

CHOCOLATE'S BITTER TASTE

FORCED, CHILD AND TRAFFICKED LABOUR IN THE COCOA INDUSTRY

Australians have quite a sweet tooth. We love chocolate in all its forms; hot chocolate, chocolate bars, chocolate sauce, chocolate milk, chocolate biscuits – we can't get enough of the stuff! However, the sweetness quickly sours when we dig deeper into the story behind the chocolate we all enjoy.

Much of this cocoa is harvested in West Africa using some of the worst forms of child labour, child trafficking and other forms of labour exploitation. The global cocoa

industry has known about this issue for many years and in 2001 made a commitment to eradicate it. However, labour exploitation still occurs in the cocoa industry today.

Cocoa is also present in many of the products we use on a daily basis, such as cocoa butter in cosmetics, soaps and pharmaceutical products.

Key facts:

- In 2010/2011, 4.3 million tonnes of cocoa was produced¹.
- Australians consume between \$1.3-\$3billion worth of chocolate a year².
- Australia ranks ninth in global chocolate consumption per person beating the USA, Japan and Brazil³.
- The Ivory Coast and Ghana are the world's two largest cocoa producers⁴.
- Approximately 95 percent of the chocolate sold today is not certified to be free from the use of forced, child or trafficked labour⁵.



DON'T TRADE LIVES FACTSHEET



THE ISSUE

The majority of cocoa farmers in West Africa work on small farms of no more than 10 hectares⁶. It is estimated there are between 1.5-2 million small cocoa farms across Ghana and the Ivory Coast⁷. Many children and adults must work to harvest cocoa for global consumption. Often families live in poverty and children must work to help support their family. Typically adult farmers are paid poorly for the cocoa they harvest, further compounding the issue. In other cases, children are trafficked and forced to harvest cocoa.

Children as young as six years old work on cocoa farms under extremely hazardous conditions⁸. Carrying heavy loads, using machetes to clear land and inhaling harmful pesticides are all in a day's work. Pesticides are commonly used in cocoa growing regions to control bugs and viruses that harm the cocoa plant. In West Africa up to 97 percent of farmers use pesticides⁹. Some of these have been found to cause headaches, nausea, diarrhoea, liver and kidney complications and even cancer¹⁰.

Labouring in extreme heat is also common in West African countries, where midday temperatures can average 30-35 degrees throughout the year and the tropical climate means high humidity and a torrential wet season.

Farmer poverty

Smallholder farmers typically live in poverty. Prices paid to farmers by cocoa buyers are often incredibly low. Hampered by limited bargaining power with cocoa buyers, farmers must accept whatever price they are offered at the farm gate¹¹. Low cocoa prices, combined with poor productivity and a vulnerability to price downturns in volatile commodity markets, often mean farmers struggle to make enough income to cover production costs. Making matters worse, farmers who do not own their land must give high proportions of their profits to the land owner, meaning little is left to pay for basic necessities like food, shelter and healthcare¹². These factors help to create the conditions for labour exploitation and feed the demand for child labour.

What is child labour?

Child labour is any kind of work that deprives a child of their childhood, their potential and dignity, and that is harmful to their physical and mental development. It may include work that is mentally, physically, socially or morally dangerous and harmful to children; that interferes with their schooling by depriving them of the opportunity to attend school; causes them to leave school prematurely or requires them to attempt to combine school attendance with excessively long and heavy work.





What is trafficking?

Human trafficking is putting or keeping someone in an exploitative situation for profit. They are not free and they are exploited for profit over and over again. It is a serious crime and victims of trafficking can be men, women and children.

Child labour

In developing countries around the world it may be seen as normal for children to help their parents on the farm or in the home, just like children in Australia doing chores after school or on weekends. However, as a result of extreme poverty, children often have to work long and physically demanding days harvesting cocoa to support their families, at the expense of their education and long-term development. Children may also be exposed to dangerous chemicals and equipment, or work in an environment that is damaging to their health. This work can be detrimental to both their physical and mental development.

Child trafficking

Many children from neighbouring countries are trafficked into cocoa growing areas and forced to harvest the crop¹³. Many people profit from this, including brokers who may arrange for the children to leave their home communities, with promises of an education or better working opportunities; farm and business owners who profit from the cheap labour; international companies who profit from cheap cocoa in their products and customers around the world who buy them. Children are forced to work long days in dangerous conditions for little or no pay. There are also reports of children working 80-100 hours a week – more than double the standard Australian work week – while battling poverty, malnutrition and backbreaking work¹⁴.

WHERE HAS YOUR COCOA BEEN?

Cocoa farms:

Cocoa farmers grow cocoa. Forced, child and trafficked labour is commonly reported to be used at this stage of the process.



Cocoa buyers:

Dealers or “middlemen” buy cocoa from farmers for a low price and sell to processors and exporters.

Exporters:

Buy cocoa beans from a network of local buyers and sell to processors.

Manufacturers:

Manufacture and package cocoa products and send finished product to distributors.

