

COVID-19 response for Cocoa Farmers

April 7th, 2020

The VOICE Network¹ and its members is deeply concerned about the effects of COVID-19 on cocoa farming households, a group already in a vulnerable position.

Health and wellbeing

Our immediate concern is for the health and wellbeing of members of cocoa farming households – a demographic with a high rate of pre-existing health conditions as a result of extreme poverty, lack of adequate nutrition (volume/variety) (1), as well as insufficient access to the most basic healthcare (2). On top of existing chronic illness (3) (4), COVID-19 adds an unquantifiable and very dangerous double-burden. Combined with lack of access to healthcare, let alone pandemic healthcare (5), this can lead to disastrous health impacts in cocoa growing communities.

Direct economic impact

We are equally concerned about the direct economic impact this global crisis will have on families, who live already well below a living income. A decline in cocoa prices coupled with a lack of access to market, plus a decline in possibilities to harvest due to illness could lead to a major reduction of cocoa household incomes.

Cocoa and chocolate industry must respond

This is a Call to Action to the cocoa and chocolate industry to do everything within their means to help protect their cocoa farmers. As COVID-19 is global, and so is the chocolate industry, now is the time to demonstrate the benefits of an interdependent globalized network (6). We offer four key considerations from the chocolate and cocoa industry which play into their role and responsibility, and mirrors responses we see in their employee care in consuming countries:

1. Cease all non-essential farm visits

- Cease all non-essential visits to cocoa farming communities, including farmer trainings, audits, etc to protect farmers in their own village-context.
- Limit large gatherings and where possible in context of social/cultural norms and living conditions support social distancing and support families and social ties to isolate together.

2. Support communications to farmers

- Use company communication (outbound SMS, Facebook updates, flyer distribution, network for cooperatives and traders) to reinforce key health messages from the national ministries – symptom recognition, hygiene reasoning, isolation, reporting. Due to high illiteracy rates among farmers and lack of internet in rural communities, many different ways to communicate are necessary, including eg. through radio messaging, using company pick-up vehicles etc...
 - Good examples include Cargill's digital services #FarmForce or Sucden's direct phone calls to cooperative managers, and República del Cacao's work in Ecuador
- Contribute to sharing accurate information and help debunk myths. Reinforce local health ministry contact and help share phone number, app, website, statements (as opposed to updates and anecdotes from well-meaning online unverified sources).
 - For example, by referring to Côte d'Ivoire's 143 corona hotline (or 1366 SMS), and Ghana's 112 emergency hotline. Other good examples are Maya Mountain Cacao and Öko Caribe who placed direct calls when local information was not yet clear.

¹ The VOICE Network is an association of NGOs and trade unions, functioning as a watchdog and catalyst for a reformed cocoa sector. Its members are <u>ABVV/FGTB-Horval</u>, <u>Be Slavery Free (formerly Stop The Traffik)</u>, <u>EFFAT</u> (observer), <u>FERN</u>, <u>FNV</u>, <u>Green America</u>, <u>Inkota Netzwerk</u>, <u>International Labor Rights</u>
<u>Forum</u>, <u>Mighty Earth</u>, <u>Oxfam America</u>, <u>Oxfam Wereldwinkels</u>, <u>Public Eye</u> (observer), <u>Rikolto</u>, <u>Solidaridad</u>, and <u>Südwind Institut</u>.



3. Use existing supply chain mechanisms for provisioning in farming communities (in line with COVID-19 national response plans)

- Using existing supply chain mechanisms such as cocoa exchanges/bag pick-ups to be part of healthcare; supply a healthcare worker / village representative to do symptom checking of the farmers and reinforce key messages around symptom recognition, hygiene reasoning, isolation, reporting and national contact help information.
- Using existing supply chain connections to distribute soap and water for hygiene, healthcare supplies, print & distribution of government information, etc.
- Make an inventory of your in-country infrastructure that could be used for emergency health care. For example, using training locations for COVID-19 testing or health care visits, or providing makeshift medical care centres for village health volunteers. Use your transport to contribute to hygiene, goods and information delivery or even act as 'mobile hygiene stations' to communities.

4. Emergency relief fund

This global crisis will also require financial support. We call on the sector to set up an emergency fund with two purposes: to a) mobilise existing resources to address health issues of farmers during COVID-19, and b) temporarily support cocoa farmers' income with a basic common income for at least April/May/June 2020.² This will encourage farmers to stay home to focus on family safety and childcare and work on own farm focusing on farm maintenance, plant productivity.

This fund needs to be commensurate to the size of the cocoa sector and the size of the challenge. First industry communications of such a fund suggest that it might amount to just several hundred thousand dollars. However, the economic impact to cocoa farmers will be in the hundreds of millions of dollars, perhaps even billions.³ To provide perspective: during the 2016 price crash, the cocoa and chocolate industry made strong profits while farmers and producing governments lost perhaps four to five billion dollars. Cocoa and chocolate companies did virtually nothing to support their farmers. This cannot happen again.⁴

Role of women

It is essential to ensure that specific attention is channelled towards women, children, and persons with disabilities. If emergency measures are not tailored to also benefit women and children, most will only reach the males in a community, and will not benefit full households. Additionally, women are more likely to carry extra burdens during this crisis, and there is a danger of increased domestic abuse. As such, income and healthcare interventions must therefore specifically target those who are most vulnerable and need it most to ensure inclusive impact.

Role of producing governments

We strongly support this call by around four hundred civil society organisations in Ghana, putting forward a set of clear recommendations calling on their government to respond adequately and transparently, working together with local civil society to protect the poor and the weak in this crisis. We believe these principles would also be good to be implemented in other cocoa producing countries.

This paper was written by Alyssa Jade McDonald-Baertl, Antonie C. Fountain – VOICE Network, and Friedel Huetz-Adams – Südwind Institut. It is a Call to Action with a first list of suggested interventions for chocolate and cocoa companies to contribute to addressing the most pressing and urgent needs for the producers of their cocoa in this global crisis. We understand that not all these interventions will always be possible but challenge large multinationals to bear their share of this burden, as farmers will be heavily hit, and have no reserves to speak of. We will be updating this document regularly.

² Living income methods and costs are calculated already: Côte d'Ivoire \$454 USD (7) and Ghana \$329 USD (8).

³ Other rumours are reaching us that chocolate companies are looking to use the lower cocoa prices to compensate their losses elsewhere in their enterprises. Farmers – already structurally impoverished – cannot be used as shock-buffers for the financial resilience of multinational corporations.

⁴ This is explained in more detail in the 2018 Cocoa Barometer (p11, p31) and was also highlighted during the opening sessions of the 2018 Berlin World Cocoa Conference, including by the Executive Director of the ICCO.



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