

FORCED LABOR AND CHILD LABOR  
IN GHANA'S COCOA SECTOR



**Free the Slaves (FTS)** was founded in 2000 and has since committed to the mission of ending modern slavery. Today, FTS is widely recognized as a leader and a pioneer in the modern abolitionist movement. Through its work, FTS has assisted individuals in slavery to regain their freedom, has helped officials to bring slaveholders to justice, and has supported survivors to rebuild their lives and reclaim their future. To advance its mission further, FTS has developed a multi-dimensional strategy: policy and advocacy, to advocate for the reform of laws and regulations; engagement of local communities, to provide training and resources to vulnerable communities; movement building, to encourage knowledge-sharing and collective action; continuous learning, to produce research that enhances understanding and guides responses.

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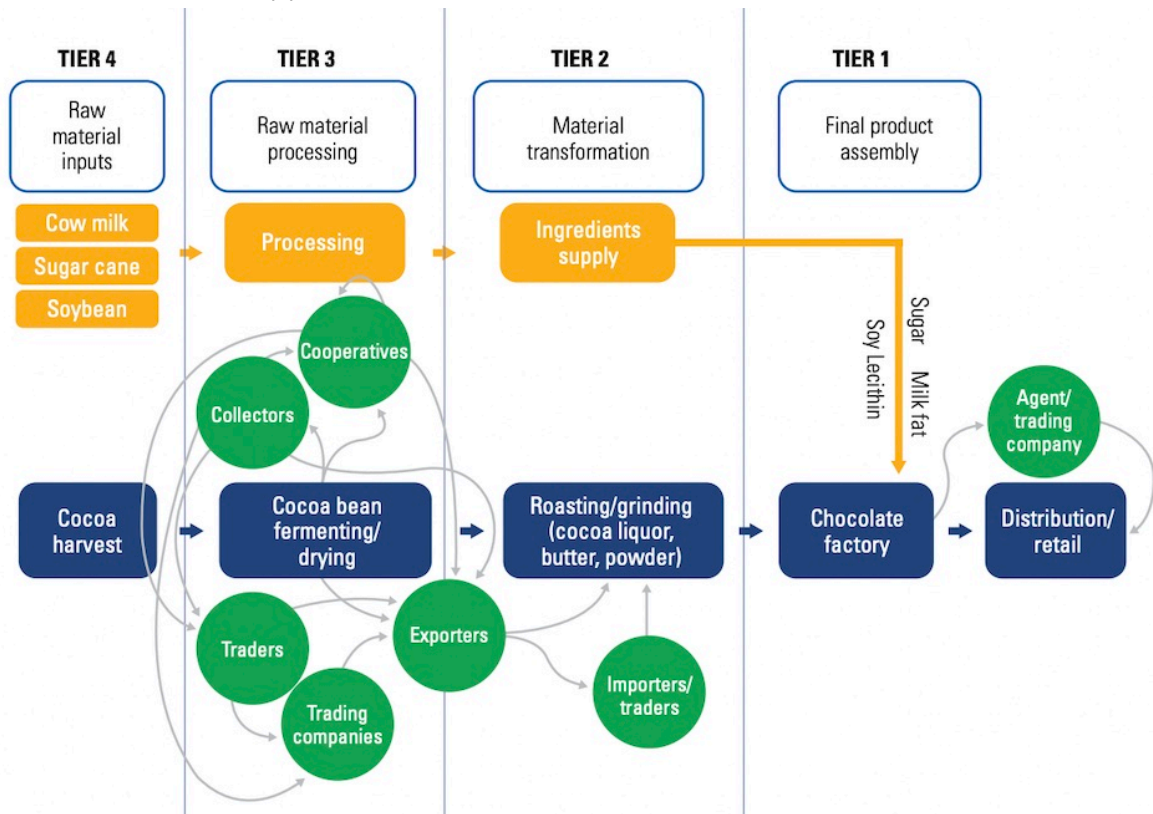
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# Introduction: forced labor and child labor in cocoa production

Chocolate, one of the most popular products worldwide, comes from a long and labor-intensive process.

First, cocoa farmers must clear the land, plant seedlings, weed their plantations, prune trees, and apply pesticides and fertilizers. Once cocoa pods grow, farmers must harvest them by hand, using machetes or hooks. They then open the pods, so that the beans inside can be removed. They let the beans ferment for several days and later spread them to dry in the sun. After storing the beans in sacks, farmers can sell their cocoa down the supply chain, where it goes through collectors, transporters, traders, grinders, manufacturers, and retailers. Finally, it reaches consumers, pleasing them with a great variety of flavors and aromas.

Figure 1. The cocoa supply chain <sup>1</sup>



Legend



the different entities involved at different stages



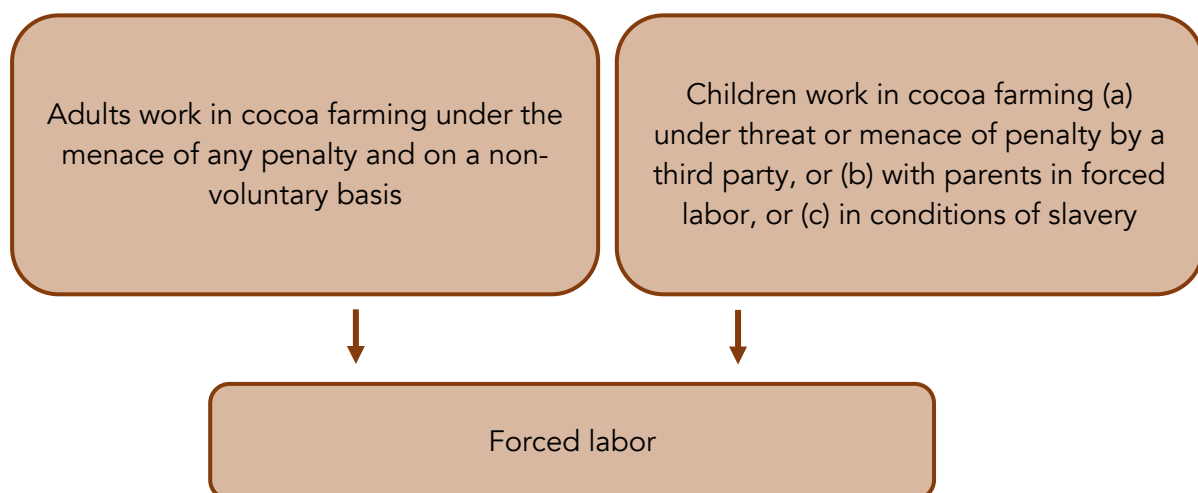
additional raw materials that will feed into the chocolate production

<sup>1</sup> UNICEF, Mapping Child Labor Risks in Global Supply Chains (Geneve: UNICEF, 2020).

