

TRADE FOCUSED PRODUCT REPORTS

Chocolate

HS Code 1806

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CHOCOLATE

HS CODE 1806

FEBRUARY 2024



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Contents

Contents	2
Chart and tables	3
Glossary of terms and abbreviations	4
Product descriptions by HS 6-digit code	6
Executive summary	7
Product overview	8
Market dynamics	13
Demand and supply trends	14
Market concentration and product complexity	15
World trade statistics by chocolate category on the HS6 level	16
HS 1806 in the context of Jordanian exports	17
Major global suppliers	19
Priority markets	20
United States of America	21
Saudi Arabia	26
The United Arab Emirates	30
Recommendations	35
Recommendations in summary	36
Reference information	37



Charts and tables

Chart 1 World cocoa bean production, 2018 to 2022	9
Chart 2 Chocolate consumption per capita in kilograms, by territory, 2017 estimates	10
Chart 3 Leading exporters of chocolate, HS Code1806 by value in 2022	11
Chart 4 Top chocolate importers by value in 2022, in \$'000	12
Chart 5 Chocolate complexity on the HS6 level in 2021	15
Chart 6 Chocolate product complexity 2012 to 2021	15
Chart 7 Jordan's chocolate exports by category, 2018 to 2022	17
Chart 8 Leading markets for Jordan's chocolate exports, in \$'000	18
Chart 9 United States chocolate import values, top exporters, 2018 to 2022	21
Chart 10 United States chocolate imports from main supplying countries, in \$ per ton	22
Chart 11 United States chocolate imports from Jordan	22
Chart 12 Saudi Arabia chocolate import values, top exporters, 2018 to 2022	26
Chart 13 Saudi Arabia chocolate imports from main supplying countries, in \$ per ton	27
Chart 14 Saudi Arabia chocolate imports from Jordan	27
Chart 15 UAE chocolate import values, top exporters, 2018 to 2022	30
Chart 16 UAE chocolate imports from main supplying countries, in \$ per ton	31
Chart 17 United Arab Emirates chocolate imports from Jordan	31
Table 1 Chocolate export and import statistics and Jordan export market share	16



Glossary of terms and abbreviations

Export concentration

This index measures, for each product, the degree of export market concentration by country of origin. It tells us if a large share of commodity exports is accounted for by a few countries or, on the contrary, if exports are well distributed among many countries. The index ranges from 0 to 1, with higher values indicating more market concentration.

FAO (Food and Agriculture Organization of the United Nations)

Consisting of 195 members, including 194 countries and the European Union, the Food and Agriculture Organization is a United Nations department mandated to pursue global food security. With operations worldwide, the agency supports governments in matters involving agriculture, forestry, fishing, and natural resources, particularly land and water.

Gulf Cooperation Council (GCC) Standardization Organization (GSO)

Gulf Cooperation Council (GCC) member countries created the GSO as a mechanism for developing food and non-food standards. GSO food-related technical regulations and standards serve as the main point of reference for food imports into the Gulf region. Codex Alimentarius, the International Organization for Standardization (ISO), the European Food Safety Agency (EFSA) and the U.S. Food and Drug Administration (FDA) serve as reference points for GSO standards and technical regulations.

HS (Harmonized System) codes

A standardised number classification system for traded goods. It is used by customs officials around the world to identify products for the purpose of applying duties and taxes, as well as for statistical purposes.

Market concentration

Market concentration determines the extent to which countries or firms hold market share. It is frequently used as a measure for the level of competitiveness. Measured on different scales and ranges, the general rule is the higher the score, the greater the level of competitiveness.

In respect to the Shannon Entropy scoring used by the Observatory of Economic Complexity and referenced in the report, the closer the number is to 1, the greater the concentration of just a small number of players and the lower the competitiveness. A score of 4.71 for chocolate, HS code 1806 – as stated in this study – indicates a marketplace where the majority of exports are from 26 competing countries.

MFN (Most Favoured Nation) tariff

Tariffs imposed by WTO (World Trade Organization) members on importing goods from other WTO members in the lack of a preferential trade agreement.

Nes (Not elsewhere specified)

Not elsewhere specified (or indicated for NESOI) is stated for an item that is not mentioned elsewhere in a classification system.

NTM (non-tariff measure)

Import and export regulations that reflect conditions of market access other than tariffs. They include numerous regulatory requirements such as health restrictions for food quality, packaging guidelines, minimum safety standards for produced goods, etc.



PCI (Product Complexity Index)

PCI ranks the breadth and sophistication of know-how required in manufacture. High PCI scores indicate that a product requires significant expertise and particular resources for its production, such as advanced machinery. Goods with a high PCI value, representing a complexity that only a few countries can undertake, include electronics and chemicals. Conversely, a low score suggests that many countries can produce the item, like basic agricultural goods or petroleum. The score's level depends on various factors.

Preferential tariffs

A tariff applied to a product that is less than the MFN levy due to the existence of a preferential trade agreement. This could be a bilateral advantageous trading arrangement or a single system of favours, such as the United States GSP (generalised system of preferences).

Self-sufficiency ratio

The self-sufficiency ratio defines a country's ability to provide for itself and represents the percentage of consumed food that is correspondingly produced within its territory. It can be measured for a specific good, such as wheat or tomatoes, to assess a country's capacity to produce according to its needs. The formula for calculating the ratio, in terms of production and trade, is:

$\text{Production} \times 100 / (\text{Production} + \text{Imports} - \text{Exports})$.

SPS

Sanitary and phytosanitary. In reference to trade, SPS encompasses measures to sustain human, animal and plant health in addition to preventing the spread of diseases and pests.



Product descriptions by HS 6-digit code

HS 180610 – Cocoa powder, sweetened

Cocoa powder with added sugar or other sweetening matter.

HS 180620 – Chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing > 2 kilograms

Other preparations of cocoa, particularly those in blocks, slabs, or bars, weighing more than 2 kilograms or in other bulk forms.

HS 180631 – Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms, filled

The key defining characteristics of items falling under HS 180631 is that they are their formed (blocks, slabs, or bars) and the fact that they are filled.



HS 180632 – Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms (excl. filled)

Products are typically in the form of blocks, slabs, or bars, not filled, and their weight does not exceed 2 kilograms.

HS 180690 – Chocolate and other preparations containing cocoa, in containers or immediate packings of ≤ 2 kilograms (excl. in blocks, slabs or bars and cocoa powder)

Various types of chocolate and cocoa-based products, all packaged in containers or immediate packings of 2 kilograms or less.



Executive summary

The chocolate industry categorised under HS code 1806, continues to flourish. Expansion is particularly driven by shifting consumer preferences and the demand for diverse flavours.

As cocoa beans drive production of chocolate – the supply and price levels of cocoa beans directly impact production volumes and market prices of chocolate as well. In 2022, total cocoa beans output was reported at 5.9 million metric tons, increasing by just 1% from the year before and 7% from 2018. Côte d'Ivoire at 2.2 million metric tons and Ghana with 1.1 million metric tons, were the leading suppliers of cocoa beans in 2022, both accounting for a dominant 57% of global production. The United States, Germany, Switzerland, and Belgium were the largest chocolate producers in 2022. Approximately 35% of the global chocolate production in 2022 was attributed to Western Europe, while the United States contributing around 30% of world output.

Amidst the gradual growth in global production, adverse weather conditions in West Africa led to a supply deficit in cocoa beans in the years after the pandemic – pushing cocoa prices to a 46-year high, reaching US\$3,258 per metric ton in 2023. The high cost of cocoa beans together with surging sugar and packaging costs in 2023, led to higher production overheads and sustained increases in global consumer prices of up to 50% in markets such as the United Kingdom.

In trade values, \$33.7 billion worth of chocolates (HS 1806) were exported globally in 2022. The top three exporters were Germany at \$5 billion, Belgium at \$3 billion and Italy at \$2 billion, together, accounting for 33% of global chocolate export trade. Similarly, global imports of chocolate were valued at \$33.49 billion in 2022. The United States was the largest importer by value at \$4 billion, followed by the United Kingdom at \$3 billion and Germany at \$2 billion; the three nations making up about a quarter of global chocolate imports in 2022.

The largest traded products within the category in 2022 were chocolate and other preparations containing cocoa, in containers or immediate packings ≤ 2 kilograms (HS 180690), valued at \$16. billion, and chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing > 2 kilograms (HS 180620), valued at \$6 billion, both accounting for 66% of all category exports.

Ranked 57th on the global market, Jordan's export values in this category were estimated at approximately \$30 million in 2022, reflecting a HS 1806 world share of around 0.1%. The most exported Jordanian categories were chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms category (HS 180631) assuming 38% of the export total, and chocolate and other preparations containing cocoa, in containers or immediate packings (HS 180690) at 30% of the total export value. The country's export trade grew more than four-fold between 2018 and 2022, with the primary markets being Saudi Arabia, Iraq, and Palestine – together accounting for 77% of Jordan's chocolate exports by value in 2022.

Regarding the priority markets in this study, namely the United States, Saudi Arabia and the United Arab Emirates, Jordan's exports of chocolates in 2022 were largest for the Saudi Arabia valued at \$22 million, followed by the United Arab Emirates at \$860,000 and the United States at \$537,000. Across all the priority markets, imports of Jordanian chocolates have been on the rise since the pandemic, and this is anticipated to continue in the years ahead.

Opportunities exist for Jordanian producers to continue to expand and meet the increasing demand here, particularly, the United States and the United Arab Emirates – which together assume less than 5% of the Hashemite Kingdom's chocolate exports, while at the same time, further expanding in Saudi Arabia.



Product overview



Production and consumption

Cocoa beans are the main ingredient in the manufacture of chocolate – and their output and price levels directly impact production volumes and prices of chocolate globally. In 2022, global production of cocoa beans stood at 5.9 million metric tons, increasing slightly by 1% from the year before. Côte d'Ivoire at 2.2 million metric tons and Ghana 1.1 million metric tons were the leading suppliers of cocoa beans in 2022, accounting for 57% of global production, maintaining their historically dominant positions. Global cocoa beans production grew gradually, about 7%, between 2018 and 2022 – increasing from 5.5 metric million tons to 5.9 million metric tons.¹ With poor weather conditions in West Africa causing a supply deficit of cocoa beans following the pandemic, forecasts remain positive about the upward trend of global output in the years ahead.

