

The Dark Truth Behind Cocoa Production.

By

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Abstract.

This research outlines all the stages of production of the cacao crop, from planting, to harvesting and drying, to processing into cocoa until it is finally sold to mass producers, which later transform it into the chocolate products available on the market, and seeks why the cocoa industry has been named as one of the 'darkest' industries in the world.

Furthermore, this study analyses the consumer's behaviours and whether they are aware of the work that it takes to make the chocolate that is readily available for purchase and consumption.

From the research that has been carried out, it is clear that the majority of consumers are aware of these inequalities that take place in cocoa plantations, but they still do not choose products based on whether they are Fair Trade certified or not, they simply buy chocolate based on other factors such as: personal preference, brand, and type as well as its price.

As part of this study, previously carried out research has also been thoroughly analysed and compared, and any gaps encountered in these studies were outlined and evaluated further to seek possible reasons why there isn't much information about the concerned topics.

This has in fact aided in understanding better what has been found out by other researchers on the cocoa industry and why there isn't much knowledge on certain important human aspects of the cacao crop production. Also, it has shed light on other possible areas of research that can be further investigated to help in making this industry a fairer, more adequate one and banish inequalities and unnecessary mistreatment.

Acknowledgements.

This research would not have been made possible without the constant help, academic guidance and support of Ms. Fleur Griscti, who has not only been my tutor throughout the whole process of this dissertation but also helped me in finding my research sources, provide me with academic writing advice and guiding me to finally present this research in the best possible way.

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I would also like to express thanks to all the academic staff at the Institute of Tourism Studies Malta, especially Dr. Noel Buttigieg for their constant support throughout the year, for the very helpful advice and for all the useful guidelines that eventually have made this research possible in spite of all the limitations that were encountered during this research process.

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Chapter One: Introduction.

The Cocoa Industry is one of the largest industries in many developing countries such as the Ivory Coast, Ghana, Nigeria and most of the West African continent. These countries are responsible for producing up to 70 per cent of the world's total cocoa crop. Cocoa farming is especially popular in such countries due to their tropical climate which is ideal for the growth and cultivation of the cacao crop. Thanks to the tropical environment, these countries are some of the highest yielding cocoa producers in the world, Ghana being one of largest producers to date.

Cacao production is known to be very intense labour and in recent years, it has been confirmed by many researchers that it is the industry with the highest rates of child labour, unfair wages, precarious conditions and harsh treatment of the plantation workers and farmers.

'According to a wide range of organizations, the chocolate industry is accused of covering up the trafficking of children and the use of child labor on the cocoa plantations.' (Faber, 2010)

This is why, nowadays there is a much larger awareness worldwide on sourcing Fair Trade approved products. The Fair Trade Organization is a non-governmental body that connects small scale farmers and workers, most of which are from developing countries with consumers and manufacturers, both small and large-scale and promotes fairness, adequate working conditions and aids these workers in battling poverty, fighting for their rights and also providing them with education to help them work much more efficiently and in a sustainable manner. (Fairtrade.org.uk, n.d.)

This label ensures that whoever was involved during all of the production stages of the cocoa, from crop to chocolate bar, was treated fairly, given adequate pay for their work, and also guarantees that no child labour or trafficking was involved in any way. (Fao.org, n.d.)

This research will be mainly focused on the African and West African cocoa producing countries as they are the countries in which most of the recent studies have been carried out and also where the majority of this unfairness, poverty, inadequate treatment, breach of human rights, child trafficking and child labour take place.

This study is particularly aimed to analyse the reasons behind why cocoa has always been and still is being produced in this manner and highlight possibilities or solutions manufacturers are seeking and implementing, to make their products Fair Trade certified.

Also, this study aims to make the readers, questionnaire participants and interviewees much more aware of where the chocolate they buy, produce, sell and consume comes from and what truly goes on behind each and every stage in producing it, from the work involved in plantations to the manufacturing of the final product.

Further on in the research, Fair Trade and Non-Fair Trade cocoa manufacturers will be compared in order to analyse and identify differences and similarities between them, the products they produce and also why they choose to source Fair Trade or Non- Fair Trade raw materials to produce their chocolate.

This is a very political study thus various limitations will be encountered when seeking unpublished data and other sensitive information, as most countries, especially the ones mentioned and involved in this study are very secretive and at times biased when it comes to the cocoa industry and avoid publishing such information due to the lack of human rights and other atrocities associated with cocoa farming that are frowned upon by organisations worldwide.

Chapter Two: Literature Review.

2.1 Ongoing issues regarding Labour Inequalities, Child, and Human Trafficking in the Cocoa Trade.

2.1.1 Forced Work, Inadequate Treatment and Child labour.

The Cocoa Industry has always been one of the industries not many people are knowledgeable about or choose not to seek information on, and this is due to the fact that most of what goes on throughout the crop's processing and supply chain, especially in the fields and plantations is kept under wraps by the governments and other major entities of the concerned countries, especially in Africa, particularly West Africa as it is the continent responsible for the largest part of global cocoa production.

Throughout recent years, this has slowly began to change as more researchers have been seeking to ask the questions and find confidential data and information about this industry and thus transparency has been improving since this is a very major issue that is now widely known and publicised, and, although there is much more information available about it these days, there are still many questions that remain unasked and unanswered, or for which, the data that has been collected was somewhat biased, tempered with or altered in favour of the large-scale producers, distributors and the country's governments or leaders.

In the study 'The Cocoa Industry and Chid Labour', E.J. Schrage and A.P. Ewing mentioned that the international cocoa industry went from refusing to address serious issues regarding labour, especially that of underaged children in the global cocoa supply chain, to now committing to addressing this major problem and working with companies and policy makers to banish this from continuing to happen in the cocoa industry and take action to make the cocoa trade a more transparent industry. (Schrage and Ewing, 2005.)

This study also shows, that before the late 1990's/ early 2000's no one but the workers themselves knew about this abuse and breach of basic human rights, yet they were afraid to report it to authorities or speak up about it and thus, this only came out to the public due to media coverage and newspaper reports that were published explaining the very common practices of trafficking people, especially young children to work in large cocoa plantations, especially in countries such as Ghana and the Ivory Coast.

Most of the research and studies published were carried out in African and West African countries since as mentioned, this is the world's largest cocoa producer and also where most researchers have conducted hands on studies where they have encountered and proven inadequate work conditions, human trafficking, especially that of children, forced labour and extreme poverty.

In his study, researcher Benjamin N. Lawrance examines the relationship or lack thereof between children's rights advocacy campaigns all over the world and the shocking truth that takes place in developing African countries, in this case being Ghana. Lawrence argues that Ghanaian law ignores advocating and enforcing fundamental child labour rights to carry on with trafficking young children to work in the cocoa industry, mostly in the plantations, and states that the country's laws are deemed ineffective and not being imposed at all due to influences from past practices and the country's traditions that are still very prominent especially because most cocoa plantations are family owned. (Lawrance, B. N.,2010.)

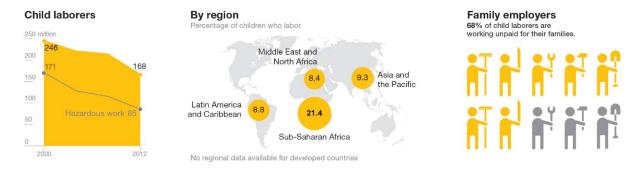


Fig.1. Numeric Representation of Child Labour 2000-2012(National Geographic, 2015.)

Ghanaian Law does not, under any circumstances allow children under the age of 13 to participate in any form of labour although it does not prohibit *'light work'* to be performed by children aged 13 to 15 years whilst under adult supervision. (The 560th Act of the Parliament of The Republic of Ghana Entitled the Children's Act 1998.)

This shows that there's a clear misinterpretation and lack of information provided to Ghanaian citizens on the said law, as it is stated but not implemented, and reasons for not implementing and abiding by the law are based on past practices and family traditions rather than doing what is deemed right and just in terms of safeguarding and following national legislations.

Below is a representation of children working vs. those in schools in both Ghana and the Ivory Coast:

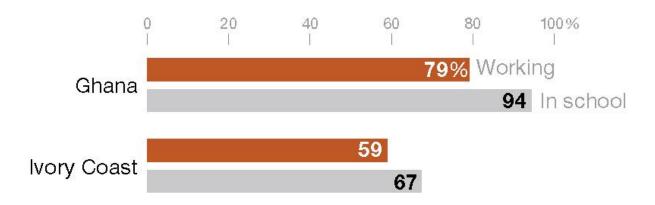


Fig.2. Children in school vs. children working in Africa's largest cocoa producing countries. (National Geographic, 2015.)

In a documentary carried out by the Danish Broadcasting Corporation in 2010, it was said that major producers such as Barry Callebaut, Mars and even Nestlé, which are three of the largest cocoa manufacturers worldwide signed a so called 'Coco Protocol' in 2001 which promised the total elimination of child trafficking and labour in all their cocoa plantations, yet despite signing this agreement, when undercover investigators went to many of the plantations owned by these companies, it was still found out later on that these companies all have child workers, some of which were as young as seven years of age and even younger working in their plantations. (Romano, U.R. & Mistrati, M. ,2010.)

