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# Governance of organic cocoa production: An analysis of EU regulation through the framework of multilevel governance

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## Summary

**Motivation:** While organic agriculture is seen as the best way to achieve sustainable agriculture, the question of how actors in the sector can help remains unresolved. This article seeks to contribute to the global determination to resolve environmental challenges through sustainable agricultural practices grounded in multilevel governance.

**Purpose:** The article examines existing regulations governing the production and importation of organic cocoa.

**Methods and approach:** Multilevel governance is used as a theoretical and methodological tool to examine the discursive and material struggles which challenge the promotion of organic cocoa, using a content analysis of European Union (EU) regulations governing the production and importation of organic agricultural produce, including cocoa.

**Findings:** The article finds that the EU regulations on the production and importation of organic cocoa take a vertical approach to multilevel governance. Organic cocoa farmers, who come lower down in the governance hierarchy, have no role in policy-making and have simply to follow these regulations.

**Policy implications:** The regulations seem to ignore the inputs of actors at the lower level in the hierarchy. The absence of organic producers' (farmers) participation in the governance architecture may inhibit conventional farmers from venturing into organic cocoa production.

## KEYWORDS

multilevel governance, organic agriculture, organic cocoa, regulation

## 1 | INTRODUCTION

Understanding the governance architecture of the organic agriculture industry in terms of regulations is relevant to conceptualizing or making meaning of the interactions in its sustainable production and value chain. This article presents a case study of organic cocoa, whose whole production chain relies on regulations, control, and

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compliance. While governance resonates with the patterns of rules among actors co-operating to provide public services (Bevir, 2009), these actors come from different institutions and social sectors. The organic food production/importation chain, including organic cocoa, is complex and involves many actors from different public and private institutions. The main aim and scope of regulation that requires certification is to provide a foundation for the sustainable growth of organic production, make the organic market more efficient, ensure consumer confidence, protect consumer interests, and prevent the unscrupulous use of the term organic so that producers cannot unfairly benefit from price premiums and market shares (European Commission, 2008a; Lohr, 1998). In relation to this, consumers' interests and environmental protection by promoting biodiversity are paramount in organic agriculture production.

Organic agriculture seeks to preserve and promote the natural environment by using desirable techniques that also ensure good and high-quality crop yields (HDRA, 2005). In organic agriculture and farming, these techniques are employed within two important frameworks, which are "to keep and build good soil structure and fertility and to control pests, diseases, and weeds" (HDRA, 2005; Paarlberg, 2013). Keeping and building good soil structure and fertility involves, among other things, mulching, crop rotation, cultivating crops at the right time, recycling crop waste and the use of animal manure. Controlling pests, diseases, and weeds also involves using natural pesticides and non-harmful predators, paying close attention to planning and selecting quality crops, the careful use of water resources and increasing genetic diversity, for example (HDRA, 2005). This aspiration to maintain and promote the environment in line with the concept of sustainability calls for strict regulations in organic food production, including organic cocoa. This is critical because regulators have the responsibility to ensure that consumers are not short-changed, and eco-diversity is maintained through good environmental practices. This notwithstanding, there is a need to synthesize the approach.

In a broad sense, governance is understood as "all processes of governing, whether undertaken by a government, market, or network; whether over a family, tribe, corporation, or territory; and whether by laws, norms, power, or language" (Bevir, 2013, p. 1). This definition is a form of power sharing where many actors—be they public, private, or voluntary—engage in public/private policy formulation and implementation, which depends on all the actors sharing common goals. In the case examined here, the shared goals are to advance human development in terms of safeguarding sustainable agricultural practice, as spelt out in the EU's regulations on organic agriculture and importation.

The idea of multilevel governance, which could be understood as the interactions among recognized and authorized agencies within the governance system (Bevir, 2009), helps to create a clearer understanding of organic cocoa production/importation at different levels. In other words, multilevel governance helps in understanding various actors' scheme of things from supranational actors—such as the European Commission (EC)—to local actors (farmers). Obviously, different actors' experiences within policy-making and implementation, for example, are never identical. To ensure sustainable organic cocoa production/importation, there is a need for knowledge about the impact of legislation on both aspects. While studies on the value chain of organic cocoa production have contributed to the understanding and modelling of new ways of promoting it (Kuit & Waarts, 2014; Paarlberg, 2013; Ton et al., 2008), scrutiny of the existing legislation can bring many important benefits. It is evident from the study of organic agriculture production/importation that how legislation is processed and implemented across different levels, and the interactions within the governance system, seem to be overlooked.

This article seeks to contribute to the development of a strong empirical framework to analyse the existing regulations on organic cocoa production and importation in the context of multilevel governance approaches. Using multilevel governance as the theoretical and methodological framework, the question of "how" organic cocoa production/importation is regulated within the EU and its implications are outlined empirically.