On chocolate production, Western Europe assumes the largest share with 33% of the global market, followed 24% for Eastern Europe, the Middle East and Africa, then North America with 22% of share, Asia Pacific on 14% and South America, 7%.² Global consumption of chocolate was estimated at 8.13 million tons in 2022 with average consumption per capita estimated at approximately 1 kilogram per year.³

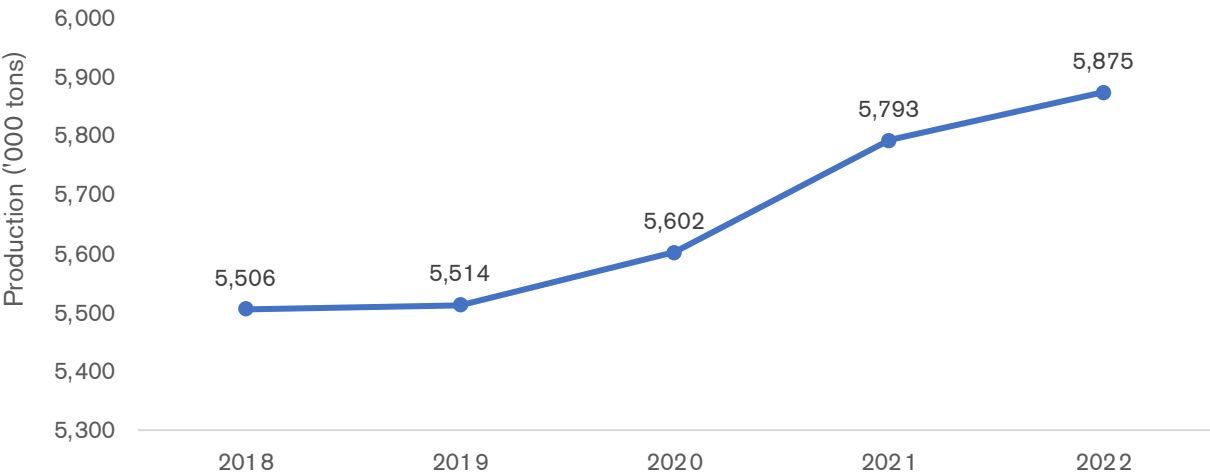


Chart 1 World cocoa bean production, 2018 to 2022

The leading chocolate consuming country was projected as being the United States, with an estimate 1.5 million tons in 2020, followed by Russia and the United Kingdom at 902 million and 766 million tons respectively.⁴ Switzerland headed the ranks in per capita consumption in 2022, with an estimate 11.8 kg and spend of nearly \$281, followed by the United States with 9 kg per person and spend of nearly \$155.⁵

¹ FAO (Food and Agriculture Organization of the United Nations). FAOSTAT Statistical Database. Available online: <https://www.fao.org/faostat/en/#data/QCL>
² Barry Callebaut, Roadshow presentation – 3-Month Key Sales Figures 2022/23, page 24, referencing Nielsen. Available online: https://www.barry-callebaut.com/system/files/2023-01/Roadshow%201Q%202022-23_Barry%20Callebaut.pdf
³ Statista (2015) citing Euromonitor and ICCO (International Cocoa Organization). Available online: <https://www.statista.com/statistics/238849/global-chocolate-consumption/>
⁴ Statista (2010) citing Euromonitor and Rabobank. Available online: <https://www.statista.com/statistics/238849/global-chocolate-consumption/>
⁵ Statista (2023). (Not) Everybody Loves Chocolate Available online: <https://www.statista.com/chart/3668/the-worlds-biggest-chocolate-consumers/>

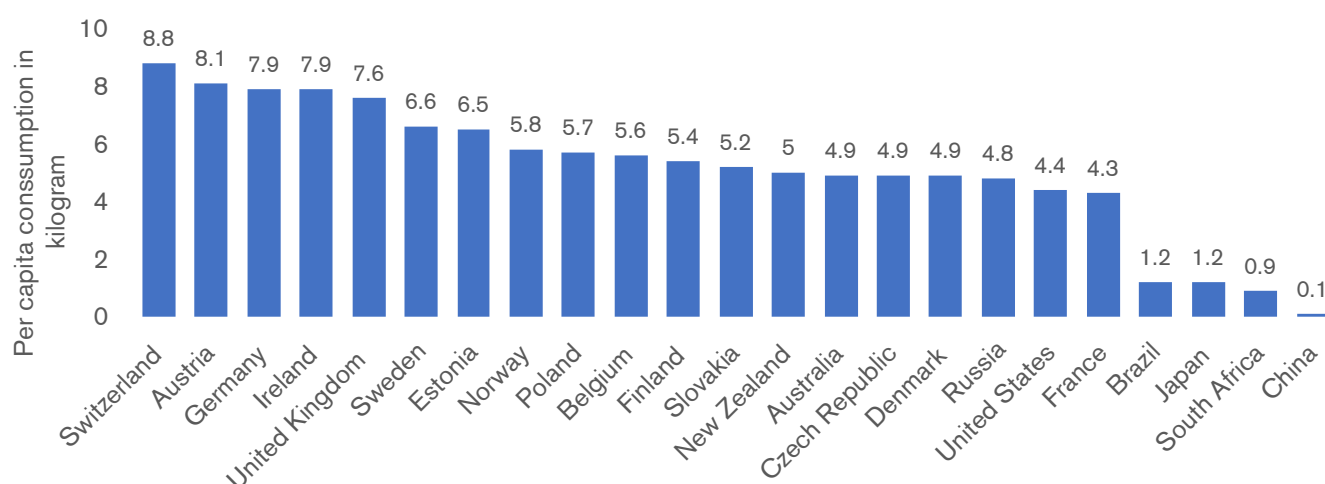


Chart 2 Chocolate consumption per capita in kilograms, by territory, 2017 estimates⁶

Chocolate pricing

Between 2018 and 2023, yearly average prices of cocoa rose 42%, from \$2,293.74 per metric ton to \$3,258.04 per metric ton achieving a 46-year high.⁷ Recent sustained upward pricing is the outcome of a global shortage in cocoa supply for the third consecutive year in 2023, as adverse weather conditions resulted in abundant rainfall, the outbreak of black pod disease and disrupted transportation operations affected the cocoa supply chain from Côte d'Ivoire and Ghana, the world's largest cocoa bean producers.⁸ The high cost of cocoa beans amidst surging sugar and packaging costs in 2023 led to higher manufacturing costs for chocolate, and persistent increases in chocolate consumer prices, gaining up to 50% in markets such as the United Kingdom.⁹

⁶ Ibid

⁷ IMF (2024) Primary Commodity Price System (PCPS) [online] Available at <https://data.imf.org/?sk=471ddd8-d8a7-499a-81ba-5b332c01f8b9>

⁸ International Cocoa Organization–ICCO (12 December 2023) Cocoa Market Report for November 2023 [online] Available at <https://www.icco.org/cocoa-market-report-for-november-2023/>

⁹ The Guardian (December 2, 2023) Chocolate treats for Christmas 2023 jump in price at UK supermarkets. [online] Available at <https://www.theguardian.com/business/2023/dec/23/chocolate-treats-for-christmas-2023-jump-in-price-at-uk-supermarkets>



Exports and imports

The value of exports in chocolate (HS 1806) grew upward by 15% from 2018 levels of approximately \$29.3 billion to \$33.7 billion in 2022.¹⁰ Germany was the largest exporter across all chocolate categories but for cocoa powder, sweetened (HS 180610) and chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing > 2 kilograms (HS 180620) where Mexico and Belgium, respectively led.

About a third of global exports in chocolate (HS 1806) came from Germany at \$5.4 billion, Belgium at \$3.3 billion and Italy at \$2.4 billion.¹¹

Turkey and the United Arab Emirates were the leading chocolate exporters in the Near and Middle East in 2022, with trade valued at \$841.8 million and \$494.96 million, respectively. Jordan came in at 57th globally with chocolate exports valued at \$29.5 million in 2022.

The top two chocolate categories exported globally were chocolate and other preparations containing cocoa, in containers or immediate packings of ≤ 2 kilograms (HS 180690) at \$ 16.3 billion, and chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing > 2 kilograms (HS 180620) at \$ 5.8 billion. Cocoa powder, sweetened (HS 180610) was the least exported chocolate category globally in 2022.

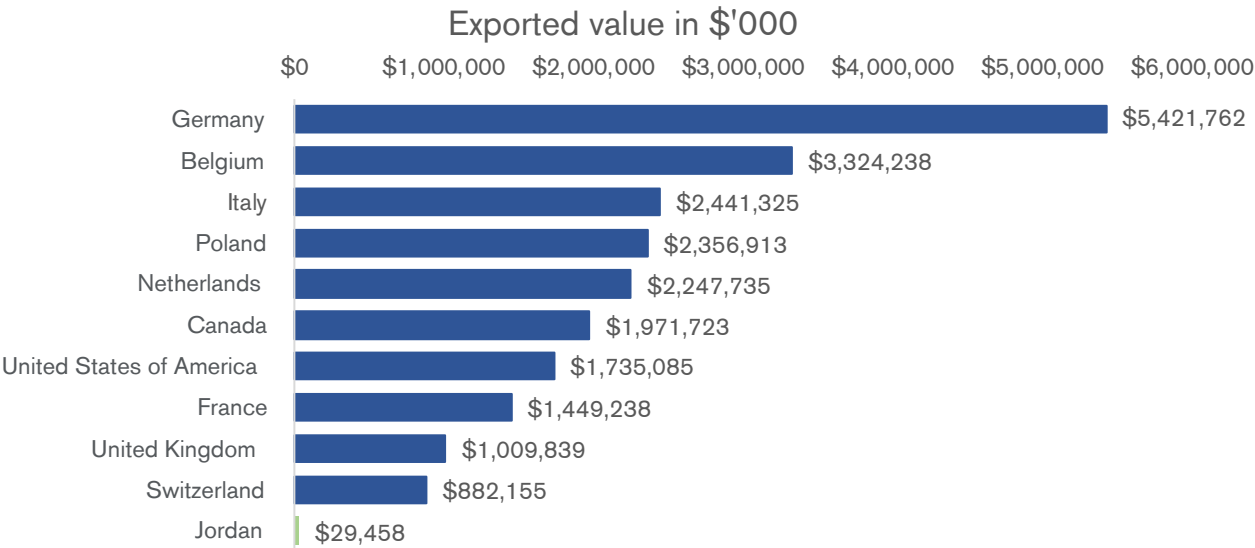


Chart 3 Leading exporters of chocolate, HS Code1806 by value in 2022

¹⁰ ITC (2023). Trade Map - List of exporters for the selected product in 2022 (Chocolate and other food preparations containing cocoa) [online] Available at: https://www.trademap.org/Country_SelfProduct_TS.aspx?nvpm=1%7c%7c%7c%7c%7c1806%7c%7c%7c4%7c1%7c2%7c2%7c1%7c2%7c1%7c1%7c1
¹¹ Ibid.



The United States was the largest importer by value at \$3.8 billion, followed by the United Kingdom at \$2.67 billion and Germany at \$2.48 billion.¹² At nearly \$72 million, Jordan's chocolate imports exceeded its exports by about 143%.

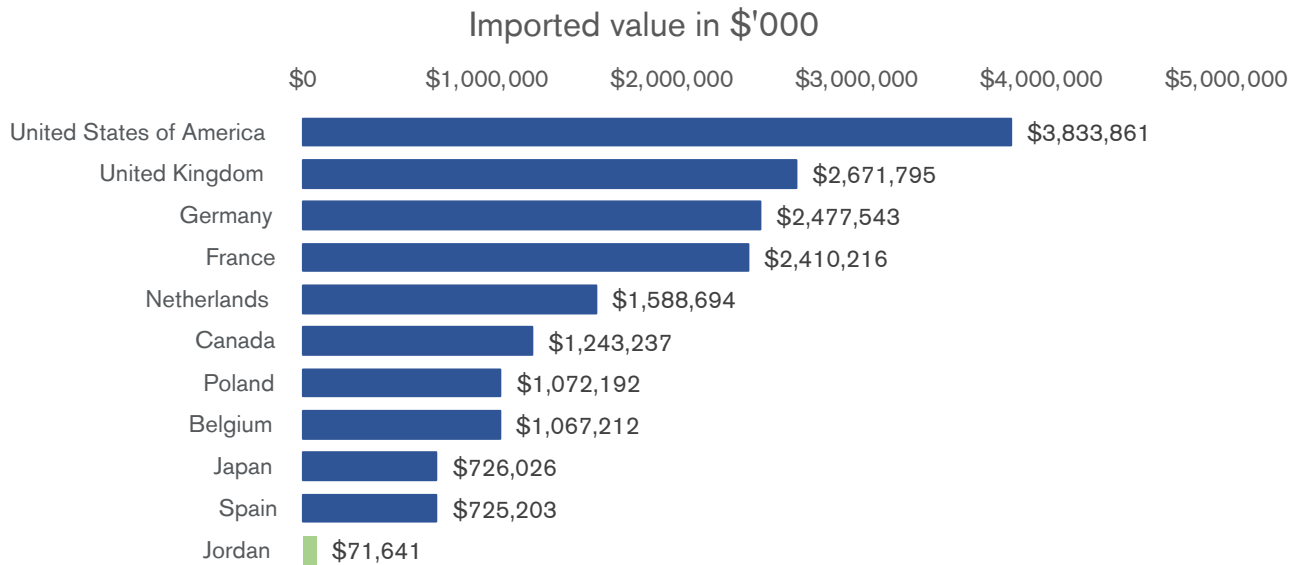


Chart 4 Top chocolate importers by value in 2022, in \$'000

¹² ITC (2023). Trade Map - List of importers for the selected product in 2022 (Chocolate and other food preparations containing cocoa) [online] Available at: https://www.trademap.org/Country_SelProduct_TS.aspx?nvpm=1%7c%7c%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c1%7c2%7c1%7c2%7c1%7c1%7c1



Market dynamics



Demand and supply trends

Demand for premium chocolate on the rise

The shift toward premium products in chocolate confectionery is gaining importance and consumers are steadily moving towards superior quality ingredients, as well as dark chocolates with high cocoa percentage.