However, the sweet taste and the pleasant smell of chocolate hide a bitter reality. In fact, the production of cocoa beans is particularly vulnerable to the exploitation of adults and children into human trafficking, forced labour, and child labor.

According to the International Labor Organization (ILO) Convention No.29, forced labour is “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”. The menace of any penalty refers to the means of coercion used to impose work on someone. This may take place during the recruitment process to force someone to accept the job. It may also take place once the person is working to force him or her to do tasks that were not agreed upon or to prevent him or her from leaving. Involuntary work refers to work or services that take place without the worker’s free and informed consent.<sup>2</sup>

Figure 2. Forced labor in cocoa production



Child labor, for its part, is referred to by the ILO as work that is mentally, physically, socially, or morally dangerous and harmful and/or interferes with the children’s schooling. Permitted light work is up to 1 hour per week for children aged 5-11, 14 hours per week for children aged 12-14, and 43 hours per week for children aged 15-17.

Within child labor, the worst forms of child labor (WFCL) are defined in ILO Convention No.182 as all forms of slavery or practices similar to slavery, such as “the sale and trafficking of children, debt bondage, and serfdom; the use, procuring, or offering of a child for prostitution or pornography; the use, procuring, or offering of a child for illicit activities, in particular for the production and trafficking of drugs; and work that, by its nature or

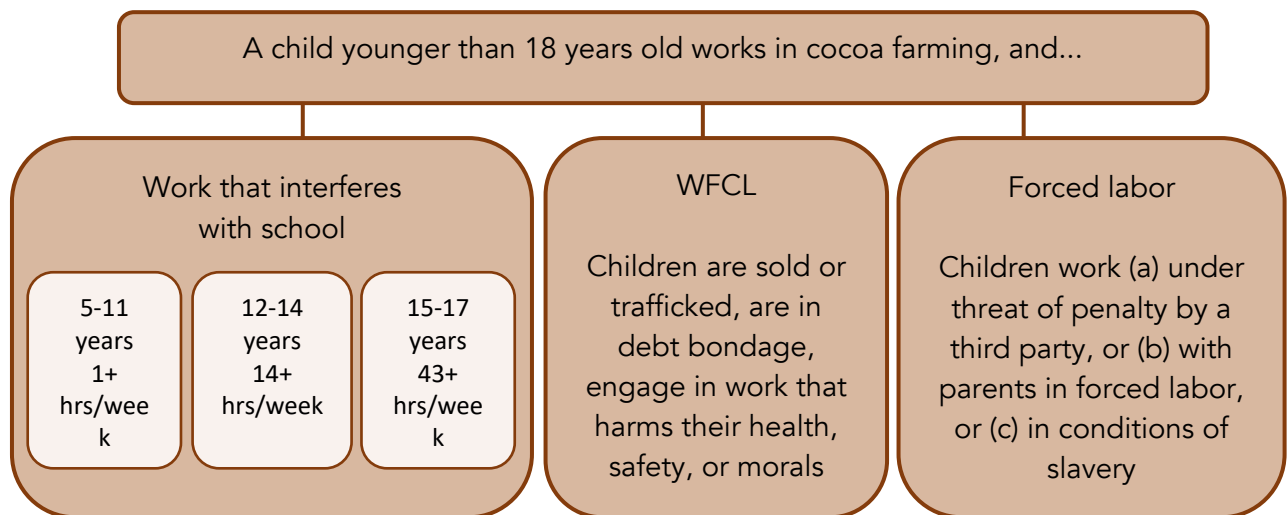
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<sup>2</sup> ILO Guidelines concerning the measurement of forced labor, Geneva October 2018.

circumstances, is likely to harm the health, safety, or morals of the child, which is known as hazardous child labor.”

In the case of children, forced labor is work performed by a child for a third party, for the child’s parents, or with the child’s parents under a threat of penalty applied by a third party either on the child directly or on the child’s parents. It is also work performed alongside the child’ parents when one or both parents are themselves in forced labor. Finally, forced child labor is work performed in any one of the following worst forms of child labor: forms of slavery or practices similar to slavery; the use, procuring, or offering of a child for prostitution, the production of pornography, or pornographic performances; the use, procuring, or offering of a child for illicit activities.<sup>3</sup>

Figure 3. Child labor in cocoa production



While the past two decades have witnessed many promises to address forced labor and child labor in the cocoa industry, exploitation in cocoa farms continue to be widespread, representing a major source of concern when interrogating our capacity to meet SDG 8 and Target 8.7 by 2030. Oblivious to human rights, in fact, major cocoa companies continue to engage in exploitative practices and to unilaterally reap the benefits of an ever-expanding chocolate industry.

It is thus unsurprising that cocoa was listed in the latest 2023 Global Slavery Index as one of the products imported by G20 countries that is most at risk of modern slavery.<sup>4</sup> Also, in the 2022 List of Goods Produced by Child Labor or Forced Labor released by the US Department

<sup>3</sup> ILO, Walk Free, IOM, *Global Estimates of Modern Slavery: Forced Labor and Forced Marriage* (Geneva: September 2022), p.14.

<sup>4</sup> Walk Free, *Global Slavery Index*, 2023.



of Labor, cocoa was listed as one of the goods produced by child labor and forced labor as well as one of the goods “with the most child labor listings by number of countries”.<sup>5</sup>

Significantly, the reported risk of forced labor and child labor in cocoa is especially high in sub-Saharan Africa, which produces 70% of the world’s cocoa.<sup>6</sup>

## Forced labor and child labor in the cocoa sector in Ghana

The cocoa tree is indigenous to South America. From there, it was introduced by European colonial powers to the rest of the world. In 1855, Portugal brought cocoa to the West African island of São Tomé, where the tropical climate seemed optimal for cocoa cultivation. From the island, cocoa production rapidly spread to the mainland, in today’s Cameroon, Côte d’Ivoire, Nigeria, and Ghana.

In Ghana, the first successful introduction of cocoa is attributed to a Ghanaian, Tetteh Quarshie, who brought pods back from Fernando P in 1876.<sup>7</sup> The first farms were in the Eastern Province, with initial expansion into the Ashanti region. From the late 1930s, when swollen shoot virus and ageing trees began to be a problem in older areas, the cocoa frontier moved westwards, following timber prospectors, into Brong-Ahafo, Central and Western regions.<sup>8</sup>

## An overview of cocoa production in Ghana

Today, Ghana is the world’s second largest producer of cocoa, supplying about 20% of the world’s cocoa. In 2021-2022, Ghana produced 683,000 tonnes of cocoa, and cocoa accounts for 15% of the country’s GDP.<sup>9</sup>

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<sup>5</sup> US Department of Labor, 2022 List of Goods Produced by Child Labor or Forced Labor.