The article proceeds as follows. Section 2 discusses organic farming/agriculture and cocoa production in general before analysing the cases of Côte d'Ivoire, Ghana, and the Dominican Republic, the three main countries in the study. Section 3 presents an overview of governance, and specifically multilevel governance. Section 4 examines the governance and certification of organic cocoa production, followed by Section 5 setting out the

methodology and sources of data. Section 6 analyses organic cocoa production and importation regimes under EU regulations. Section 7 discusses the main findings and Section 8 concludes.

## 2 | ORGANIC FARMING AND COCOA PRODUCTION

The origin and history of the organic food and farming movement are attributed in part to the British botanist Sir Albert Howard (Heckman, 2006; Paarlberg, 2013). The movement grew between 1873 and 1947, gaining prominence after two German chemists, Fritz Haber and Carl Bosch, invented ammonia for agricultural purposes in 1909 (Heckman, 2006; Paarlberg, 2013). Most agriculturists, including Howard, rejected the use of ammonia to boost farming productivity with the argument that plants, like any other living organisms, could only be properly sustained by other living organisms such as other plants and animal manure (Paarlberg, 2013).

Despite the earlier developments, the term organic food/farming is believed to have been coined in 1947 following the publication of magazine titled "Organic gardening and farming" by the US writer, Jerome Irvin Rodale (Paarlberg, 2013). At the time, organic farming was popular but limited to backyard cultivation due to the high production cost of commercial organic farming. It has been estimated that organic farming costs 10%–40% more than conventional farming, so it has not always been seen as a viable option, especially for profit-driven farmers (Paarlberg, 2013).

According to the Garden Organic organization in the United Kingdom (originally the Henry Doubleday Research Association), organic farming seeks to preserve and promote the natural state of the environment by using desirable techniques that also ensure good and quality crop yields (HDRA, 2005). This approach ensures that no artificial fertilizers, pesticides, or preservatives should be found in organic food (Paarlberg, 2013). As set out in the introduction, organic farming aims "to keep and build good soil structure and fertility" and "to control pests, diseases, and weeds" (HDRA, 2005, p. 1), by mulching, crop rotation, cultivating crops at the right time, recycling crop waste, and the use of animal manure (HDRA, 2005; Paarlberg, 2013).

In the early 20th century, before the production of synthetic fertilizers, all food produced was essentially organic, so organic farming was classified as distinct only with the development of contemporary methods (Paarlberg, 2013). HDRA (2005) argues that the idea of organic farming is not intended to force farmers to go back to the traditional way of farming, but rather to combine old and modern scientific knowledge to promote a healthy balance between nature and farming with maximum results (HDRA, 2005). In this sense, organic farming ensures that human beings and the natural environment mutually benefit in the long term, and there are enormous benefits derived from this method of farming to farmers and consumers (HDRA, 2005). Following this general description of organic agriculture, I now go on to describe organic cocoa production, the focus of this study.

Africa accounts for 75.7% of global cocoa production, of which Ghana and Côte d'Ivoire account for 81.55%, with the remainder from other African cocoa-producing countries (ICCO, 2020). Of an estimated 5 million to 6 million farmers engaged in cocoa cultivation worldwide, between 90% and 95% are smallholder farmers (World Cocoa Foundation, 2012). According to Grand View Research (2020), the total value of the chocolate market was USD 135.65 billion in 2019, while the export value of 4,697 metric tons of cocoa beans, estimated to have been produced by 50 countries (ICCO, 2020), was only USD 10 billion in 2020.

Organic cocoa is valued because of its greater acidity and bitterness compared to conventional cocoa, and it is in high demand from premium chocolate brands around the world (Market Reports World, 2017). Although worldwide organic cocoa production has doubled since 2008 (Potts et al., 2014), it accounted for only 2.5% of global cocoa production in 2011. The market value of organic cocoa is expected to reach USD 585 million by the end of 2022 (Market Reports World, 2017). Potts et al. (2014) show that there is growing demand for organic cocoa. Its highest production is in Latin America, where the Dominican Republic alone accounts for 60% of global organic production. Among other factors, one reason for the increasing demand for organic cocoa is that consumers are becoming more health conscious (Market Reports World, 2017).

Ghana and Côte d'Ivoire, the two leading countries in worldwide cocoa production, whose combined production accounts for 58% of the total conventional production, contribute just over 2% of total organic cocoa production (Market Reports World, 2017). Potts et al. (2014) attribute low organic cocoa production to the restrictions on inputs due to organic certification, high certification-related fees, and inaccessible organic markets, and susceptibility of organic cocoa production to pests, particularly in Africa. The issue of chemicals has come under scrutiny as a study by Afari-Sefa et al. (2010) claims that even most conventional cocoa farmers do not apply agrochemicals. Of the three problems identified as hindering organic cocoa production, the first has resulted in an unequal benefit for producers who adopt organic practices. However, the cocoa market review conducted by Potts et al. (2014) suggests that these challenges are solvable in the foreseeable future.

