
- Dark chocolate - 0.8
- Cocoa powder sold for drinking chocolate - 0.6



Labelling Requirements

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- Smaller producers (cocoa / herbs & spices) have also noted that meeting the packaging and labelling requirements tends to be expensive and has a negative impact on entering export markets

Enabling Environment: CARIFORUM



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Supply:

- Labour issues
- Maximizing on yields
- Maximizing on profits
- Raising awareness

Demand:

- Quality
- Regional standards



Let's Think About It...

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- In light of a declining labour force, how can the Caribbean promote mechanization and the use of technology in order to increase productivity and attract a younger workforce?
- Is it feasible for some Governments in CARIFORUM to introduce temporary labour mobility schemes for foreign agricultural workers?
- How can farmers best be supported to increase productivity and quality?
- What innovations can the region explore to maintain its competitive advantage and to increase profits?
- What is the best way to support entrepreneurship in these sectors?





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- How can investment in these sectors be supported at national and regional levels?
- What scope is there for regional strategies?
- How can strategic alliances with the EU be supported?
- How can Governments best assist?

Thank you!



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