USDA United States Department of Agriculture
Foreign Agricultural Service

GAIN Global Agricultural Information Network

Voluntary Report – Voluntary - Public Distribution **Date:** August 22, 2025

Report Number: BR2025-0028

Report Name: Brazil's Role in the Global Cocoa Landscape

Country: Brazil

Post: Brasilia

Report Category: Agricultural Situation

Prepared By: Carolina Castro

Approved By: Joseph Degreenia

Report Highlights:

The global cocoa sector is facing its most severe crisis in decades, driven by crop shortages in key producing regions, particularly West Africa. In response, Brazil is striving to reestablish itself as a leading cocoa producer to help meet rising global demand. This report explores Brazil’s efforts to position itself as a major exporter of cocoa products, focusing on innovation and strategic advancements in the sector.

Table of Contents

1 History of Cocoa

Cocoa originates from the seeds of the *Theobroma cacao* tree, an evergreen plant native to the tropical regions of Central and South America. The cocoa bean is a dried and fully fermented seed. Renowned for its rich history, the cocoa tree flourishes in warm, humid climates. Cultivated trees typically reach a height of seven meters, while trees located in the wild can grow over twenty meters tall.

When the Spanish encountered cocoa in the 15th and 16th centuries, they introduced it to Europe, where the drink was eventually sweetened with sugar and flavored with vanilla to suit European tastes. By the 17th century, chocolate had become a symbol of luxury Europe, increasing the global demand for cocoa.

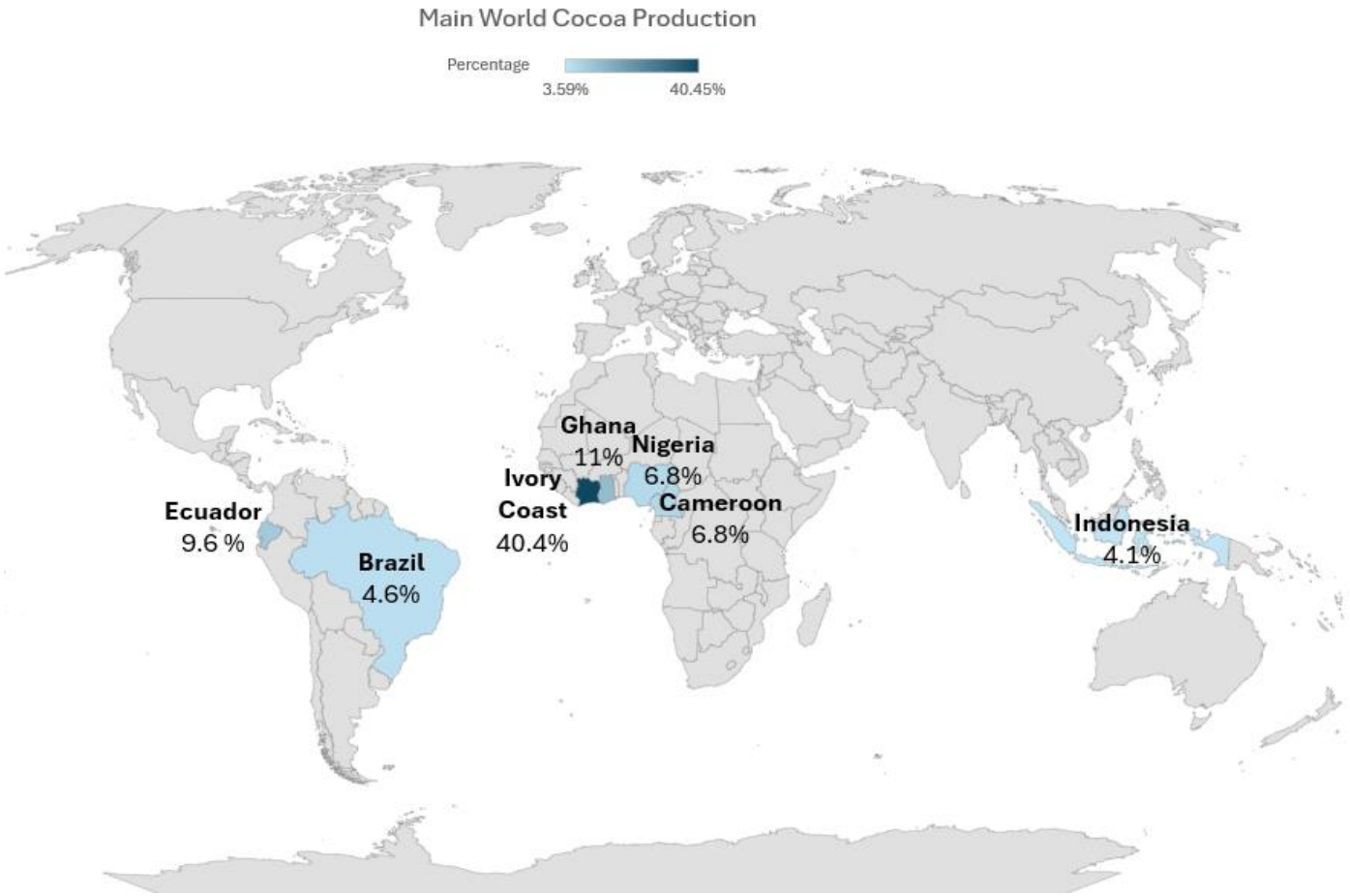
In the 19th century, cocoa production spread beyond the Americas as colonial powers established farms in tropical regions, particularly in West Africa. Since then, the cocoa industry has grown into a global enterprise, facing both innovations and complex challenges in the modern era.

1.1 World Cocoa Production in Decline

The world is witnessing the most severe decline in cocoa production in five decades. West Africa, which produces 65 percent of global supply, is at the center of this crisis. Key producers like the Ivory Coast, Ghana, Cameroon, and Nigeria are struggling with reduced yields due to pests, aging trees, and extreme weather. The International Cocoa Organization (ICCO) reported that 2023/24-cocoa production fell 13.1 percent year-over-year to 4.380 MMT. This caused the ICCO forecasted a global cocoa deficit of 439,000 MT for the 2023/24 season, equating to nearly 10 percent of the total world supply.