Glin et al. (2015) give some insight into the trends among organic cocoa production networks in Ghana. The authors conclude that, despite the significant role played by the state, other major players such as transnational and national non-governmental organization (NGO) networks and businesses are beginning to take an active role in organic cocoa production in Ghana. They also assert that farmers convert from conventional to organic cocoa farming because of issues related to livelihoods, finances, the environment, the quality of support, and relations in the value chain (Glin et al., 2015).

While Glin et al. (2015) include empirical accounts of how the organic cocoa network process has been initiated, constructed, and transformed in Ghana, they do not examine how, for example, institutional or agency policies affect organic cocoa production in relation to governance. It would be beneficial to know in more detail whether the state's continuous dominance in organic cocoa production has any relation to its sustainability, for instance. Furthermore, the cultivation of organic cocoa has been practised for over 20 years (Glin et al., 2015), yet Willer and Lernoud (2019), for example, show a decline in the share of organic cocoa production by Ghana and Côte d'Ivoire. Ghana's share of organic cocoa production is 0.6% and that of Côte d'Ivoire 0.004%, while the Dominican Republic's share is 79.7%, when organic and conventional cocoa are combined (Willer & Lernoud, 2019); the authors do not investigate the reasons for this decline in the percentage of organic cocoa production in Ghana and Côte d'Ivoire, even though the two countries are the largest producers of conventional cocoa.

Governance in the cocoa production sector has evolved and taken shape, especially in the economic sphere (Giel et al., 2008). Governance concerns the patterns of rules among the major stakeholders (institutions) and the role they play in organic cocoa. It is important to underline that the policy documents we have used are not limited to specific countries but are related to the relevant institutions that play a key role in the organic food production set-up. In other words, this study scrutinizes the whole governance system connected to the organic cocoa value chain.

### 3 | AN OVERVIEW OF GOVERNANCE AND MULTILEVEL GOVERNANCE

The changing perspectives of social theories have taken the term "governance" to new areas of study, leading people to view the world differently. Consequently, the focus has also shifted from state institutions to include private and voluntary institutions and their activities (Bevir, 2011). The concept of governance originates in the Greek word *kybernan*, which means "to steer" or "to direct," and was translated into Latin as *gubernare* (Levi-Faur, 2012, p. 5).

There are many definitions of governance. According to Torfing (2012), it is a means to steer society and the economy through collective actions and forms of regulation that link values and objectives to output and outcomes. Bevir (2013, p. 1) argues that "governance is all processes of governing, whether undertaken by a government, market, or network; whether over a family, tribe, corporation, or territory; and whether by laws, norms, power, or language." In other words, governance can be understood as the plurality of actors co-operating in networks that cut across the clear organizational and conceptual divide between the public and private sectors that characterizes the modern state (Bevir, 2011). This is in part the result of public sector reforms between the

1980s and 1990s, which led to a significant shift away from hierarchical bureaucracy by engaging the market, quasi-market, and various networks in delivering public services (Bevir, 2009).

Levi-Faur (2012) identifies four characteristics of governance: a structure, a process, a mechanism, and a strategy. As a structure, governance signifies the architecture of formal and informal institutions. As a process, it means the dynamics and steering functions involved in policy-making processes. As a mechanism, it signifies institutional decision-making, compliance, and control procedures (or instruments), and finally, as a strategy, it means the actors' efforts to govern and manipulate the design of institutions and mechanisms in order to shape choices and preferences (Levi-Faur, 2012).

Multilevel governance, on the other hand, is believed to have emerged from the European Union's (EU) integration agenda and describes the diffusion of power both upwards and downwards among institutions recognized by regional and national governments. Multilevel governance refers to the interactions between policy actors across more than one level of government, with these being determined by their complexity (Bevir, 2009). While the interactions may involve state and non-state actors, their interactions in terms of power relations are vertical or horizontal or, in most instances, a combination of the two.

According to Phillips (2004), a horizontal approach to multilevel governance means working through networks other than hierarchies, through interdependence rather than power relationships, negotiations rather than control, and enablement as an alternative to management. This approach empowers actors beyond state institutions to participate in policy decision-making at all levels. It allows for continuous negotiation, where actors are not constrained by territorial jurisdictions. The horizontal approach to multilevel governance underlines partnership, co-ordination, and non-hierarchical decision-making relationships. While this may be deemed one of the best approaches to governance, Phillips (2004) also suggests that it constrains swift decision-making and the authority of states.

