



PRONATEC

Dominican cocoa at 25: how YACAO helped turn a smallholder crop into a global organic powerhouse

A quarter-century after Swiss-owned YACAO began working with 84 pioneering farming families, the Dominican Republic has become the world's leading exporter of organic cocoa

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The team from PRONATEC and YACAO visit the Fundopo cooperative in the Dominican Republic: Image: PRONATEC



PREMIUM ANALYSIS: As the company marks its 25th anniversary in Santo Domingo, farmers, officials and buyers reflect on how deep partnerships, agroforestry and fair pricing have reshaped both rural livelihoods and the country's reputation in the chocolate trade.

Under the shade of mango and avocado trees in the Dominican Republic countryside, cocoa farmer families are celebrating a quiet revolution. Twenty-five years ago, most sold unfermented beans to middlemen at prices that barely covered costs. Today, many of those same families are at the heart of one of the world's most successful organic cocoa stories – and this winter, that story had a party.

In December 2025, YACAO, the Dominican Republic subsidiary of Swiss organic cocoa specialist PRONATEC, marked its 25th anniversary with a celebration in Santo Domingo. Employees from across the country, members of the smallholder organisation FUNDOPO, international buyers and officials gathered not just to toast a company milestone, but to acknowledge how far

the Dominican cocoa sector has come in a quarter of a century.

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“Without the high-quality organic cocoa from the Dominican Republic, Swiss chocolate would not be what it is today,” Swiss ambassador Rita Hämmerli told guests. “Behind this quality stand generations of dedicated people whose knowledge and hard work form the foundation of this success.”



The Fundopo Cooperative now includes over
3,000 cocoa members. Image: PRONATEC

From 84 families to a global organic powerhouse

When YACAO was founded in 1999–2000, its model was deliberately simple: cut out intermediaries, work directly with smallholder farmers and pay fairly for organic, fermented beans. The company started with just 84 farming families who were willing to convert fully to certified organic and Fairtrade production and supply YACAO with their entire harvest.

That pilot grew into FUNDOPO – the Fundación Dominicana de Productores Orgánicos – which now counts more than 3,000 member farmers across key cocoa zones such as Navarrete, El Seibo, Medina and Yamasá. YACAO buys wet beans at village collection points, pre-finances harvests, and handles fermentation and drying in its regional centres before exporting mostly 'Hispaniola' grade beans for Europe's premium chocolate market.

The model has paid off. Farmers supplying through FUNDOPO receive at least the Fairtrade minimum price plus organic and Fairtrade premiums, often averaging about 35% above conventional local prices. Instead of being price-takers at the bottom of a volatile market, smallholders have become partners in a tightly controlled, fully traceable value chain geared towards quality.

It's a model that mirrors – and has helped drive – broader change in the country's cocoa landscape.

Cocoa that changed a country's profile

Over the last 25 years, the Dominican Republic has quietly become one of the world's leading exporters of organic cocoa beans, supplying an estimated 32–38%* of global organic cocoa exports. Annual cocoa output now sits at just under 80,000 tonnes, grown on roughly 170,000 hectares by some 40,000 producers, most of them smallholders.

Crucially, this growth has come not from vast new plantations, but from doing more with what was already there: rehabilitating ageing groves, improving

fermentation and drying, and capturing premiums for organic and fine-flavour cocoa. Around one-sixth of the country's cocoa farms are now certified organic, and roughly 40% of national output is classified as 'fine or flavour' cocoa – a share that the sector aims to push higher as quality improves.

Export numbers tell the story in hard currency. Cocoa exports grew more than threefold between 2006 and 2016 and have continued to climb sharply. In just the first eight months of 2024, cocoa exports reached about \$359 million – almost double the value for the same period a year earlier – putting a long-stated government ambition of \$500 million a year within reach.

The United States remains the largest buyer, especially of unfermented 'Sánchez' beans, while Europe – particularly the Netherlands, Belgium and Spain – is the main destination for fermented organic and fine-flavour cocoa. Newer markets such as Mexico, Indonesia, Switzerland and Malaysia have also emerged, attracted by the Dominican Republic's reputation for certified, sustainable cocoa.

Organic by design, not as an afterthought

If much of the world's cocoa story is about deforestation and intensive inputs, the Dominican Republic story is almost the opposite. Cocoa here is traditionally grown in agroforestry systems under a canopy of taller trees. Organic production has slotted naturally into that landscape.

Most organic cocoa farms are complex mosaics of cocoa interplanted with fruit trees, hardwoods and food crops. This woodland-like structure protects soil and water, provides shade in a warming climate and offers farmers side income from bananas, citrus, breadfruit or timber. Many organic schemes – including those supported by YACAO – require that around 7% of farm area is reserved for biodiversity, reinforcing conservation on privately held land.





All beans sent to the YACAO processing facility on the island are segregated according to strict certification. Image: cocoaradar.com

On the ground, the shift to organics has meant training farmers to compost, manage pests without synthetic chemicals and renew old plantations with better planting material. On the market side, it has meant navigating a dense alphabet soup of certifications – USDA Organic, EU Organic, JAS, Fairtrade, Bio Suisse, Demeter – and satisfying ever tighter traceability requirements from buyers and regulators, particularly in Europe.