The map in Figure 1 illustrates global cocoa production, with varying shades of blue indicating production levels. Darker blue areas represent countries with the highest cocoa output: the Ivory Coast leads with 40.4 percent of global supply (2 million metric tons (MMT), followed by Ghana (10.9 percent), Ecuador (9.6 percent), Cameroon (6.8 percent), Nigeria (6.8 percent), Brazil (five percent), and Indonesia (4.1 percent). The remaining 17.4 percent of cocoa production comes from other nations. According to Post contacts, Ecuador is expected to overtake Ghana as the second-largest cocoa producer in the world.

Figure 1
Distribution of World Cocoa Bean Production



Source: ICCO 2023/24, map designed by FAS Brasilia

In 2025, the cocoa industry remains impacted by persistent supply shortages. Ivory Coast and Ghana, the world's leading cocoa producers, reported significant production declines of 25.3 percent and 18.9 percent, respectively, resulting in a deficit exceeding 460,000 metric tons.

The second half of 2024 in West Africa was marked by dry conditions that negatively affected cocoa production. Favorable rains are anticipated during the first half of 2025, supporting expectations of a recovery in the second half of the year, driven largely by improved weather conditions. According to industry projections, the current harvest estimates in Africa are at approximately 600,000 tons, with projections for the next harvest reaching 650,000 tons.

While West Africa continues to recover from production-related challenges. Ecuador and Brazil have emerged as more significant producers due to strategic investments and recovery efforts. Ecuador, the world's third-largest cocoa producer, is poised to potentially surpass Ghana, driven by favorable weather conditions and above-average rainfall. Analysts highlight ongoing investments in fertilization and crop

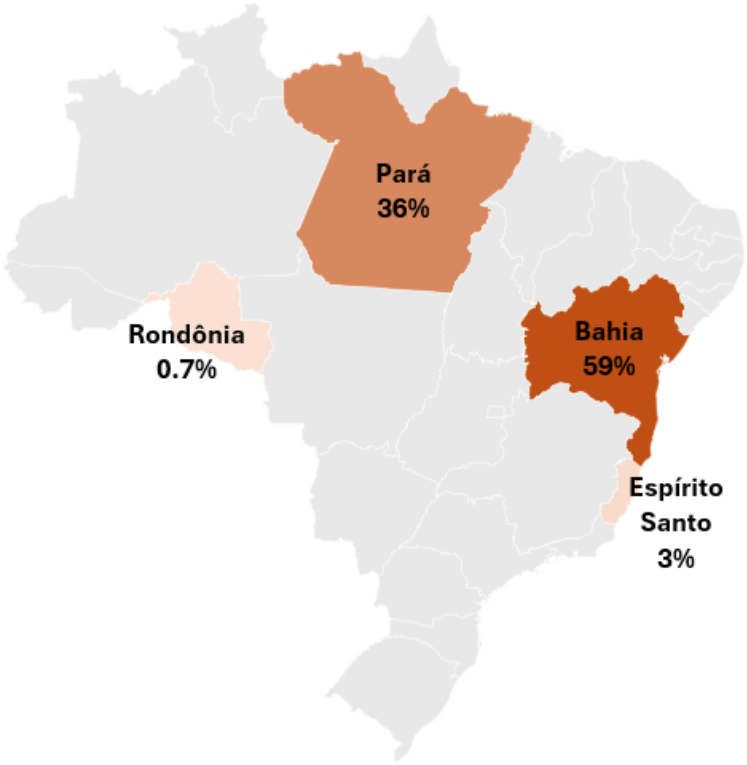
management, which have bolstered Ecuador's production outlook, helping to stabilize global cocoa supply amidst regional setbacks.

1.2 Area

Brazil has approximately 620,000 hectares dedicated to cocoa cultivation, according to the Ministry of Agriculture and Livestock (MAPA). Nearly 93,000 cocoa farmers operate nationwide, 60 percent of whom are small-scale producers (based on 2018 data, the most recent available for this report). Small cocoa producers in Brazil typically cultivate between five and ten hectares.

Bahia leads with just over 400,000 hectares and 41,000 farmers. Pará, located in the Amazon biome, has about 27,800 producers and 205,000 hectares planted in agroforestry systems, with 150,000 hectares currently in production at an average yield of 960 kg/hectare.

Figure 2
Cocoa Production in Brazil



Source: AIPC/Sindidados/Campos Consultores, map designed by FAS Brasilia

Espírito Santo, located south of Bahia, has cocoa production across 50 municipalities, totaling 15,655 hectares. Rondônia, in the north near Amazonas, has a planted cocoa area of 8,262 hectares, with expectations for steady growth. Most cocoa farms in Rondônia currently employ conventional cultivation methods that rely on seeds; however, there is a gradual shift towards adopting high-yield cocoa clones.

The ideal conditions for cocoa include a hot, humid climate with ample sunshine and rainfall, typically found near the equator. Brazil is increasing focus on cultivating cocoa in ways that prevent deforestation

and promote conservation, particularly through the "cabruca" system. This method involves growing cocoa under the canopy of native Atlantic Forest trees, typically along riverbanks, valleys, and mountainous terrain, where cocoa trees thrive in deep, well-drained soils. However, innovative projects are now exploring cocoa production in different Brazilian regions, such as the warmer areas of São Paulo in the Southeast.

Another system used for cocoa production is “Cacau Pleno Sol” (Cocoa in Direct Sun). This approach features mechanized cultivation methods and utilizes high-quality genetic material resistant to disease. According to industry, total investment of this system within the next years reaches over BRL 130,000 (USD 24,000). They have identified significant growth potential for Pleno Sol cocoa cultivation. By analyzing existing areas and planned new projects, the firm estimates the opportunity to implement at least 15,000 additional hectares of fully developed Pleno Sol cocoa plantations in the coming years.
In parts of biomes such as the Amazon, agroforestry systems (SAFS) incorporating cocoa trees are increasingly favored for their ability to combat deforestation and restore forests by minimizing the need to clear new farming areas. Research shows that even low-productivity pasturelands can be revitalized into thriving cocoa plantations. In Pará, degraded pasturelands are being converted into SAFS that integrate cocoa cultivation, multiple benefits. These include carbon sequestration, biodiversity conservation, soil erosion prevention, and reduced fire risks, making SAFS a sustainable solution for both agriculture and ecosystem restoration.