In 2018, the Cocoa Barometer, a study that is done biennially was published providing figures regarding current sustainability advancements and developments as well as other issues that the cocoa industry continues to face to this day and how these are affecting the industry overall. This study continues to confirm the facts established by many of the researchers mentioned above, as well as give an indication of what is truly happening behind the scenes.

The 2018 study has established that over 2.1 million children in West Africa alone, most of which in Ghana and the Ivory Coast still work in cocoa farms and this is due to the increasing

levels of poverty in such countries. The Cocoa Barometer has also confirmed that despite all the awareness and pressure on governments of these countries, decreasing 70 per cent of child labour in the cocoa industry is nowhere near being accomplished and have confirmed that it is impossible to achieve this goal by 2020. (Fountain and Huetz-Adams, 2018).

This statement gives an overview of the current situation in its entirety, unlike those of companies such as Nestlé, who's statistics only mentioned the number of children being helped by the Nestlé Cocoa Plan initiative but didn't fully and directly address the promises made to decrease child labour by 70 per cent until the year 2020. Despite not addressing this statement directly, Nestlé is one of the few companies that is working towards achieving total transparency of their sourcing means and strategies and employment principles, and has been publishing official documentations and procedures regarding product and material sourcing and traceability, employment schemes, incentives for the employees and employee rights in the Nestlé Responsible Sourcing Standard which gives very precise details and data on the company's policies, directives and regulations and also their importance/urgency of implementation. Those policies that are marked urgent need to be implemented within a sixmonth period whilst those deemed as important have to be fulfilled within the span of 36 months. (Nestlé Responsible Sourcing Standard, 2018.)

Other companies have not yet published sourcing standards or documentation similar to that of Nestlé, but, are working towards being more public and transparent with their company's policies and standards despite the speculations being made and the ongoing lawsuits of some of the largest cocoa manufacturers worldwide. Researchers have established that since many of these companies still involve some sort of cheap labour or slavery they choose not to be fully transparent publicly in order to protect their reputation and clientele thus, maintaining constant profits whilst keeping the authorities and the general public in the dark of what truly goes on behind the production lines of their products. (Food Empowerment Project, n.d.)

Mars Inc. has not only been named as one of the largest cocoa manufacturers, but also one of the most 'secretive' cocoa companies worldwide. Only recently has the company been funding sustainable sourcing projects and other similar incentives to stop child and forced labour after so many years of denying any of the cases that they have been sued for, from forced child labour to unsustainable sourcing of goods and mistreatment of their employees, which were indeed true, and also failing to notify the consumers that their products involved harsh labour and child exploitation. (Staley, 2017.)

On the other hand, data published by various cocoa manufacturers, most of which operate in African countries, does not mention child labour, trafficking or harsh treatment of plantation workers at all, and a few of these cocoa manufacturers have stated that they are unaware that child trafficking and child labour are very common practices in the cocoa plantation industry. (Schrage and Ewing, 2005.)

This goes to show how biased, corrupt and secretive this industry is, and why this needs to change sooner rather than later. The cocoa industry still lacks transparency when it comes to publishing information regarding employment, and that is one of the major limitations in such research, as on one hand, it can be clearly seen that this industry is known for child slavery, harsh work conditions and lack of safeguarding human rights but then when the companies and manufacturers are asked to confirm that this is what really goes on in the plantations they deny it and refuse to provide reliable proof or documentation and show the media and the governments that they do everything according to the law, when instead they are being corrupt by bribing the authorities and providing false evidence or documentations that have been tempered with. (Munich Personal RePEc Archive, 2018.)

The study that was carried out by E.J. Schrage and A.P. Ewing also states that approximately 90 per cent of all the cocoa plantations in the Ivory Coast have some sort of slavery or harsh and unfair treatment of workers. (Schrage and Ewing, 2005.) This data was not mentioned in any of the studies carried out by the leading cocoa manufacturing companies previously mentioned, all of which source most of their cocoa from the Ivory Coast in fact, these companies have not published any data about employment and recruitment standards until very recent years. Nestlé has since then published the 'Responsible Sourcing Standard' in July 2018 where they have stated that they ensure that all the workers involved in each and every step of the chocolate making process have adequate housing, education, pay, healthcare and work rights, and that they have absolutely no tolerance for underaged workers or the employment of vulnerable people, including children. (Nestlé Responsible Sourcing Standard, 2018.)

2.1.1.2 <u>Inadequate Payment of workers in the Cocoa Trade.</u>

Another major issue concerning the cocoa trade is how little the workers are paid when they sell their products to the intermediaries that later sell them to the cocoa manufacturers and other third parties. Cocoa is an expensive commodity but the people who do most of the work are paid the least and most studies have proven that cocoa workers cannot even afford to buy a chocolate bar themselves.

It was estimated that per year, a cocoa farmer makes as little as \$135 dollars whereas a manufacturer can make billions of dollars in sales and profits each year. (Schrage and Ewing, 2005.) Below is a visual representation of cocoa farmer's income in the Ivory Coast in comparison to the International Poverty Line:

\$0.78

average daily income of cocoa farmers in Côte d'Ivôire, compared with the \$2.51 regarded as necessary for a living income

Fig.3. Average Daily Income of farmers in the Ivory Coast. (Fairtrade International, 2018.)

Fairtrade International 2018

2.1m

children involved in cocoa
production in West Africa alone
Cocoa Initiative 2018

This shocking statistic shows exactly how little these workers are paid in comparison to what is deemed as the necessary living income for day to day necessities. It is also clear how these farmers are paid so little for the crops they cultivate and how much profit cocoa manufacturers make from the chocolate they produce. The average daily income of these farmers is about the same price of the average chocolate bar sold in America and most countries worldwide.

2.1.1.3 Human Trafficking.

Human trafficking, as previously mentioned is also a very common practice exercised by plantation owners and large cocoa manufacturing companies across Africa. It has been established that in cocoa producing countries, children are bought from their parents for a sum of money and the children are taken to work on the cocoa farms for long hours with little to no pay for the work they perform (Schrage and Ewing, 2005.)

Large-scale cocoa manufacturing companies do not acknowledge, nor take blame for this. Research has shown that some of these manufacturing companies to not directly employ the cocoa farmers but they simply but the raw cacao beans from a supplier thus, they deny any sort of human trafficking from their end. These companies also give blame to the farmers themselves for allowing these instances to happen by employing trafficked children and slave workers to work in their cocoa farms. (McMahon, 2005.)

Many studies have confirmed this issue but until very recently, none of the large-scale cocoa manufacturing companies have taken responsibility to ensure that farmers are adequately paid for the product they produce and supply and thus eliminate the practise of cheap labour and banish slavery work to have a fair, sustainable workplace that does not breach laws or most importantly fundamental human rights.

Major international companies such as Nestlé and Cadbury, which are very influential in the cocoa industry sector have published documented proof that they are no longer engaging in any of this illegal labour and have also been certified as fully Fair Trade compliant. Unfortunately, these are just two of the many cocoa producers around the world and to this day, companies that produce much larger volumes of chocolate for worldwide export are still not being fully transparent on where they obtain their raw materials and where their cocoa is sourced from, despite the growing concerns of consumers across the globe.

This evidently demonstrates that major giants in this industry are still operating in the same way they did in the past, despite the increasing awareness on inadequate treatment and work conditions of cocoa farmers, and unfortunately, researchers haven't yet identified the possible reasons why these companies still choose to operate in such manner, as many of them refuse to give out confidential information or ignore and deny the issue completely when it is brought up to protect their reputation. (Food Empowerment Project, n.d.)

These studies show many similarities, but also demonstrate that not all governments are striving to work in favour of ending human and child trafficking, and some value traditions

and past practices more than safeguarding vulnerable people and children's rights and ending these inequalities once and for all.

2.2 Fair Trade Certification and the Principles Behind it.

2.2.1 The Fair Trade Organization.

The Fair Trade Organization (FTO) was established in 1989 with well over 400 members from approximately 70 countries worldwide. This organization was set up mainly to ensure that companies and manufacturers prioritise their workers, as well as their families and also the environment and climate change issues. The Fair Trade Organization carries out independent interviews as well as numerous audits all over the world to ensure that all of its members are compliant with the Fair Trade standards established and thus guaranteeing that both the people and the planet are being safeguarded fully. (World Fair Trade Organization, 2018.)

Fair Trade is based on ten basic principles that are all aimed to safeguard, protect and ensure sustainable, fair, safe and adequate practices are used in all the different stages of production of various products such as coffee, cotton, fresh produce and clothing, and in the case of this research, the process of the cacao crop and cocoa manufacturing.

The Fair Trade Organization aims to help workers, farmers and business owners, especially ones from developing countries, mostly in Africa and West Africa get the adequate pay, incentives and benefits for the work they do or the products they supply and also provides and ensures that there were no breaches of employment laws, environmental laws and regulations and human rights during any stage of the supply chain. (World Fair Trade Organization, 2018.)