<sup>6</sup> OECD, *Business Handbook on Due Diligence in the Cocoa Sector*, April 2023.

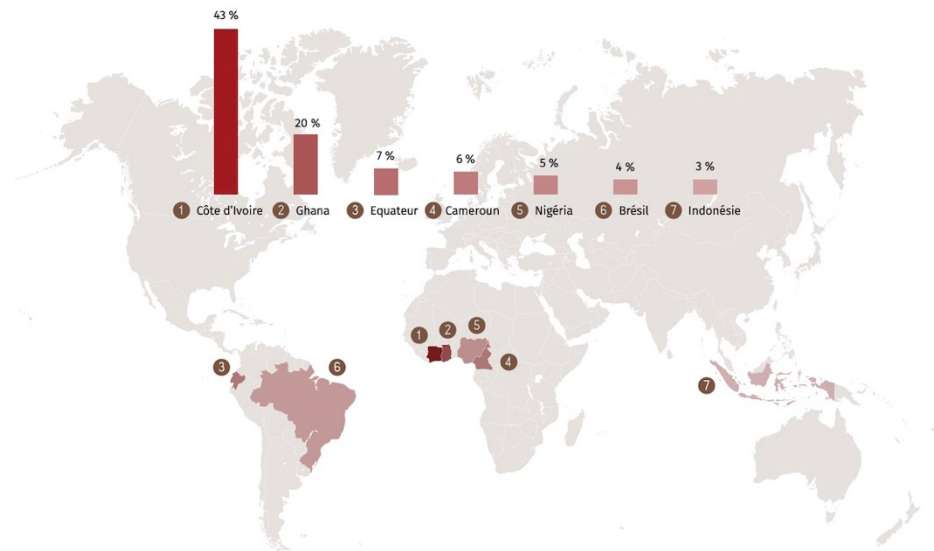
<sup>7</sup> Anti-Slavery International, *The Cocoa Industry in West Africa: A History of Exploitation*, 2004.

<sup>8</sup> Ibid.

<sup>9</sup> UNDP, Country Factsheet, Ghana Cocoa,

<https://www.undp.org/sites/g/files/zskgke326/files/migration/gcp/GHANA-COCOA.pdf>.

Figure 4. Production of cocoa by country <sup>10</sup>



Currently, cocoa in Ghana is grown in six regions - Western, Brong Ahahfo, Ashanti, Central, Eastern and Volta.<sup>11</sup> Specifically, the Western region along the coast and towards the border with Cote d'Ivoire produces the largest volume of cocoa per year. The Ashanti region is second and Brong Ahafo is third.<sup>12</sup>

However, Ghana's production is starting to decline. In 2022-2023, production declined by 29,000 tonnes with respect to the previous year, and it is estimated that in 2023-2024 it will decline by another 74,000 tonnes.<sup>13</sup>

Artisanal and small-scale gold mining (ASM) – known in Ghana as galamsey - has become a major problem in cocoa growing areas in Ghana. Rising gold prices and the struggle to earn a living from agriculture have led to explosive growth in the artisanal and small-scale mining sector. It is estimated that up to 2% of cocoa farm land has been lost to galamsey in Ghana since 2013. Farmer poverty and the current cost of living crisis are expected to further drive cocoa farmers to lease or sell their land to ASM gold operators.<sup>14</sup>

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<sup>10</sup> ICCO 2022.

<sup>11</sup> M. Bøås, A. Huser, *Child labor and cocoa production in West Africa: The case of Côte d'Ivoire and Ghana* (Oslo: Fafo, 2006).

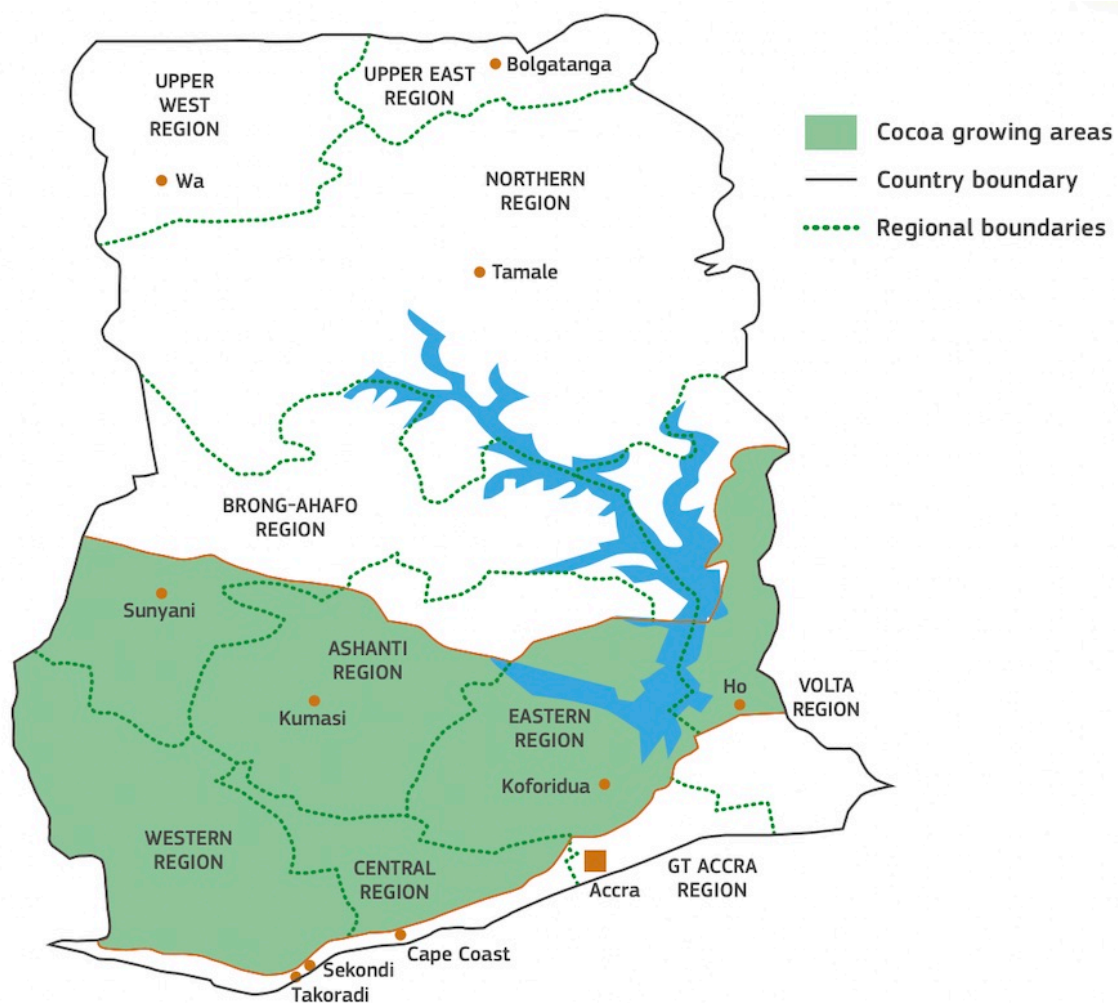
<sup>12</sup> Ibid.