A vertical approach to multilevel governance focuses on the processes of steering and co-ordination by an authority (including but not limited to governments) in downward or upward interactions involving local, regional, national, and supranational institutions (Torfing et al., 2012). Bevir (2009) argues that this approach may also involve a well-defined power relationship between a central authority and its constituents, subordinates and other actors. In the vertical approach, power is distributed from the highest authority (centre) to the sub-state entities, which is the reverse of their unrestricted inputs into the governance architecture (Bevir, 2009). What this means is that state institutions and actors in the formal and informal sectors work within a well-defined frame of networking (Torfing et al., 2012). Some argue that the vertical approach to multilevel governance prevents the participation of both public sector and private sector actors in the policy process. Nevertheless, the vertical approach can be supported by the fact that it facilitates accountability, as the actors have clearly defined roles and jurisdictions in the governance structure (Bevir, 2009). The next section explains how major players work towards achieving a common ground for sustainable organic agriculture production and importation through governance.

## 4 | ORGANIC AGRICULTURAL GOVERNANCE: HARMONIZATION AND CERTIFICATION

According to Rundgren (2007, p. 24), certification "is a system by which the conformity of products, services, etc. to applicable standard is determined and confirmed." The confirmation that products are organic can be undertaken by a *first party* (the supplier/producer), a *second party* (the customer/buyer), or a *third party* (an independent body), and it includes the certification of products and of the quality system. Certification is not limited to organic agriculture—ISO 1992, the International Federation of Organic Agriculture Movements (IFOAM) accreditation criteria serves as a guide—and it generally refers to third-party certification involving an independent body that plays a neutral role or balances interests in the confirmation process.

Regulation of the certification of organic agriculture is in tandem with governance and, in our case, plays a significant role in that it ensures that the production of organic cocoa follows certain rules, which serves the whole idea of governance. Without governance (regulation) and certification, it is impossible to monitor organic cocoa farmers' compliance with desirable practices, giving farmers and other players, such as the manufacturing industries, the opportunity to fraudulently manipulate the system to their own benefit (Lohr, 1998; Rundgren, 2007). In other words, the aim of governance and certification and bringing in institutions as actors in this regard is to ensure consumers' confidence in what is labelled organic and to protect farmers and industrial players involved in the organic value chain. Rundgren (2007, p. 33) puts it in simpler terms, "certification creates and enhances trust between parties."

Prominent non-governmental public interest institutions play a critical role with respect to the relationship between producers and consumers. The International Federation of Organic Agriculture Movement (IFOAM) is one such reputable organization related to sustainable organic agriculture. Besides representing organic production in EU policy-making, IFOAM (2021) also advocates a transformation of food and farming, with over 800 affiliates in over 100 countries across six continents. As a recognized worldwide body in the organic agriculture production chain, IFOAM not only helps its members to meet the standards set under the EU's organic products regulation but also helps producers to find local and international markets for their products (IFOAM, 2021). Like many low-income (LIC) and lower-middle income countries (LMICs), Ghana, Côte d'Ivoire, and the Dominican Republic do not have their own regulation policies or locally recognized certifiers for organic products, and so have to rely on bodies affiliated to IFOAM for certification.

The two most prominent third-party certification/control bodies involved in the certification of organic cocoa are Ecocert and Control Union. As IFOAM affiliates, Ecocert and Control Union are accredited by the European Commission under Regulation (EC) No. 1235/2008 to act as control bodies in relation to the importation of organic products into the EU (European Commission, 2022). This certification allows the use of the European Commission's organic logo on certified products within the EU market. Most European countries also have their own organic logos in addition to the EU logo (ProFound, 2021).

While there are numerous accredited certifiers in both conventional and organic cocoa production, the most used independent third-party certification bodies this study found are Ecocert and Control Union, which are also accredited certifiers for UTZ and Fair for Life (FFL) on organic cocoa (ProFound, 2012). Ecocert, which is headquartered in Switzerland and also operates in France, Germany, and Spain, has also been accredited by the Swiss Accreditation Service (SAS), the Japanese Agricultural Standards (JAS), and many other states and institutions (Ecocert, 2021). According to Ecocert, displaying the FFL logo on any certified product requires that 80% of the raw material must come from fair trade, and is intended for all actors in the organic production value chain (Ecocert, 2021). Purchasers of certified cocoa that is both fair trade and organic pay the Fairtrade Minimum Price in addition to a premium and a fixed organic differential (ProFound, 2021).

Control Union is the official UTZ certification body (Control Union, n.d.) and certifies producers and producer groups based on the UTZ code of conduct, which includes the global standards for the certification of cash-crop production. It claims that the certification of organic products enables producers to have access to the global organic market, as well as to grow better crops, generate a sustainable income, and protect the environment and natural resources.