- 2.3 The Ten Basic Principles of Fair Trade.
- 2.3.1 The First Principle the Fair Trade Organization has established is: 'Creating Opportunities for Economically Disadvantaged Producers.'

This principle's main aim is to reduce poverty through trade forms by fully supporting small producers in family run businesses or small-scale companies, co-operatives and other collective associations and helps them to be able to self-sustain their businesses and gain

ownership of the said business thus ensuring stability in their incomes and safeguarding these workers' pay. With regards to the cocoa industry this principal is very beneficial to plantation workers as most of the families that own small plots of cocoa plantations end up having to give up their small business to large-scale companies thus not only losing the ownership of their land but also their business and the little income they made from selling the product they grow to cocoa retailers.

Despite the Fair Trade Organization's efforts to implement this principle, many family run plantations and businesses are still hesitant to comply as there is a strong political and governmental influence in various countries, especially Ghana and the Ivory Coast, who's gross domestic product (GDP) is mostly dependent on the cocoa trade that makes it hard for people to branch out and sustain their businesses due to low incomes, low yields, high farming costs and high tax rates.

Researchers from the International Cocoa Initiative Foundation have established that in twenty-nine cocoa growing communities in Ghana that are supported by the International Cocoa Initiative's program, only a mere 36 per cent of farmers can cover the plantation and cocoa farming costs. This is one of the main reasons why large-scale companies make so much more money, as their spending power is sustainably larger, thus, they end up taking over these small plantations leaving people jobless and increasing poverty rates. (Cocoainitiative.org, 2017.)

2.3.2 The Second Principle focuses on: 'Transparency and Accountability'.

This is surely the principle many of the non- Fair Trade companies do not consider or implement in any way. The Fair Trade Organization promotes transparency and accountability across the entire supply chain so that every single person is involved in decision making processes one way or another and to create strong communication channels between all the parties concerned so that relevant information is passed on all throughout the supply chain. This principle ensures that both large-scale and small-scale entities are fully transparent whilst safeguarding sensitive and confidential information and ensuring that it is used for the right purposes.

Companies such as the ones previously mentioned in this study have only been publishing information regarding employment policies and financial statements recently, this is not only

because of the ever-growing awareness on the underlying issues of the industry but also because most of these companies had ongoing lawsuits regarding child labour, human trafficking and many other issues that have given them a bad name and reputation worldwide.

Kimberly J. Decker outlined the issue of transparency and traceability in her study and how this has been drastically increasing throughout the years. Decker's study shows that many companies are now choosing to be fully transparent and traceable as they are more aware of what is happening in the countries where they source their raw material from and they want to help put an end to these inequalities that are unfortunately very synonymous with the cocoa industry.

In her interview with Taco Terheijden, the director of cocoa sustainability at Cargill Cocoa and Chocolate, she asked about what processes, parameters and practices are being traced and how this is being done. Terheijden explained that collecting data on both the farms, the crop and how it is being cultivated, fertilizing processes, as well as data on the farming communities and, farmer organizations and families helps them to increase yields, profitability and find more sustainable means of growing the cocoa crop.

This study displays exactly why being transparent has become so important, not only from a human aspect but also from the environmental point of view and why more companies should adopt these Fair Trade practices to make sure that the cocoa industry is safeguarded for years to come. (Decker, K.J.,2017.)

2.3.3 The Third Principle targets: 'Fair Trading Practices.'

This practice ensures that contracts and agreements between farmers and suppliers are agreed upon and maintained and that quality and specifications agreed upon are met to ensure high standards and a high-quality product. This practice also ensures that the Fair Trade Organization does not make any profits from the producers' expenses therefore ensuring that all profits go to the people working for these small-scale companies and the farmers.

The Fair Trade Practice clearly states that the money paid by the suppliers goes directly to the farmers who have provided the product so that any other third party beneficiaries will not make profits from the money that belongs to the farm and plantation workers.

This allows the farmers to get adequate salaries and payments for the product they sell the manufacturers and therefore they can increase profits and have enough income to sustain their family's needs and their small businesses.

2.3.4 The Fourth Principle: 'Fair Payment.'

The Fair Trade Organization defines fair payment as:

'one that has been mutually negotiated and agreed by all through on-going dialogue and participation, which provides fair pay to the producers and can also be sustained by the market, taking into account the principle of equal pay for equal work by women and men.'

(World Fair Trade Organization, 2018.)

Regardless of the Fair Trade Organization not making any form of profit from the earnings of these producers, many of the local governments, business owners and the large-scale manufacturers have been known to make substantial profits from costs they incur on farmers

and plantation owners. In a press release carried out by Markets and Markets, it has been estimated that in 2019, the cocoa market will be worth more than \$2.1 billion whilst the global chocolate market will be worth more than a staggering \$131.7 billion. These figures display quite a large discrepancy between them, and it illustrates that there is much less money made in the cocoa industry when compared to the chocolate manufacturing and retailing industry.

Below is a bar chart representation of the Cocoa Market vs. the Chocolate Market sizes throughout a seven-year span and a prediction for 2019:

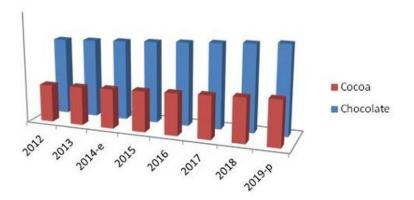


Fig.3. Cocoa and Chocolate Market Size 2012-2019. (Markets and Markets, n.d.)

This chart clearly displays that throughout the years the cocoa market has not increased its worth by much, but the chocolate markets profits have been going up and will continue to increase considerably. This means that whilst farmers and plantation workers are getting paid the same prices if not less for the raw cocoa they cultivate and produce, chocolate manufacturers and cocoa retailers have increased their product prices thus increasing profitability and making more money whilst keeping their expenditure as low and as constant as possible.

Fair payment entails that workers should be paid enough to have a 'local living wage', given to employees for the Fair Trade Organization's standard 48-hour working week period that is sufficient for the basic daily needs including food and clean water, education expenses, healthcare, grooming and hygiene and other costs such as energy and rent for themselves and their families. The fair payment principle encapsulates both fair prices for the products produced, in this case, raw cacao as well as fair remuneration for all the workers involved and lastly an acceptable payment that is deemed enough depending on the local costs of living of the specific country as commodities vary in price all across the globe.

Although the FTO states that a working week should be no more than 48 hours, many of the studies carried out have shown that most workers spend at least 12 hours per day working in cocoa plantations, this totals to around 60 hours in just five days, but most of these workers have to work throughout the entire week thus, most of them, including children can even work up to 80 to 100 hours per week, which is more than double the Fair Trade Organization's standard for weekly working hours. (Chocolate's bitter taste Forced, child and trafficked labour in the cocoa industry, 2012).

2.3.5 The Fifth Principle: 'Ensuring no Child Labour and Forced Labour.'

This very important principal targets underaged children in the work force as well as workers forced to do jobs against their own will. This has become one of the dominant issues in the cocoa industry, as a large majority of the cocoa plantations, especially those in Ghana and the Ivory Coast are run by families who cannot afford to employ adults and thus, the children of the family have to help out and do the work themselves despite there being many risks and dangers and also them being under the stipulated working age which in some countries, as previously mentioned is as young as 13 years of age for what is considered light labour and 15 years of age for all other sorts of labour including the use of dangerous equipment, tools

and hazardous products including pesticides and chemicals that can cause bodily harm if not used correctly. (The 560th Act of the Parliament of The Republic of Ghana Entitled the Children's Act 1998).

The Fair Trade Organization works hand in hand with the United Nations (UN) and conforms with the Children's Rights as well as laws, both local and national on the employment of children. The FTO clearly explains that in fair trade certified companies, children can still be thought the craft of cocoa farming whilst being monitored as this does not hinder their safety, security, wellbeing or restricts them from their needs as children, including play. (World Fair Trade Organization, 2017).

Despite the organization's efforts to banish all forms of child and forced labour, there are still many private entities' reports of this happening worldwide and there is not much legal action being taken against those who allow these inhumane practices to keep on occurring since most of them are industry giants. In fact, in recent studies that have been carried out by the Global Slavery Index, it has been established that between 2013 and 2017, there were 1.1 million adults employed in cocoa fields, and out of every 1,000 adult workers, over 18 years of age in medium to high yielding cocoa plantation sites in Ghana alone, at least 3.3 of them are deemed victims of slavery and forced labour.

This means that approximately 3,700 workers were being employed under forced circumstances during this four-year period. Furthermore, in this study, researchers have found out that between August of 2016 and August of 2017, it was estimated that at least 708,000 workers in cocoa plantations across Ghana were children aged ten to 17 years.

It was established that out of every 1,000 child workers, roughly 1.5 of them were victims of slavery and forced labour conditions by someone other than their parents or family members between the years 2013-2017, the same period evaluated for adult forced labour. This totals up to 1,000 children working in the said conditions during the period of time evaluated. (Global Slavery Index, 2018).