<sup>13</sup> See: [https://www.icco.org/wp-content/uploads/Production\\_QBCS-L-No.-1.pdf](https://www.icco.org/wp-content/uploads/Production_QBCS-L-No.-1.pdf)

<sup>14</sup> Cocoa Barometer 2022.



Figure 5. Cocoa growing areas in Ghana <sup>15</sup>



Interestingly, Ghana's decrease in production occurs while Latin American countries are increasing their production significantly. Ecuador, in fact, might even overtake Ghana as the world's second largest cocoa producer within the next ten to fifteen years. <sup>16</sup>

As in other West African countries, cocoa in Ghana is produced on small family-run farms. <sup>17</sup> The average size of a farm is 5 hectares. In an environment dominated by poverty, informality, state neglect, and harmful cultural practices, cocoa production on those small farms is often associated with multiple forms of labor exploitation for the adults and children involved. According to the US Department of Labor, in fact, cocoa from West Africa is one of the goods at risk of being produced by child labor and forced labor. <sup>18</sup>

<sup>15</sup> European Commission, *Ending Child Labor*, 2020.

<sup>16</sup> *Ibid.*

<sup>17</sup> Fair Labor Association, *Mapping Working Conditions and Child Labor Risks*.




<sup>18</sup> US Department of Labor, 2022 List of Goods Produced by Child Labor or Forced Labor.

## Cocoa production and slavery

The development of cocoa in West Africa has been linked to slavery and forced labor since the late 19<sup>th</sup> century. Slaves were transported from Angola to the islands of São Tome and Principe to work on the new cocoa estates, and reports of forced labor there continued until the 1950s. In 1955, a prominent observer wrote that “some unlucky Africans [...] are deported to São Tomé and Príncipe [...]. Here they do forced, or directed, labor on the cocoa fields in circumstances barely distinguishable from slavery.”<sup>19</sup>

Regrettably, the practices of labor exploitation that have historically characterized cocoa production in the country continue to be observed to this date.

Figure 6. Risks associated with cocoa production

	<b>Deforestation and environmental degradation</b>
	<b>Forced labor</b>
	<b>Child labor</b>

## Adult forced labor and labor exploitation

According to a recent survey, 1,110,000 adults work in cocoa agriculture in the medium and high cocoa-growing areas of Ghana. Of those, approximately 3,700 were victims of forced labor in cocoa agriculture between 2013 and 2017. This corresponds to an estimated 3.3 victims of forced labour in cocoa agriculture per 1,000 cocoa workers.<sup>20</sup> Besides forced labor, situations of labor exploitation are also reported on Ghana’s cocoa farms, where the situation of most workers seems to be precarious and exploitative.

<sup>19</sup> Anti-Slavery International, *The Cocoa Industry in West Africa*.

<sup>20</sup> Tulane University, Walk Free, Chocolonely, *Bitter Sweets: Prevalence of Forced Labor and Child Labor in the Cocoa Sectors of Côte d’Ivoire and Ghana*, 2018.

A large proportion of the employees work without employment contracts and only temporarily. A comparison with the living wage for the banana sector in Ghana shows that most workers in Ghana on cocoa plantations earn much less than a living income.<sup>21</sup> Most of the farmers, in fact, cannot meet higher wage demands because they earn very little themselves.<sup>22</sup> There are also reports of bonded labour, i.e. of people having to work off debts on the plantations and therefore not allowed to leave until they have repaid their debt.<sup>23</sup>

These forms of exploitation are especially found to affect migrants, who have historically played a central role in the development of the cocoa industry. It is estimated that about 30% of cocoa growers in Ghana are migrants, mainly from Mali and Burkina Faso.<sup>24</sup> Beyond migrants, local wage laborers hired by cocoa farmers to deal with more intense periods of work on the farms are also exposed to the risk of exploitation.<sup>25</sup> A third group that has typically gone unseen in reports on forced labor and labor exploitation is that of tenants (see Box 1). Finally, a sub-category of hired labor that is especially prone to labor exploitation (beyond migrants) is that of women. The income of female day labourers in cocoa farming, in fact, is significantly lower than that of men.<sup>26</sup> As in many other sectors, women's role is often not recognised or remunerated accordingly.

### Box 1. Tenant systems in Ghana

**Abunu** - In the Abunu lease system, farmers are given permission by landowners who do not use their land themselves, or use it only partially, to convert it into a cocoa plantation. In return for their work, which takes them an average of four to ten years, they are allowed to continue farming half of the land. The other half of the plantation goes back to the landowners.

**Abusa** - In the Abusa lease system, farmers lease land from owners who cannot or do not want to manage the work on the plantation themselves. In return, they usually have to give up half, sometimes even two thirds of their yield, which fluctuates depending on the course of the harvest, to the owners.

There is currently no reliable data on what percentage of households work in Abunu or Abusa. Studies show that in some regions around a quarter, and even a third, of the plantations are managed by tenants.

Currently, the systems in Ghana do not consider whether the rent offers enough money to enable a decent livelihood.

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<sup>21</sup> Cocoa Barometer 2020; Cocoa Barometer 2022.

<sup>22</sup> Ibid.

<sup>23</sup> Cocoa Barometer 2020.

<sup>24</sup> Anti-Slavery International, *The Cocoa Industry in West Africa*.

<sup>25</sup> Cocoa Barometer 2022.

<sup>26</sup> Cocoa Barometer 2022.

## Child forced labor

In Cote d'Ivoire, child trafficking is the most common pattern by which children find themselves in this situation of forced labor. Conversely, in Ghana child trafficking in the cocoa industry is less of a feature. The 2020 Trafficking in Persons Report for Ghana, published by the Human Trafficking Secretariat at the Ministry of Gender, Children and Social Protection, indicates that the dangers of child trafficking in the country relate to farming and fishing, mostly in the Volta Lake region, and not cocoa farming.<sup>27</sup>

However, the report confirms that there is seasonal internal trafficking of children to work in the agricultural sector. This information corroborates ENACT's findings in the field, where farmers and associations confirmed that children from other parts of the country periodically work on cocoa farms in conditions of forced labor.<sup>28</sup>

A recent survey revealed that 14,000 children are in forced labor situations on Ghana's cocoa farms. Specifically, the survey suggested that there are 20 children forced to work by someone other than a parent per 1,000 children working in cocoa agriculture in medium and high cocoa producing areas of Ghana between 2013 and 2017.<sup>29</sup> In the same areas, an estimated 1.5 children were victims of child forced labour at the hands of someone outside the family for every 1,000 children working in cocoa agriculture.