## 5 | METHODOLOGY AND DATA SOURCES

As part of the policy review of the main research study, I used qualitative content analysis in analysing the data presented in this article. The aim was to create a clearer understanding of how governance operates and influences the sustainable organic cocoa production and importation regime at various levels. What is most significant about this method is that it ensures careful reading, an analysis of the background and values of the text and a

reinterpretation of its connectedness to multilevel governance. This offers the opportunity to examine the links within the discourse with the aim of finding out what makes it persuasive (Ruiz de Castilla, 2017). To achieve this, I conducted a critical review of the primary data and pertinent scientific publications.

The primary data analysed are the EU regulatory policy documents on organic agriculture production and importation. These policy documents are Council Regulation (EC) No 834/2007 on organic production and labelling of organic products; Commission Regulation (EC) No 889/2008 laying down detailed rules for the implementation of Regulation (EC) No 834/2007 with regard to organic production, labelling and control; and Commission Regulation (EC) No 1235/2008 laying down detailed rules for the implementation of Regulation (EC) No 834/2007 for the arrangements for imports of organic products from third countries (European Commission 2008a, 2008b; European Council, 2007). These regulatory policy documents include comprehensive information about what constitutes organic agriculture and organic food, procedures that must be followed for them to be approved, authorities involved in the policy regulations and implementation, and, most importantly, the rules applied to the importation of organic agriculture products from third countries. These policy documents were formulated to guide the EU member states, its partners such as the US, and other third countries in the implementation of organic agriculture/food production policy.

Reports published by the Food and Agriculture Organization (FAO), the World Health Organization (WHO), the United States Department of Agriculture (USDA), and bodies associated with the organic cocoa sector, such as the International Cocoa Organization (ICCO) were also interpreted using the theoretical concept of multilevel governance. The study of the policy documents provided a clearer view of governance and rules to be followed within organic cocoa production/importation. In what follows, I discuss the analysis of the research data within the theoretical framework of this study.

## 6 | ANALYSIS OF ORGANIC COCOA PRODUCTION AND IMPORTATION UNDER EU REGULATIONS

The FAO and WHO play a key role in global food systems. In an attempt to bring equality to the international food system, these two specialized organizations of the United Nations (UN) established in 1963 what is today referred to as the Codex Alimentarius Commission (CAC) (FAO & WHO, 2016). As a body tasked to ensure the international harmonization of food standards, the CAC seeks to provide consumers with relevant information for the promotion of health. Its codes and principles are part of its instruments to guard consumers against food-borne hazards (FAO & WHO, 2016).

Although the CAC's activities have received global recognition and acceptance, not all countries have been able to implement these standards (FAO & WHO, 2016). Although founded to ensure the harmonization of food standards from production to processing on the basis of scientific research, the CAC has no strict legal backing but operates through the commitment of the UN member states. Despite the challenge facing the CAC—in many instances from different states, legal formats, and administrative systems—it has been able to facilitate the international food trade and meet consumers' needs worldwide (FAO & WHO, 2016), even though it is not legally mandated to facilitate trade.

As a supranational governance organization, the CAC addresses ecological issues at the global level which are supremely important for food production. Consequently, it shapes the thinking of societies through national-level policies. The idea of the CAC as an institution of governance is to create and sustain certain core values shared by UN member states (Peters, 2011). On the basis of scientific research, the CAC lobbies UN member states to adopt practices that promote and safeguard the wellbeing of societies and the environment. This places the CAC and the European Commission in horizontal interaction in multilevel governance concerning (organic) agricultural production.

To take a national-level example, the USDA, responsible for all issues concerning farming and food production in the US, has established the National Organic Program (NOP) to establish a national standard for the production



and handling of all foods labelled as organic under the Organic Foods Production Act (OFPA) (ICCO, 2006). NOP highlights its responsibility to protect consumers and the integrity of the USDA organic seal. It empowers the Agricultural Marketing Service (AMS) to accredit certifiers who, in turn, verify and document organic farms and businesses around the world (USDA, n.d.). According to the ICCO (2006), organic cocoa, whether in its raw form or as a product such as chocolate, is mainly imported into the US and Canada from Europe, owing to those countries' lack of organic cocoa certifiers and certified processors of organic products. While this explains the small share of the organic chocolate market (ICCO, 2006), there is a mechanism (Levi-Faur, 2012) under the so-called equivalency arrangement with the EU to ensure that the organic cocoa market in the US is effective and efficient.

What is evident from the above is that governance in organic cocoa production and processing is mainly regulated through broader co-ordination by market players in Europe on behalf of NOP. The conditions under which NOP regulates imports of organic cocoa to the US can be viewed as a form of standardization and harmonization. In this case, as a regulatory body, NOP believes that, under the equivalency arrangement, European market players can effectively serve the interests of US citizens in the organic cocoa value chain.

Although organic cocoa is produced in tropical regions in Asia, Africa, Latin America, and the Caribbean, its processing and consumption is mainly in Europe, the US and Japan (ICCO, 2006). It is therefore not surprising that the institutions connected to sustaining and promoting its production are in these same countries and regions. The EU's regulation on organic production and importation represents a comprehensive framework in these matters.