2 Brazilian Cocoa Production

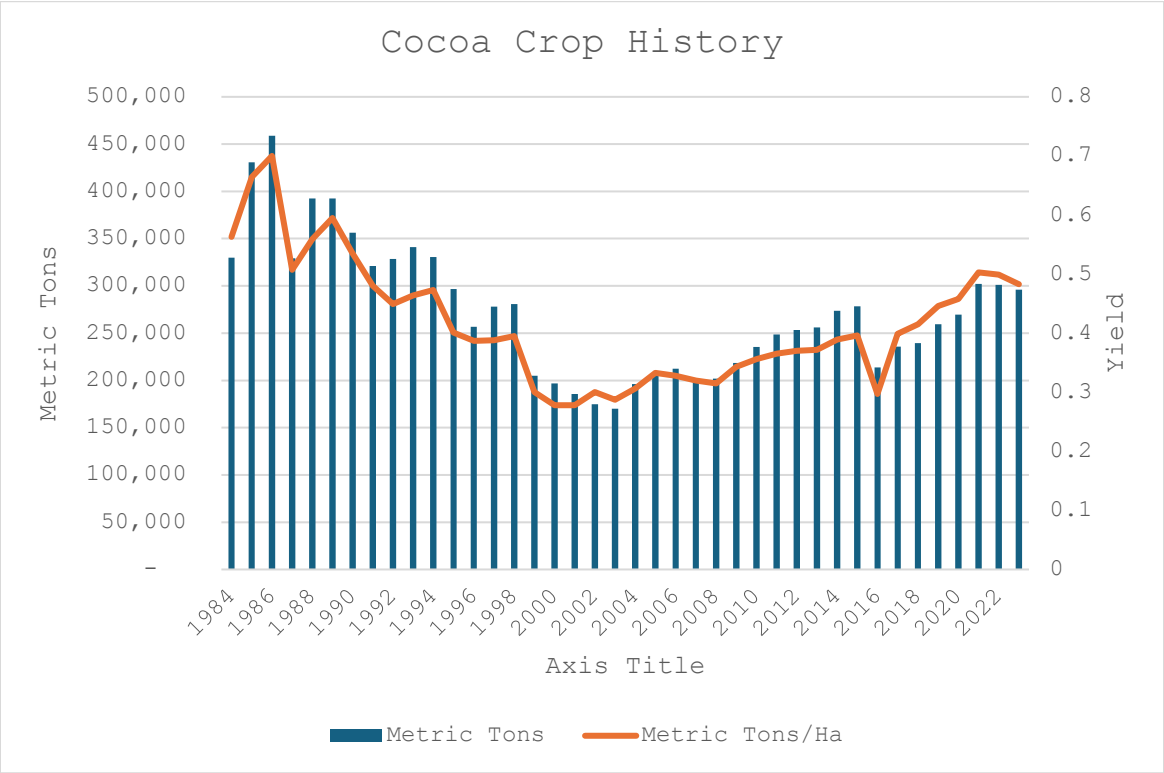
Brazil was a dominant player in the global cocoa market in the mid-20th century, producing an average of 400,000 metric tons (MT) annually in the 1980s and accounting for 25 percent of global output. However, the 1990s brought a sharp decline due to falling global prices and an outbreak of witches’ broom disease in Bahia, the country’s top cocoa-producing state. By the 1980s, the land cultivated with cocoa in Bahia shrank by 20 percent.

Meanwhile, between 1998 and 2022 the state of Pará improved its yields by 40 percent, reaching 955 kilograms (2,105 pounds) of cocoa per hectare. In comparison, Bahia’s productivity dropped to 268 kilograms (590 pounds) per hectare, representing a 29 percent decrease.

The graph in Figure 3 illustrates Brazil's cocoa production trends, highlighting peaks at the end of the 20th century, a significant downturn in the early 2000s, and subsequent fluctuations, including a modest resurgence fifteen years later.

The figures in the graph are sourced from the Brazilian Institute of Geography and Statistics (IBGE). However, the cocoa industry uses a different methodology to forecast cocoa production and has historically provided lower estimates compared to IBGE.

Figure 3
Cocoa Crop History in Brazil



Source: IBGE, chart designed by FAS Brasilia

The main cocoa harvest occurs from October to April, with an off-season from May to September. Brazil's cocoa production is predominantly driven by the states of Bahia (59 percent) and Pará (36 percent), Espírito Santo, Rondônia, Amazonas, and Mato Grosso comprise most of the remaining four percent. Other states such as Roraima, Amapá, Ceará, Sergipe, Minas Gerais, São Paulo, and Tocantins are also developing their cocoa industries. However, a new cocoa plant takes three to five years to reach its initial productive phase, with optimal yields typically occurring between ten to fifteen years.

The early 2025 season was marked by below-average rainfall in Brazil, but conditions recovered in May. The 2023/24 crop faced productivity losses, but the outlook for 2024/25 is more favorable, especially in the state of Pará. The latest harvest data suggest a move toward the average, with a more robust recovery expected in 2025/26.

According to recent industry projections, Brazil is poised to achieve a 13-percent share of the global cocoa market by the end of the decade, generating up to USD 2.3 billion in revenue and creating approximately 300,000 jobs in the sector.

Adapting to international environmental regulations brought Brazil to a level playing field within the global cocoa market. As producers adopt modern farming techniques and climate conditions stabilize, cocoa production is projected to increase.

The growing demand for innovative production will lead Brazilian producers to meet consumer expectations for traceable and ethically sourced cocoa.

2.1 Processing

Brazil is a unique player in the global cocoa and chocolate industry, as it encompasses all components of the supply chain, from cocoa bean production to chocolate manufacturing. This integrated structure presents significant opportunities for boosting income by expanding exports of cocoa beans, chocolate, and cocoa derivatives. According to the National Association of Cocoa Processing Industries, (AIPC) the cocoa industry generates more than BRL 21 billion (USD 3.7 billion) per year in revenue for Brazil. According to the Brazilian Trade and Investment Promotion Agency (Apex), about three percent of Brazil's cocoa is classified as fine quality, while the majority falls into the average quality category.

The cocoa processing industry generates a diverse array of cocoa products for both domestic and international food markets. The production process begins with dried and fermented cocoa beans, which are cleaned, roasted, and shelled, generating nibs. These nibs undergo heat treatment to produce cocoa liquor, which is subsequently processed into cocoa powder and butter.

