

Voluntary Report – Voluntary - Public Distribution

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Report Highlights:

Colombia is the tenth largest producer of cacao globally. In 2023, Colombia produced 59,831 metric tons (MT) of cacao, with a planted area of 190,800 hectares. In 2022, Colombian exports of cacao began declining after several years of growth due to a slowdown in production. In 2023, Colombia exported 30,746 MT of cacao, the majority of which were cacao-derived products. The top five importers of Colombian cacao last year were the United States, Ecuador, Mexico, Venezuela, and Chile.

Colombian Cacao Production

Colombia is the tenth largest producer of cacao globally, according to the International Cocoa Organization (ICCO). Colombia has 16.7 million hectares of land suitable for cacao growth. The main region for cacao production in Colombia is Santander, where 34 percent of the country’s production occurs. Other producing regions include Arauca, Antioquia, Huila, Nariño, and Tolima (see Figure 1). Colombia produces cacao year-round with two seasons, including the “Principal” season, which runs from October to January, and the “Mitaca” season, which runs from May to June. Most producers in Colombia are smallholder farmers who farm an average of three hectares of cacao.

Colombia is a major producer of fine flavor cacao, with its production primarily focusing on the Criollo and Trinitario hybrid varieties. Both varieties are commonly associated with fine flavor cacao, which is defined by ICCO based on a variety of characteristics including the genetics of the materials planted, growing conditions, and how the cacao is processed. Colombian cacao exports have been classified by ICCO as 95 percent fine flavor cacao, well above its South American competitors.

Figure 1: Main Colombian Cacao Producing Departments



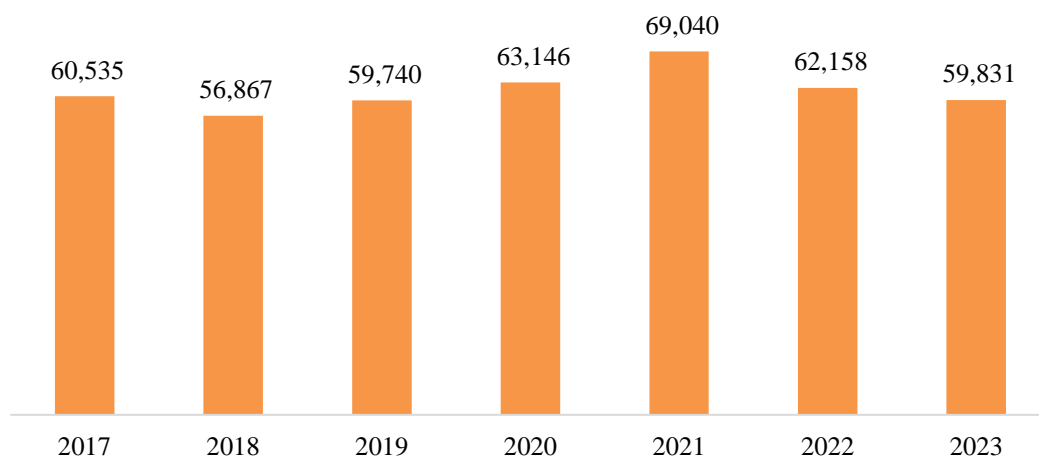
Map #	Region	Cacao production in 2023 (MT)	Percentage of total cacao production in 2023
1	Santander	20,343	34%
2	Arauca	9,573	16%
3	Antioquia	5,385	9%
4	Huila	5,385	9%
5	Nariño	3,590	6%
6	Tolima	3,590	6%
	Other Regions	11,966	20%
	Total	59,831	100%

Data Source: Colombian Ministry of Agriculture and Rural Development and the Colombian Cacao Producers Association (Fedecacao)

Colombian cacao production began declining in 2022 after several years of sustained growth. In 2023, Colombia produced 59,831 MT of cacao, a 13 percent decrease from 2021 (see Figure 2). Excessive rains in these years caused a decline in planted and harvested area due to outbreaks of frosty pod rot disease (*Moniliophthora roreri*) and an increase in soil leaching that harmed production (see Figure 3). Over the past five years, Colombia has not experienced major gains in productivity, with yields remaining at 0.46 kg/ha in 2023 (see Figure 4).