For instance, on a Ghanaian cocoa farm, a niece of the farmer said she thought she was going to her uncle's farm to help with childcare but claims she was being forced to work long hours on the farm and not allowed to go to school. When asked why she did not speak out, she said that she was "afraid".<sup>30</sup>

## Child labor

Much more ubiquitous than forced labor is child labor within a child own's family.<sup>31</sup> As has been noted, "though the most sensational stories about child labor [in the cocoa sector] over the years have focused on boys and girls who've been held against their will and abused, the

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<sup>27</sup> A. Ngari, D.E. Omondi Gumba, "Are children paying the price for cocoa in Cote d'Ivoire and Ghana?", ENACT, 2022.

<sup>28</sup> Ibid.

<sup>29</sup> Tulane University, Walk Free, Chocology, *Bitter Sweets*.

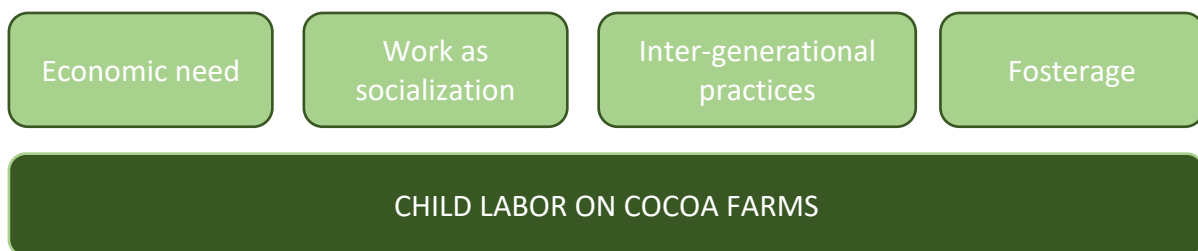
<sup>30</sup> J. Ungood-Thomas, "Cadbury faces fresh accusations of child labor on cocoa farms in Ghana", *The Guardian*, April 3, 2022, <https://www.theguardian.com/law/2022/apr/03/cadbury-faces-fresh-accusations-of-child-labour-on-cocoa-farms-in-ghana>.

<sup>31</sup> ILO, "The challenge to make chocolate child labor free", *YouTube*, April 2008, <https://www.youtube.com/watch?v=FRG6NMVKHDS>.

more common story is [...] that of [...] hundreds of thousands of children [who] are used as free labor by their own families and often asked to take on dangerous tasks like harvesting with machetes or hauling 100-pound bags of beans.”<sup>32</sup>

To understand child labor within a child’s own family, it is useful to consider the prevalent structure of production in sub-Saharan Africa. In fact, as most sub-Saharan African countries are dominated by a rural economy based on familial agriculture where production is largely constructed on household performance, the labor of children is regarded as necessary to a household’s economic survival.<sup>33</sup> As many farmers cannot afford to hire external help on the farm, so they often rely on their children for help, especially during the harvest season.<sup>34</sup> Besides this, in West African countries, child labor is considered positively, as a fundamental and necessary element of a child’s socialization, whereby children learn to live as members of a certain societal group.<sup>35</sup>

Figure 7. Drivers of child labor on cocoa farms



In other words, children’s participation in cocoa production is most often necessary for the economic welfare of the household. However, cocoa farmers also believe that farming on cocoa plantation is an important part of the children’s upbringing. For these reasons cocoa farmers start to take their children to the cocoa farm at a very young age. For the farmer, this is an important part of the children’s socialization process, and they hope that thanks to this early exposure to the farming reality one day their children will be willing and capable to take over the farm.<sup>36</sup> Thus, the practice of children working on family-owned cocoa farms is often a natural way of life for parents, who having worked on their own families’ farms when growing up, do not always realize that child labor puts their children’s development at risk.

<sup>32</sup> B. O’Keefe, “Bitter Sweets: A special on-the-ground report from West Africa”, *Fortune*, March 1, 2016, <https://fortune.com/longform/big-chocolate-child-labor/>.

<sup>33</sup> J. Andvig, S. Canagarajah, A. Kielland, “Issues in Child Labor in Africa, Africa Region Human Development”, The World Bank, Working Paper No. 26701, 2001.

<sup>34</sup> Mondelez International, Addressing child labor in the cocoa supply chain, June 2020.

<sup>35</sup> A. Babo, “Child labor in cocoa-growing communities in Cote d’Ivoire”; A. Kielland, M. Tovo, “Children At Work: Child Labor Practices In Africa”, 58-61 (2006).

<sup>36</sup> Bøås, Huser, *Child labor and cocoa production in West Africa*.

The father of a child working on cocoa farms reported that he put his child to work to prepare him to the challenges of life.<sup>37</sup> Another said that he put his children to work because he has no money to pay for hired labor and because, in any case, there are no schools nearby where the children could go.<sup>38</sup>

Fosterage is also a common practice in Ghana. Relatives that are well off often host in their house the children of other family members and take care of them. The children, in turn, will help in the house, on the cocoa farm, and in any other economic activity in which the hosting family is engaged.<sup>39</sup>

According to the latest quantitative research by the National Opinion Research Center at the University of Chicago in 2018-2019, in Ghana, 60% of children in agricultural households work in cocoa production. Among the children in agricultural households who work in cocoa production, 55% (i.e., 765,754 children) engage in child labor, which represents an increase by 11 percentage points over the last decade.<sup>40</sup> The proportion of children engaged in hazardous work in cocoa production also increased by 8 percentage points, with 51% of children (i.e., 713,419 children) from agricultural households engaged in hazardous work in cocoa production.<sup>41</sup>

Of the children engaged in cocoa farming in Ghana, 33% of children aged 5-11 work more than 1 hour per week, 9% of children aged 12-14 work more than 14 hours per week, 2% of children aged 15-17 work more than 43 hours per week. In total, 22% of children aged 5-17 work more than allowable hours per week.<sup>42</sup>

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<sup>37</sup> Al-Jazeera, "Why is the cocoa industry still using child workers in Ghana?", YouTube, January 5, 2023, <https://www.youtube.com/watch?v=DyZnkXQUL6M>.

<sup>38</sup> Ibid.

<sup>39</sup> Bøås, Huser, *Child labor and cocoa production in West Africa*.





<sup>40</sup> NORC, *Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana*, 2020.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.