In Brazil, the cocoa processing industry is represented by AIPC which is comprised of major companies, including Barry Callebaut, Cargill, Olam Food Ingredients, and IBC (Brazil's Cocoa and Food Industry), and controls approximately 93 percent of cocoa purchasing and processing in Brazil. AIPC aims to share and foster innovative practices with producers and advocate for supportive public policies in cocoa cultivation. The organization has thirty cooperatives and marketing centers in Brazil, collectively generating annual revenues of BRL 21.6 billion (approximately USD 9.5 billion). Cocoa production supports over 200,000 jobs through more than 25 cocoa processing and chocolate manufacturing industries. One of the world's largest cocoa milling factories is in Ilhéus, Bahia, with an annual processing capacity of over 300,000 metric tons of cocoa beans.

2.2 Cocoa Expansion through Degraded Pastureland

Brazil has an estimated 40 million hectares of degraded land, of which 26 million hectares are considered suitable for agricultural production without further deforestation. The "Inova Cacau 2030 Plan" intends to revitalize 120,000 hectares of degraded pasture land by 2030 providing technical guidance to enhance cocoa production. The majority of this land is in the central region. This revitalization will involve adjusting the density of cocoa trees per hectare and rehabilitating these areas to improve yield and productivity. The Plan aims to monitor 70 percent of cocoa output by 2030, enhance supply chain data, and revitalize abandoned lands. It encourages collaboration between the public and private sectors to boost productivity and innovation. For example, efforts are underway to adopt digital platforms, mobile apps, and blockchain to enhance traceability and productivity.

Cocoa farming in Brazil can also contribute to forest preservation, especially when practiced under canopy systems like cabruca. When grown under the canopy of other trees, cocoa thrives and becomes an ally in fostering biodiversity. A 2022 study conducted by the Executive Commission for Cocoa Cultivation Planning (CEPLAC) and The Agricultural Research Corporation (Embrapa), both under MAPA's administration found that the expansion of cocoa production has positive impacts on both the

Amazon ecosystem and the economy. According to the study, in addition to job creation, 75 percent of cocoa trees were planted on restored land that had previously been deforested.

The National Association of Cocoa Processing Industries (AIPC) promotes this type of innovative farming by providing producers with tools and support. Recent initiatives include the distribution of 2 million seedlings, engagement with 20,000 farmers, and a goal to increase production by 30 percent to 30,000 MT by 2032.

2.3 Challenges for Cocoa Production in Brazil

Despite its potential, Brazil's cocoa production faces challenges. Extreme weather conditions, including floods and droughts, have disrupted production. From 2023 to 2024, conditions were particularly harsh, with torrential rains followed by high temperatures and droughts, severely impacting cocoa trees.

Although witches' broom disease is now manageable, moniliasis has emerged as a significant threat due to its ease of transmission, particularly through human activity. While the disease has not yet reached key cocoa-producing regions such as Pará or Bahia, the risk remains high. Unlike witches' broom, which often allows for the kernel to be salvaged, moniliasis directly destroys the fruit, underscoring the critical need for proactive agricultural management as the most effective tool for disease prevention and control.

To counter this threat, the Brazilian Trade and Investment Promotion Agency (ApexBrasil) and the Arapyaú have partnered to support disease management. This non-profit organization aims to bolster innovative initiatives and enhance the international reputation of Brazilian cocoa, ultimately raising funds to increase production.

Post contacts report that a few agricultural cooperatives are investing in research to mechanize harvesting and develop efficient machinery for fruit collection, aiming to address key production challenges. In 2024, The Brazilian Service of Assistance to Micro and Small Enterprises (SEBRAE), World Cocoa Foundation, and Cocoa Action, along with other institutions, created the Cocoa Technology Challenge. Goiabal Farm, located in Rio de Janeiro won the competition with a cocoa-breaking machine that addressed one of the longstanding bottlenecks in cocoa production.

2.4 Innovative Technologies

Since 1957, Brazil has demonstrated a strong commitment advancing cocoa farming through CEPLAC, operating under the Ministry of Agriculture, Livestock, and Supply (MAPA). The Commission conducts research, innovation, and technology transfer initiatives to enhance productivity, quality, and innovation in the cocoa production sector. AIPC and CEPLAC signed a Cooperation Agreement in 2023 to strengthen their partnership and establish a collaborative work plan. Thanks to this agreement, plant disease alerts are now well-managed, and outbreaks can be contained swiftly, though the threat of recurrence remains an ongoing concern. Eighty percent of Brazil's cocoa farmers are smallholders with 5-10 hectares of land and limited access to management tools.

Key initiatives to revitalize and enhance production, innovation, and competitiveness in the global market include the Fénix Project (2009-2017), the Cocoa Farming Plan (2017), CocoaAction Brazil (2018), the National Cocoa Quality Contest (2019), and the "Inova Cacau 2030 Plan" program.

Through technical collaboration, CEPLAC has facilitated the expansion of cocoa cultivation, extending into non-traditional biomes such as the cerrado, a vast tropical savanna ecoregion spanning eleven states in eastern Brazil, and the caatinga, semi-arid tropical vegetation in the Northeast.

Brazil has implemented modern irrigation and monitoring technologies, particularly drip irrigation, which can significantly boost productivity in Brazil's hotter, drier regions. Drip irrigation ensures precise water and nutrient delivery, reducing losses and increasing yields by up to 150 percent, according to FAO and World Cocoa Foundation data. In regions like the state of Ceará (Northeast of Brazil), innovative projects demonstrated that with proper management and irrigation, cocoa trees can thrive under Pleno Sol. These trees can produce yields of over 2 metric tons per hectare - far surpassing traditional west African yields - and offering economic viability even in previously marginal areas.

According to Post contacts, Ceará exemplifies the successful implementation of these technologies, with local initiatives beginning around 2010 that proved cocoa's adaptability to the region's climate. Through collaboration among local farmers, research institutions, and companies, Ceará has established a small but growing cocoa industry, including a local processing plant that began operations in 2021. This success has encouraged expansion to over 300 hectares, integrating other crops like coconut and banana for diversified income. The region's experience underscores the potential for large-scale cocoa cultivation across northeastern Brazil and beyond, offering high profitability, low labor requirements, and adaptability to different climates - factors that position Brazil as a promising new leader in the global cocoa market once again.

2.5 Cocoa Regulation in Brazil

On January 16, 2025, Brazil approved a comprehensive tax reform that will take effect in 2026. The reform addresses longstanding complexities in the country's tax system and is intended to foster a more competitive environment for businesses. While cocoa is being considered for the List of Exceptions to the Common External Tariff (LETEC), it is currently excluded from tax incentives offered to agricultural inputs.

