



To: Fairtrade Cocoa producers and traders
Fairtrade members
cc: Standards Committee
Fairtrade International staff
FLOCERT staff

Ricardo Guimaraes
Head of Pricing
r.guimaraes@fairtrade.net

2022.10.05

Cocoa Price Differential announcement from Fairtrade International - October 2022

Dear Partners,

The Fairtrade Standard for Cocoa requires traders to pay a price differential for Fairtrade cocoa beans if the reference price in Ivory Coast or in Ghana falls below the Fairtrade Minimum Price (FMP) at FOB. The Fairtrade Premium of 240 USD/MT has to be paid in addition to the FMP differential.

For deliveries between 01 October 2022 and 31 March 2023, the reference price for **Ivory Coast** ('valeur FOB garanti') is 1,398,348 XOF/MT, which is equal to 2,088.59 USD/MT (using the exchange rate valid on 30 September¹ 2022, 1 XOF = 0.001493612 USD²). Considering the FMP of 2,400 USD/MT, a Fairtrade FMP differential of 311.41 USD/MT is payable.

The national regulation in Ivory Coast requires contracts with producers and buying centres to include details of the sustainability premium paid, such as the amount stated in local currency (XOF). For complete clarity, contract parties are instructed to use the same exchange rate as detailed above to calculate the FMP differential payment to producers in XOF, when a FMP differential is payable. It is also recommended to use the same exchange rate to calculate the Fairtrade Premium payment to producers in XOF.

No FOB reference value is published for **Ghana**. Whether or not a FMP differential needs to be paid thus needs to be defined individually, i.e. per contract.

For non-regulated markets (worldwide except Ivory Coast and Ghana), the FMP of 2,400 USD/MT at FOB or the market price, whichever is higher, and the Fairtrade Premium of 240 USD/MT must be paid when sourcing under Fairtrade terms.

Please note the announcement: as of October 2021, to comply with Cocoa standard requirement 4.2.4, **organizations transfer any FMP differential payments to their members within 30 days of receipt by the organization**. Details can be found [here](#)

For more information, please contact Standards & Pricing at standards-pricing@fairtrade.net

Best regards,

Ricardo Guimaraes

¹ XOF/USD for the 24-hour period ending Friday, Sep 30, 2022 23:59 UTC

² Source : <https://www1.oanda.com/currency/converter/>