Figure 8. Hazards faced by children on the cocoa farms

	<p style="text-align: center;"><b>Land clearing</b> children clear the land by felling and chopping trees or by burning the land</p>
	<p style="text-align: center;"><b>Exposure to agrochemicals</b> children spray insecticides and pesticides and work in farms when pesticides are being sprayed</p>
	<p style="text-align: center;"><b>Use of sharp tools</b> children use machetes and other sharp tools for weeding, harvesting cocoa pods, breaking cocoa pods</p>
	<p style="text-align: center;"><b>Carrying heavy loads</b> children carry wood during land clearing, cocoa pods after harvesting, and dry cocoa beans after fermentation and drying</p>

While not all instances of child work in cocoa production amount to child labor, in most cases they do, since working on cocoa farms harms a child’s health and development, interferes with education, and exposes children to multiple hazards throughout all stages of the cocoa production process.<sup>43</sup>

Table 1. Tasks of children in cocoa production<sup>44</sup>

Percentage of children in agricultural households who:	Ghana	
	2008-2009	2018-2019
Clear the land	7%	14% (192,735)
Carry heavy loads	32%	32% (449,513)
Handle agrochemicals	7%	32% (445,425)
Use sharp tools	39%	43% (597,628)
Work at night	0%	3% (38,243)

<sup>43</sup> International Cocoa Initiative, “Child labor in cocoa”, <https://www.cocoainitiative.org/issues/child-labour-cocoa>.

<sup>44</sup> NORC

Regarding the tasks in which Ghanaian children are engaged, 192,735 clear the land, 449,513 carry heavy loads, 445,425 handle agrochemicals, 597,628 use sharp tools, 5,426 work long hours, and 38,243 are involved in night work.<sup>45</sup> Comparison of the trends in exposure to various types of hazardous activities in cocoa production indicates that agro-chemical use has become a substantial source of exposure to hazardous activities over the past 10 years, while use of sharp tools, exposure to land clearing, and carrying heavy loads remain persistent source of hazardous work in cocoa growing areas of Ghana.

### Box 2. The Ghanaian definition of hazardous child labour

The Ghanaian definition of hazardous child labour consists of ten sub-categories:

- Land clearing, including removing tree stumps, bush burning, clearing of forest and felling trees
- Carrying heavy loads
- Exposure to agrochemicals, including direct use and presence in sprayed farms within less than 12h of spraying
- Use of sharp tools, including breaking cocoa pods with sharp breaking knives and harvesting overhead cocoa pods with sharp tools
- Climbing trees
- Night work
- Working in isolation
- Working without protective clothing
- Working with motorised farm machinery
- Working long hours

As a result, children working in s cocoa production are susceptible to various kinds of injuries, such as wounds/cuts, muscle/back/other pains, and skin itchiness or scratches.<sup>46</sup> The most commonly reported consequences for children working in Ghana's cocoa production are tiredness and very bad pain. In Ghana, 41% of children working in cocoa production felt very tired due to injuries sustained while working in agriculture. Additionally, 42% of Ghanaian children working in cocoa production experienced bad pain as a result of injuries sustained while working in agriculture.

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<sup>45</sup> NORC, *Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana*.

<sup>46</sup> NORC

## Drivers of exploitation in cocoa farms

Within cocoa-growing communities, forced labor and child labor are driven by a series of intersecting factors:<sup>47</sup>

➤ **Poverty within rural cocoa-growing communities.**<sup>48</sup> Currently, almost no cocoa farmer in the main cocoa-producing regions of West Africa earns a living income (i.e., the net annual income required for a household to afford a decent standard of living for all its members, including food, water, housing, education, health care, transport, clothing, and other essential needs).<sup>49</sup> While the global chocolate industry is expected to reach an annual value of \$263 billion by the end of the decade,<sup>50</sup> cocoa farmers often earn below the World Bank's poverty threshold.<sup>51</sup> As a consequence, almost all farmers rely on their family members, including children. The current cost of living crisis – coupled with inflation in Ghana - is making things worse. Although minimum farm gate prices for cocoa were raised, this was nowhere near the levels of inflation. In October 2022, inflation rates in Ghana officially reached 37% when the fixed price for the new season was announced at 21% higher than the year before.<sup>52</sup> Importantly, the poverty to which cocoa-producing communities are exposed is also linked to two main factors:

- **Inequalities in value chain.** The cocoa value chain is one of those characterized by great inequalities, even more so than the coffee value chain. Fluctuating cocoa prices, combined with poor productivity, often mean that farmers struggle to make enough income to cover production costs. At best, farmers will get only a small profit margin. Farmers who do not own their land must even give high proportions of their profits to the land owner, so that little is left to afford basic necessities like food, housing, and healthcare. In remote areas, the purchase price practiced by some buyers who source directly from farmers may be even lower than the international market price.<sup>53</sup>

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<sup>47</sup> Tulane University, *Walk Free, Chocolonely, Bitter Sweets*.

<sup>48</sup> NORC, University of Chicago, *Final Report: Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana*.

<sup>49</sup> Cocoa Barometer 2020.

<sup>50</sup> A. Brudney, R. Taylor, *There Will Be No More Cocoa Here: How Companies Are Extracting the West African Cocoa Sector to Death*, Corporate Accountability Lab, September 2023, p.6.

<sup>51</sup> *Ibid.*

<sup>52</sup> Cocoa Barometer 2022.

<sup>53</sup> Fair Labor Association, *Mapping Working Conditions and Child Labor Risks*.

- **Price fluctuations of cocoa beans.** Cocoa prices are subject to great fluctuation.<sup>54</sup> When cocoa prices are low, farmers often have no savings to rely on, which exposes them to even greater poverty.<sup>55</sup> Because farmers bear the burden of market volatility, whether driven by commodity prices or by changes in demand, they are exposed to economic precarity and indebtedness. The price that the farmers get for the cocoa beans is too low and the price of necessary inputs is too high. For small scale farmers hiring labor, fertilizers, and pesticides is too expensive. Another related problem is that Ghanaian farmers cannot get credit from the banks because agriculture is considered risky. Therefore, they must incur into debts.<sup>56</sup>

Figure 9. Difference between actual and desired farm gate prices<sup>57</sup>



➤ **Limited bargaining power of farmers.** In Ghana, COCOBOD (Cocoa Board) regulates the cocoa industry and dictates which companies can buy cocoa. COCOBOD licenses Licensed Buying Companies (LBC) each year to buy cocoa directly from farmers, so farmers sell directly to LBCs instead of to pisteurs or cooperatives. These LBCs usually hire representatives in villages who compete to buy cocoa from farmers. Companies incentivize farmers to sell cocoa to their LBC representatives by promising them additional income (premium) or other gifts, including t-shirts, pesticide sprayers, or flashlights. In Ghana, farmers generally reported being paid the farmgate price and being paid by the LBC representatives quickly, either at the time of sale or, in a few cases, within about a week. However, farmers in some villages also alleged that LBC representatives cheat farmers out of money by adjusting scales used to weigh bags of cocoa so that the scales register (and the farmers are paid for) a lower weight than

<sup>54</sup> See here: <https://www.foodcircle.com/magazine/cocoa-pricing-commodity-market>.