Bill 1892, currently under consideration in congress, aims to establish a specialized incentive regime, known as “Recacau”, to promote the development of the cocoa pulp processing industry in Brazil. This legislation is intended to enhance the cocoa sector, boost productivity, support local industries, and promote economic growth in cocoa-producing regions. "Recacau" will offer, for five years, the suspension of federal taxes on the purchase of machinery, equipment, and construction materials needed for setting up or upgrading cocoa processing facilities. The last movement related to the bill was in December 2024, pending a rapporteur appointment in the Finance and Taxation Committee, which is a crucial step before it can proceed to further legislative stages.

Bill 1769 establishes minimum cocoa content requirements and labeling standards for chocolate products in Brazil, aligning local regulations with international standards, such as the Codex Alimentarius. In May 2025, the Upper House approved the bill, which establishes minimum cocoa

content of 25 percent for milk chocolate, 35 percent for dark or bittersweet chocolate, and 32 percent for powdered formula. The proposal will proceed with the Lower House.

2.6 Cocoa Prices Break Records

Cocoa prices experienced historic highs in 2024, surging over 500 percent from 2023 levels to nearly USD 12,000 per ton. At the beginning of 2023, cocoa was priced at approximately USD 2,200 per ton. Although prices stabilized in 2025, they remain significantly above historical averages, standing at approximately USD 8,000 per ton as of May. Analysts estimate that futures contracts traded in New York signal sustained high prices, with this upward trend expected to continue through 2027.

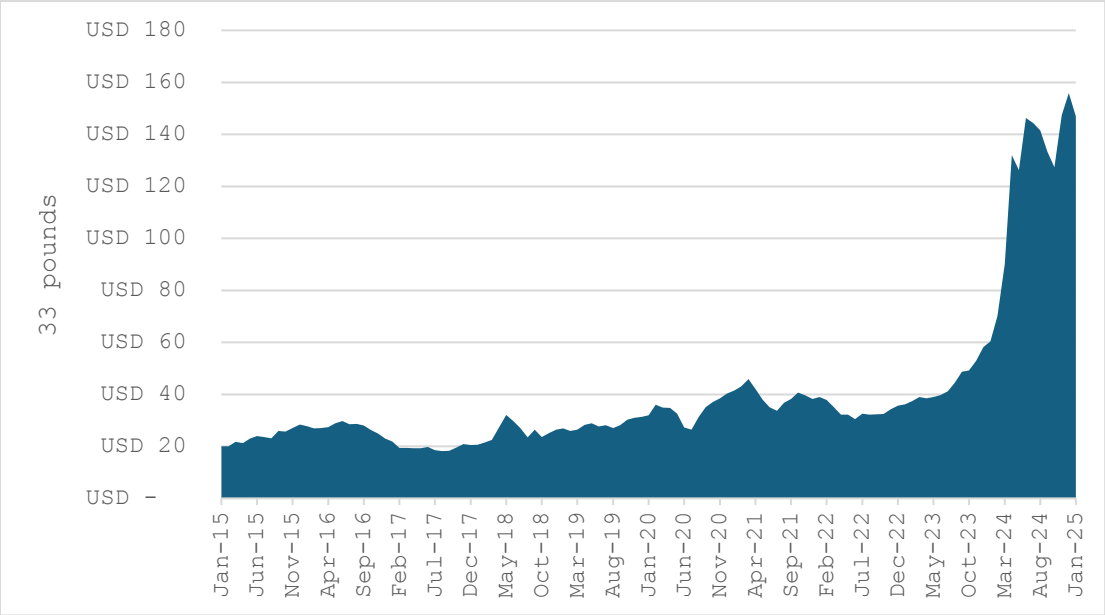
Post contacts attribute the surge in cocoa prices primarily to a weaker West African crop during marketing year (MY) 2023/24, driven by prolonged drought conditions beginning in April 2024. These dry conditions also impacted the intermediate harvest season for MY 2024/25, exacerbating production challenges. Additionally, aging cocoa trees and increased pest infestations on plantations have further reduced yields, intensifying supply shortages and contributing to the sharp rise in prices.

As cocoa prices continue to surge globally, stakeholders are investing heavily to build a more resilient supply chain. For instance, The Hershey Company launched the "Cocoa For Good" initiative pledging USD 500 million over ten years to support farmers. The initiative fosters long-term partnerships with farmers, enhancing their income and livelihoods across multiple countries, including Brazil, Cameroon, Ecuador, Indonesia, Mexico, and Nigeria.

Following global trends, cocoa prices have skyrocketed in Brazil in the last decade, from USD 20 in January 2015 to over USD 140 in January 2025, per 33 pounds (equivalent to one “arroba” unit in Brazil).

Figure 4

Cocoa Price in Brazil



Source: Agrolink, chart designed by FAS Brasilia

As mentioned in the production section of this report, several factors have contributed to lower cocoa production and ensuing higher prices, including weather conditions, pests and diseases, and infrastructure. According to *Jornal da USP*, a magazine from the University of São Paulo, the price paid for cocoa in Brazil is low to producers and, consequently, small producers cannot afford to invest in improving production and pest control.

Regarding consumption, the expectation is for a further decline in global cocoa consumption during the MY 2024/25 harvest, with the ICCO estimating a decrease of 3 percent to 4.65 MMT. Processing figures worldwide have been showing a decline in processing activity.