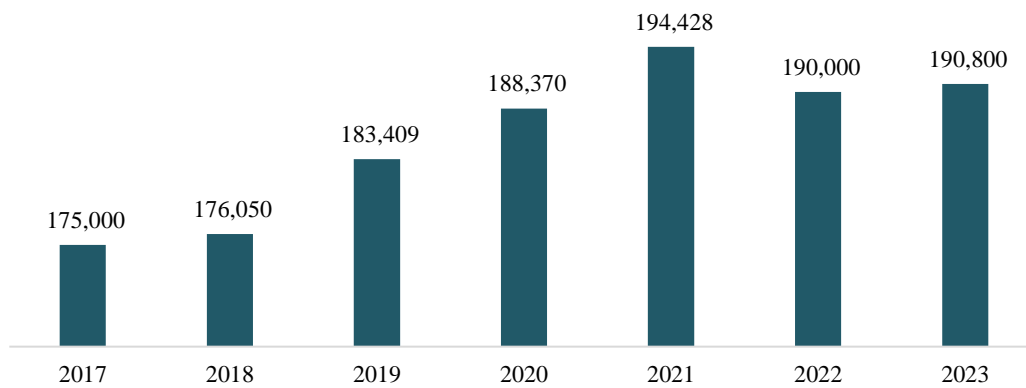
In 2024, cacao international prices have spiked as a result of decreased production in Côte d'Ivoire and Ghana, the two largest global producers of cacao. Domestic cacao prices in Colombia also increased in 2024, though not as dramatically due to the sector's heavy domestic consumption and limited exports. High national and international prices for cacao have helped off-set rising production costs, particularly in inputs and labor (see Figure 5). According to the Colombian Ministry of Agriculture and Rural Development, the current cost in Colombia of planting one cacao hectare under a typical agroforestry system is estimated to at USD \$4,479. Two years ago, the cost was estimated at USD \$3,252.

Figure 2: Colombian Cacao Production, 2017 - 2023 (MT)



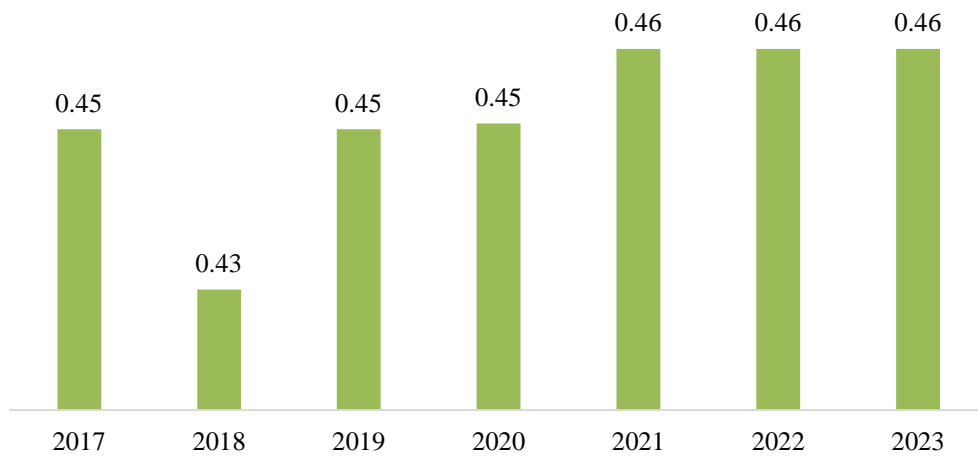
Data source: Ministry of Agriculture and Rural Development

Figure 3: Cacao Planted Area in Colombia, 2017-2023 (hectares)