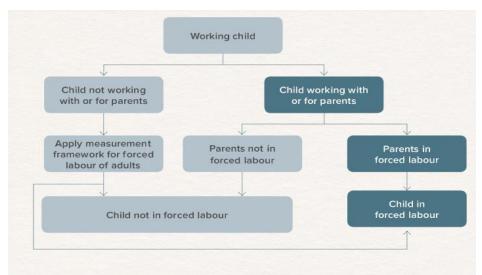


Fig.4. ILO Measurement Framework for forced labour of children. (Global Slavery Index, 2018).

It has been confirmed that not all of these children were forced to work on the cocoa plantations by their parents or other family members but some of them were forced to work by private cocoa plantation owners, to whom these children are in no way related. Of the approximate 708,000 workers, an astounding 94 per cent of them performed what is deemed as hazardous labour between 2016 and 2017. Hazardous labour includes, not only the use of dangerous equipment and machinery but also exceeding the total maximum number of hours permitted weekly. 632,00 of these child workers, totalling 89 per cent of the total children in cocoa plantations have confirmed that they use sharp tools and carry heavy loads as part of their day-to-day tasks on the cocoa fields. (Global Slavery Index, 2018).

In the Ivory Coast, interviews with both adult and child workers were also conducted during October and November 2017, targetting adults aged 18 years and over and children between ten and 17 years of age. These interviews sought information based on these workers own experiences on the plantations over a four-year period (2013-2017). 920 adults and 664 children were interviewed in this study. Since the Ivory Coast now produces more cocoa then Ghana, the number of adult workers in the industry totals 2.3 million, between October 2016 and October 2017. 4.2 out of every 1,000 adult workers in the Ivory Coast, claimed that they have experienced harsh conditions and forced labour between 2013 and 2017. This is equal to 10,000 workers, much more when compared to the totals established in Ghana.

As for child labourers in the Ivory Coast, the Global Slavery Index study suggested that a total of 890,000 children aged between ten and 17 years work in cocoa plantations across the country between 2016 and 2017. Astonishingly, none of the children interviewed claimed that they work under forced conditions by employers other than their families. While this may be seen as good news since it seems that forced child labour isn't as widespread in these areas.

Regardless of this being good news, it may indicate various restrictions in the way these surveys were carried out or the difficulty of recognising and identifying such crimes and breaches of the employment law through the personal reports of the children interviewed.

According to the International Labour Organization's (ILO) definition of forced labour, it was estimated that around 1.7 from each 1,000 child workers were forced to perform labour by someone other than a parent or family member. This contradicts the previous statement of claims made by the interviewees that there was no forced labour amongst the children working in plantations in the Ivory Coast. This equates up to 2,000 child victims of forced labour.

Forced child labour is 'endemic' to both Ghana and the Ivory Coast. Approximately 93 per cent of the child labourers in the Ivory Coast alone have exceeded the total number of hours allowed per week. 769,000 of these children have performed hazardous work, used sharp tools, cleared large plots of land and lifted heavy weights as part of their daily tasks on the job.

This study clarified many aspects of forced labour in the cocoa industry, but certain gaps have been identified and they were deemed as limitations since for example, the ILO does not have an exact number of the children or adults forced to work on their family's plantations thus this cannot be quantified, hence the figures established in this study may be underestimated or inaccurate.

2.3.6 <u>The Sixth Principle:</u> 'Commitment to Non Discrimination, Gender Equity and Women's Economic Empowerment, and Freedom of Association.'

This principle focuses on equity and equality between genders and fully commits to not discriminate any workers in the industry whilst also promoting inclusion and fair division of labour. It also focuses on the freedom of workers and their rights to join respective organisations and associations freely. The Fair Trade Organization emphasises equality and

equity in its entirety. It explains how there should not be discrimination between genders, against people with disabilities, different political affiliations, an individual's sexual orientation, age or status, religion or beliefs or union memberships. This principle aims to provide everyone with unlimited access to adequate resources that will help these workers become more productive and active on their jobs whilst having a say in their place of work for themselves and the environment that surrounds them. Importance is also given to women and encourages the employers to give women managerial roles and responsibilities regarding land and property ownership within the business. The main aim of this principle is that workers get equal pay and benefits for equal jobs performed. This ensures that employers do not promote favouritism or sexism or any other pay gap or favouritism related inequalities synonymous with the cocoa industry in particular.

In a study carried out by Cocoa Life as part of the Women's Empowerment Project, it was established that women working in the cocoa industry earn approximately 25 per cent to 30 per cent less than men for the same tasks performed in Ghana whilst in the Ivory Coast, women earn up to 70 per cent less than male workers for the same jobs. These figures show the major discrepancy between the two countries and why there is such discrimination involved in the cocoa plantation industry. (Cocoa Life, n.d.).

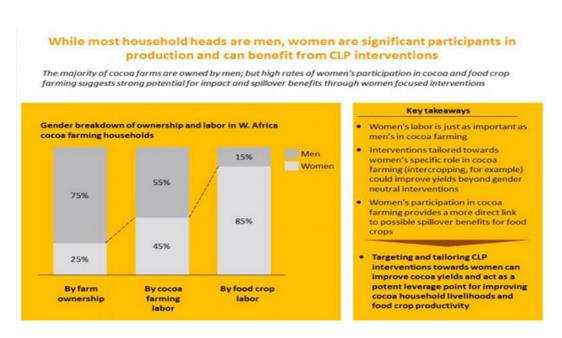


Fig.5. The Role of Women in Cocoa Farming. (Dalberg, 2012).

Not only are women paid much less then men, but they are also not provided with training and education that will in turn help them gain the necessary knowledge and skills needed for advancement in both the community and the cocoa industry. This organisation aims to empower these women to succeed in this industry and become more knowledgeable and aware so that they can move further up the ladder and improve their education and financial status. The study has also shown that despite 40 per cent of cocoa workers being women, they only a mere two per cent of them own land and they are not allowed, nor given the opportunity to participate in group training sessions regarding sustainability and other issues regarding the cocoa trade. This data proves that women in the industry are not given a voice and are not encouraged to forward their ideas or take part in decision making, leaving them underrepresented and lacking the right to express themselves and their ideas freely.

Women's needs and health requirements are also taken into consideration and they are provided with the necessary healthcare and other basic needs especially when they are pregnant or breastfeeding their babies.

Furthermore, this principle discusses the importance of employees joining trade unions and organisations of their choice and ensures that this right is respected so that workers can bargain collectively. It also states that if the respective country does not allow workers to be part of these unions due to governmental or political restrictions, the FTO will enable them to join independent unions that are in no way related to governmental or political entities yet still safeguard and guarantee the rights of the cocoa farmers. The principle also guarantees that workers who form part of a union are in no way discriminated or mistreated on their place of work by their employers. (World Fair Trade Organization, 2017).

In a report published by Barry Callebaut it is said that in the past, cooperatives were controlled and managed by the state or other government entities which made them biased towards the manufacturers more than the workers themselves, thus being unfair. This has been slowly changing in recent years as most of these cooperatives and unions are now private sector entities to ensure that the workers are prioritised and treated fairly. Members of these unions and cooperatives agree to abide by the standards and principles that have been set to safeguard the workers' rights in the cocoa industry. (Barry-callebaut.com, n.d.).

2.3.7 The Seventh Principle: 'Ensuring Good Working Conditions.'

Companies abiding by the Fair Trade Organization's principles must guarantee that they provide a safe, adequate and healthy working environment for their employees and have to comply with local government laws regarding employment as well as regulations set out by the International Labour Organization regarding health and safety on the workplace. Working hours should not exceed those stated in local labour laws and, ILO and United Nations guidelines and working conditions should be deemed fit according to the standards of the organisations mentioned to make sure that employees are being treated adequately and their wellbeing is protected.

Companies that are in compliance with the FTO's principles are mindful of the health, safety and wellbeing of their employees and they strive to raise more awareness and provide knowledge on why this is such an important aspect of a healthy work-life balance and improve health and safety standards on the cocoa plantations by educating and providing knowledge on the use of hazardous equipment and materials to avoid accidents from happening. (World Fair Trade Organization, 2017).

In recent years, many studies have confirmed that there are still many employers, especially in West Africa, mainly Ghana and the Ivory Coast that mistreat their employees in many ways, from the long hours in the scorching sun without breaks to the hard physical labour they have to perform, most of which poses serious danger to their health and wellbeing. Workers have been known to work very long hours each day without getting days off. Some studies have shown that workers can spend up to 12 hours a day on cocoa farms, harvesting using sharp machetes, carrying sacs of cocoa beans weighing up to 90 kilograms and having to walk long distances to deposit the harvested cocoa.

The use of harmful chemicals and pesticides is also mentioned and also the lack of knowledge the workers are provided with prior to handling these chemicals which can be very dangerous to human health when used in the wrong amounts or improperly handles without the necessary protective equipment.

Many of these workers also suffer from heat exhaustion, dehydration, musculoskeletal injuries from repetitive heavy lifting, snake and insect bites and even fatal health issues such as skin cancer and other cancers from exposure to hazardous chemicals.(International Programme on the Elimination of Child Labour Safety and Health Fact Sheet Hazardous Child Labour in Agriculture Cocoa, 2004).