Innovative chocolate flavours and textures

Innovation in flavours and inclusions continues in chocolate confectionery, and nuts remain the most popular constituent. Consumers are also shifting towards products they find appealing to their sensory satisfaction resulting from the texture, taste, consistency and aesthetics.

Increasing preference for plant-based and organic chocolates

As rising health indulgence continues to drive consumer preferences, demand for organic foods including chocolate, has increased. It is expected that this will continue to impact consumer purchase decisions. Also, as environmental trends are becoming more common, consumers and governments are demanding a high level of transparency increasing importance of traceability in ingredient sourcing, consistent quality, product safety, expectations for fairtrade farming and packaging.

Demand for bean-to-bar chocolate on the rise in Europe

A focus on origin has also spurred a steep increase in the number of European bean-to-bar makers in recent years. Bean-to-bar means that the maker controls the production process, from buying the cocoa beans to the creation of the chocolate bar.

Inflation dampens growth in demand

Food prices have been on the increase, hitting a record high in February 2022, partly attributed to the recovery of global demand, especially the demand for agricultural products for industrial use from China, the rise of fertiliser prices, and rising international freight costs. Consumers are expected to shift priorities to limit overall spending, a trend that is expected to affect consumption patterns of chocolate.

Cocoa price soars to 46-year highs

Heavy rains and a rot-causing disease flattened cocoa harvest outlook for West Africa, a region that accounts for two-thirds of the world's cocoa bean harvest. This has led to global supply deficit and rising prices, pushing the sector into "cocoa inflation". Additionally, wholesale cocoa costs soared to the \$3,258.04 per metric ton level on page12, marking a 46-year high. As global economies recover from rising inflation and economic instability, consumption volumes are likely to remain flat and the cost of cocoa beans is also expected to drive chocolate prices upward.



Market concentration and product complexity

Market concentration.

A Shannon Entropy value of 4.71 in 2021 for chocolate, HS code 1806 – as stated in this study – indicates a fragmented marketplace, reflecting exports from approximately 26 competing countries.¹³

Product complexity score.

The product complexity score of 0.24 for chocolate in 2021, ranking it 472 out of 1024 in the HS4 classifications, indicates that the products are moderately complex to produce. This is further supported by scores at the HS6 level with categories reporting complexity scores above zero in 2021, ranging from 0.10 for HS 180690 to 0.35 for HS 180631.¹⁴

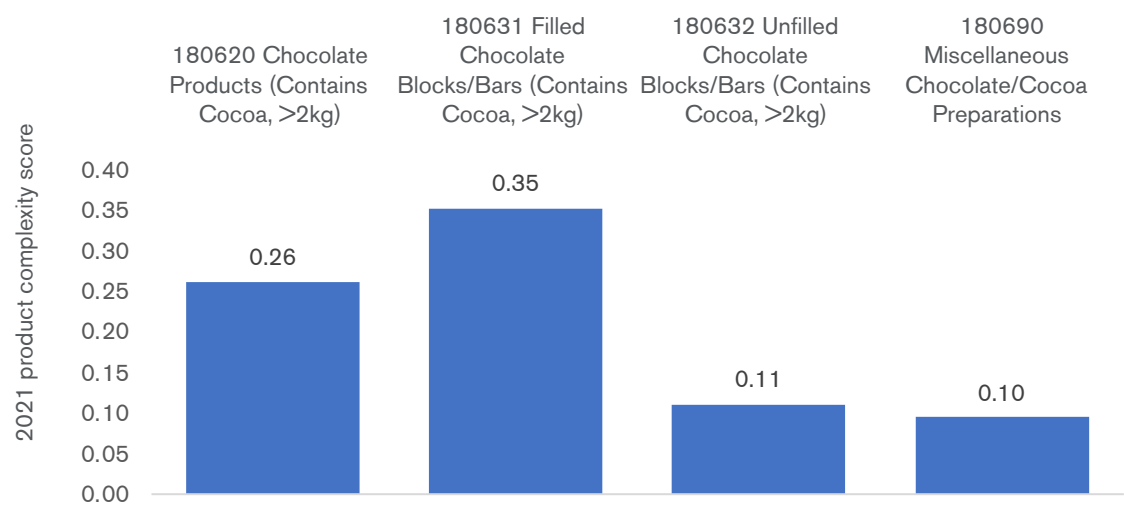


Chart 5 Chocolate complexity on the HS6 level in 2021

Regarding historical progress in the Product Complexity Index (PCI), scores for chocolate (HS 1806) trended in the range of -0.28 to 0.24 between 2012 and 2022 – suggesting an evolving level of product complexity. Miscellaneous chocolate (HS 180690) remained the least complex product category, recording a complexity score of 0.10 in 2022.¹⁵ In contrast, filled chocolate blocks and bars (HS 180631) maintained the most complex product category since 2017, recording 0.35 in 2021.

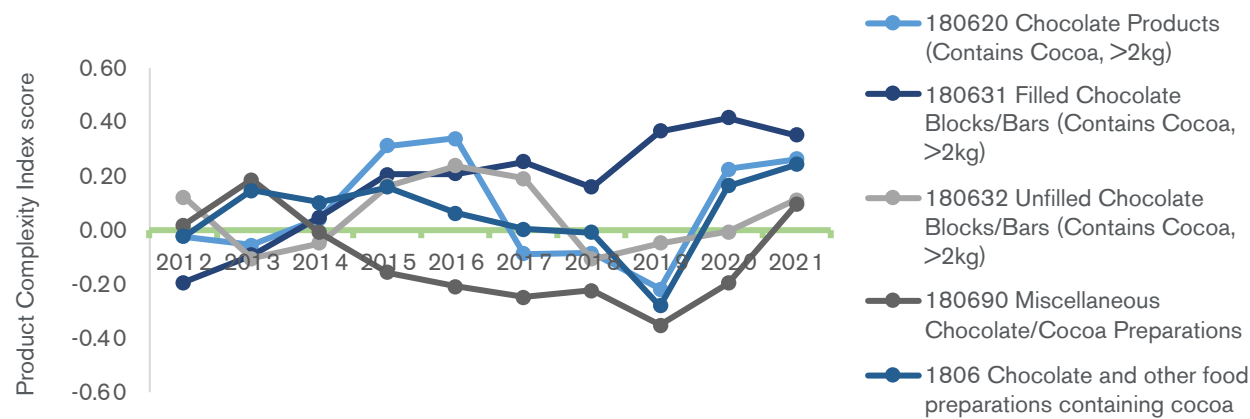


Chart 6 Chocolate product complexity 2012 to 2021

¹³ OEC (2021). Chocolate and other food preparations containing cocoa [online] Available at: <https://oec.world/en/profile/hs/chocolate>

¹⁴ OEC (2021). Product Rankings, [online] Available at: <https://oec.world/en/rankings/pci/hs4/hs92?tab=ranking>

¹⁵ OEC (2021). Product Rankings, [online] Available at: <https://oec.world/en/rankings/pci/hs6/hs92?tab=ranking>

World trade statistics by chocolate category on the HS6 level

Colour key
Jordan represents > 10% of 2022 world exports
Jordan represents > 1% and <5% of 2022 world exports
Jordan represents > 0% and <1% of 2022 world exports
Exports from Jordan not in evidence in 2022

HS Code	2022 world exports	2022 top export value and territory	2022 top import value and territory	Jordan 2022 export value	Jordan's share in global export markets
HS 180690 Chocolate and other preparations containing cocoa, in containers or immediate packings of ≤ ...	\$16.3 billion	\$2.4 billion Germany	\$1.8 billion United States	\$8.98 million	0.06%
HS 180620 Chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing > ...	\$5.8 billion	\$1.5 billion Belgium	\$944.7 million United States	\$6.79 million	0.12%
HS 180632 Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms (excl. ...	\$5.7 billion	\$1.4 billion Germany	\$693.4 million United States	\$736,000	0.01%
HS 180631 Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms, filled	\$5.5 billion	\$1.1 billion Germany	\$499.8 million United States	\$11.31 million	0.21%
HS 180610 Cocoa powder, sweetened	\$376.8 million	\$38.5 million Mexico	\$40.7 million United States	\$1.65 million	0.44%

Table 1 Chocolate export and import statistics and Jordan export market share



HS 1806 in the context of Jordanian exports

Ranked 57th on the global market, Jordan was among top exporters of chocolate in the Middle East in 2022 with exports valued at \$29.5 million – after the United Arab Emirates and Saudi Arabia. The country’s chocolate exports reached a high in 2022, recording 338% growth from the \$6.7 million recorded in 2018.¹⁶

The major exported chocolate categories were chocolate and other preparations containing cocoa, in blocks, slabs or bars of <= 2 kilograms category (HS 180631) at 38% of chocolate trade value, recording 576% growth from 2021 levels.¹⁷

Chocolate and other preparations containing cocoa, in containers or immediate packings (HS 180690) claimed 30% of the export value in 2022.¹⁸ HS 180632 was the least exported chocolate classification in 2022, accounting for only 2% of Jordan’s chocolate export value.

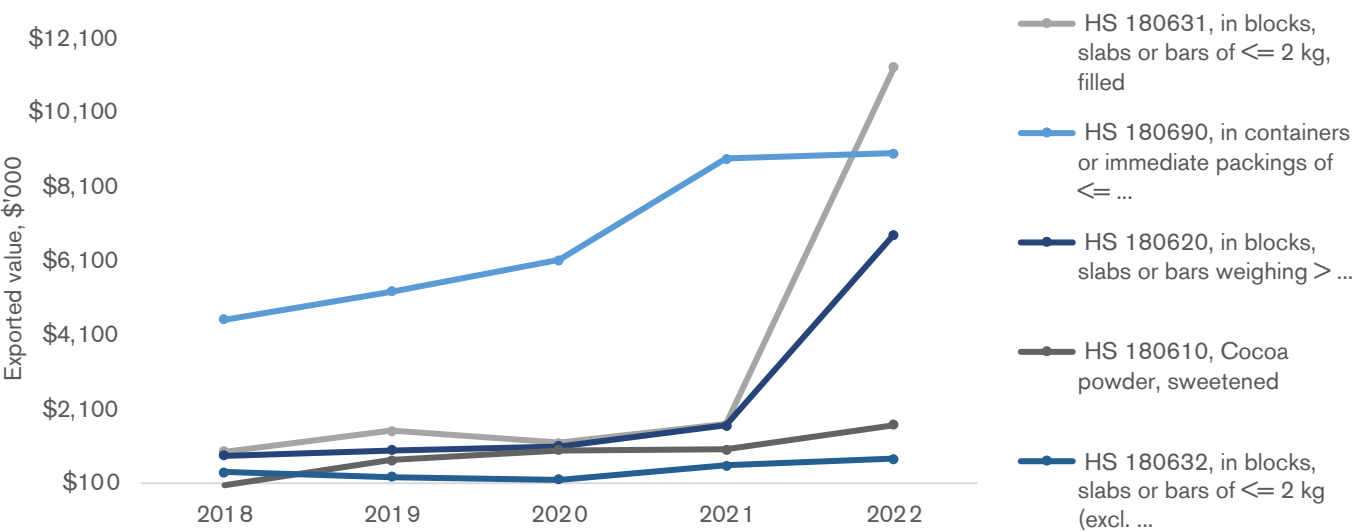


Chart 7 Jordan's chocolate exports by category, 2018 to 2022

¹⁶ ITC (2023). Trade Map - List of exporters for the selected product in 2022 (Chocolate and other food preparations containing cocoa) [online] Available at: https://www.trademap.org/Country_SelProduct_TS.aspx?nvpm=1%7c%7c%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c2%7c2%7c1%7c2%7c1%7c1%7c1
¹⁷ ITC (2023). Trade Map - List of products exported by Jordan (Chocolate and other food preparations containing cocoa...) [online] Available at: https://www.trademap.org/Product_SelCountry_TS.aspx?nvpm=1%7c400%7c%7c%7c%7c1806%7c%7c%7c6%7c1%7c1%7c2%7c2%7c1%7c1%7c1%7c1%7c1
¹⁸ Ibid.