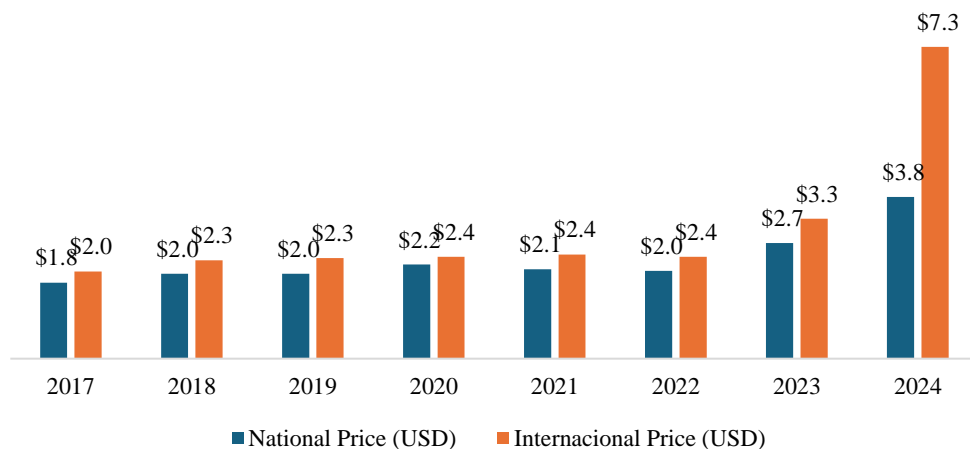
Data source: Ministry of Agriculture and Rural Development and Fedecacao

Figure 4: Colombian Cacao Yields, 2017-2023 (kg/ha)



Data source: Ministry of Agriculture and Rural Development and Fedecacao

Figure 5: Cacao National Price Paid to Farmer vs. International Price (USD per kg)



Data source: FEDECADAQ and ICCO

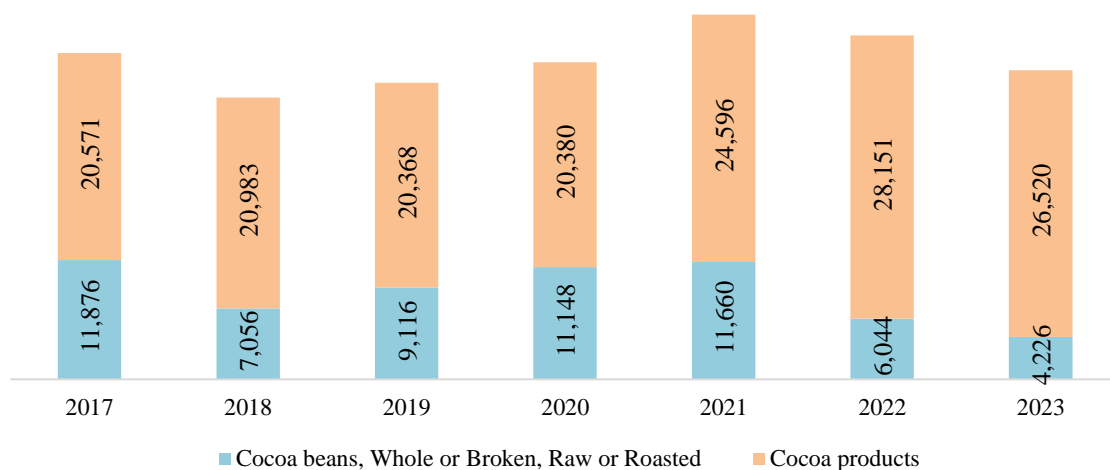
Colombian Cacao Trade

Colombia exports cacao and its derivatives to at least 70 countries. Colombian cacao exports have fallen since 2021 as a result of the decline in production. In 2023, Colombia exported 30,746 MT of cacao beans and cacao products. The top five export destinations were the United States, Ecuador, Mexico, Venezuela, and Chile. Together, these five countries represented 59 percent of Colombian cacao exports. The main port for export in Colombia is Cartagena, with some smaller shipments leaving from Santa Marta. While Colombian exports of cacao products to the United States have grown, increasing by 50 percent since 2021 to reach 6,086 MT, Colombia still does not rank in the top ten suppliers to the U.S. market for these products.