As an umbrella institution, the EC ensures that all 27 EU member states fulfil their obligations under the legislation passed on organic agriculture (Council Regulation (EC) No 834/2007), which aims to guarantee that consumers can trust organic goods and that the inspection of organic agricultural products coming from within or outside the EU is never compromised (Council Regulation (EC) No 834/2007). Based on reports submitted by member states, the EC carries out rigorous auditing in order to ensure that the controls of organic goods, including organic cocoa, meet these standards.

In the EU, agricultural food products labelled as organic were first regulated under the Council Regulation (EEC) No 2092/91, since amended by Council Regulation (EC) No 834/2007, which became fully operational in 2009. This regulation has led to the implementation of two related regulations, namely Commission Regulation (EC) No 889/2008 and Commission Regulation (EC) No 1235/2008 (European Commission, 2008a, 2008b). While writing this article, a new act on organic production and labelling, Regulation (EU) 2018/848, was formulated to replace the existing one in 2021. Regulation (EC) No 889/2008 outlines detailed production rules for livestock, plants, and all processed foods, including yeast, and how they must be labelled and controlled. Regulation (EC) No 1235/2008, on the other hand, details rules for the import of organic foods/products, under which organic cocoa also falls. In all, the aim of these two regulations is to make some kinds of allowances for organic food farming by considering regional differences and, most importantly, climate and soil conditions. According to the EC, these legislative acts also provide the legal framework that governs what goods can be marketed as organic products within the EU common market, including products imported from non-EU states, or third countries.

While the EC provided the legal base to govern products that can be traded as organic within the EU single market, the member countries have the ultimate responsibility to ensure adherence to the rules set out in Regulation (EC) No 834/2007 (European Council, 2007). According to Article 3(1) thereof, the Commission has the responsibility to establish a list of all relevant control bodies for public notice purposes.

The competent authorities within member states, which normally fall under the jurisdiction of the ministry of agriculture, or of public health, may delegate their role to other competent bodies within the control system (European Council, 2007). In most cases, the country-specific competent authority may delegate its duties to one or more private control bodies, public control authorities or a combination of these. What is most important under Regulation (EC) No 1235/2008 is that member states' competent authorities have the ultimate obligation to audit the inspection system within their jurisdiction (European Commission, 2008b). Every year, the EU member states must report to the EC about the controls they have carried out on organic operators and measures relating to compliance (European Council, 2007).

As indicated above, in the case of organic cocoa, the most significant export destination is Europe, as many of its confectionery companies are specialized in processing it, which has boosted their growth (ICCO, 2006). This is where third-party certification or control bodies step in to offer their competence in ensuring compliance with Regulation (EC) No 834/2007 (European Council, 2007). EU countries have accredited organic agriculture certifiers Ecocert and Control Union to perform certification activities as spelt out in Regulation (EC) No 834/2007. Based in the Netherlands, Control Union operates as a third-party certifier for UTZ on organic cocoa and is also accepted as a competent control body outside the EU. It is important to note that UTZ is in transition to Rainforest Alliance and so anything related to certification concerning UTZ in future may be referred to Rainforest Alliance. Ecocert, on the other hand, is an accredited organic cocoa certifier operating in Germany, France, Spain, and Switzerland, and is responsible for the FFL fair trade scheme. Both work directly with organic cocoa farmers and inspect, monitor, and evaluate farming activities on site to ensure that farmers do indeed comply with Regulation (EC) No 834/2007. In addition to receiving a certification for their products, organic cocoa farmers receive technical support from Ecocert and Control Union. The following section provides a reflective discussion of the bodies of literature used in this study.

## 7 | DISCUSSION

The state, international institutions, market players, and many other actors intervene in food supply through mediation and regulations (Lang et al., 2009), which can be attributed to the act of governing through bodies established by law and a free society. Although public policies governing food are mostly thought to emanate from governments, it is important to acknowledge the role of other actors across the food system in terms of its success. As part of the food system, organic farming is also subject to this mediation and these regulations, as well as that of other bodies, such as IFOAM, along the production chain.

This is imperative as both formal and informal institutions at various levels of governance, vertical or horizontal, may exert significant influence on policies (Peters, 2011). As an informal organization dedicated to sustainable organic agriculture production, IFOAM is a typical body that wields enormous power in helping policy-makers shape rules and regulations in the sector. Lang et al. (2009) argue that in the contemporary context, food policy must engage with the market economy and interested players. In the case of organic farming, the critical issue of standardization and harmonization has empowered international and regional bodies and states, through their delegated agencies and other actors, to dictate to the market how organic cocoa should be produced, for example. It is therefore to be expected that the EU regulates organic agricultural production and importation into the EU through Regulation (EC) No 834/2007 (European Council, 2007). Apart from inspecting and accrediting private inspection and accreditation bodies, governments also legislate to ensure that there is fair competition that complies with international trade practices (Morgera et al., 2012).