Major markets for Jordan's chocolate HS 1806 exports in the last five years

Accounting for a total of 77% of Jordan's chocolate total export value of \$29.5 million in 2022, Saudi Arabia at \$16.4 million, Iraq at \$3.7 million and Palestine at \$2.6 million in value, were the country's leading destination markets in that year. Comparatively, the United Arab Emirates came in fourth position at just \$988,000, representing 2% of trade value in 2022.¹⁹

In 2022, export value grew across all the leading markets for Jordan's chocolate export - with Saudi Arabia recording an all-time trade more than eight times its average annual value of \$1.9 million between 2018 to 2021.

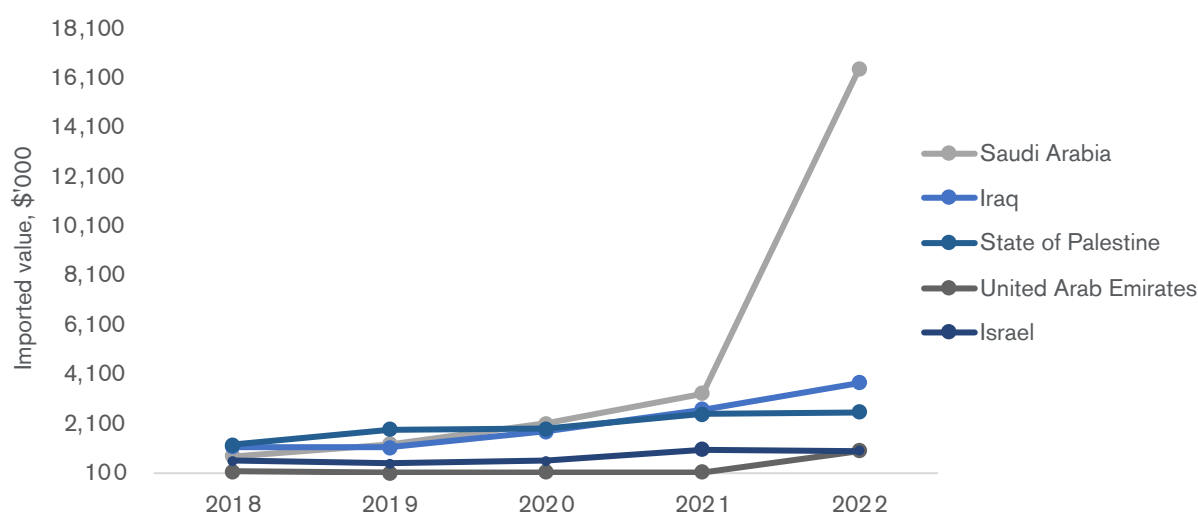


Chart 8 Leading markets for Jordan's chocolate exports, in \$'000

¹⁹ ITC (2023). Trade Map - List of importing markets for a product exported by Jordan (Chocolate and other food preparations containing cocoa...) [online] https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c400%7c%7c%7c%7c1806%7c%7c%7c%7c4%7c1%7c1%7c2%7c1%7c1%7c2%7c1%7c%7c1



Major global suppliers

Mars Wrigley Confectionery (Mars Inc). Mars, Inc is an American multinational manufacturer of confectionery, pet food, and other food products and services. Mars Wrigley Confectionery is a subset of Mars Inc. and behind chocolate brands like Mars, Snickers, M&M's, and Orbit: **Website:** <https://fin.mars.com/en>

Ferrero Group. Ferrero Group is an Italian manufacturer of sweet-packed food and one of the world's largest supplier of chocolates and confectioneries. Ferrero chocolate brands include Ferrero Rocher, Nutella, and Kinder. **Website:** <https://www.ferrero.com>

Mondelēz International. Mondelēz International, is an American multinational confectionery, food, holding, beverage and snack food company headquartered in Chicago, Illinois, United States. Mondelez holds several chocolate brands, including Toblerone, Cadbury, Milka, and more. **Website:** <https://www.mondelezinternational.com/>

Hershey Company. Hershey, or Hershey's, is an American multinational confectionery company founded in 1894 and headquartered in Hershey, Pennsylvania, United States. Hershey chocolate brands include Hershey's, Reese's, and Hershey's Kisses. **Website:** <https://www.thehersheycompany.com/>

Nestlé S.A.: Nestlé S.A. is a Swiss multinational food and drink processing conglomerate corporation founded in 1866 and headquartered in Vevey, Vaud, Switzerland. Nestlé S.A is one of the largest food companies in the world and offers chocolate brands such as Kit Kat, Crunch, and Aero. **Website:** <https://www.nestle.com>

Meiji Co. Ltd.: Meiji Co. Ltd., formerly Meiji Dairies Corporation is a Japanese food company headquartered in Tokyo, Japan and is one of the largest confectionery companies in the world. Meiji Co. Ltd chocolate brands include Meiji Chocolate and Melty **Website:** <https://www.meiji.com>



Priority markets



United States of America

United States macroeconomic overview

Real GDP in the United States is projected to grow 1.6% in 2023 and 1% in 2024, consumption and investment are expected to level out in response to higher interest rates and tightening financial conditions while savings are further depleted. Moreover, with the withdrawal of pandemic subsidies and slowing demand, the unemployment rate is projected to rise to 4.5% in 2024.²⁰

United States chocolate consumption

Chocolate consumption per capita in the United States was estimated to have slightly decreased by 1% between 2018 and 2023, from 9.05 kilograms per annum to 8.96 kilograms. After decreasing for the third consecutive year, per capita consumption of chocolate in the United States post-pandemic is forecasted to decrease marginally between 2023 and 2028 by a total 0.04 kilograms (0.4%), reaching 8.92 kilograms in 2028.²¹

United States trade in chocolate

In 2022, the United States' chocolate (HS 1806) imports were valued at \$3.8 billion, representing growth of 40% between 2018 and 2022.²² Canada remained the largest supplier, accounting for 49% (\$1.9 billion) of total imports in 2022. The second largest supplier during the same period was Mexico, with exports to the United States valued at \$610.1 million in 2022.

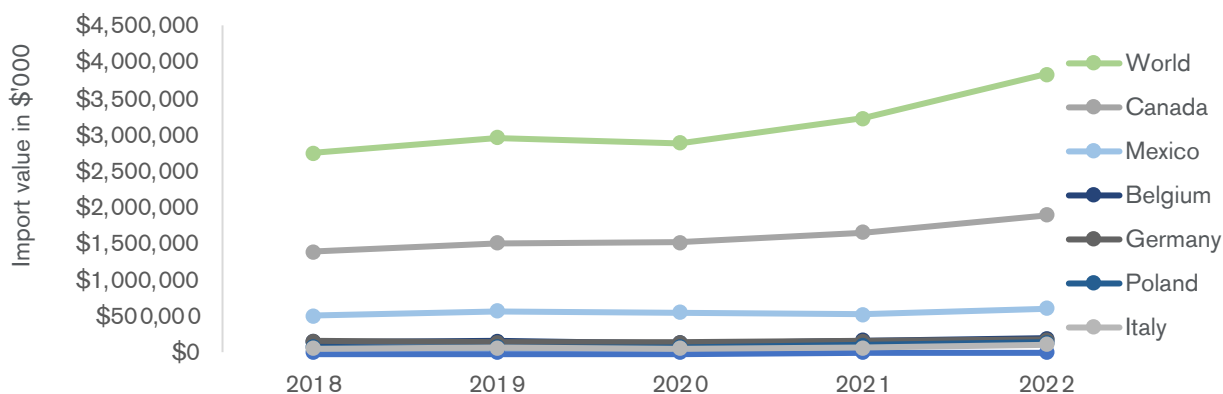


Chart 9 United States chocolate import values, top exporters, 2018 to 2022

²⁰ (International monetary Fund – IMF (2023) Bringing the US Economy Back into Balance [online] Available at <https://www.imf.org/en/News/Articles/2023/02/15/cf-usa-bringing-the-us-economy-back-into-balance>

²¹ Statista (2024) Per-capita consumption of chocolate confectionery in the U.S. from 2018-2028 [online] Available at: <https://www.statista.com/forecasts/1236087/per-capita-consumption-of-chocolate-in-united-states>

²² https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c842%7c%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c1%7c1%7c2%7c1%7c1%7c1



United States chocolate import values

In 2022, United States imports of chocolate in dollars per ton, were valued at \$4,907 per ton as a global average, and ranged from \$3,162 per ton to \$11,447 per ton across the six main supplying countries. Between 2018 and 2022, import prices from Mexico remained lowest while those of Poland were the highest cost.²³

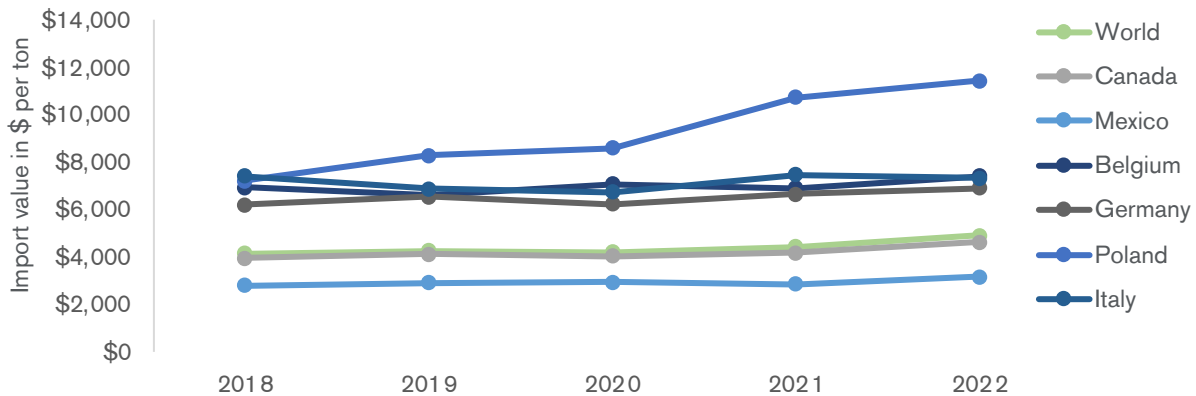


Chart 10 United States chocolate imports from main supplying countries, in \$ per ton

United States trade in chocolate from Jordan

In 2022, United States imports of Jordanian chocolate were valued at \$537,000, just above the level recorded in 2021. Imports of Jordanian chocolate in 2022 saw a more than two-fold increase, from \$213,000 in 2018 to \$537,000 in 2022—and an average of \$357,000 over the same period.²⁴

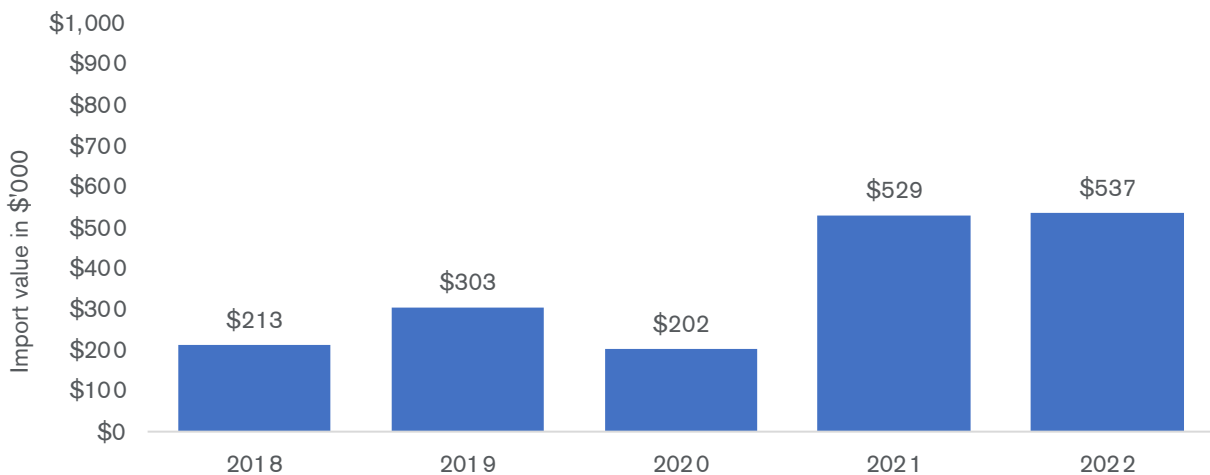


Chart 11 United States chocolate imports from Jordan

United States-Jordan Free Trade Agreement.