2.7 Cocoa Trade

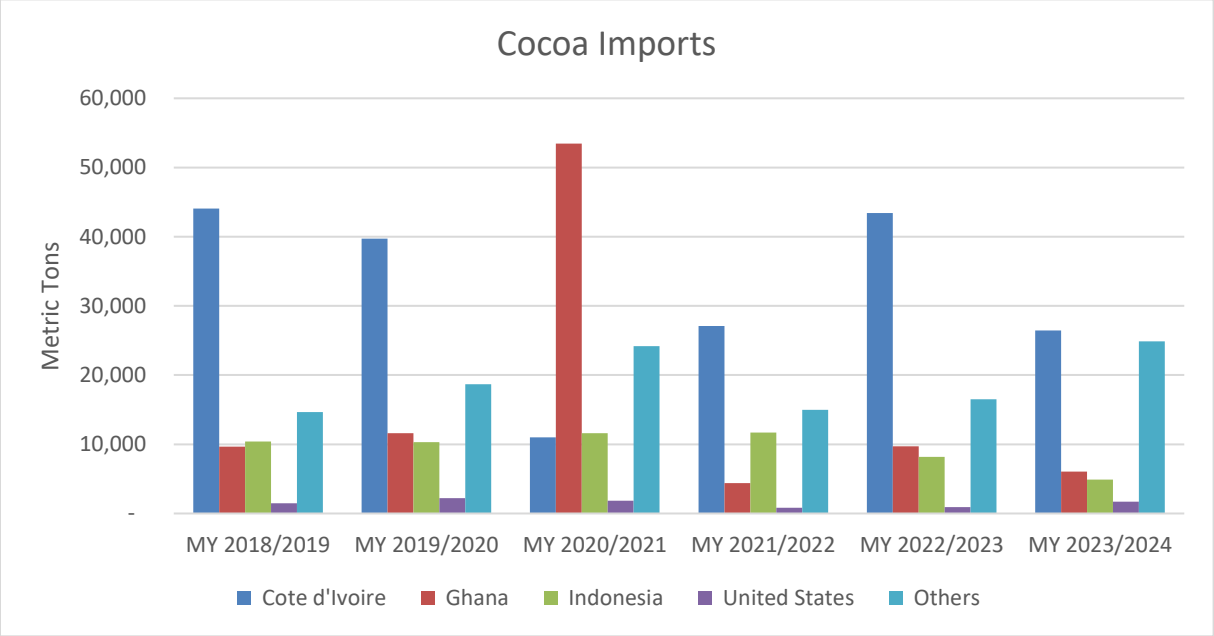
The cocoa marketing year (MY) runs from October 1 to September 30. This report will use this timeframe to reference trade figures.

Brazil is unique in that it both produces and imports cocoa. Since the early 2000s, Brazil's cocoa production has consistently fallen short of its processing capacity. Consequently, the Brazilian industry must import cocoa beans from African countries to maintain the operation of its processing facilities.

The Brazilian industry utilizes the drawback mechanism for its imports, facilitating direct exports to Argentina. This drawback regime permits the reduction or exemption of taxes on imported materials used in the production of goods meant for export, helping sustain the industry despite the shortfall in domestic cocoa supply.

In 2024, Brazil produced 179,431 MT of cocoa, down 18.5 percent from the previous year. Imports of cocoa derivatives rose from 38,786 MT in 2021 to 41,189 MT in 2024 to cover the shortfall. Cocoa processing volumes dropped 23.3 percent in the first nine months of 2024 compared to 2023.

Figure 5
Brazilian Imports of Cocoa

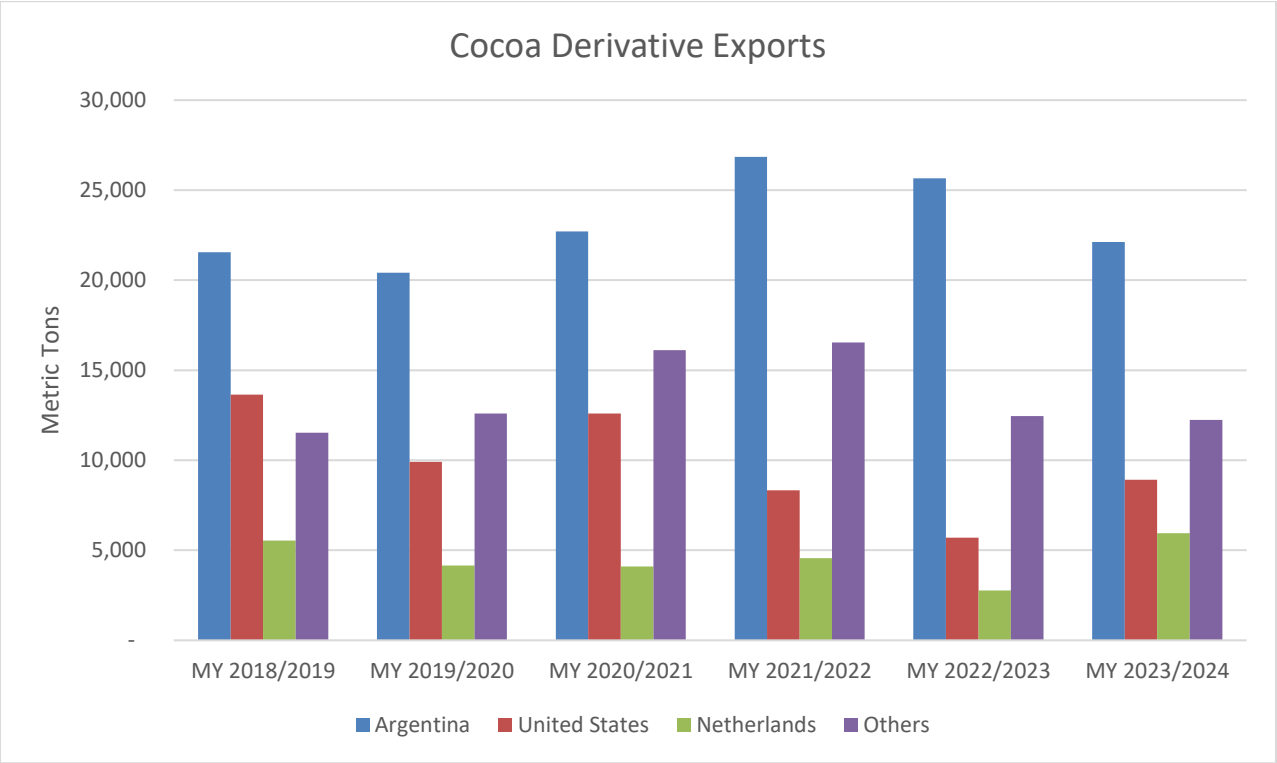


Source: TDM, chart designed by FAS Brasilia

The graph from Figure 5 shows Brazil's imports of cocoa derivatives (cocoa beans, paste, butter, and powder) over the last five marketing years. In MY 2020/21, Ghana was Brazil's top supplier (53,440 MT), but in MY 2023/24 the Ivory Coast became the top supplier. In MY 2022/23, Brazil imported 43,435 MT from Ivory Coast, 9,699 MT from Ghana, and 4,906 MT from Indonesia. In MY 2023/24, import shares shifted to 40 percent Ivory Coast, 37 percent Ghana, and 40 percent Indonesia.