2.3.8 The Eight Principle: 'Providing Capacity Building.'

The Fair Trade Organization aims to provide cocoa farmers with the right skills and knowledge to help them manage their businesses more efficiently. Companies provide cocoa farmers with the right tools to help them be more efficient, maximise yields and grow their businesses so that they can make profits from their cocoa. These companies also provide training to help workers obtain managerial skills as well as access to larger markets where they can sell more cocoa and have a more fruitful, sustainable business.

During the United Nations Conference on Trade and Development (UNCTAD), it was established that it is very important to integrate small scale cocoa farmers in the global cocoa trade and how certain policies and amendments made throughout recent years by large scale cocoa companies have aided these farmers to grow their businesses and be able to improve their financial situations. This conference has also established various means and ways of product differentiation so that the quality standards requested by the global market are met and exceeded and farmers get paid the right prices based on yield and quality level provided, thus ensuring fair payment for all the workers and their produce and best quality for the cocoa buyers and manufacturers.

Furthermore, this principal aims to give the necessary importance to the farmers putting in all the hard work for chocolate to be produced as if it wasn't for them the global cocoa industry would drastically diminish.

In Lindt's Sustainability Report for 2018, it was established that the company contributes in the majority of its cocoa sourcing countries in many ways, especially financially to ensure that both the employees and the environment are taken care of and that cocoa cultivation is done in the most sustainable manner possible. In fact, Lindt has confirmed that by 2020, 100 per cent of their raw cocoa crop will be sourced from certified companies in accordance to the Lindt & Sprüngli Farming Program, which ensures that all cocoa is traceable and externally verified, thus eliminating unsustainable production and untrusted sourcing of raw materials. (LINDT & SPRÜNGLI, 2018).

Below is a representation in figures of Lindt & Sprüngli's Traceability of raw materials throughout the years and the cocoa that was sustainably sourced and verified by the company's Farming Program.

Traceability and verification of all cocoa beans % of the sourced cocoa beans that were traceable* % of the sourced cocoa beans that were traceable and verified (from the Lindt & Sprüngli Farming Program) 86

Fig.6. Traceability and verification of all cocoa beans. (LINDT & SPRÜNGLI, 2018).

2.3.9 The Ninth Principle: 'Promoting Fair Trade.'

2014 2015 2016 2017 2018

The Fair Trade Organization has greatly expanded across the globe throughout the years as it promotes fair labour, sustainability and equality in many industries, especially those that are synonymous with inadequate conditions, unsustainable sourcing and child exploitation amongst other things. This organisation promotes justice in parts of the world where it is not exercised, and it provides information and knowledge to consumers about what it does to ensure that the products they are buying come from trusted, sustainable and certified sources.

2013 2014 2015 2016 2017 2018

Despite there still being many inequalities in the cocoa industry, Fair Trade has helped in drastically minimising these and has encouraged many manufacturers to adopt these principles which not only help the people involved in making the cocoa products but also assure the consumers that the products come from verified sources that value each and every individual and also the environment.

There are now 22 countries that grow Fair Trade cocoa and this is a sign that manufacturers are willing to change past practices into something more sustainable, transparent and that provides income for them and the farmers that put in all the hard work to ensure the highest quality of cocoa beans is produced.

Although the companies opting for Fair Trade cocoa are on the rise, studies have shown that out of all the cocoa products sold worldwide, only a mere five per cent have the Fair Trade label and this statement questions whether or not enough awareness is being done to promote

Fair Trade and encourage manufacturers to adapt their production in order to get this certification. (International Cocoa Organization, 2019).

2.3.10 The Tenth Principle: 'Respect for the Environment.'

Not only does the Fair Trade Organization promote the human resource aspect, but it also gives great importance to sustainability and protecting the environment, especially in an industry in which the environment plays a vital role. The organisation promotes sourcing local raw materials which not only helps the local communities, but it also makes a lesser impact on the surrounding environment, making production more sustainable and environmentally friendly.

Producers that are Fair Trade certified help the environment by using organic, low impact pesticides, or in some instances, no pesticides at all to ensure that the crops are grown in a way that does not harm the surrounding environment. Reusable sources of energy are also encouraged where possible so that not only the product itself is sustainable but even the methods of production used, and this minimises carbon emissions and environmental impact.

Packaging used is made from biodegradable materials, including natural fibres which does not in any way alter the quality of the cocoa beans and if possible, the use of sea transportation is favoured, depending on the area of production and manufacturing. (World Fair Trade Organization, 2017).

2.4 Environmental impact of Non- sustainable Cocoa.

2.4.1 <u>Defore</u>station.

Deforestation is an ever growing concern in the cocoa industry due to the constantly increasing demand for cocoa in recent years. This issue has occurred mainly because in the past, cocoa cultivating companies and farmers were not aware of the harm and damage being done by over-producing and clearing mammoth plots of cocoa plantations to maximise sales and yields as much as possible.

This unsustainable way of farming has led to many drastic changes in the way the crop is naturally grown, For instance, farmers attempt to maximise yields of the cacao crop by planting the cocoa trees in direct sunlight instead of shady areas where the U.V. impact is not as harsh, thus allowing the crops to naturally ripen by time. This method of cultivation has

increased the growth of unwanted weeds that take up nutrients from the trees thus leaving the cocoa crops weak and susceptible to diseases.

When these weeds start to accumulate, so do pests and harmful insects which have to be killed using strong, harmful herbicides and pesticides that further weaken the crops and damage the surrounding environment as well as being of immense danger to the farmers' health due to their high toxicity levels. (Taylah Rich Chocolate, n.d.).

Although it may be too late, cocoa companies are taking drastic actions to minimise the effects of deforestation on the environment by opting for more sustainable farming methods and organic practices such as the minimal use of organic pesticides which are far less harmful than what was traditionally sprayed in the past. Afforestation programs are also being implemented, aiding in preserving this crop that is now on the verge of extinction.

Manufacturers such as Nestlé have made a non-deforestation commitment that guarantees that there will not be any deforestation involved in both products and their packaging.

(Commitment on Deforestation and Forest Stewardship, 2011).

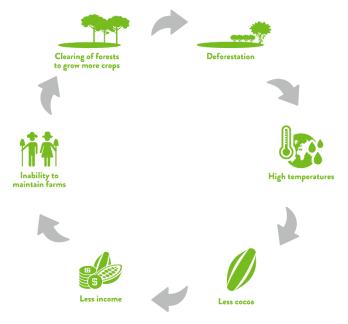


Fig.7. Effects of Deforestation. (Cocoa Life, n.d.)

2.4.2 Climate Change.

Studies have established that if no action is taken vis-à-vis climate change, coca growing countries and regions within the next 30 years will no longer be able to produce cocoa crops.

This means that cocoa is becoming an increasingly rare commodity that if not taken care of, can become extinct, causing a major decline in the global cocoa market.

For cocoa to grow in the best possible way and provide the highest yields, temperatures of 21°C and 23°C are ideal along with rainfall of 1,000mm to 2,500mm per annum. This is changing as temperatures are constantly rising and water levels are diminishing. Ghana in particular is at risk of sever climate change and by 2050 it has been estimated that temperatures are to rise by 2°C and rainfall is to decrease by approximately 1 per cent, which means that annual rain fall would amount to roughly 1455mm /1467mm. (Ameyaw et al., 2018).

The Rainforest Alliance has introduced what is known as Climate-Smart Agriculture in countries such as Ghana and the Ivory Coast which is a tailored system that assesses the risks and needs of the specific farm or plantation and helps by providing customizes farming practices beneficial to that area. This aids in providing the farmers with skills on more sustainable farming whilst minimising greenhouse gas emissions (GHG) that speed up the effects of climate change. As previously discussed, opting for more sustainable and organic ways of farming such as organic pesticides and cover crops helps in dealing with these issues without putting the environment and the climate at risk. (Rainforest Alliance, 2018).

2.4.3 Drought.

Water has become a very precious commodity, especially in cocoa growing countries where deforestation has led to water shortages during hot seasons and floods during the wetter months. Decreasing water levels leads to crop dehydration and malnourishment of the roots that ends up killing the cocoa pods, resulting in much lesser yields and a decrease in the quality level of the cocoa beans. Drought has led to unpredictable weather changes which put the cocoa pods at risk even after harvesting as drying is more difficult due to fluctuations in humidity which makes the drying cocoa beans susceptible to mould growth. This can be avoided by using green houses and solar panels for drying but many of the farmers cannot afford to install these artificial drying systems as they are quite costly when compared with the natural, traditional drying methods. (Nieburg, 2015).

Many farmers used to believe that drought was simply an 'Act of God' and because of this, they never addressed the water shortage problems until international cocoa organisations stepped in to offer them the knowledge they needed. Since then, together with the farmers, these organisations have come up with ways to preserve water and to keep moisture levels in

the soil ideal for the growth of cocoa by using shield crops and irrigation systems. (Hutchins et al., 2015).

2.4.4 <u>Carbon Footprint</u>.

