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PRESS RELEASE

For Immediate Release

US Agency for International Development supports summit to reposition Nigeria on the global cocoa market

Lagos, Nigeria – Amidst fears of a deficit in the global supply of cocoa, Lagos has hosted a National Cocoa Investment Summit to explore ways to re-energise the country's cocoa industry in support of the Government of Nigeria's ongoing effort to boost competitiveness in the industry.

The U.S. Agency for International Development (USAID), with support from the Sustainable Trade Initiative (IDH) and Olam, organized the summit. High-level government officials, senior executives of multinational food companies, local and international players in the chocolate industry, and top cocoa growers participated in the summit.

Growing demand and falling supplies of cocoa present real challenges to the sector. The biggest international confectionery manufacturer, Barry Callebaut Group from Switzerland, recently warned that the sector should prepare for "a potential cocoa shortage by 2020" which has already contributed to cocoa prices rising a staggering 25 percent in the past year. Other key players in the industry have also warned that cocoa use will top output by about 70,000 metric tons and the deficits will persist through 2018.

While growing demand for chocolate in emerging economies, such as China and India, is raising the price of cocoa, Nigeria has experienced diminishing rates of cocoa production. Nigeria has the potential to dramatically increase cocoa exports if public and private stakeholders adopt an aggressive strategy to raise productivity and meet international quality requirements.

The U.S. Consul General in Lagos, Jeffrey Hawkins said "the challenge is for all the actors – government and private – to agree to put these pieces together in a way that enables Nigerian agribusinesses to thrive over the long term".

More broadly, in the field of Economic Growth, USAID is a leader in trade and investment, agriculture development, energy, and water and sanitation. As partners to the Government of Nigeria and the private sector, USAID is delivering innovative solutions to foster broad-based economic growth with a view to eradicating poverty.