Total worldwide import volume of cocoa derivatives from the first half of 2025 reached 25,382 MT, an increase of 17 percent when compared to the same period in 2024, which totaled 21,073 MT. In 2024, the total import volume of cocoa derivatives reached 41,189 MT. Brazil is expected to continue importing cocoa to fulfill its export commitments.

Figure 6
Brazilian Exports of Cocoa



Source: TDM, chart designed by FAS Brasilia

From MY 2021/22 to MY 2023/24, cocoa derivative exports dropped nearly six percent, from 46,578 MT to 49,234 MT. During the first half of 2024, exports totaled 22,646 tons. For the first half of 2025, export data shows a total of 28,764 MT, showing an increase of 21 percent compared to the same period in 2024. Cocoa derivatives export data for the first half of 2025 totaled 28,764.

Figure 6 illustrates Brazil's primary export destinations for cocoa derivatives. In 2024, Argentina remained the top destination for Brazilian cocoa derivatives exports, accounting for 45 percent. The United States followed with 18 percent, while the Netherlands also received a significant share of 12 percent. Over the past six marketing years, exports to Argentina have consistently averaged above 23,000 MT. From 2018 to 2021, Brazil consistently exported over 10,000 metric tons (MT) of cocoa butter to the United States, one of the main cocoa derivatives destined to the US. However, since 2022, there has been a 30 percent decrease in these exports.

Brazil exported 78 tons of cocoa beans in the first half of 2025, a decrease of 20 percent when compared to the same period in 2024.

3 Chocolate Price

The chocolate industry is currently grappling with a significant cocoa shortage and as a result, chocolate prices more than doubled in March 2024 compared to the previous year.

Companies in Brazil are adopting various strategies to cope with rising cocoa prices without passing on the costs to consumers. A few chocolate companies have reduced the amount of chocolate used in candies, thinning the chocolate coating on candy bars or even introducing fruit-based substitutes for their bonbons. The cost of chocolate ingredients has also surged dramatically in recent years. Cocoa butter prices jumped 88 percent from 2023 to 2024, prompting many manufacturers to substitute it with alternative vegetable fats to preserve their profit margins.

As a result of a significant decline in cocoa production, the supply of chocolate products, such as Brazilian Easter eggs, decreased. Approximately 45 million chocolate eggs were available this Easter, 20 percent fewer than in 2024. The Economic Research Institute Foundation (Fipe) estimates that the price of chocolates will increase by more than 27 percent in 2025.

3.1 Chocolate Consumption Trends in the U.S. and Brazil

Brazil ranks 44th in global chocolate consumption, averaging 8.3 pounds per person per year. Despite the rise in premium chocolate, lower-cost options continue to dominate in Brazil due to their affordability and widespread availability. Chocolate consumption varies across regions in the country, primarily due to income disparities.

In Brazil, chocolate production has grown steadily over the past decade. According to data from the Brazilian Cocoa, Chocolate, Candies and Peanut Manufacturers Association (ABICAB), chocolate output rose from 760,000 MT in 2022 to 805,000 MT in 2023, with a further increase expected in 2025.

According to a report from Worldpanel by Numerator, household consumption in Brasil decreased by 19 percent in volume (kg) in the first quarter of 2025 compared to the same period last year, while the average price per kilogram increased by 17 percent. There was a ten percent drop in units sold and a shift towards smaller packages, especially up to 60g, which increased by two percent. Larger packages decreased by 4.8 percent, indicating consumers are adjusting portions to better fit their budgets. The price per unit rose slightly by three percent.

Chocolate consumption has also decreased at grocery stores, decreasing by 15 percent in 2025 while consumers chose alternatives such as ice cream and energy drinks. The decline affected all social classes but was most pronounced in classes D and E and among millennials, also including shoppers over 40 years old without children, while classes A, B, and C still support part of the demand. Segments like bars and bonbons experienced the greatest decline, whereas wafers, candy bars, and chocolate eggs remained relatively stable.

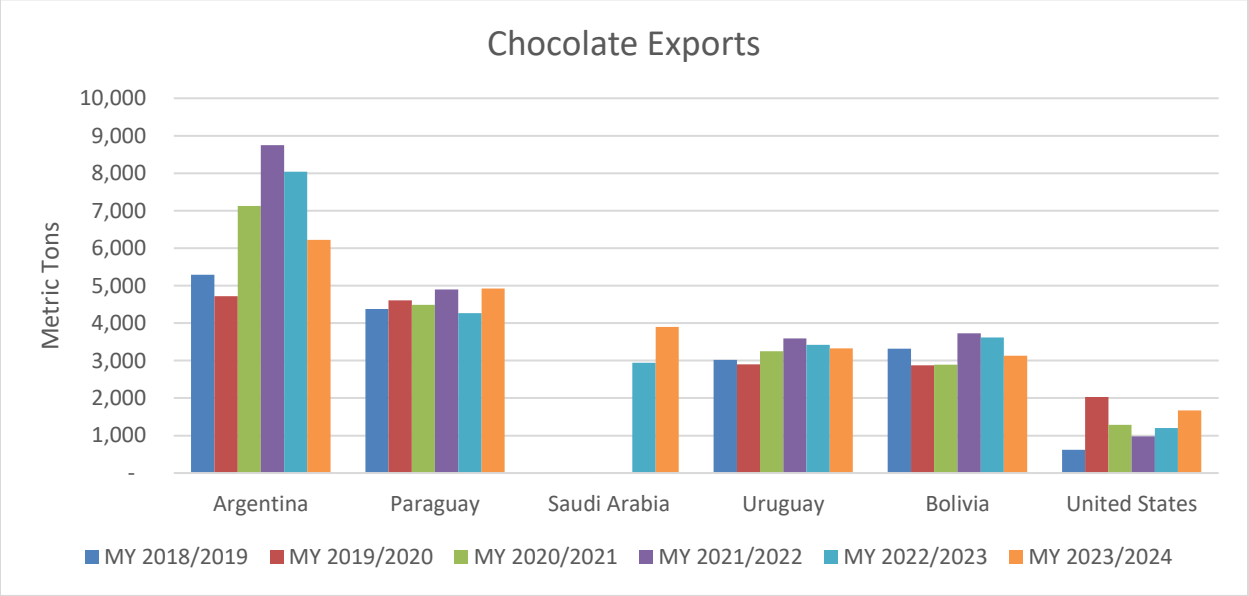
Today, cocoa remains a vital commodity in the global economy, with millions of smallholder farmers relying on it for their livelihoods and chocolate continuing to be a beloved treat enjoyed by people around the world.