Cocoa production is responsible for a hefty carbon footprint, from the harvesting of the crop, throughout its journey into becoming the chocolate bar ready for sale. Cocoa production doesn't only impact the environment during its cultivation process but also during harvesting, transportation, processing and manufacturing. The many stages the cocoa beans have to go through all involve the use of machinery that pollute the environment in many ways, from the gases emitted, to by products and waste, to production of the packaging that is used and finally transportation across the world.

Due to the globally ever growing demand of cocoa, plots of rainforests are being cleared to make room for more cocoa trees to be planted and this has increased levels of carbon dioxide in the environment as there are less trees and foliage to take up the harmful carbon dioxide and transform it into oxygen. Astonishingly, one single chocolate bar can require up to 1,000 litres of water to be made. A carbon footprint of 169 grams per 49 grams of chocolate, which is equivalent to one bar was estimated. (Harris, Payne and Mann, 2015).

Conclusion.

This literature review has established a few of the many issues related to this industry and established connections between previous and current practices in both the employment and farming aspects. Although there are a lot of incentives and policies being made to safeguard the people working in the industry and the environment in particular, there are goals that have not yet been reached and due to many political and governmental affiliations related with the cocoa trade, many policies are not being fully implemented by the said governments and entities as that would result in smaller profit margins for the big companies. Unfortunately, unless radical action is taken, many farmers jobs will be put in jeopardy due to the high framing costs and low incomes, cocoa crops will diminish and become harder to cultivate, and the global cocoa market will decrease, causing developing countries to lose one of their largest sources of income which will increase poverty amongst citizens.

Chapter Three: Methodology.

The majority of data that was used throughout the duration of this research was secondary data published by researchers, most of which in the fair trade field as well as other professionals in employment and human rights sectors.

Other very important sources that were utilised were publications and documents from various cocoa companies, plantations, global entities and manufacturers worldwide as well as data published by organisations such as the Fair Trade Organization, World Health Organization and data from studies that were carried out in recent years by The United Nations and the International Cocoa Organization in particular.

Various laws and legislations regarding employment and labour, as well as human rights from cocoa producing countries analysed in this study were also utilised to help in understanding better the law enforcement or lack thereof and what has changed throughout recent years with regards to safeguarding workers and farmers and their rights within the cocoa industry.

This secondary data forms a substantial part of this whole research as it is by far the most consistent, reliable and unbiased source of information since it was verified by various large-scale entities prior to its publication, whereas data and results obtained from the questionnaires could have been biased or inaccurate since it is not entirely based on facts but more on the individual's opinion or point of view which is not always genuine or clear.

In order to further solidify the findings that were used to conduct this research, questionnaires and interviews were the two main methods of data collection used apart from both primary and secondary data that has been published by organisations, governments, producers, manufacturers and researchers throughout the last few years.

These were deemed the most ideal methods of data collection as this study mainly focuses on the human aspects of the cocoa industry, particularly consumers and their behaviour when purchasing cocoa products, thus, a questionnaire was presented to a group of participants of different age groups, representing the majority of the Maltese population in order to get as many opinions and the result would not be biased as much as possible. By means of the questionnaires, results were much easier to collect and also, the data collected from the participants gave very clear, concrete results to the questions presented which have further

solidified the research that has already been carried out by many other researchers, some of which was used to compile the literature review for this particular study.

The questionnaire, was compiled of questions related to the consumer's personal choices and preferences when buying chocolate which aided in understanding better why consumers opt for one specific product or brand and not the other, and whether the general public is aware of why there is a growing consciousness on buying certain goods and certified brands that not only guarantee a high quality product but also give assurance to customers that the product has been made by workers who were treated adequately and paid fairly, which is the highlight of the overall research being conducted.

Another data collection tool that has been used to further provide answers to the research question, was the interview. Interviews were conducted to various companies such as: local and international producers, manufacturers and cocoa product suppliers to identify where their products are sourced from and whether or not choosing cocoa that is fair trade certified is of importance to them stating reasons for either choice made. These interviews played a very important role in truly understanding why some of these companies choose to produce chocolate that is not sourced from reliable and sustainable sources and why others opt to source and produce chocolate in accordance to the fair trade principles, ensuring full transparency throughout their supply chain and what are the key differences in between the two options, whether it is a matter of costings and pricing, efficiency, or simply because the companies have not considered having a fair trade certified product.

Both of these methods of data collection were indeed very useful to the research that has been conducted as the outcomes of both the questionnaires and the interviews have helped immensely in answering certain aspects of the research question while also providing the possibility for further research to be conducted on various topics that have so far had inconclusive results and possibly new gaps and research questions that can be identified from studying these results even further.

Secondary data also played a very important role in conducting this research as it has provided information on what has been already established by researchers and other subjects and matters that have not been studied in depth or there haven't yet been any studies about. Journals, academic articles, books and also data published by large scale companies and cocoa manufacturers aided in establishing research gaps that were further investigated throughout the process of this study. The sources used focused mainly on the African cacao

trade as this was the main continent this research investigated. Also, since Africa is the world's largest cocoa producer, there were far more concrete and reliable sources to obtain data from as most of the findings have been confirmed by several sources and published by academic websites, company's websites and online platforms and other online sites, including the Fair Trade Organization site and the United Nations documentations.

As previously stated, since this is a very political study, research can at times be difficult to carry out and to obtain results as some companies and researchers choose to not publish their data and findings since these might cause political and governmental issues. Also, in recent years, due to the ever-growing awareness, especially on social media platforms, many new studies are being carried out that play a major role in what is already known since the data can become obsolete due to constant changes in this growing industry. (Schrage and Ewing, 2005).

The questionnaires and interviews that were conducted as part of this research were carried out all throughout the duration of the said research as the results were key to establishing the final findings of this study. The outcomes, especially those obtained from the consumer questionnaires shed light on awareness on fair trade production and also why consumers make certain choices when it comes to purchasing chocolate and other products derived from the cacao crop.

To make sure that there was a substantial amount of questionnaire participants, from all age groups, a sample of 150 was the ideal amount of responses needed to carry out a successful study. This number included participants from all walks of life to ensure that the results would not be biased in favour or against the research question. The questionnaire was distributed via social media and online platforms as this is by far the most efficient and fastest way to obtain results and also target as many participants as possible. There was a total of 142 participants out of the 150 respondents that were asked to participate. SurveyMonkey was used to create the questionnaire format so it was easy to carry out online and also for it to be more user friendly. The questions asked were concise and to the point to avoid many different versions of answers that would interfere with the main objective of the study. This also helped during collection, sorting and analysis of the results that were obtained at the end of the questionnaire process. Since the questionnaire was done online, the results were sorted automatically in sections, percentages for each question and its possible outcomes and bar

graphs to better visualise the results making them much clearer to distinguish and understand once published.

On the other hand, the interview process varied slightly than that used for the questionnaires. To conduct the interviews, most interviewees were sent the questions via e-mail as most of the companies and manufacturers interviewed operate overseas, hence a one on one interview was not possible to carry out. For the interviews that were carried out locally, the interviewees also chose to respond the questions via e-mail and not in the normal one on one interview style. All respondents were to remain anonymous as part of their company's policies and regulations on data protection and to avoid interfering in private matters. The interviews were not as successful as primarily expected as all of the companies that the interview was sent to did not participate and did not provide any reasons or feedback for not doing so which has been one of the major limitations encountered during this data collection process.

To establish the sample required to participate in this study, factors such as population and the participants age were taken into consideration as they are two very influential factors when it comes to the end results of the questionnaires. The number of participants chosen was substantial for this questionnaire since a majority of age groups, relevant to this study were represented and results were easier to obtain and sort out.

For the qualitative part of the research, that is the interviews, four interviewees were contacted to participate, three of which are large scale companies and manufacturers based in countries such as Belgium, Switzerland and the United Kingdom amongst others. One of these companies is also based locally. The other interview participant that was chosen is the Malta Chocolate Factory, based in Buġibba, Malta. This establishment makes various different chocolates and chocolate products from raw cocoa that is imported from overseas.

Questions for both the questionnaire and the interviews were tested beforehand to ensure that the questions themselves were clear, to the point, and easy to understand and also to make sure that the right questions were asked for the purpose of this research. The questionnaire was tested by a small group of people, from different backgrounds whose ages range from 16-65 years to ensure that the majority of the participants, irrespective of their age group that were involved in this study understood the questions that were being asked and knew how to respond.

For the interviews, the questions were kept to a minimum so that it would be much easier to transcript the data and so that the interviewees would not go out of the context of the interview that has been set out. Keeping questions to a minimum was also ideal so that interviews would not take too long, since most of the participants that were involved in the interview process were busy due to work circumstances. The conciseness of the interview was also necessary so that the right answers would be given to the questions and thus, the necessary information would be obtained.

To analyse the results that were attained from all the questionnaires distributed, the data was collected and sorted according to the response given by each participant for each particular question. Since all of the questions were in a multiple-choice style, this was much more efficient as for each question there was only one answer to be chosen from a list of possible responses. The results obtained for each response of each question were then displayed in the form of bar charts with different colours for each choice of answer and the overall percentages from the number of answers for each choice. By presenting the data in such manner, the reader can understand the results and outcomes more clearly since the graphs help in visualising and portraying the percentage obtained for each possible outcome.