United States-Jordan Free Trade Agreement.

This agreement entered into force on December 17, 2001, and was fully implemented on January 1, 2010. Under this FTA, products can enter the United States duty-free if manufactured in Jordan.

Qualifying Industrial Zones (QIZs). The QIZ initiative, established in 1996, allows qualifying industrial zones in Jordan and Egypt, in addition to the West Bank and Gaza, to export products based on United States qualifying criteria, without tariff or quota restrictions.²⁵

²³ https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c842%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c1%7c1%7c2%7c1%7c1%7c1

²⁴ ITC (2022). Trade Map - Bilateral trade between the United States and Jordan (Chocolate and other food preparations containing cocoa...). [online] Available at: https://www.trademap.org/Bilateral_TS.aspx?nvpm=1%7c842%7c%7c400%7c%7c1806%7c%7c%7c6%7c1%7c1%7c1%7c2%7c1%7c1%7c1%7c1

²⁵ "Qiz Jordan." International Trade Administration | Trade.Gov, 21 Nov. 1996, www.trade.gov/qiz-jordan.



United States PESTEL analysis

Politics

The United States is a federal republic with a presidential system of government. It consists of 50 states, each with its own government, and a federal government that oversees the entire country. The President serves as both the head of state and government, and there is a bicameral Congress composed of the Senate and the House of Representatives.

The United States and Jordan maintain strong political relations, characterised by mutual cooperation on regional and global issues. Both nations work closely together within the framework of regional and international organisations to foster peace, stability, and development in the Middle East.

Economics

Real Gross Domestic Product (GDP) of the United States is projected to grow 1.6% in 2023 and 1% in 2024. The contraction in growth is driven by recent price instability and the fall of unemployment rate to its lowest level in over 50 years, contributing to higher inflation. In response, the US Federal Reserve has been pushing key fiscal measures including raising interest rates to restore price stability and to bring balance to the labour market. It is projected that consumption and investments are expected to level out.²⁶

Social

The United States is not an exception to global changes in consumer habits such as vegetarian movements, sustainability, digital nomad working class and remote working. These changes have a cascading reactions and numerous impacts at different scales including consumer choices and preferences. Additionally, the growth of the country's population by 0.5% to pre-pandemic levels at 334.9 million in 2023 and its multicultural society has led to a demand for a diverse culinary tradition. However, the trend of the aging population poses risk to labour supply in the long term.²⁷

Technology

Though in competition with China, the technology landscape of the United States is considerably matured and stable for economic growth. The technology talent and infrastructure of the United States has contributed to the growth of leading global brands such as Google, Facebook, Amazon, Microsoft, and Apple. With increased internet usage and e-commerce, the United States shows strong support for sustainable economic growth in the long term.

Environment

The United States is exposed to a number of environmental concerns. The country is particularly vulnerable to climate change, with exposure such as the wildfire in California, typhoons, hurricanes and flood. That said, there are increasing awareness and investments towards the problems of protecting the planet, in particular, through the COP26. Similar initiatives include the incentives towards recycling, reuse, promotion of second-hand items and waste reduction.

Legal

The HS 1806 import tariff for Jordan is 0%. The U.S.-Jordan Free Trade Agreement (FTA) signed in 2000 and implemented in 2010 still exists between the countries.

²⁶ International monetary Fund – IMF (2023) Bringing the US Economy Back into Balance [online] Available at <https://www.imf.org/en/News/Articles/2023/02/15/cf-usa-bringing-the-us-economy-back-into-balance>

²⁷ The US Census Bureau (2023) U.S. Population Trends Return to Pre-Pandemic Norms as More States Gain Population [online] Available at: <https://www.census.gov/newsroom/press-releases/2023/population-trends-return-to-pre-pandemic-norms.html>



United States chocolate suppliers and distributors

Apple Cookie & Chocolate Co.: Apple Cookie & Chocolate Co. is a family-owned business, founded in 1981 and headquartered in Turtle Creek, Pennsylvania. The firm manufactures industry-themed food gifts, fresh baked cookies and premium chocolates. **Social media:** [Apple Cookie & Chocolate Co. \(@applecookiespgh\)](#) • [Instagram photos and videos](#)

Dream Chocolate: Custom and private-label manufacturer of chocolate bars, including organic, milk, and dark Dream Chocolate was founded in 2002 and based in Boise, Idaho.
Website: <https://www.dreamchocolate.com/>

J. Stone & Son: Based in Rowley, Massachusetts, J. Stone & Son is a food service distributor that provides ice cream supplies and ingredients, dry goods, chocolate and candy supplies, and many other confectioners' items. **Website:** <https://www.jstonediamondfoods.com/>

Marich Confectionery Co.: Marich Confectionery Co. was founded in 1983 and based in Hollister, California. The company manufactures and distributes sweets, chocolate, and chocolate-covered goods using sustainable sources. **Website:** <https://marich.com/>

Mars Incorporated: Founded in 1911, and based in McLean, Virginia, Mars is a major global producer of foods, beverages and confectionery, including M&M's, Snickers and Mars chocolate.
Website: <https://www.mars.com/>

Mondelēz International: A spin-off from Kraft Foods, created in 2012, Mondelēz is home of Cadbury and Toblerone, and a leading global producer of confectionery, food, and beverage products.
Website: <https://www.mondelezinternational.com/>

Peterson Cheese: Founded in 1947, is a family-owned specialty food importer, converter and full-service distributor based in Auburn, Washington. Peterson's product catalogue includes baked goods, beverages, bread, cheese, chocolate, condiments, dairy, fruits, meat, nuts, pasta, prepared foods, sauces, soups, supplies. **Website:** <https://www.petersoncheese.com/>

Sparrow Enterprises: Founded in 1924, Sparrow Enterprises is a family-owned operated business into the importation and distribution of chocolate, cocoa powder, and various food commodities, catering specifically to the baking, confectionery, and ice cream industries. **Website:** <https://sparrowfoods.com/>

The Hershey Company: Established in 1894, and headquartered in Hershey, Pennsylvania, Hershey's is one of the largest chocolate manufacturers in the world, offering confectioneries, including Hershey's bars, Reese's, as well as Kit Kat within the United States. **Website:** <https://www.thehersheycompany.com/>

Transnational Foods LLC: Headquartered in Miami, Florida, Transnational Foods LLC is involved in the production of both standard and customised private-label snacks and foods, including corned beef, meat, seafood, chocolates, pickles, paste, vegetables and olives. **Website:** <https://transnationalfoods.com/>

TruFood Manufacturing. TruFood Manufacturing was founded in 2002 and has its headquarters in Pittsburgh, Pennsylvania. The company manufactures custom-branded and private-label food items, including protein bars, chocolate and granola. **Website:** <https://www.trufoodmfg.com/>

Wolfgang Confectioners: Founded in 1921 and based in York, Pennsylvania, Wolfgang Confectioners is a confectionery manufacturer providing private-label chocolate products, such as bars, chocolate-covered pretzels and organic products. **Website:** <https://wolfgangco.com/>



Exhibitions and trade fairs in the United States

Dates	Exhibition name	City	Country	Website
16 to 18 September 2024	Americas Food & Beverage Show	Miami	United States	https://www.americasfoodandbeverage.com/
26 to 27 October 2024	Great Food Expo	Chicago	United States	https://greatfoodexpo.com/chicago/
8 to 10 November 2024	Salon du Chocolat	New York	United States	https://www.salonduchocolatnyc.com/
9 to 10 November 2024	Great Food Expo	New Jersey	United States	https://greatfoodexpo.com/new-jersey

Saudi Arabia

Saudi Arabia macroeconomic overview

Saudi Arabia, pursuing Vision 2030 reforms, was the fastest-growing G20 economy in 2022, with a rise of 8.7%. This was driven by increases in oil production and growth in the non-oil GDP. This growth was prompted by private consumption and non-oil private investments, including large-scale infrastructure projects. As a result, the country is advancing economically, marked by record-low unemployment rates and limited inflation.²⁸

Saudi Arabia chocolate consumption

Annual per capita consumption of chocolate in Saudi Arabia was estimated at 1.5 kilograms in 2023 and grew about 5.5% per annum.²⁹ Looking ahead, consumption is forecast to continue to increase as rising disposable incomes, expanding urbanisation, and heightened exposure to global trends in healthy choices are expected to increase demand.³⁰

Saudi Arabia trade in chocolate

In 2022, Saudi Arabia's chocolate (HS 1806) imports were valued at \$532.1 million, representing a growth of 4% between 2018 and 2022.³¹ Egypt was the largest supplier in 2022 with exports of chocolate to Saudi Arabia valued at \$80 million, followed by Italy and the United Arab Emirates at \$61.4 million and \$57.6 million, respectively.

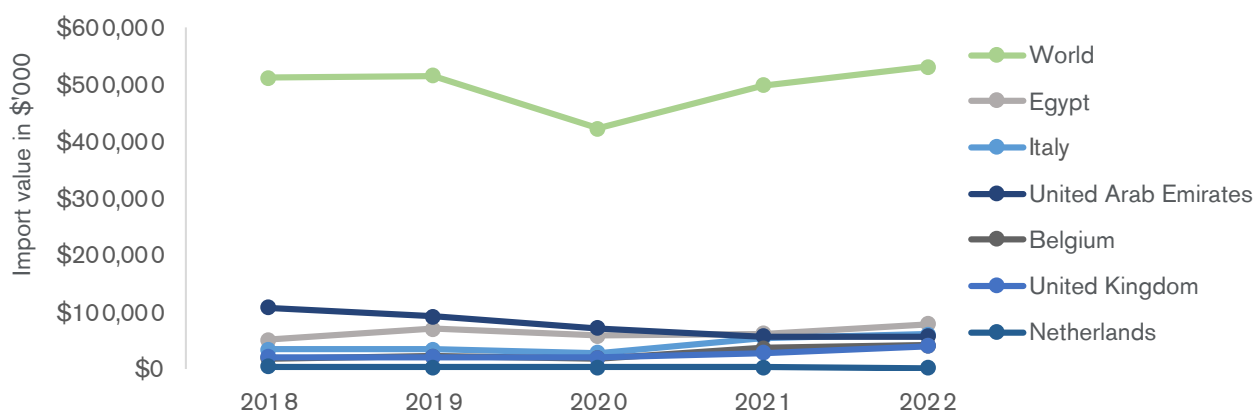


Chart 12 Saudi Arabia chocolate import values, top exporters, 2018 to 2022

²⁸ International Monetary Fund - IMF (2023): Saudi Arabia's Economy Grows as it Diversifies [online] Link: <https://www.imf.org/en/News/Articles/2023/09/28/cf-saudi-arabias-economy-grows-as-it-diversifies>

²⁹ Astute Analytica (2023) Saudi Arabia Chocolate Market. [online] Available at: <https://www.astuteanalytica.com/industry-report/saudi-arabia-chocolate-market>

³⁰ Ibid.

