

“2018 COCOA BAROMETER” REPORT PAINTS DARK CHOCOLATE PICTURE: AS PRICES FALL, WOES RISE FOR FARMERS, CHILDREN, FORESTS

Not Sustainable: With Environmentally Damaging Overproduction and Insensitive Approach by Producers, Cocoa Sector Efforts Fall Far Short of Addressing Poverty, Deforestation, and Child Labour.

Berlin, April 19th, 2018

Cocoa growing communities, particularly in West Africa, are facing poverty, child labour and deforestation that have been made worse by a rapid fall in prices for cocoa. Widely touted efforts in the cocoa industry to improve the lives of farmers, communities and the environment made in the past decade are having little impact. In fact, the modest scope of the proposed solutions does not even come close to addressing the scale of the problem. These are core conclusions of the 2018 Cocoa Barometer, a biennial review of the state of sustainability in the cocoa sector.

Smallholder cocoa farmers in Cote d'Ivoire – the world's biggest cocoa producer, who are already struggling with poverty, have seen their income from cocoa decline by as much as 36% over one year. That fact reflects the world market price for cocoa, which saw a steep decline between September 2016 and February 2017. Farmers bear the risks of a volatile price; and there is no concerted effort by industry or governments to alleviate even a part of the burden of this income shock.

This price collapse was caused by overproduction of cocoa in the past years, at the direct expense of native forests. This can be equally attributed to corporate disinterest in the human and environmental effects of the supply of cheap cocoa, and to an almost completely absent government enforcement of environmentally protected areas.

In addition to often wrenching poverty for cocoa farmers, there is a host of other problems:

- An average cocoa farmer in Côte d'Ivoire earns only a third of what he or she should to earn a living income.
- More than ninety per cent of West Africa's original forests are gone.
- Child labour remains at very high levels in the cocoa sector, with an estimated 2.1 million children working in cocoa fields in the Ivory Coast and Ghana alone. Child labour is due to a combination of root causes, including structural poverty, increased cocoa production, and a lack of schools and other infrastructure. Not a single company or government is anywhere near reaching their commitments of a 70% reduction of child labour by 2020.
- A “broken” market in which farmers have no real influence. While many of the current programs in cocoa focus on technical solutions around improving farming practices, the underlying problems at the root of the issues deal with power and political economy, such as how the market defines price, the lack of bargaining power farmers, market concentration of multinationals, and a lack of transparency and accountability of both governments and companies.

“As long as poverty, child labour and deforestation are rife in the cocoa sector, chocolate remains a guilty pleasure,” said Antonie Fountain, co-author of the Barometer. “Current approaches will not solve the problem at scale. Companies and governments need to acknowledge the urgency, and make a change. Efforts that cover less than 50% cannot be called ‘solutions’.”

Recommendations for action in the report include the following:

- Make net income the key metric for all sustainability projects.
- Commit to a sector-wide goal of achieving a living income.
- Commit to a global moratorium on deforestation; focus on agroforestry and reforestation as environmental solutions.
- Move from voluntary to mandatory requirements, on human rights as well as on transparency and accountability.
- Develop sector-wide approaches at scale that address root causes to child labour.
- Increase urgency and ambition to reflect the scale of the problems, and implement changes that also address issues around power and political economy, not just at technical levels.

Available online at www.cocoabarometer.org, the new report - published by a large group of civil society organisations - is being released today as cocoa industry representatives start to gather in Berlin for the fourth World Cocoa Conference, held from April 22-24.

ABOUT THE BAROMETER

The Cocoa Barometer is published biennially by a global consortium of civil society actors; ABVV-FGTB/Horval (Belgium), FNV (Netherlands), Green America (USA), Hivos (Netherlands), Inkota Netzwerk (Germany), International Labor Rights Forum (USA), Mondiaal FNV (Netherlands), Oxfam (USA, Netherlands, Belgium), Public Eye (Switzerland), Solidaridad (Netherlands), Stop The Traffik (Australia/Netherlands), Südwind Institut (Germany), and the VOICE Network (Global).

Editorial, not for publication

The 2018 Cocoa Barometer, an Executive Summary, an FAQ, separate infographics and photographs of cocoa production can be found at www.cocoabarometer.org/press.html. Publication of the 2018 Cocoa Barometer is under embargo until midnight (Central European Time) in the night of Wed 18 till Thu 19 April.

Media contact

Antonie Fountain

antonie@voicenetwork.eu

Mob: (+31) 06 242 765 17