

Paying the price of chocolate

How does chocolate in Singapore drive deforestation and child labour on cocoa plantations? For years, companies purchasing the cash crop have been accused of profiting off such unsustainable farming practices to keep prices low. **Ang Qing** looks at how the biggest chocolate maker Barry Callebaut, which supplies companies that make household confectionery products such as Oreo and Magnum ice cream, is trying to weed out these issues in the Ivory Coast, the world's top producer of cocoa.



BITTER NOTES



Child labour

Issue:

- Chocolate and cocoa companies are accused of involving children in age-inappropriate labour

Fix:

- The manufacturer taps cooperatives to find cases of child labour in the supply chain.
- It addresses the systemic causes of child labour by supporting micro-financing schemes and basic education in communities with cocoa farmers whom they work with.



Deforestation

Issue:

- The Ivory Coast has lost 85 per cent of its forest cover since 1960, mainly due to cocoa farming, according to government statistics.
- The lack of transparency and traceability of cocoa imports by trading companies has been cited as a barrier to preventing cocoa from being purchased from illegal sources.

Fix:

- Barry Callebaut is working towards using its online platform to track data from plantations that it directly sources cocoa from. This includes mapping the farms' boundaries with satellites to ensure that farmers are not illegally encroaching into the Ivory Coast's forests to plant cocoa.
- The manufacturer tracks the cocoa output of each cooperative to detect any unusual increase, which may arise from illegal cocoa growing.
- It is also pushing for agroforestry on plantations to make cocoa production more sustainable.



Poverty

Issue:

- Many cocoa farmers earn low wages that are insufficient to afford a decent standard of living for all household members once farm costs are factored in.

Fix:

- By 2030, Barry Callebaut aims to create a system to ensure its farmers earn a living income by making sure they have access to investments.
- The company also supports farmers by providing and partially subsidising access to planting materials, fertilisers and pre-harvest labour such as pruning.

HOW THE CHOCOLATE CHAIN WORKS

STAGE 1

Farm in the Ivory Coast

- Farmers harvest the bulk of cocoa pods during the main season between October and March.
- The pods are cut open and their pulp-coated seeds are fermented and dried.
- Each farm produces between one and 10 tonnes of cocoa annually.



STAGE 2

Cooperative in the Ivory Coast

- Cooperatives made up of farmers produce chocolate amounting to between 1,000 and 10,000 tonnes a year.
- These are sold directly to exporters, or middlemen who resell the beans to exporters.



STAGE 3

Cocoa factories in the Ivory Coast and Malaysia

- Lorries transport bags of cocoa beans from the cooperatives to factories in the Ivory Coast owned by the exporter.
- The cocoa beans are dried and stored.
- Cocoa beans are shipped from Africa to factories around the world, including Malaysia and Indonesia.
- The beans are roasted at factories in Malaysia to develop their flavour. The cocoa bean husks are removed and the nibs turned into cocoa liquor, which is pressed to produce cocoa butter and cocoa paste.



STAGE 4

Chocolate factory in Singapore

- Cocoa products arrive in a chocolate factory in Senoko, Singapore, where they are combined with other ingredients to make chocolate and chocolate powder.