³¹ ITC (2022). Trade Map - List of supplying markets for a product imported by Saudi Arabia in 2022 (Chocolate and other food preparations containing cocoa...). [online] Available at: https://www.trademap.org/Country_SelProductCountry_TS.aspx?nvpm=1%7c682%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c2%7c1%7c2%7c1%7c1%7c1



Saudi Arabia chocolate import values

In 2022, Saudi Arabia's imports of chocolate in dollars per ton, were valued at \$4,631 per ton at global average prices, and ranged from \$3,057 per ton to as high as \$5,897 per ton across the top six supplying countries.³²

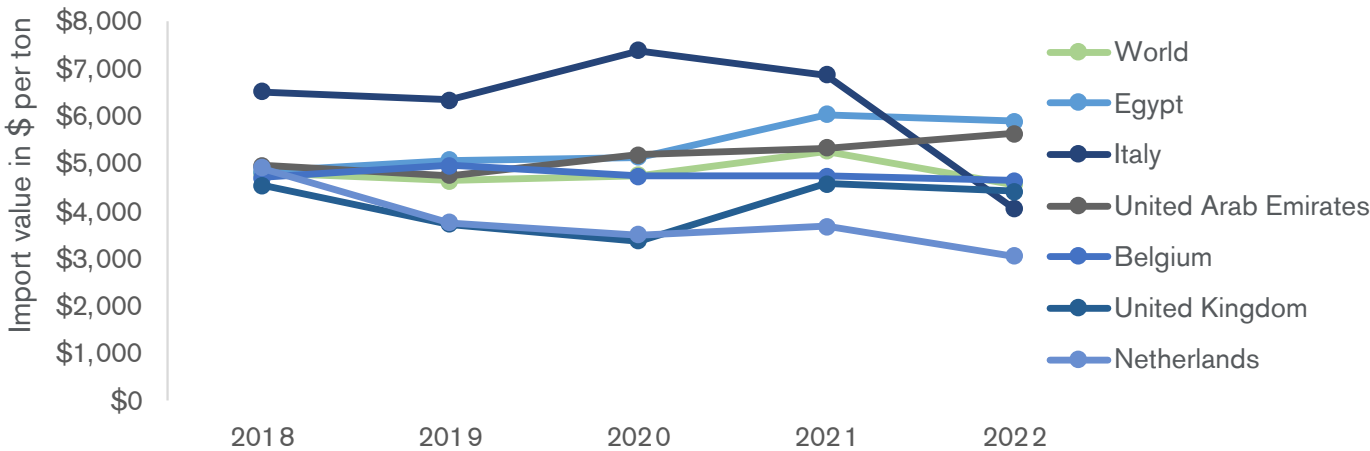


Chart 13 Saudi Arabia chocolate imports from main supplying countries, in \$ per ton

Saudi Arabia trade in chocolate from Jordan

In 2022, Saudi Arabia's imports of Jordanian chocolate were valued at \$22.2 million, marking five-fold growth between 2018 and 2022.³³

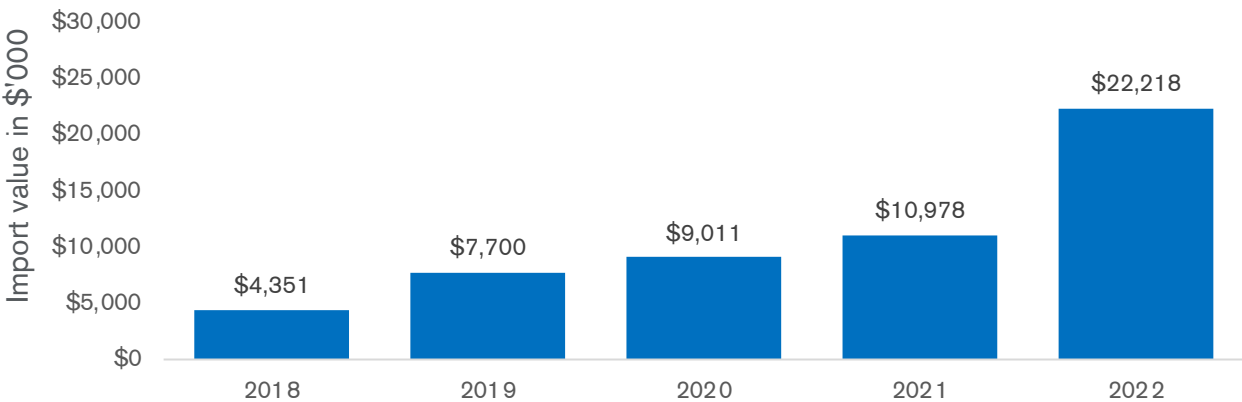


Chart 14 Saudi Arabia chocolate imports from Jordan

Saudi Arabia's trade agreements with Jordan

Greater Arab Free Trade Area (GAFTA), 1997.

Saudi Arabia and Jordan are members of GAFTA, which was established under the umbrella of the Arab League. The agreement aims to create a free trade area among Arab countries by reducing and eliminating tariffs and trade barriers among member states. GAFTA includes 18 Arab countries and promotes increased trade and economic integration in the region.

³² ITC (2022). Trade Map - List of supplying markets for a product imported by Saudi Arabia in 2022 (Chocolate and other food preparations containing cocoa.....). [online] Available at:

https://www.trademap.org/Country_SelProductCountry_TS.aspx?nvpm=1%7c682%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c2%7c1%7c2%7c3%7c1%7c1

³³ ITC (2022). Trade Map - Bilateral trade between Saudi Arabia and Jordan (Chocolate and other food preparations containing cocoa...). [online]

Available at

https://www.trademap.org/Bilateral_TS.aspx?nvpm=1%7c682%7c%7c400%7c%7c1806%7c%7c%7c4%7c1%7c1%7c2%7c1%7c1%7c1%7c1%7c1



Saudi Arabia PESTEL analysis

Politics

Saudi Arabia is a monarchy with strong central governance, where political stability is a key feature. As a central player in the Middle East, its foreign policies and relations, especially within the Gulf Cooperation Council (GCC) have significant regional implications.

Saudi Arabia and Jordan have worked closely on regional and international issues and are seen as having model diplomatic relations. The two nations for example share a similar political viewpoint with major regional concerns such as Palestine, Iran, Iraq, Syria, and Yemen.

Economics

At 8.7% growth in 2022, Saudi Arabia led the G20 nations, supported by oil and non-oil revenues, private consumption, and non-oil private investment.

Saudi Arabia is furthermore Jordan's largest economic partner, with investments exceeding \$13 billion. Trade between the two countries reached around \$5 billion in 2021. Saudi Arabia has also been a major donor to Jordan, providing substantial financial assistance, including a recent direct funding of \$50 million as part of a larger economic aid package agreed upon in 2018.

Social

Overall, the social relations between Saudi Arabia and Jordan are defined by close historical roots and joint efforts in areas like education, and regular high-level interactions, underscoring the strong and multifaceted ties between the two nations.

Technology

As part of plans to shift its economic dependence from oil and gas to the tech industry by the end of 2030, Saudi Arabia has made significant investment in technology, innovation and research and development. Notable sector programs include The Badir Program for Technology Incubators to support young startups, the MEVP (Middle East Venture Partners), the Monisha's program and UnitX.

Environment

Saudi Arabia is exposed to a number of environmental concerns. The region is particularly vulnerable to climate change, with threats like desertification putting 70 – 90% of land at risk. That said, steps are underway to combat desertification and expand green areas.

Legal

The HS 1806 import tariff for Jordan is 0%. There are no specific bilateral trade agreements between Saudi Arabia and Jordan. However, both nations are members of wider regional trade initiatives such as The Greater Arab Free Trade Area (GAFTA) that facilitate trade between member nations, including Saudi Arabia and Jordan.



Saudi Arabia chocolate suppliers and distributors

Abbar Foods: A major distributor and supplier of consumer goods and foodstuffs in Saudi Arabia. Product categories include baking, olive oil, sauces, rice, confectionary, dairy products, pastas, canned food and beverages. **Website:** <https://abbarfoods.com/>

Al Kabli Holding Company: Established in 1966 and headquartered in Jeddah, Al Kabli Holding Company is a distributor of leading brands of confectionery, chocolate, biscuits and food products in Saudi Arabia with 11 branches, 11 warehouses, and 8 sub branches across the Kingdom.

Website: <https://www.kabli.com.sa>

Forsan Foods: Founded in 1979, Forsan is a manufacturer of premium bakery, pastry ingredients, and confectionary items, including chocolate. The company is headquartered in Riyadh with registered offices in the United Arab Emirates, Kuwait, Bahrain, Jordan, Oman, Lebanon and Egypt. **Website:** <https://www.forsan.com.sa/>

Naeem Foods: Established in 2004 and headquartered in Riyadh, Saudi Arabia, Naeem Foods is a manufacturer and distributor of chocolates, toffees, and candies. **Website:** <https://naeemfoods.com/>

Reer Modern: Located in Jeddah, Saudi Arabia, Reer Modern imports & distributes international brands of chocolates and confectionery items in Saudi Arabia. **Website:** <https://reer-sa.com/>

Exhibitions and trade fairs in Saudi Arabia

Dates	Exhibition name	City	Country	Website
12 to 14 May 2025	The Saudi Food Show 2025	Riyadh	Saudi Arabia	https://www.thesaudifoodshow.com/

▼ The United Arab Emirates

United Arab Emirates macroeconomic overview

(GDP) growth of 3.5% is estimated for 2023 in the United Arab Emirates, following 7.4% growth in 2022. Inflation is currently projected at 3.4%. The implementation of an IMF reform is further expected to limit medium-term growth.³⁴

Economic growth is forecasted to slow, though support exists due to strong oil pricing and economic policies focused on foreign investment, which are intended to aid diversification strategies

United Arab Emirates chocolate consumption³⁵

In 2023, the United Arab Emirates' total consumption of chocolate grew about 55%, from approximately 86 million kilograms in 2018 to 133.5 million kilograms. For average per capita consumption, chocolate consumption in the United Arab Emirate was estimated at 13.1 kilograms per capita in 2023 and is predicted to reach 17 kilograms in 2028.³⁶

United Arab Emirates trade in chocolate

The United Arab Emirates' chocolate (HS 1806) imports grew about 17% between 2021 and 2022, increasing from \$469.3 million to \$549.3 million during the period. However, growth between 2018 and 2022 contracted by 14%.³⁷ Over the period there was no significant dominance by any supplying market. Italy was the largest supplier in 2022 with exports of chocolate to the United Arab Emirates valued at \$65.6 million, followed by Switzerland at \$55.9 million.

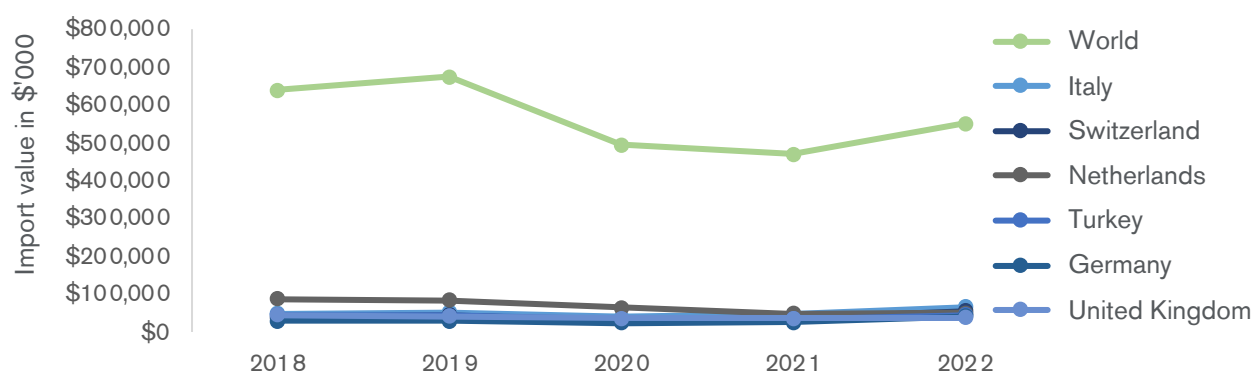


Chart 15 UAE chocolate import values, top exporters, 2018 to 2022



³⁴ International Monetary Fund - IMF (2023): IMF Staff Concludes Visit to United Arab Emirates – October 2023 [online] Link: <https://www.imf.org/en/News/Articles/2023/10/13/pr23351-uae-imf-staff-concludes-visit>

³⁵ Note that consumption per capita data are composite estimates for Chocolate and Chocolate products, so values could be higher than expected for chocolate consumption for the market.