For farmers in FUNDOPO and other organisations, certification has been a gateway to better prices and more stable relationships. But it has also brought concrete benefits at home: Fairtrade premiums finance tree nurseries, farm renovation, village warehouses, scholarships and health support, roads and community centres in cocoa-growing areas.

A national strategy built around sustainability

Government policy has gradually caught up with – and leaned into – the organic success story. Through the National Cocoa Commission and a multi-

stakeholder Cocoa Platform launched in 2013 with UNDP support, the Dominican Republic adopted a 10-year National Cocoa Action Plan focused on three fronts: rehabilitating farms and raising productivity, strengthening value-chain collaboration, and improving living conditions in cocoa communities.

While the plan covers the sector as a whole, officials routinely highlight organic cocoa as a national competitive advantage. Public extension services and donor-backed projects encourage certification, co-finance training and support farmer organisation into cooperatives capable of negotiating contracts and investing collectively.



Seedlings are grown under strict conditions at the YACAO nursery and monitored to prevent disease. Image: PRONATEC

Preventing disease has been another key plank. With organic systems offering few chemical tools against major pathogens, the country has taken an aggressive stance on quarantine and surveillance to keep devastating diseases such as Moniliasis out. Research institutes maintain cocoa germplasm collections and work on varieties that combine disease resistance with the

fine-flavour profiles buyers expect from Dominican beans.

Challenges remain – especially access to credit for smallholders and the need to attract younger generations into farming as the average farmer age creeps above 60. But the basic direction of travel is clear: sustain and upgrade a sector that generates income for an estimated 350,000 people while positioning the Dominican Republic as a leader in ethical, deforestation-free cocoa.

YACAO's 25-year experiment in partnership

Within that wider story, YACAO has functioned as a kind of long-running experiment in what a 'mission-driven' cocoa exporter can look like.



YACAO'S processing centres on the Dominican Republic

Its four regional processing centres give it the capacity to handle several thousand tonnes of organic beans a year. From there, much of the cocoa is shipped to PRONATEC's factory in Switzerland, where it is turned into cocoa mass, butter, powder and chocolate for premium and organic brands across Europe and beyond. Other lots go to specialist chocolate makers seeking traceable, single-origin beans.

From the start, YACAO's offer to farmers has combined three things: guaranteed purchase of the harvest, transparent pricing, and a clear social contract. During the 2024 price spike, for example, the company gained attention in the sector for adjusting farmgate prices as often as twice a week so that smallholders could benefit from record global prices, while at the same time tightening security at rural warehouses to counter a rise in cocoa theft.

On the social side, the FUNDOPO partnership channels premiums into practical improvements – from storage infrastructure and training facilities to support for families in crisis. Women play a visible role: around 72% of staff at YACAO’s Santo Domingo headquarters are women, and female inspectors and coordinators are prominent in the organisation’s fieldwork.

YACAO has also embraced the demand for traceability that now defines the high-end cocoa trade. Since 2019, every batch of beans is barcoded back to the plot, allowing buyers – and increasingly regulators – to know exactly where cocoa was grown and under what conditions. The company monitors land-use change via satellite tools and upholds strict no-deforestation rules for its sourcing areas.



Organic cocoa beans are fermented and dried under the Caribbean sun, before being shipped to Europe. Image: cocoaradar.com

A celebration – and a stress test

The 25th-anniversary trip that culminated in December's Santo Domingo gala was designed to show buyers what that model looks like in practice. Over several days, visitors walked smallholder plots, visited nurseries and agroforestry projects funded by Fairtrade premiums, and spent time in fermentation centres where careful turning of beans in wooden boxes unlocks the flavour notes that specialty chocolate makers prize.

For many, the contrast with the headlines elsewhere in the cocoa world – from farmer poverty in West Africa to forest loss and child labour – was striking. Here was a sector in which smallholders own their land, maintain tree-rich landscapes and sell into premium markets under long-term contracts.

That does not mean the Dominican model is insulated from global shocks. The same price volatility that lifted incomes in 2024 can just as easily swing the other way; climate change is already putting stress on traditional agroforestry systems; and competition is emerging as other origins invest in organic cocoa. But the YACAO anniversary underscored one thing clearly: deep, long-term partnerships can make smallholder cocoa not just survivable, but attractive.

Looking ahead: from niche to norm?

As guests at the anniversary celebration danced to merengue and bachata and shared plates of local food, conversations kept circling back to the next 25 years. Could the Dominican Republic move from being a niche supplier of organic cocoa to setting the template for what 'responsible' cocoa looks like globally?

For YACAO and its partners, that will mean doubling down on what has worked – farmer-centred sourcing, rigorous organic and Fairtrade standards, agroforestry-based production – while adapting to new pressures: carbon accounting, stricter import regulations, and consumers who increasingly want proof, not just promises, of sustainability.

What is clear is that the foundations laid since 2000 have already changed the trajectory of cocoa in this Caribbean nation. A sector once defined by bulk exports of low-value beans is now known for quality, traceability and ethical credentials. And at the heart of that shift stand thousands of smallholder families who, a quarter-century on, are no longer just suppliers at the edge of the value chain, but recognised partners in one of the world's most sought-after cocoa origins.

***Correction: This article was amended on 11 December 2025. An earlier version stated Dominican Republic supplies '60–70%' of global organic cocoa exports; this should have been 32-38%.**

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