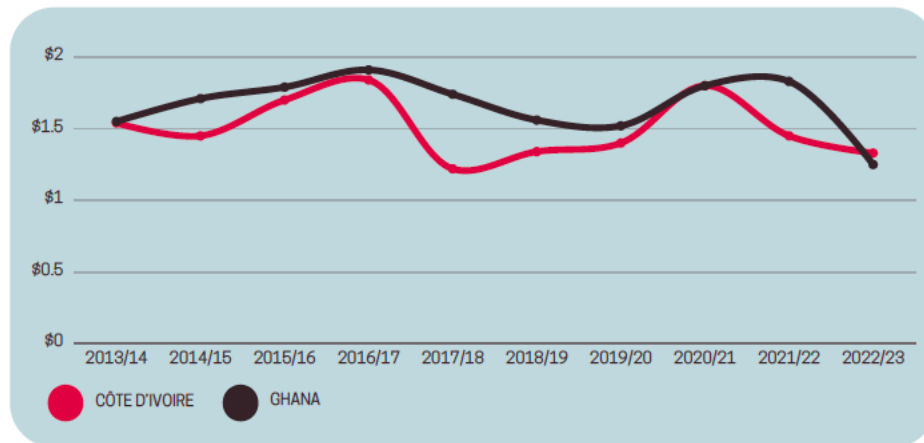
<sup>55</sup> Ibid.

<sup>56</sup> Bøås, Huser, *Child labor and cocoa production in West Africa*.

<sup>57</sup> Cocoa Barometer 2020.

they should be.<sup>58</sup> Also, COCOBOD has at times been accused of corruption, failing to provide farmers with promised inputs and assistance and using cocoa revenue to “reward political support, mobilize political power, and fund political parties.”<sup>59</sup> Finally, it is noticeable that the farmgate price set by COCOBOD is based on international market pricing, movements of which workers are not shielded from.

Figure 10. Fluctuations in farmgate price of cocoa <sup>60</sup>



- **Lack of awareness on the reality and the harmful consequences of child labor.** Uneducated on the reality and the risks of child labor, Ghanaian farmers see cocoa farming as an important activity in which their children are required to engage both for economic purposes and for socialization purposes. The fact that most of them underwent the same experience as children only contributes to reinforcing this perception.
- **Lack of access to essential services and infrastructure such as education, healthcare, and social protection.** Children and their families in cocoa growing areas of Ghana face the realities of poverty and slow rural development, which include lack of education infrastructure, food insecurity, lack of access to potable water, and poor health services.<sup>61</sup> In Ghana, secondary education on paper is free and universal, however the education system cannot cope with the numbers, and coverage throughout the country is far from complete.
- **Gaps in law and weak law enforcement capacity.** Ghana has ratified most international conventions concerning child labor (e.g., ILO Convention No.138, ILO

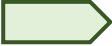
<sup>58</sup> Brudney, Taylor, *There Will Be No More Cocoa Here*.

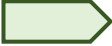
<sup>59</sup> Ibid.

<sup>60</sup> Ibid.

<sup>61</sup> Mondelez International, Addressing child labor in the cocoa supply chain.

Convention No.182, UN Convention on the Rights of the Child). It has also ratified the Palermo Protocol on Trafficking in Persons. On this same line, the government has established laws and regulations related to child labor and forced labor, such as Sections 89-92 of the Children's Act, Article 28.1, 28.2. and 28.5 of the Constitution, and Article 58 of the Labor Act. However, gaps exist in Ghana's legal framework to adequately protect children from child labor and the worst forms of child labor. For instance, although Ghana has prohibited some hazardous work for children, the current hazardous work list does not cover all occupations or activities in which child labor is known to occur, including in cocoa production. Moreover, gaps exist within the operations of enforcement agencies that may hinder adequate enforcement of their child labor laws.

 **Gaps in policies.** Ghana has established policies related to child labor, such as the 2010 Declaration of Joint Action to Support the Implementation of the Harkin-Engle Protocol and Its Accompanying Framework of Action, which was initiated by Ghana, Cote d'Ivoire, the United States, and the international cocoa and chocolate industry. However, policy gaps exist that hinder efforts to address child labor, including the lack of a policy to address all worst forms of child labor. Moreover, Ghana developed two new national action plans to address child labor and human trafficking, but they have not been finalized yet. As a result, Ghana lacks a policy to address all worst forms of child labor.

 **Gaps in social programs.** funded and participated in programs that include the goal of eliminating or preventing child labor. These include projects that aim to increase the sustainability of the cocoa sector, improve farmer livelihoods, improve access to education, and address the worst forms of child labor in cocoa-growing areas. However, gaps exist in these social programs, including inadequate funding and the inadequacy of programs to address the problem in all sectors. Although the government worked closely with industry, NGOs, and international organizations to implement child labor programs in cocoa production, fishing, and mining, the breadth of these programs remains insufficient to address the full scope of the problem.



## Conclusion & Recommendations

Over the past few decades, as the work of investigative journalists and human rights activists exposed the many violations of labor, children, and human rights taking place in cocoa-producing regions,<sup>62</sup> chocolate manufacturers and retailers have launched initiatives aimed at reversing the reported exploitation and abuses. These include Nestlé's Child Labor Monitoring and Remediation System, Mars' Protecting Children Action Plan, Hershey's Cocoa for Good, and Mondelez's Cocoa Life.

In 2001, major members of the cocoa industry, including big brands such as Nestlé, Mars, and Hershey, signed the Harkin-Engel Protocol,<sup>63</sup> an agreement aimed at eliminating the worst forms of child labor and adult forced labor on cocoa farms in West Africa by 2005. However, the deadlines for reaching the commitments contained in the Protocol have been repeatedly postponed, most recently to 2025.