U.S. companies like Hershey's, Mars, and Mondelez have established extensive operations in Brazil. With a population of over 200 million, Brazil is a significant emerging market. Brazilian consumers are showing a growing interest in new flavors and textures. According to a study by Mind Miners, 34 percent of consumers enjoy the experience of tasting new products in the sector. However, the classics continue to dominate: 58 percent prefer milk chocolate, 42 percent opt for semi-sweet, and 32 percent choose white chocolate.

3.2 Brazilian Chocolate Trade

Brazilian chocolate exports continue to grow steadily. The country exports chocolate to 135 countries. Export volumes rose from 33,605 MT in MY 2020/21 to 40,626 metric tons in MY 2023/24, a 17 percent increase. Mercosur countries, especially Argentina and Paraguay, are top buyers, followed by Saudi Arabia, Uruguay, Bolivia, and the United States.

Figure 7
Brazilian Chocolate Exports



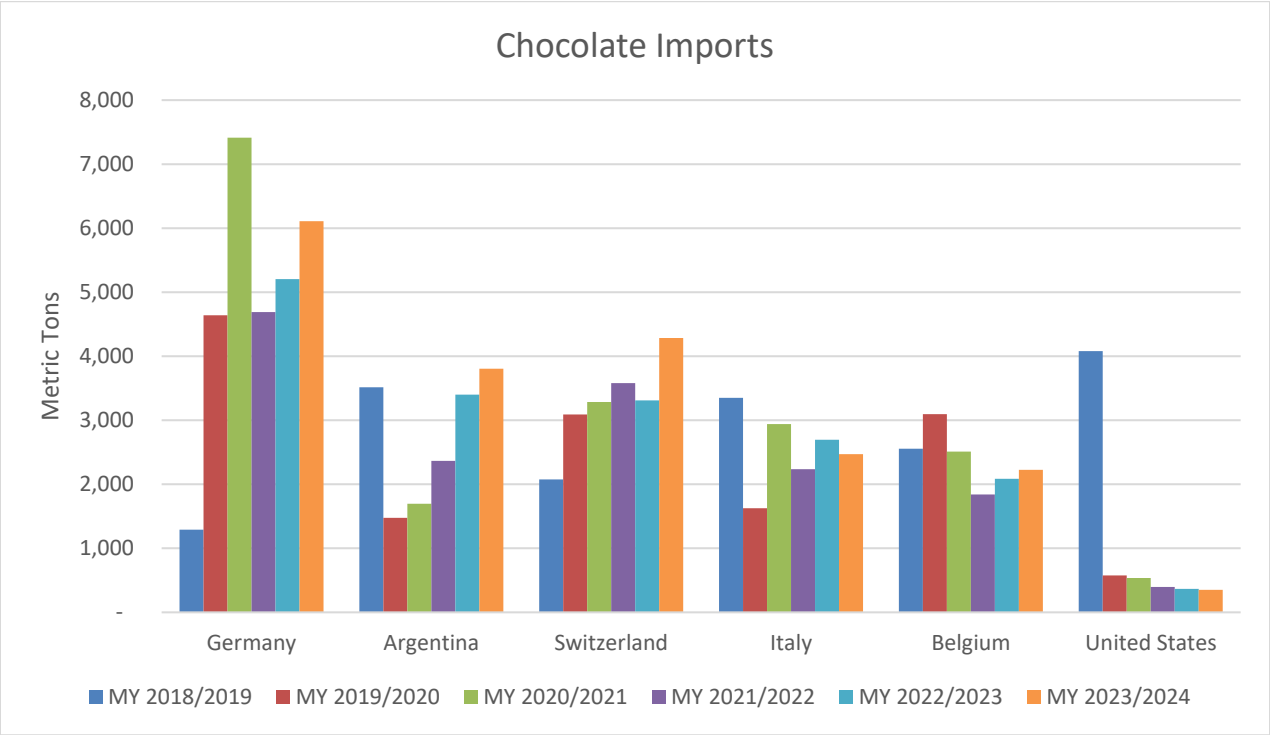
Source: TDM, chart designed by FAS Brasilia

In 2023, Brazilian chocolate exports reached USD 167.4 million, the highest in two decades. Between 2013 and 2023, the average annual growth rate for chocolate exports was 3.6 percent, three times the rate of the previous decade (2003-2013).

Brazil ranks fifth globally in retail chocolate sales. With strong demand for sweets, Brazilian chocolate imports have increased. In MY 2023/24, the top sources of chocolate imports were Germany, Argentina, Switzerland, Italy, and Belgium. According to data from ABICAB, in 2024 Brazil produced 806,000 MT of chocolate, with 41,542 MT exported worldwide.

In the first half of 2025, Brazil exported 20,620 MT of chocolate to the world, a slight increase of 1.3 percent when compared to the same period of 2024 (20,359 MT).

Figure 8
Chocolate Imports in Brazil



Source: TDM, chart designed by FAS Brasilia

In MY 2023/24, Brazil imported 6,110 MT of chocolate from Germany, accounting for nearly 30 percent of total imports. Switzerland followed with 4,283 MT and Argentina with 3,807 MT. Chocolate imports totaled 20,506 MT in MY 2023/24, representing a 12 percent increase compared to the previous marketing year.

Worldwide, in 2021 imports of chocolate reached 20,358 MT, facing a decrease in the following two years of 20 and 8 percent, respectively, but increasing imports in 2024, with a total of 20,498 MT.

4 The Future of Cocoa

On March 26, 2025, the World Cocoa Foundation (WCF) hosted its international conference in São Paulo, bringing together government representatives, cocoa-producing communities, companies, civil society, and academia to address innovation and collaboration during a period of industry uncertainty.

While Brazil's cocoa industry faces substantial challenges, strategic initiatives and investments present growth opportunities. According to Post contacts, Brazil has the potential to overcome setbacks through economic incentives, including subsidies, tax exemptions, and increased investment in agricultural research. These incentives aim to improve the livelihoods of cocoa farmers and strengthen Brazil's competitive position in the global cocoa market.

By fostering partnerships between farmers, cooperatives, and industry stakeholders, Brazil is making significant strides to enhance the quality and traceability of its cocoa. In the future, it plans to meet domestic demand more effectively, expand its exports by establishing a more reliable and transparent cocoa supply chain, and regain its position among global cocoa leaders- a sweet result.

Attachments:

No Attachments.