The complexity of the patterns of rules under the EC's governance structures concerning the certification and importation of organic agricultural produce, in particular, is outlined in Regulation (EC) No 1235/2008. This complexity can be well understood through the concept of multilevel governance, according to which policy formulation and implementation involve complex interactions among states or their assigned agencies and relevant actors within the EU (Bevir, 2009). The EC operates above the member states, from which it derives its powers, although the interactions in multilevel governance within the EC's organic food regulations are simultaneously both vertical and horizontal. The horizontal interactions involve the EC, the member states, and their assigned agencies, as well as the equivalency countries such as the US, Japan, Switzerland, and others. The vertical interactions involve the member states' assigned agencies/authorities, non-state actors, and interest groups at different levels of governance. Third-party certification bodies may not necessarily be involved in the policy-making on how organic products should be regulated, but they serve as control bodies in relation to policy implementation. The concept of multilevel governance concept enables all interest groups,

besides the EC, the member states, and their assigned institutions within the EU, to participate through different channels and to contribute to the regulation process where no single actor can implement such complex practices in relation to agricultural production.

When it comes to policy formulation, the EC wields enormous power, and does not promote engaging actors beyond the assigned member state agencies. This may not be a deliberate effort to exclude informal actors such as producers and suppliers but could be motivated by ensuring more efficient and swifter decision-making in line with the vertical approach to governance (Phillips, 2004). This is not to say that private actors, for example, cannot or do not lobby for their interests to be included in policies being formulated by the EC—IFOAM has been given as one example. As pointed out above, governance, which can be understood as patterns of rules, is motivated by preferences instigated either by the public or the government (Bevir, 2009), and thus although institutions may be independent and have considerable power, they may still consider suggestions from outside. By applying a vertical approach to multilevel governance, and by way of accountability, the EC seeks to protect its citizens from being cheated by food producers ranging from farmers to food-processing industries under the guise of organic food. Given the huge economic gains to be made in organic food production and manufacture, there is the possibility of actors manipulating this only to meet the requirements stipulated in the regulations. The vertical governance approach adopted by the EC not only promotes public interest but also ensures stricter regulations enacted by the EC, national governments, and their assigned agencies.

It is important to point out that the EC's vertical approach is never absolute concerning the harmonization of the governance of global organic food production. In what can be regarded as horizontal governance interactions, the EC collaborates with the equivalency partners cited earlier to promote a common course as a regional bloc and international partners. According to Commission Regulation (EC) No 1235/2008, products marked as organic in the partner or equivalency countries, such as Switzerland, can also be marketed within the EU. The interdependence among actors in multilevel governance propels the aim to make the world a better place to live and thrive. This finding validates the argument that the governance of organic food production and importation embraces many actors, including regional bodies, governments and their assigned agencies, the private sector (market) and civil society and NGOs, either vertically or horizontally. Overall, in relation to organic food governance and organic cocoa production, the EC formulates, implements, and regulates policies based on the rationale of the regional body and citizens of EU member states.

Under Regulation (EC) No 1235/2008, states and their assigned agencies serve as a bridge between the EC as a top-tier institution of policy formulation and various actors within the vertical multilevel governance of organic food production and importation. The role of member states and their delegated agencies is to enforce compliance with all the rules governing organic food production and importation into the EU as spelt out in Regulation (EC) No 1235/2008. These have the responsibility of granting certification rights to private actors in the organic food production and importation supply chain, which thus empowers EU member states to strictly audit all certification agencies/institutions employed to ensure the credibility of organic food production is never compromised. According to Article 5(1)(c) of Regulation (EC) No 1235/2008, this auditing should be done periodically, and the audit reports forwarded to the EC. The member states' assigned agencies may withdraw the rights of certification agencies that are found to be in breach of the certification rules.

Third-party certification agencies' role in organic food production, including organic cocoa, is important in this multilevel governance, as it is crucial in Regulation (EC) No 1235/2008. In the cocoa production industry, third-party certification agencies include certified and verified private, producer and non-profit institutions (ICCO, 2006). Although there are over 400 certification institutions related to agricultural production around the world, most are found in the so-called high-income countries (ICCO, 2006). In the case of organic cocoa, it is dominated by third-party certification institutions (Kuit & Waarts, 2014), of which UTZ, Rainforest Alliance, and Fairtrade International are the main certification schemes in the certified cocoa market. These bodies accredit third-party certifiers such as Ecocert and Control Union to undertake certification in the organic cocoa production industry.