Processors:

Turn the raw product into different cocoa products – such as cocoa butter, cocoa powder and refined chocolate – which is then sold on to different companies.



Retailers:

Sell cocoa products to the public.



The cocoa supply chain can differ from company to company. In some cases companies have oversight over the whole process. Other companies outsource these different stages to external partners.

WHAT IS BEING DONE?

In 2001, the global cocoa industry acknowledged the use of forced and child labour and made a commitment to eliminate the practice. While some companies have made steps towards addressing the issue, labour exploitation still exists in the industry and companies are a long way from eliminating the practice.

The fair trade movement

“Fair trade” is a market-based approach to trade and economic development that aims to give producers (especially in developing countries) a fair wage, improve their trading capacity and promote sustainability.

This system has been increasingly adopted in the cocoa industry to overcome its negative social and environmental impacts. Ethical certification schemes such as Fairtrade International, Rainforest Alliance and UTZ Certified help ensure a better deal for farmers and better conditions for workers through minimum labour, pricing and production standards. When a company sources from certified farms and maintains the appropriate environmental, social and economic standards, it may display the ethical certification logo on the package of the cocoa product.

Global non-government organisations (NGOs) have also implemented numerous projects to help prevent the use of forced, child or trafficked labour in the cocoa industry, including supporting farming communities to work with the ethical certification schemes.

As a result of consumer demand, there is an increasing presence of ethically certified goods in Australia. However, this is still limited to only a handful of chocolate bars from leading chocolate companies which are made from ethical cocoa. Around 95 percent of global cocoa supplies still remain uncertified against the use of forced, child and trafficked labour¹⁵.

The global chocolate industry

A number of initiatives have been established by the cocoa industry to improve conditions in cocoa harvesting communities and to help eradicate the worst forms of child labour. Australia’s leading chocolate companies Nestle, Cadbury, Mars, Ferrero and Lindt & Sprüngli have all started to implement various schemes¹⁶. For some companies this includes commitments to using certified

Other cocoa products

Big chocolate companies are the largest users of cocoa and have been the focus of most calls to eradicate forced and child labour in the industry, but they are not the only ones with a responsibility to address this problem. Other companies using cocoa in their products must also make firm commitments to tracing and transparently reporting on their supply chains and ensuring the cocoa they use is not tainted by forced and child labour. This includes companies who use cocoa butter in products such as cosmetics, lotions and shampoos.

Some have responded by introducing products containing ethically certified cocoa or cocoa butter and investing in projects aimed at assisting cocoa producing communities to obtain ethical certification. However, many companies have not and continue to use cocoa which may have been produced using forced or child labour.

ethical cocoa from independent certification schemes¹⁷. However, others have stated that they will work to ensure they source ethical cocoa, without the use of ethical certification schemes^{18 19 20}. This is an acceptable solution, only if they can prove – through independent verification – that their own schemes are meeting those standards of ethical certification schemes.

Many companies also fund community development projects and farmer education on crop sustainability and support industry-wide projects to improve the traceability and monitoring of cocoa harvests. While these are worthy initiatives, there remains a lack of transparency over the efficiency of these schemes to assist the most vulnerable communities and actually eradicate the issue of forced, child and trafficked labour.

In spite of these efforts, the majority of chocolate companies – including the big brand names – are not transparently reporting where they source their cocoa. This means the cocoa used in their products may have been harvested using forced, child or trafficked labour. Chocolate companies must fully report on their cocoa sourcing and have their supply chain independently verified to demonstrate that they are purchasing ethical cocoa and are treating farmers fairly.

Some companies have made commitments to rectify this and World Vision continues to monitor their progress.

For up to date information about the different chocolate companies’ progress, see our Chocolate Scorecard at donttradelives.com.au

WHAT CAN YOU DO?

You can play a critical role in combating forced, child and trafficked labour by using your voice and purchasing power to demand cocoa products are made ethically.

Write to the chocolate companies

Chocolate companies need consumers to keep buying their products! Get in touch with the companies who make the chocolate you love and ask them what they are doing to eradicate forced, child and trafficked labour from their supply chain. Ask them to:

- make a timetabled commitment towards 100 percent sourcing of ethically certified cocoa that is independently verified to have been made without the use of forced, child and trafficked labour;
- transparently report on their progress in meeting these targets (where a timetabled commitment exists);
- transparently report on their investment in and progress of initiatives to directly address forced and child labour; and
- increase the supply of ethical cocoa.

For more information visit
donttradelives.com.au

Purchase with pride

Buy more ethical chocolate products. Use World Vision's Good Chocolate Guide²¹ and the Ethical Guide to Supermarket Shopping to help you decide which brands to buy. Tell others about buying ethical products via Fairly Local²². This site lets you find ethical products near you and add products that you find, so everyone in your neighbourhood can enjoy them.



Young people from the Holy Trinity Anglican Church encouraged members of their community to buy more ethical chocolate and sign petitions asking chocolate companies to clean up their supply chains.

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