In 2023, Colombian exports of cacao-related products totaled 26,520 MT (valued at \$115.1 million), a 6 percent decrease from 2022. These products included cacao butter, paste, and powder, and chocolate. The main export destinations for derived products in 2023 were the United States (\$27.1 million), Ecuador (\$17.6 million), Venezuela (\$9.8 million), Mexico (\$8.4 million), and Chile (\$6.3 million).

In 2023, Colombian exports of cacao beans declined by 30 percent from 2022 to 4,226 MT, representing \$13.6 million in value and an estimated 3.2 percent of its total production. Top export destinations in 2023 for cacao beans included Mexico (\$6.2 million), Belgium (\$4.5 million), the United States (\$1.3 million), and Japan (\$0.3 million).

Figure 6: Colombian Exports of Cacao Beans versus Cacao Related Products, 2017 – 2023 (MT)



Data source: Trade Data Monitor

Table 1: Top 10 Colombian Cacao Export Destinations in 2023

Export Destination	2022 Colombian cacao exports (MT)	2023 Colombian cacao exports (MT)	Change from 2022-2023	Primary cacao products imported from Colombia in 2023 (% of imports by product)
United States	6,521	6,086	-6.7%	Chocolate products (69%) Cacao butter (20%) Cacao beans (6%)
Ecuador	4,088	4,131	1.1%	Chocolate products (93%) Cacao powder (7%)
Mexico	5,465	3,767	-31.1%	Cacao beans (54%) Chocolate products (20%) Cacao powder (10%)
Venezuela	2,655	2,457	-7.5%	Chocolate products (100%)
Chile	1,477	1,614	9.3%	Chocolate products (94%) Cacao paste (3%) Cacao butter (3%)

Belgium	1,952	1,611	-17.5%	Cacao beans (88%) Chocolate products (10%) Cacao paste (1%)
Costa Rica	1,772	1,274	-28.1%	Chocolate products (49%) Cacao paste (24%) Cacao powder (15%)
Peru	1,688	1,197	-29.1%	Chocolate products (95%) Cacao paste (4%) Cacao butter (1%)
Germany	440	1,012	130.0%	Cacao butter (71%) Chocolate products (19%) Cacao beans (5%)
Panama	1,144	889	-22.3%	Chocolate products (89%) Cacao powder (9%) Cacao paste (3%)

Source: Trade Data Monitor

Consumption

Most of Colombia's cacao production is consumed domestically. Within Colombia, cacao is heavily consumed as a “*chocolate de taza*” hot drink, or in confectionery products, supporting an average chocolate intake of nearly 1 kg per capita. This consumption is still substantially lower than the United States who has an annual per capita consumption of about 4.5 kg per year.¹ New domestic food regulations in Colombia, including a recent tax on ultra-processed products (Colombian Law 2277 of 2022) has led to a reduction in the consumption of sugar added products, including foods with cacao as an ingredient.

For more information on Colombia Law 2277 of 2022, see the [FAS 2023 FAIRS Country Report](#).

Main Players in Colombian Cacao Sector

The two government agencies overseeing the cacao sector in Colombia are the Ministry of Commerce, Industry and Tourism (MINCIT) and the Ministry of Agriculture and Rural Development (MADR). MINCIT promotes the economic development and business growth of the cacao sector and encourages foreign trade and investment, mainly through ProColombia. MADR formulates, coordinates, and evaluates agricultural policies with the goal of promoting the competitive, equitable, and sustainable development of the agricultural sector. The main MADR agencies supporting cacao include:

- The Colombian Corporation for Agricultural Research (AGROSAVIA) - leads cacao research, development, and innovation and preserves genetic resources through the National Germplasm Collection

¹ [Colorado State University](#)

- The Rural and Agricultural Planning Unit (UPRA) - oversees public policy for the management of territories aiming to achieve productivity, competitiveness, land tenure, legal security, and efficient usage of rural soils
- The Colombian Agricultural Institute (ICA) - the phytosanitary authority for cacao in Colombia
- The Agricultural Sector Financing Fund (FINAGRO) - promotes the development of the rural sector with financing tools for stimulating investment
- The Agricultural Bank of Colombia (BANAGRARIO) - provides banking services to the rural sector
- The Colombian International Corporation (CCI) - a nonprofit government institution that provides services to the agricultural sector for strengthening competitive and profitable agribusinesses