Chapter Four: Analysis and Discussion of the Results.

Throughout this study, various methods of data collection were utilised in order to further solidify the results and outcomes previously obtained by other researchers' works in regards to the fair trade production of the cocoa crop. In this case, questionnaires and interviews were used as they were the two most suitable, efficient and effective forms to obtain the necessary data and other important information relevant to the research question that has primarily been set out.

In the questionnaire, which has been carried out by means of an online survey platform by approximately 140 Maltese participants, questions about fair trade cocoa products, and consumer behaviour were asked and also other questions such as whether they knew how chocolate was produced, what fair trade is all about, and also if these consumers made their shopping choices based on the particular brands, prices or other key factors in regards to how the product was made and if the people behind making it were treated according to standard fair trade practices or not.

The participants of these questionnaires were all of different ages, genders and professions and coming from all walks of life, from students, to professionals in the catering industry, to housewives and elderly people to ensure that the result obtained were as fair, mixed and as unbiased as possible to better represent the majority of the country's population so that the responses obtained can further solidify the findings of this research.

A large majority of the participants had a clear understanding of what the term 'Fair Trade' stands for and it can be clearly seen that most of these participants know this mostly through sources such as social media and online publications such as journals or articles. These two categories were the most popular outcomes obtained from a list of possible answers and this evidently shows that most of the information and studies published about fair trade in cocoa production is communicated to the general public through social media and other various online platforms as it is by far the most effective and easy way to share and obtain information these days.

On the other hand, 17 out of the 140 respondents for this specific question did not know what the term 'Fair Trade' meant or have never come across it on any of the sources previously mentioned above. This shows that other than social media and online platforms, there aren't many other sources that publish, mention or provide information to the general public on such matter or that maybe, the information that is being published is not effective enough in the way it's being communicated or not emphasised and this issue needs to be given more importance to educate the consumers more on why they should opt for certain brands and not others.

Another question that was asked in the questionnaire was whether consumers chose to buy their products based on the product brand, the selling price or in this case them being fair trade certified. Astonishingly, more than half of the overall respondents said that they do not choose a product based on it being or not being certified as fair trade, the main reason being that they normally make their choices based on a particular brand or brands they prefer, some, if not most of which are not certified as being fair trade or any other certification that indicates fair treatment of the farmers and workers involved in making the said product.

Despite this undesired outcome, those few participants who choose to buy fair trade certified cocoa products are all aware of the harsh conditions faced by cocoa plantation workers and farmers who are not treated adequately and according to the Fair Trade Organization's practices hence why they opt to buy other certified brands.

Further on in this questionnaire, the participants were asked if they knew how chocolate was made and how the cocoa crop is cultivated. Most of the respondents who knew what cocoa farming entails and how cocoa is made into the consumable forms of chocolate, knew this generally from social media, television programmes, documentaries, articles and several other sources of information.

Those who said that they did not know how chocolate is made or how the cocoa crop is grown, have still heard about the harsh conditions faced by many of the plantation workers and other issues especially ones regarding child and female slavery, human

trafficking, violence, lack of human rights and more inadequate working standards associated with this so called 'dark' industry.

At the end of the questionnaire, the participants were asked if they thought that the majority of Maltese consumers choose their particular chocolate and chocolate products based on the fair trade certification labels or solely because of the product's price and its brand name, and the outcomes that were obtained from this particular question confirmed the majority of answers that were attained from the previous question, which shows that Maltese consumers give much more importance to factors such as the price and the brand of chocolate rather than aspects regarding the labour that goes on behind making of the chocolate products.

Finally, when the consumers were asked if they would refrain from purchasing a particular brand of chocolate due to the fact that it may involve child slavery, human and child trafficking, breach of basic human rights, violence and many other harsh precarious working conditions amongst other things, almost all of the respondents said that they would undoubtedly stop purchasing the products of such brands and opt for Fair trade certified ones that guarantee that none of the mistreatment mentioned above occurs at any stage or phase of the production from the cocoa crop in plantations to the final product readily available for sale and consumption.

Another essential method that was used for obtaining more data for this research was the interview. Interviews were specifically designed in accordance to findings from previous researchers to analyse and find out information about various manufacturers, both small-scale and large scale, cocoa producers, retailers and importers, many of which are based overseas, some of which outside of the European Union on how their companies operate, what their policies on employment are and whether they follow fair trade practices in all stages of production or not. These interviews were also aimed to identify companies that do not use these sustainable working principles and seek reasons why they operate in that particular manner whether it is because of costs incurred, company policy or other various reasons.

Most of these interview participants were contacted via e-mail where they were sent a copy of the interview questions to which they were asked to reply or provide relevant information regarding the topic in question. Unfortunately, none of the companies that were contacted responded to the interview or aided in providing this information in any way without giving genuine reasons why they chose not to participate in this interview.

This major limitation has in fact impacted the research greatly as these interviews were intended to provide more information about the subject in question and also to be able to have a comparison between different companies thus outlining their differences and similarities in the way they operate.

Despite this, the questionnaires were very helpful and have provided substantial information for this particular research as they have confirmed most of the findings that the Literature Review is based on and also shed light on issues that this so called 'dark' industry has been facing throughout the years and will continue to face if no action is taken by many of the major cocoa producing companies to end the slavery and protect all the workers involved in the making of this precious commodity as well as the environment and the climate.

<u>Chapter Five: Conclusions and Recommendations.</u>

Throughout the process of this research, most of the data obtained by studies previously carried out by various researchers has been consistent, despite recent developments in the cocoa industry. This has proven that although there are many changes in regards to employment and the environmental aspects of cocoa manufacturing, most companies are still choosing to operate in the way they always have without providing valid reasons for their choices, which many researchers have established and most of which have said that it is solely based on the company's profits.

Independent researchers that have gone to cocoa producing countries have found that many people working in these plantations were scared and hesitant to speak up about what really goes on in the cocoa industry and this is because their employers threaten them and their jobs if they speak the truth about the mistreatment they face on their jobs, from the wages they are given, to the lack of health and safety to child abuse and human trafficking. In fact, most of this independent research can be biased as the subjects that are interviewed are forced not to say the truth to make it look like their employers are doing everything according to the law.

Politics and governments play a vital role in this industry, especially in the countries that were mentioned in this study, as it is known that most companies that operate in these countries use bribes and monetary commissions to avoid government audits and providing information on their employment policies and other matters such as children working within their company and the use of harmful, unauthorised pesticides and other farming practices, some of which are even deemed illegal by authorities.

Pricing of cocoa throughout the years was also a topic that most research mentioned and it has become very clear that even though cocoa products are increasing in price, farmers and plantation workers are getting paid less than the average income stated by the ILO whilst the large- scale companies are making millions in profits every year. Cheap labour is a very consistent issue in all of these studies but it is slowly changing since companies are taking a stand against this and opting for fair payment which has not affected their profits and is helping low income families get better wages, thus creating better futures for themselves and growing their small business and enriching the quality if life in a sustainable manner. (Chocolate's bitter taste Forced, child and trafficked labour in the cocoa industry, 2012).

According to the Cocoa Barometer of 2018, cocoa prices have been decreasing drastically and this proves that farmers are earning even less for their product due to overproduction and irresponsible sourcing since many companies opt for the cheapest raw materials rather than the ones with the highest quality which would cost more. (Fountain and Huetz-Adams, 2018).

As previously mentioned, child labour and human trafficking remain the most concerning factors in the cocoa trade and until very recently they were issues that not many knew about. It is thanks to organisations such as the Fair Trade Organization that these were given the importance and coverage that they needed to make people aware of these truths that occurred in the industry and to make companies aware that they were common in plantations where they source their raw materials from. Thanks to this companies such as Nestlé, Barry Callebaut, Lind & Sprüngli and Mars have become more vigilant in their sourcing strategies and have taken the necessary action to banish this from happening in their supply chains as in previous years this issue has greatly tarnished their reputation.

Gender pay gap and gender equality have also proven to be major issues in cocoa growing countries. In these countries it can be clearly seen that women are not given the power or right to express their opinions freely, despite the hard work they do in the plantations. Studies have shown that women in cocoa farms do the same, if not more work then men and get paid up to 70 per cent less for the same job. They are also not involved in any of the decision making processes or given any authority within the business. The Fair Trade Organization, in collaboration with other entities is working towards eradicating the inequalities experienced by women in cocoa producing countries and providing them with the right skills and knowledge to help them take decisions and make their own choices and also move up in the business whilst giving them the necessary healthcare and other benefits they couldn't afford. (Cocoa Life, n.d.).

Environmental issues and climate change play a vital role in this industry as without the ideal conditions and healthy soils, there will be no cocoa crops. This issue has changed the cocoa industry substantially and a lot of damage has been done. In spite of the irreparable damage, organisations are teaming up with the workers in these plantations to put an end to unsustainable means of farming, that endanger the climate and the surrounding environment in order to preserve this precious commodity for years to come whilst increasing the quality of the crops produced which will in turn increase the farmer's incomes and profits and enable them to improve farming methods into more efficient ones. (Rainforest Alliance, 2018).