Other mechanisms introduced to obviate the problem of labor exploitation on cocoa farms, such as fair-trade certifications and ethical certifications (e.g., Fairtrade International, Rainforest Alliance, and UTZ Certified), have also had a limited impact on the ground. In fact, the third-party inspectors for these certifications typically visit fewer than 10% of cocoa farms. Those visits are also announced in advance, which enables farmers to hide evidence of human and labor rights violations.<sup>64</sup> As has been noted "these inspections have made child labor more hidden while remaining just as prevalent."<sup>65</sup>

Thus, child labor in cocoa-producing farms is actually on the rise, deforestation in protected forests continues, farmers are earning less now than they were years ago, and farmers continue to have little bargaining power vis-à-vis the other parties of the cocoa supply chain (buyers, manufacturers, and retailers).<sup>66</sup>

As we are approaching the 2025 deadline defined under the latest revision of the Harkin-Engel Protocol, as well as the 2030 deadline established in the framework of the SDGs, it seems that to reach the goal of ending forced labor, child labor, and the WFCL in cocoa-growing areas in Ghana (and in West African more broadly), a whole-of-society approach is urgently needed. Some of the actions that could be effectively taken are proposed below.

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<sup>62</sup> CNN Freedom Project, "Chocolate Child Slaves", <https://edition.cnn.com/videos/world/2015/05/26/chocolate-child-slaves-ivory-coast-spc-cfp.cnn>.

<sup>63</sup> Named after US Senator Tom Harkin and US Representative Eliot Engel, who negotiated the agreement.

<sup>64</sup> P. Whoriskey, "Chocolate Companies Sell 'Certified Cocoa.' But Some of Those Farms Use Child Labor, Harm Forests", *The Washington Post*, October 23, 2019.

<sup>65</sup> Cocoa Barometer 2020.

<sup>66</sup> See: <https://www.youtube.com/watch?v=Z5C7jmrycf0>

## Companies that supply cocoa from Ghana

- ➔ **Pay a living income to cocoa farmers** and make sure that the full amount of the living income does reach farmers;
- ➔ **Implement a holistic human rights (and environmental) due diligence policy.** Embed responsible business conduct into policy and management systems; identify and assess adverse impacts in operations, supply chains, and business relations; cease, prevent, or mitigate adverse impacts; track implementation and results; communicate how impacts are addressed; provide for, or cooperate in, remediation when appropriate;
- ➔ **Establish long-term contracts at fixed prices with cocoa farmers** that distribute the risk of price fluctuations to supply chain actors who are better situated to absorb it, resulting in greater stability across the supply chain;
- ➔ **Design, implement, and expand child labor monitoring and remediation systems (CLMRS).** An effective CLMRS should raise awareness on child labor amongst farmers, children, and the wider community; identify children in child labor through an active monitoring process; provide prevention and remediation support to children in child labor; follow up with children in child labor to monitor their status;
- ➔ **Pursue partnerships with other companies, the government, and civil society organizations** to design and introduce credible, sustainable, and effective initiatives aimed at addressing forced labor and child labor in cocoa-producing regions (e.g., programs targeted at reducing vulnerability in parts of the supply chain identified as “hot spots” for forced labor risk) as well as to engage in collaboration, share experiences and good practices, and accelerate progress.

## Government of Ghana

- ➔ **Implement a better regulatory system for companies sourcing cocoa from the country.** As a main producer, Ghana must continue to leverage its market power in the cocoa industry to push companies to pay the living income differential (LID), the country premium, and to move towards paying a living income. The Ghanaian government must also work with the Ivorian, Nigerian, and Cameroonian

governments to ensure that companies pay a fair price to all cocoa producers in West Africa.



**Implement an income improvement program for farmers**, for instance by improving farmer techniques to increase production and yields (good agricultural practices), by supporting diversification of income-generating activities at the household-level, and by setting up Village Savings and Loans Associations (VSLAs);



**Invest more in rural infrastructure** to ensure that children and their families in rural areas have access to school, healthcare, and other necessary services;



**Increase the number of labor inspectors**, ensure that the labor inspectorate receives sufficient funding and adequate training on indicators of forced labor and child labor, and expand inspections to all sectors including informal sector workplaces such as cocoa farms;



**Ensure that criminal enforcement agencies have the resources** to properly monitor sectors where the WFCL are known to occur, such as cocoa production (among others);

### Civil Society Organizations



**Launch awareness-raising campaigns on child labor and WFCL** among cocoa-producing communities aimed at addressing misconceptions about child labor and what constitutes light work and hazardous work and aimed at encouraging an enduring cultural change;



**Carry out research to improve understanding** of the causes of child labour and forced labour in the cocoa sector and to identify effective mechanisms to address these phenomena;



**Provide technical assistance to government and cocoa companies** to support the development of culturally appropriate and effective outreach programs, monitoring programs, and remediation systems;



**Initiate forums, conferences, and workshops** aimed at encouraging a constructive multi-stakeholder dialogue on successes, challenges, and failures in addressing the risk of modern slavery in cocoa supply chains.




## Countries where cocoa companies are registered

- ➔ **Introduce mandatory environmental and human rights due diligence** requiring companies to conduct due diligence to prevent, mitigate, and remedy modern slavery in their operations and cocoa supply chains, in line with the UN Guiding Principles on Business and Human Rights;
- ➔ **Provide access to remedy for victims**, including a robust liability regime and strong enforcement measures that ensure accountability for harm arising out of human rights abuses caused, or contributed to, by a cocoa company or by entities with which the cocoa company has a business relation;
- ➔ **Initiate a dialogue on how Ghana can be supported in meeting its obligations** under ILO conventions 138 and 182, to which the country is party.

## Investors in cocoa companies

- ➔ **Engage with cocoa companies** to encourage them – and help them – to develop and implement better processes to proactively search their supply chain for modern slavery (on the assumption that it exists), ensure remedy for those affected, and take meaningful steps to ensure that the situation of abuse does not continue;
- ➔ **Establish clear standards for investment.** Investors' considerations on whom to include in their investment portfolios should focus on factors such as (i) whether a company has (and enforces) a supplier code of conduct that reflects international labour standards, (ii) whether a company works with suppliers at all levels to improve their practices in relation to child labour and forced labour (iii) whether a company has a process in place for assessing modern slavery risk;
- ➔ **Launch a shareholder action against cocoa companies known to be oblivious to forced labour or child labor** or those whose business models and tactics are associated with labour exploitation. If that does not yield results, consider responsibly divesting from those companies. In such cases, public disclosure of the divestment decision – and conditions for reinvestment, if applicable – will send a strong message about investors' human rights expectations.

## Consumers

-  **Exert pressure on their governments to implement mandatory due diligence laws** that hold cocoa companies to account for failing to prevent and address forced labor and child labor in their supply chains and that provide routes for remedies to adults and children who have been affected by labour rights and human rights violations;
-  **Strive to learn about the issue of child labor and forced labor** in the cocoa industry and keep themselves constantly informed, so as to adjust their consuming practices accordingly;
-  **Exert pressure on cocoa companies to take meaningful action** to prevent, assess, and address forced labor and child labor in their operations and supply chains. When and as possible, buy cocoa-based products from companies that have shown to be responsible and proactive when it comes to the protection of human rights in their operations and supply chains.