



Success Story

Cocoa from Ecuador

Strong demand for cocoa: direct trade offers opportunities

Poor harvests and increased demand are causing cocoa prices to rise. New sources of supply and direct purchasing from small and medium-sized producers can be an alternative to current trade with international companies. The co-operation between Hacienda Palo Santo from Ecuador and Lovechock from the Netherlands is a good example of the advantages of direct trade. The Import Promotion Desk (IPD) brought the two companies together at ISM 2023. The partners have been working closely together ever since. They share an understanding of quality and sustainability. The result: Hacienda Palo Santo supplies organic cocoa paste and nibs to its partner Lovechock.



Products

- Cocoa beans
- Cocoa mass
- Cocoa fruit pulps (frozen and freeze-dried)
- Cocoa nibs

Certifications

- ORGANIC (EU, NOP, JAS)
- HACCP
- GMP

High-quality cocoa: organic and fully traceable

Hacienda Palo Santo specialises in the cultivation and processing of Arriba Nacional cocoa beans. This special fine cocoa variety from Ecuador is known for its special flavour and is a registered trademark. The organic company processes its own cocoa beans, grown on 250 hectares around Guayaquil. This ensures transparent traceability.

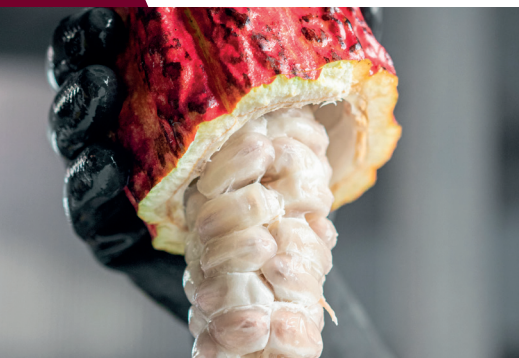
The family business has a long-standing tradition and has been growing cocoa beans since 1985. In 2015, it built a production facility in the middle of its fields. Hacienda Palo Santo is one of the few companies in Ecuador that produces organic cocoa fruit pulps. The deep-freezing facility is HACCP certified. Step by step, Hacienda Palo Santo has also expanded its production to include cocoa paste, nibs, and other cocoa derivatives. The employees come from the region. In addition to their wages, they are provided with free accommodation and meals.

Challenge



Delivering to Europe “without detours”

Despite its special product range, Hacienda Palo Santo has only sold its cocoa beans to Europe in the past, mainly indirectly via large trading companies. Its innovation - the organic cocoa fruit pulp - initially found no buyers in this way. As a new product, it required too much explanation. The buyers lacked the information and Hacienda Palo Santo needed the contacts and opportunities to operate on the EU market. The aim of IPD was to leverage the company's potential, network it with import companies and thus enable it to export to Europe “without detours”, i.e. without intermediaries, thereby increasing the company's added value.

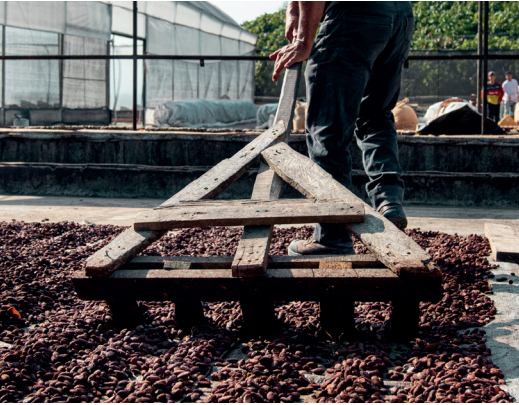




Maria Delfini

Co-Founder, Hacienda Palo Santo

»IPD has supported us in understanding the market dynamics, demand and opportunities available, and in finding the best way to enter the market. We have adapted our products and management processes to meet the quality demands of direct customers. Going direct now allows us to get better prices, create more jobs and become more competitive.«



Approach



Developing a strategy for the EU market

Hacienda Palo Santo has been in the IPD programme since 2021. The IPD team prepared the company specifically for the requirements of the EU market in various capacity building activities, including special coaching on creating an export marketing plan for cocoa producers. As the company had little direct contact with European traders, it was initially important to develop the corporate image of Hacienda Palo Santo and a marketing strategy to promote the special features of the products.

At trade fairs such as Biofach and ISM, IPD then connected them with interested importers. As part of a special buyers' trip to cocoa producers in Ecuador, Hacienda Palo Santo was able to welcome six importers and show them its plantations and production facilities.

Impact



Start of direct trading with cocoa portfolio

Thanks to the IPD's targeted matchmaking activities, Hacienda Palo Santo got to know many potential partners for direct trade. A close and trusting collaboration was quickly established with the Dutch company Lovechock and the first deliveries of cocoa mass and nibs found their way to the Netherlands.

For Hacienda Palo Santo, the trading partnership means a higher margin for its cocoa beans than was previously the case when they were sold via international traders. The producer achieves better added value for its processed products. This makes it worthwhile to continuously expand and market the cocoa portfolio.

But the importer Lovechock also benefits from direct trade: the chocolate company knows the origin of its raw materials, knows who is responsible for the quality and can make direct contact. This gives it sustainable and traceable supply chains. This direct relationship with the producer in the country of origin makes it possible to take individual wishes into account, make adjustments to the product and jointly develop innovative cocoa creations. A win-win situation for both.

Result

- Business deals 
- Export volume 
- Higher prices 
- Expansion of the product portfolio 
- Number of employees 



Adriaan Hoogmartens

General Manager, Lovechock

»For Lovechock, a fair relationship with its suppliers and customers is particularly important. This is why we consistently rely on direct trade and the careful selection of our partners in order to guarantee the well-known high standard of organic quality. In Hacienda Palo Santo, IPD has provided us with an experienced partner who contributes sustainable ideas. Together, we produce delicious treats and are committed to responsible sourcing.«

Weitere Informationen:

<https://www.haciendapalosanto.com/>

<https://lovechock.de/>

Import Promotion Desk (IPD)

c/o sequa gGmbH
Alexanderstraße 10
D-53111 Bonn
Germany

Phone: + 49 228 909 0081-0
info@importpromotiondesk.de
www.importpromotiondesk.de

Durchgeführt von