³⁶ Statista (2023). Confectionery - United Arab Emirates. [online] Available at: <https://www.statista.com/outlook/cmo/food/confectionery-snacks/confectionery/united-arab-emirates>

³⁷ ITC (2022). Trade Map - List of supplying markets for a product imported by the United Arab Emirates in 2022 (Chocolate and other food preparations containing cocoa.....). [online] Available at: https://www.trademap.org/Country_SelProductCountry_TS.aspx?nvpm=1%7c784%7c%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c1%7c2%7c1%7c2%7c1%7c1%7c1



United Arab Emirates chocolate import values

In 2022, the United Arab Emirates imports of chocolates in dollars per ton, were valued at \$5,485 per ton at global average prices, and ranged from \$2,693 per ton to \$11,866 per ton across the six largest supplying countries. Between 2018 and 2022, import prices of chocolate in units per ton from Turkey remained the cheapest while Swiss products were the most expensive.³⁸

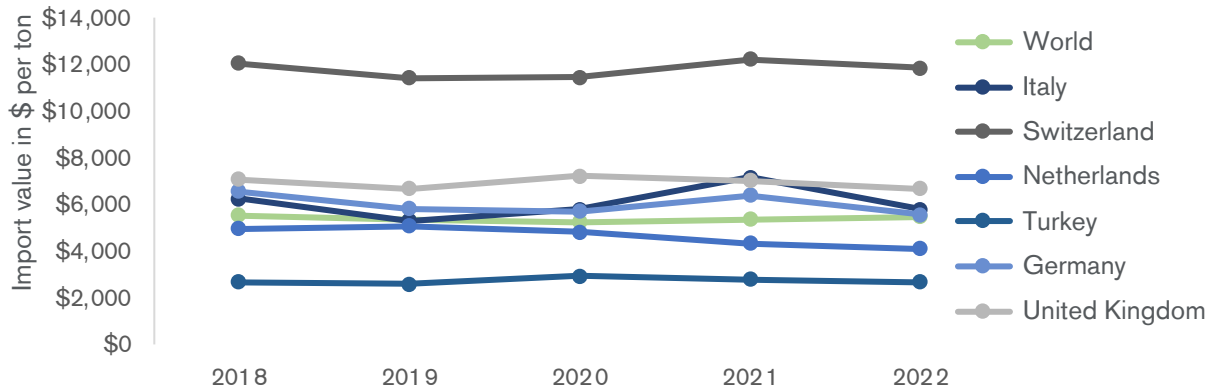


Chart 16 UAE chocolate imports from main supplying countries, in \$ per ton

United Arab Emirates trade in chocolate from Jordan

The United Arab Emirates' imports of Jordanian chocolate were valued at \$860, 000 in 2022, marking over two-fold growth between 2018 and 2022.³⁹

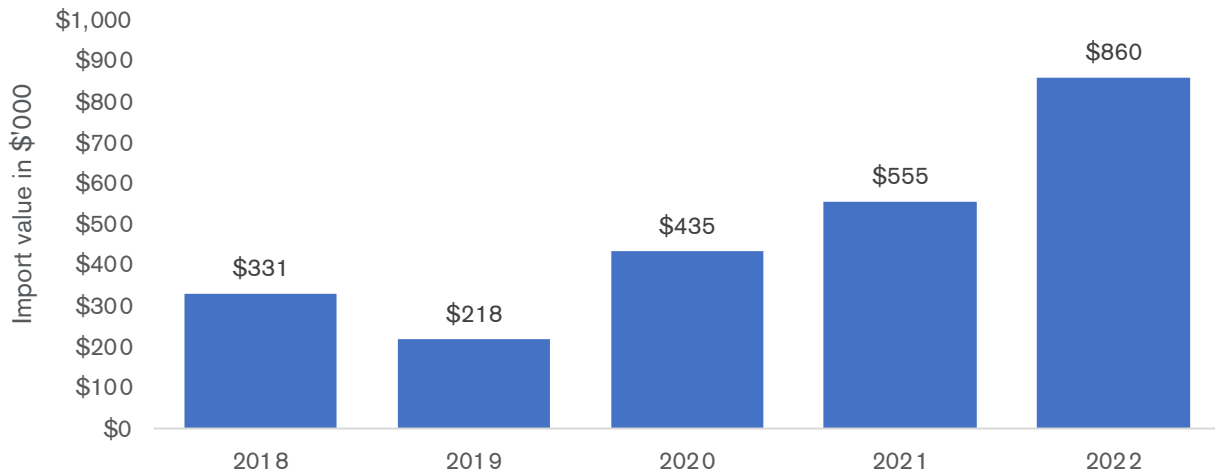


Chart 17 United Arab Emirates chocolate imports from Jordan

³⁸ (ITC (2022). Trade Map - List of supplying markets for a product imported by the United Arab Emirates (Chocolate and other food preparations containing cocoa.....). [online] Available at: https://www.trademap.org/Country_SelProductCountry_TS.aspx?nvpm=1%7c784%7c%7c%7c1806%7c%7c%7c4%7c1%7c1%7c2%7c1%7c2%7c3%7c1%7c1

³⁹ ITC (2022). Trade Map - Bilateral trade between the United Arab Emirates and Jordan (Chocolate and other food preparations containing cocoa.....). [online] Available at: https://www.trademap.org/Bilateral_TS.aspx?nvpm=1%7c784%7c%7c156%7c%7c1806%7c%7c%7c6%7c1%7c1%7c2%7c1%7c1%7c1%7c1



United Arab Emirates trade agreements with Jordan

There are no specific bilateral trade agreements between the United Arab Emirates and Jordan. However, both nations are members of wider regional trade initiatives that might facilitate trade. These include:

Greater Arab Free Trade Area (GAFTA), 1997. The United Arab Emirates and Jordan are members of GAFTA, which was established under the umbrella of the Arab League. The agreement aims to create a free trade area among Arab countries by reducing and eliminating tariffs and trade barriers among member states. GAFTA includes 18 Arab countries and promotes increased trade and economic integration in the region

Industrial Partnership for Sustainable Economic Growth, 2022. Though not an agreement, this initiative has overseen deals of more than \$2 billion, and involves the UAE, Egypt, Bahrain, and Jordan. It aims to foster industrial cooperation in sectors such as agriculture, fertilisers, food, minerals, petrochemicals, pharmaceuticals and textiles.⁴⁰

⁴⁰ Jordan Times (Feb 26,2023) Prime Minister opens 3rd meeting of Higher Committee of Industrial Partnership in Amman:[online] Available at: <https://jordantimes.com/news/local/pm-opens-3rd-meeting-higher-committee-industrial-partnership-amman>



United Arab Emirates PESTEL analysis

Politics

The United Arab Emirates benefits from political stability, which has helped advance business and economic development. The country's active foreign policy, particularly its relations within the Gulf Cooperation Council and with global powers, has defined its international status.

Political relations between the United Arab Emirates and Jordan are defined by deep-rooted connections, focusing on cooperation, strategic partnerships, and regional stability.

Economics

With a 7.4% incline in GDP during 2022, the United Arab Emirates, benefits from a strong economy, 29th largest in the world, that continues on a path of diversification away from oil to other sectors including tourism, transport and private investment. GDP in 2022 was \$507.5 billion and GDP per capita was \$53,800.

Economic relations between the United Arab Emirates and Jordan are robust, focusing on investment, development, and industrial cooperation.

Social

Social relations between the United Arab Emirates and Jordan are defined by close historical roots and joint efforts in areas like education, and regular high-level interactions, underscoring the strong and multifaceted ties between the two nations.

The country is represented by a multicultural society, with a large expatriate population, very good infrastructure and high living standards.

Technology

The United Arab Emirates is committed to technological innovation with ambitious digital transformation efforts and smart city investments. In Dubai, there's a strong focus on adopting AI, blockchain, and IoT such as in traffic control and immigration, showcasing the nation's commitment to a tech-driven growth.

Additionally, the flourishing e-commerce sector, supported by robust regulations, and a commitment to renewable energy technologies underscore the country's committed to technological advancement.

Environment

The United Arab Emirates is exposed to a number of environmental concerns. The region is particularly vulnerable to climate change, with threats like desertification putting 70 – 90% of land at risk. The Emirates faces a shortage of arable land and water, reducing its domestic food production capabilities. Consequently, the country relies heavily on imports to satisfy its food demand, accounting for about 80% of the total food supply. However, the country has invested into addressing water scarcity such as the desalination technology and active engagement in biodiversity conservation, including supporting initiatives such as green walls projects.

Legal

The HS 1806 import tariff for Jordan is 0%. There are no specific bilateral trade agreements between United Arab Emirates and Jordan. However, both nations are members of wider regional trade initiatives such as The Greater Arab Free Trade Area (GAFTA) that facilitate trade between member nations, including the United Arab Emirates and Jordan.



United Arab Emirates chocolate suppliers and distributors

Fresh Supplies LLC: Founded in 1996 and based in Dubai, Fresh Supplies LLC is a major supplier of leading international dairy, bakery ingredients, and confectionery brands. Their product category includes dairy, bakery and chocolate. **Website:** <https://www.freshsupplies.ae/>

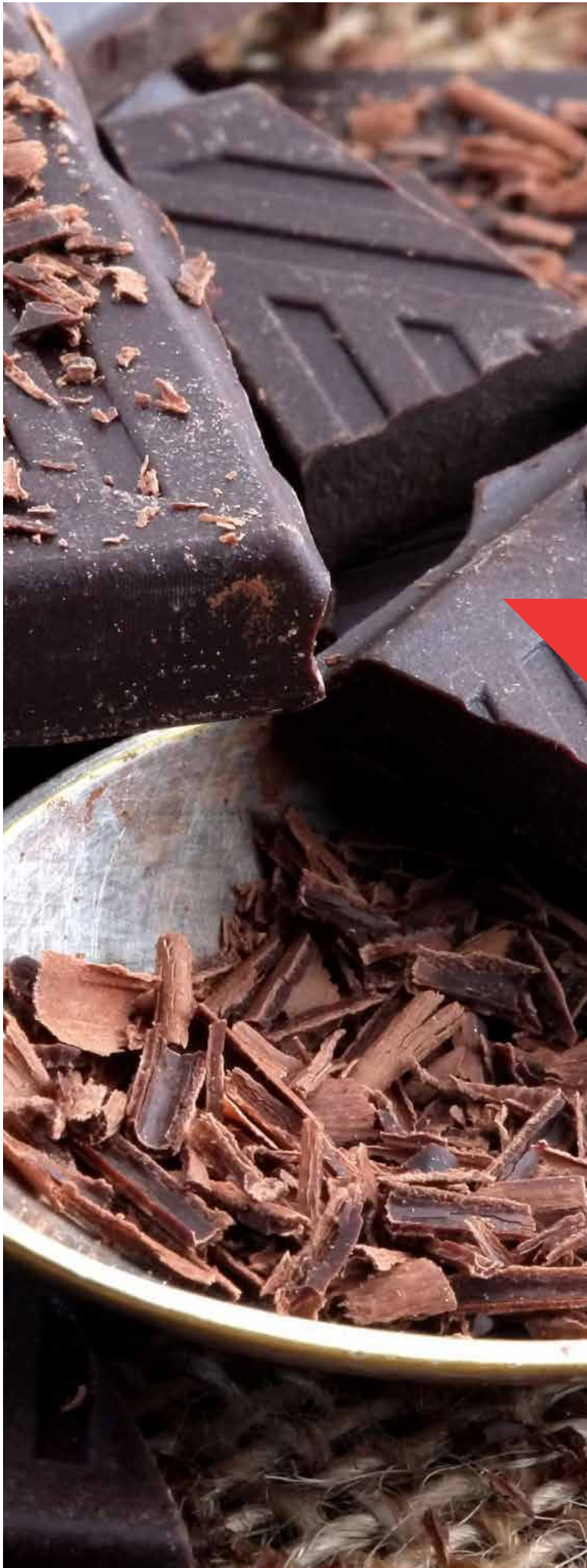
Forsan Foods: Founded in 1979, Forsan is a manufacturer of premium bakery, pastry ingredients, and confectionary items, including chocolate. The company is headquartered in Riyadh with registered offices in the United Arab Emirates, Kuwait, Bahrain, Jordan, Oman, Lebanon and Egypt. **Website:** <https://www.forsan.com.sa/united-arab-emirates-food-supplier>

Treasure Islands Food & Beverages Group: A wholesale importer and distributor of major consumer goods brands in the Middle East. Brands in the chocolate category includes Mars chocolate, Ferrero chocolates, Snickers and Bounty chocolates. **Website:** <https://www.treasureislands.ae/>

Co chocolat: Co Chocolate offers farm-to-table, single origin, fine flavour cacao, chocolates and baked goods. The company has been supplying some of the biggest companies and agencies in the UAE market. **Website:** <https://cochocolat.com/>

Exhibitions and trade fairs in the United Arab Emirates

Dates	Exhibition name	City	Country	Website
24 to 26 September 2024	ISM Middle East	Dubai	United Arab Emirates	https://www.ism-me.com/



Recommendations



Recommendations in summary

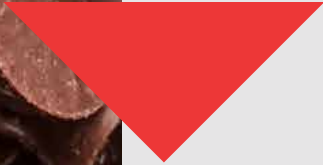
For strategic positioning, we highlighted three priority markets in this report: the United States, Saudi Arabia and the United Arab Emirates.