The main function of these certification institutions is to oversee control and compliance with respect to both national and international regulations—Commission Regulation (EC) No 1235/2008—on organic and conventional cocoa. The combined turnover of the certification institutions is estimated at USD 400 million (ICCO, 2006), while farmers pay around USD 81 per head annually to be certified (Kuit & Waarts, 2014). The fees charged by certification bodies for farmers' certificates vary and are based solely on their image and international expertise in relation to the marketing of cocoa beans, for example (ICCO, 2006). Despite this variation in certification fees, the average marketability rate of totally certified cocoa products, including organic cocoa, is around 45% (Kuit & Waarts, 2014). To break even or make a profit from a certification scheme, organic cocoa farmers must produce enough volume, which affects their decisions on whether to invest in certification and its profitability in the long term (Kuit & Waarts, 2014).

It appears that independent third-party certification agencies involved in organic cocoa production governance under Regulation (EC) No 1235/2008 (2008) adopt many governance approaches to ensure the continuity of their operations. As the primary bodies mandated to officially determine whether cocoa can be labelled as organic, they hold significant power. Their strategy, identified by Levi-Faur (2012) as one of the four characteristics of governance, is to engage producers of organic cocoa to operate within the scope of the rules spelt out in Regulation (EC) No 1235/2008. This strategy also concerns other relevant bodies in the organic industry, such as IFOAM, and involves the aim of widening the practice of organic agriculture. What is most important is that, as part of the mechanism of governance, certification bodies such as Ecocert and Control Union provide linkages between structures and processes (Levi-Faur, 2012) in line with their duties of ensuring accountability and transparency through what is commonly referred to as *traceability* in organic cocoa governance. This is on top of their networking with state agencies that are legally mandated to oversee the full implementation of policies designed to regulate organic cocoa production.

There are also many organic cocoa certification agencies that interact with government assigned agencies, manufacturers, and farmers, and which are key actors in the organic cocoa production chain as required in Regulation (EC) No 1235/2008. Apart from ensuring trust among the major actors in organic cocoa production and governance, these network interactions also help provide solutions to issues that may prevent some actors from achieving their goals and meeting their legally mandated obligations. This is made possible by the steering processes in which relevant institutions engage (Levi-Faur, 2012) and the interdependence of the various actors in organic cocoa production and governance (Bevir, 2009). The processes related to third-party certifiers are vertical in nature in the organic governance system.

## 8 | CONCLUSIONS

Multilevel governance, however employed in in the governance system—whether vertical or horizontal, or a combination of the two—may not necessarily address all the identified challenges to ensure fair governance. Nonetheless, optimizing its application for the benefit of those who are subject to this governance is worth striving for. Organic cocoa producers (farmers), who are subject to Regulation (EC) No 1235/2008, do not play any critical role in policy-making, although as voluntary members of IFOAM they may benefit from its lobbying activities. At present, Ghana, Côte d'Ivoire, and the Dominican Republic have no policy governing the organic agriculture sector, and therefore buyers of organic products such as organic cocoa must rely on third-party certifiers from the EU. The absence of regulations in these cocoa-producing countries may explain the lack of local third-party certifiers.

According to this content analysis of the EU's regulations on the production and importation of organic agriculture produce, including organic cocoa, the vertical form of multilevel governance brings uniformity. The regulations are followed in an orderly manner to ensure conformity and compliance among stakeholders. Under its organic agriculture production governance framework—Commission Regulation (EC) No. 1235/2008—especially

concerning imported organic cocoa, the EC seems to vigorously ensure that third-party certification agencies follow all the relevant regulations. This is significant given that EU member states thus benefit in terms of promoting health in addition to the overall sustainable environmental practices in which biodiversity is respected in the areas of organic agriculture production/importation. The whole production chain of organic cocoa studied in this article relies on regulations, control, and compliance.

While governance resonates with the patterns of rules among actors co-operating to provide public services (Bevir, 2009), these come from different institutions and social sectors. The EC, its member states and their assigned institutions, and the equivalency countries listed (EC, 2022) operate horizontally (Phillips, 2004) in policy-making and implementation processes. The findings of this study show that, within the framework of multilevel governance, EU legislation on the production and importation of organic agricultural produce, and especially organic cocoa, is vertically structured. For this reason, it seems to ignore the inputs of actors lower down in the hierarchy. The absence of organic producers' (farmers) participation in the governance architecture may inhibit conventional farmers from venturing into organic cocoa farming. This is especially the case when all the organic farmers must do is follow the instructions received from certifiers in order to have their organic cocoa certified to be sold in the European market. Further research is needed on the impacts of vertically structured multilevel governance on sustainable organic cocoa production and importation.

#### DATA AVAILABILITY STATEMENT

The data that support the findings of this study are openly available in Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries. *Official Journal of the European Communities*, 50(L334), 25–52. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AL%3A2007%3A189%3ATOC>

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