Another point that was made clear throughout all stages of this research is the growing concern and awareness amongst the consumers and how the Fair Trade Organization has increased its popularity on this matter by educating people and publishing information that is eye opening about many of these cocoa manufacturing giants that wouldn't have been published otherwise. This shows that it was only when concerns started arising that companies realised that consumers care about where the products they buy come from and who makes them.

From the customer questionnaires that were conducted as part of this research, it is evident that most consumers are aware of the so called 'dark truth' of the cocoa industry and some are even choosing to not purchase particular brands solely based on allegations that were made public about child labour, unfair conditions and human trafficking amongst other serious breaches of human and environmental rights and legislations.

In spite of this outcome, there is still a large majority of Maltese consumers that are unaware of the cocoa industry's reputation of being one of the most secretive industries and thus, their choice of chocolate products is not based on whether it is from Fair Trade certified sources but mostly the chocolate's price, brand and quality. This shows that even though there is much more awareness on the matter, there is still not enough action being taken to regulate what is sold and imported and where this comes from.

On the other hand, the interviews conducted as part of this research were the biggest limitation as there were no respondents so the study was based on data established by other researcher's work, which could have been outdated or not as accurate. Due to this, the study only shows the consumer's perspective on the matter and a comparison between consumers and manufacturers couldn't be made to establish similarities and discrepancies between the two.

Since one of the main methods of data collection didn't work in this research, the initial objectives that had been set out were not fully met and this has left a gap in the research which could potentially be analysed further and thus possibly establish reasons why the interviews were ineffective. Getting the manufacturer's perspective on this topic would give the opportunity for further research, comparisons and possibly new gaps in research which will result in finding new possibilities and perhaps solutions on creating more awareness and providing consumers with more knowledge on the cocoa industry both in Malta and other countries worldwide.

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Appendices.

Interview to the Cocoa Manufacturers and Suppliers. (International and Local)

Questions:

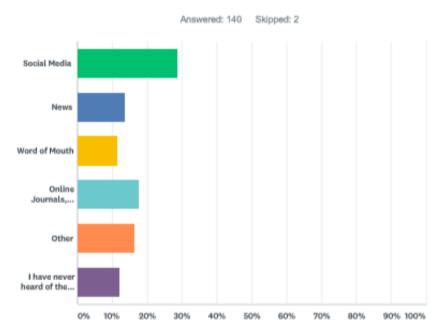
- 1. Do you think that consumers nowadays take into consideration where their chocolate comes from?
- 2. Do you as a company value the Fair Trade principles and understand the policies that need to be implemented in order to obtain such certification?
- 3. Are you aware of unfairness and precarious working conditions in the Cocoa Industry and do you think action is being taken to banish such inequalities from happening?
- 4. Lastly, what do you think can be done to educate the consumers about cocoa production and how it is grown, harvested and processed for it to become readily available on our supermarket shelves?

Local Consumer Questionnaire Responses.

Fair Trade. Is it something we consider when buying Cocoa Products?

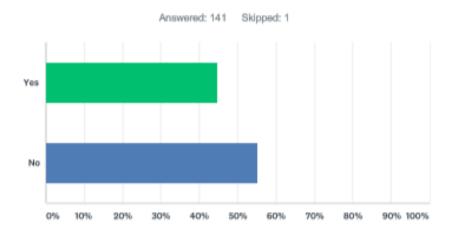
SurveyMonkey

Q1 Do you know what "Fair Trade" is? How have you come across this term?



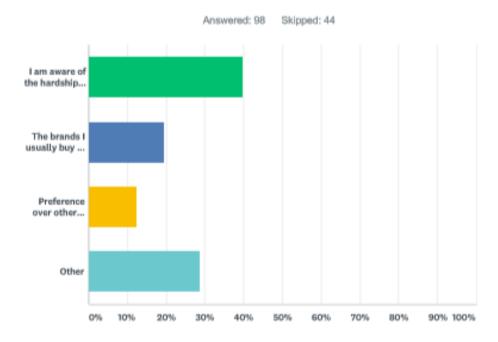
ANSWER CHOICES	RESPONSES	
Social Media	28.57%	40
News	13.57%	19
Word of Mouth	11.43%	16
Online Journals, Articles, etc.	17.86%	25
Other	16.43%	23
I have never heard of the term "Fair Trade"	12.14%	17
TOTAL		140

Q2 When buying chocolate and other products derived from it, do you consider opting for "Fair Trade" options as opposed to regular chocolate bars?



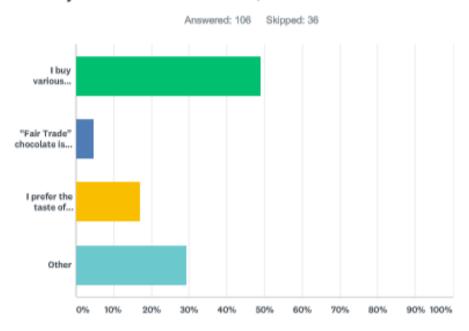
ANSWER CHOICES	RESPONSES	
Yes	44.68%	63
No	55.32%	78
TOTAL		141

Q3 If the answer to the previous question is "YES", state why you opt for such choice.



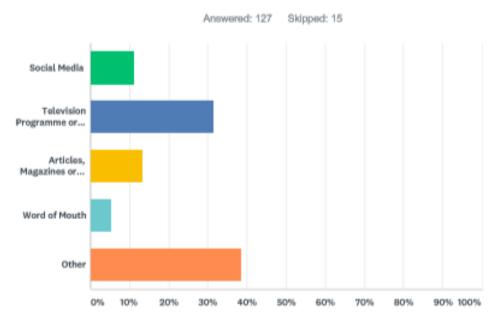
ANSWER CHOICES	RESPONSES	
I am aware of the hardship involved in cocoa production	39.80%	39
The brands I usually buy are "Fair Trade Certified"	19.39%	19
Preference over other brands of chocolate	12.24%	12
Other	28.57%	28
TOTAL		98

Q4 If your answer was "NO", choose a reason below.



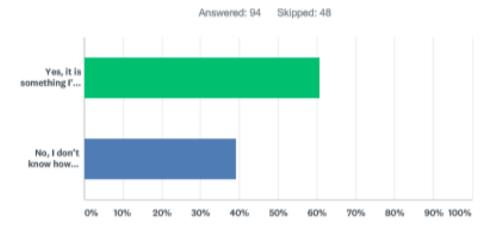
ANSWER CHOICES	RESPONSES	
I buy various different brands of chocolate, some of which aren't "Fair Trade"	49.06%	52
"Fair Trade" chocolate is expensive	4.72%	5
I prefer the taste of particular brands, which are not "Fair Trade"	16.98%	18
Other	29.25%	31
TOTAL		106

Q5 Do you know how the cocoa crop is grown and produced into the chocolate bar we find on our supermarket shelves? If "YES" where did you find this out?



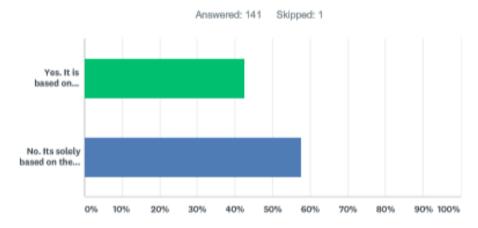
ANSWER CHOICES	RESPONSES	
Social Media	11.02%	14
Television Programme or Documentaries	31.50%	40
Articles, Magazines or Newspapers	13.39%	17
Word of Mouth	5.51%	7
Other	38.58%	49
TOTAL		127

Q6 If your answer is "NO", Would you have known that child labour and precarious work are greatly involved in the making of chocolate?



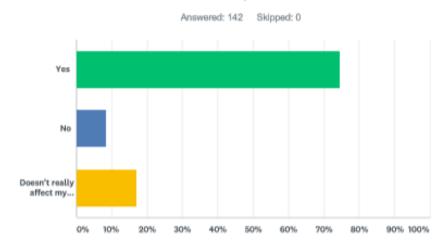
ANSWER CHOICES	RESPONSES	
Yes, it is something I've heard about	60.64%	57
No, I don't know how chocolate is made, nor who makes it	39.36%	37
TOTAL		94

Q7 Do you think the majority of consumers take into consideration the price/brand as one of the key factors when choosing a chocolate product or is their choice based on other factors such as "Country of Origin"?



ANSWER CHOICES	RESPONSES	
Yes. It is based on various factors other than price/brand	42.55%	60
No. Its solely based on the price/brand of the chocolate	57.45%	81
TOTAL		141

Q8 Would you stop purchasing a certain brand of chocolate products if you found out that child labour and precarious work conditions were involved in its production?



ANSWER CHOICES	RESPONSES	
Yes	74.65%	106
No	8.45%	12
Doesn't really affect my choice	16.90%	24
TOTAL		142