In consumption terms, the per capita at-home consumption for each of the markets is anticipated to increase in Saudi Arabia to 1.5 kilograms in 2023, and the United Arab Emirates to 17 kilograms in 2028. Per capita consumption in the Emirates was estimated at 13.1 kilograms in 2023 and is anticipated to reach 17 kilograms in 2028. Comparatively, per capita consumption of chocolate in the United States was 8.96 kilograms in 2023 and is forecasted to decrease marginally between 2023 and 2028 by just 0.04 kilograms, reaching to 8.92 kilograms in 2028, yet still remains considerable.

For Jordanian exports, Saudi Arabia, Iraq and Palestine were the leading markets for its chocolate in 2022, accounting for 77% (\$23 million) of a chocolate export value of \$30 million. Other markets in the region were the United Arab Emirates and Israel at 3% each. Growth in trade for these markets have shown steady increases in value from 2020 to 2022 and are anticipated to continue trending upward.

The United States, the world's largest importer of chocolate in 2022, accounted for only 1% (\$341,000) of Jordan's category exports in 2022. Similarly, in the same year-2022, the United Arab Emirates' imports of Jordanian chocolate were only 3% (\$988,000) of Jordan's category exports. In contrast, Saudi Arabia was the largest importer of Jordanian chocolate in 2022, accounting for 77% of Jordan's category exports. Amidst competitive import prices in the priority markets, chocolates from Jordan in both the United States and the United Arab Emirates are still less than 5%, and consumption is anticipated to further grow—at least marginally in the years ahead. Looking forward, market development strategies within these established trade partners could strategically position Jordanian chocolate competitively in the global market, tapping into potential growth opportunities.

Additionally, Saudi Arabia and the United Arab Emirates, amongst other Gulf states offer opportunities due to their powerful economies, proximity, accessible transport, trade relationships and cultural parallels with Jordan.



Reference information



Priority markets tariff and non-tariff barriers⁴¹

The United States

Tariffs

For HS 180631 – Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms a preferential tariff of 0% is applied for Jordan.

It is important to note that other countries may be subjected to MFN duties at a rate of 5.60%. The United States does not apply any trade remedy on HS 180631.

General requirements

Chocolate and other food preparations containing cocoa are subject to examination by the Food and Drug Administration (FDA) when they are imported or offered for import into the United States.

Although the FDA is not authorised under the U.S. Federal Food, Drug and Cosmetic Act to approve, certify, license, or otherwise sanction individual food importers, products, labels, or shipments, the FDA may detain shipments of products offered for import if the shipments are found not to be in compliance with U.S. requirements. Broadly, regulations include the following requirements:

- All chocolate imports must meet the requirements of U.S. food regulations including:
 - Food facility registration
 - Filling Prior Notice for Entry
 - Hazard Analysis and Critical Control Points (HACCP)
 - Foreign Supplier Verification Programs (FSVP) for Importers of Food for Humans and Animals. The FSVP rule requires importers to perform risk-based foreign supplier verification activities to verify that:
 - The food is produced in a manner that is in compliance with hazard analysis, risk-based preventive controls or safe production and harvesting
 - The food is not adulterated
 - The human food is not misbranded

Additional detail

Further details on United States import requirements for chocolate can be found in the following references.

The US Food and Drug Administration

Link. <https://www.fda.gov/food/food-imports-exports/importing-food-products-united-states>

The US Customs and Border Protection

Link. <https://www.cbp.gov/trade/basic-import-export/importer-exporter-tips>

Cocoa Merchants' Association of America, Inc – “CMAA”

Link. <https://www.cocoamerchants.com/>

ITC market access map

Link. <https://www.macmap.org/>

⁴¹ In respect to the identification of tariff and non-tariff barrier rules for import, the following section details requirements for HS 180631, where Jordan's major exports are classified.



Saudi Arabia

Tariffs

For HS 180631 – Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms a preferential tariff of 0% is applied for Jordan.

It is important to note that other countries may be subjected to MFN duties at a rate of 15.%. Saudi Arabia does not apply any trade remedy on HS 180631.

General requirements

Saudi Arabia is a member of the Cooperation Council for the Arab States of the Gulf, commonly referred to as the Gulf Cooperation Council (GCC). Food laws are established within the GCC Gulf Standardization Organization (GSO) and adopted by participating member countries.

Based on recommendations from the GSO as well as the Saudi Food and Drug Authority (SFDA), which stipulates the regulations for importing chocolate into Saudi Arabia, and the Zakat, the tax and customs authority, which sets the country's customs policies; broadly, regulations on chocolate import include the following requirements:

- All chocolate shipments in terms of their produce and preparations, must comply with approved Gulf Standards, e.g.
 - Gulf technical regulation (GSO 9\2013). Labels of packed foodstuffs
 - Gulf technical regulation (GSO 107\2007). Labelling of food additives when sold as such.
 - Gulf technical regulation (GSO 9\2013). Labels of packed foodstuffs
 - Gulf technical regulation (GSO 150/2007). Shelf life standard (mandatory, voluntary or exempted products)
 - Gulf technical regulation (GSO 839\1997). Food packaging and container requirements
- Original health certificate from the concerned exporting country's authority testifying the product's safety for human consumption.
- Bill of lading or bill of entry or airway bill, packing list which details the number of cartons and weight, delivery order and invoice with HS code and correct value.
- Certificate of origin, stating the country of origin and approved by the Chamber of Commerce in the country of origin.
- Any other certificates which might be required in case of any international epidemics or any certificates required based on local decisions (such as Genetically Modified Organisms; GMO-Free Certificates, dioxin-free certificates, etc).
- SFDA product registration certificate, import permit and Halal certificate

Labelling in Arabic should include.

- Brand name.
- Name and a brief description of the product
- List of ingredients of the product.
- Production and expiration dates
- Manufacturer's, packer's, and distributor's names.
- Food's entire net weight or volume.
- Manufactured country name.
- Merchandised barcode.
- Product's lot number.
- Storage condition (cold/hot environment)
- Result of the laboratory test (conducted in SFDA-accredited laboratories)
- All ingredients, colourings and flavourings should be mentioned on the label.



Additional detail

Further details on Saudi Arabia's import requirements for HS 1806 can be found in the following references.

Saudi Food and Drug Authority – Food Clearance Conditions and Requirements

Link. https://sfda.gov.sa/sites/default/files/2021-11/SFADFgdfg_1.pdf

Zakat, Tax and Customs Authority

Link. <https://zatca.gov.sa/en/Pages/default.aspx>

Food and Agricultural Import Regulations and Standards Country Report – Saudi Arabia

Link.

https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20Country%20Report_Riyadh_Saudi%20Arabia_SA2022-0011.pdf

International Trade Administration – Saudi Arabia country commercial guide

Link. <https://www.trade.gov/country-commercial-guides/saudi-arabia-import-requirements-and-documentation>

ITC market access map

Link. <https://www.macmap.org/>



The United Arab Emirates

Tariffs

For HS 180631 – Chocolate and other preparations containing cocoa, in blocks, slabs or bars of ≤ 2 kilograms a preferential tariff of 0% is applied for Jordan.

It is important to note that other countries may be subjected to MFN duties at a rate of 2.50%. The United Arab Emirates does not apply any trade remedy on HS 180631.

General requirements

The United Arab Emirates (UAE) is a member of the Cooperation Council for the Arab States of the Gulf, commonly referred to as the Gulf Cooperation Council (GCC). Food laws are established within the GCC Gulf Standardization Organization (GSO) and adopted by participating member countries.

Based on recommendations from the GSO as well as the UAE National Food Safety Committee (NFSC) for food related matters, the Ministry of Climate Change and Environment is responsible for establishing and enforcing regulations for importing chocolate and other food preparations containing cocoa into the United Arab Emirates. And the Federal Customs Authority sets the country's customs policies. Broadly, regulations on chocolate import include the following requirements:

- All chocolate shipments in terms of their produce and preparations, must comply with approved Gulf Standards, e.g.
- Gulf technical regulation (GSO 9\2013). Labels of packed foodstuffs
- Gulf technical regulation (GSO 107\2007). Labelling of food additives when sold as such.
- Gulf technical regulation (GSO 9\2013). Labels of packed foodstuffs
- Gulf technical regulation (GSO 150/2007). Shelf life standard (mandatory, voluntary or exempted products)
- Gulf technical regulation (GSO 839\1997). Food packaging and container requirements
- Original health certificate from the concerned exporting country's authority testifying the product's safety for human consumption.
- Bill of lading or bill of entry or airway bill, packing list which details the number of cartons and weight, delivery order and invoice with HS code and correct value.
- Certificate of origin, stating the country of origin and approved by the Chamber of Commerce in the country of origin.
- Any other certificates which might be required in case of any international epidemics or any certificates required based on local decisions (such as Genetically Modified Organisms; GMO-Free Certificates, dioxin-free certificates, etc).
- Ministry of Health MOH approval (for UAE customs regulations) or import permit from the competent agencies (for restricted goods or duty exempted goods)

Labelling in Arabic should include.

- Brand name.
- Name and a brief description of the product
- List of ingredients of the product.
- Production and expiration dates
- Manufacturer's, packer's, and distributor's names.
- Food's entire net weight or volume.
- Manufactured country name.
- Merchandised barcode.
- Product's lot number.
- Storage condition (cold/hot environment)
- Result of the laboratory test (for goods being sold in Dubai)
- All ingredients, colourings and flavourings should be mentioned on the label.



Additional detail

Further details on the United Arab Emirates import requirements for chocolate can be found in the following references.

International Trade Administration – United Arab Emirates country commercial guide

Link. <https://www.trade.gov/knowledge-product/united-arab-emirates-trade-barriers?navcard=2442>

Abu Dhabi Food Control Authority

Link. <https://www.adafsa.gov.ae/Documents/2018/food%20import%20english.pdf>

Dubai Municipality Food Code 2020

Link. <https://www.dm.gov.ae/wp-content/uploads/2020/11/Food-Code-2.0-Draft-Version-4.pdf>

Ministry of Climate Change and Environment

Link. <https://www.moccae.gov.ae/en/legislations.aspx>

ITC market access map

Link. <https://www.macmap.org/>



Methodology

The study employs desktop research and concentrates on the underlying product, its capacity, supply, demand globally and in particular priority markets. In addition, the study covers export and import statistics, trade barriers and import requirements. The objective is to give insight on merchandise trade dynamics in the Jordanian context.

Priority Markets Selection Criteria

The selection of priority markets is based on a comprehensive set of criteria:

- **Annual Imported Quantities:** Evaluating the volume of imports to gauge market size.
- **Growth Rate in Quantities:** Assessing the rate of growth to identify expanding markets.
- **Market Concentration:** Analyzing the distribution of market share among competitors.
- **Export Potential:** Determining the potential for export between Jordan and the target market.
- **Tariff and Non-Tariff Barriers:** Considering the impact of trade barriers on market entry.

Additionally, all financial figures are conducted in US dollars.

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