Fedecacao is a private, non-profit national association that represents the interests of cacao farmers. Under the Cacao Development Quota, Colombian cacao farmers are required to pay 3 percent of the selling price for each kilogram of cacao they produce. FEDECACAO is contracted by MADR to collect, administer, and invest the Cacao Development Quota that provides services for rural extension, research, and commercialization.

Two main Colombian multinational companies dominate the transformation and commercialization of cacao in Colombia: Grupo Nutresa with Compañía Nacional de Chocolates (CNCH) and Casa Luker. These two companies are responsible for buying around 80 percent of Colombia's annual cacao production. These companies export cacao beans, transform cacao into derivative products for the national or international markets, and produce confectionery and food products for national consumption. According to FEDECACAO and the Colombian National Business Association (ANDI), the number of companies processing cacao beans in Colombia has increased from 41 in 2010 to around 850 in 2024.

Challenges and Opportunities in the Colombian Cacao Sector

The productivity and quality of cacao trees are major challenges the Colombian cacao industry faces in improving production and sustainability. An estimated 40 percent of plantations are planted with trees that have unfavorable qualities such as old age, shade-luminosity excesses, and low tree density. MADR has commissioned FEDECACAO to design and implement a National Cacao Renewal-Rehabilitation Plan that aims to use registered vegetal material, certified by the national plant health authority ICA, to increase Colombia's average plantation density from 700 trees per hectare to at least 1,000 trees per hectare. MADR aims to introduce new genetic traits such as disease resistance, higher production, and bigger bean size. By 2030, the program's goal is to renew 30,000 hectares. According to Fedecacao, 4,000 hectares were renewed at the end of 2023.

Several European Union policy changes pose potential challenges to Colombian cacao exports to this market, which reached \$15.5 million in 2023. Starting in January 2019, the European Union's regulation No 488/2014 went into effect, setting a maximum level of cadmium in cacao products of 0.10-0.80

mg/kg, depending on the type of product. The Colombian government's Cacao Strategy Food Safety Chapter aims to reduce the amount of cadmium contamination in the country's cacao. For example, through the [Standards and Trade Development Facility](#), Colombia is working to strengthen cacao sampling and testing methods for cadmium.

The European Union Resolution 2023/1115 on deforestation will also require Colombian cacao producers to implement new standards in order to continue exporting to this market. Under the new regulation, exporters to the European Union of products deemed high risk for deforestation, including cacao, must conform to rules that require those products to not be sourced from recently deforested land or from production systems that contribute to forest degradation. According to Fedecacao, an estimated 72 percent of cacao farms are georeferenced, an important tool in ensuring compliance with the European Union's new rules.

Foreign governments, including the United States, have also invested in Colombian cacao production, promoting cacao as an alternative to illicit crop production and as a sector for future trade expansion. For example, Cacao for Peace is a multi-year \$8.8 million project, financed by USAID and implemented by USDA, that is working to strengthen the Colombian cacao industry's ability to independently generate scientific knowledge to address technical and commercial challenges hindering the growth of the cacao sector. USDA has also invested \$33 million in the Colombian Cacao and Complementary Crops for Development program that aims to structure and develop resilient supply chains and position Colombian producers to access higher value cacao and complementary crop markets. Cacao for Development is a USDA Food for Progress program.

More information on the Cacao for Peace program can be found [here](#).

More information on the Cacao for Development program can be found [here](#).

Image 1: Cacao for Development Staff Capturing Digital Polygon of Cacao Farm in Antioquia, Colombia



Description: Cacao for Development has captured the digital polygons of 4,800 cacao farms in Colombia, an important step in helping Colombian cacao farmers continue to access international markets that have traceability requirements, including the European Union.

Source: Partners of the Americas/Cacao for Development

Attachments:

No Attachments.