

Press release

Working together for a living income and child labor free cocoa

German Initiative on Sustainable Cocoa draws conclusions from the EU Cocoa Talks at Anuga and calls for a concrete action plan and the assumption of responsibility by all stakeholders

Berlin/Cologne, 14 October 2021 – A sustainable cocoa sector free of child labour and deforestation and with a living income for cocoa farmers is a political priority for the EU. Since the beginning of 2021, six EU Cocoa Talks have taken place, with another to follow in mid-October.

In order to draw initial conclusions from the EU Cocoa Talks and to develop concrete follow-up measures, the German Initiative on Sustainable Cocoa hosted a specialist event on 11 October as part of this year's General Food and Drink Trade Fair Anuga in Cologne. "I hope that today we will derive concrete recommendations for the various actors present here, including ourselves as a multi-stakeholder initiative, and also address complex issues such as supply management and structural change," said Merit Buama, Chair of GISCO, welcoming the audience to the event on the topic of "Living Income for Cocoa Farmers and Child Labor Free Cocoa - What follows from the EU Cocoa Talks? "The success of all efforts for a sustainable cocoa sector also depends on strong and professional producer organisations. The economic and political environment must be created for them to develop in this direction," she said. The EU should therefore continue to implement the recommendations with the involvement of all relevant stakeholders and make the policy dialogue with cocoa-producing countries effective, Buama said.

The aim of the dialog events organized by the European Commission is to develop solutions to the most pressing challenges in the cocoa sector. The Cocoa Talks are characterized by strong participation of EU member states, civil society and the private sector, constructive dialogues, and high-level representation, especially from producing countries. Côte d'Ivoire and Ghana, which together produce two-thirds of the world's cocoa, take center stage while organizing mirror dialogues on the ground. The EU is also using the process to discuss with producer countries on sustainability issues, ahead of the entry into force of the upcoming EU legislation on human and environmental due diligence, explained Zoe Druilhe, agricultural commodities officer at the EU Commission's Directorate-General for International Partnerships (INTPA).

In his opening speech, Dr. Karl Wessels, Head of Department at the Federal Ministry of Food and Agriculture (BMEL), confirmed the importance of the topic of sustainable cocoa for the BMEL. He assumed that the topic would remain important in the new government and welcomed the initiative taken by the Forum for Sustainable Cocoa.

Alex Assanvo, Executive Secretary of the Initiative Cacao Côte d'Ivoire - Ghana, travelled from Ghana for the event and shared the views of cocoa producing countries with the audience in his opening speech. Assanvo praised the EU Cocoa Talks process and explained: "We see the right to earn a living income as a human right. Côte d'Ivoire and Ghana have taken important steps such as the introduction of the Living Income Differential and the adoption of the African Regional Standard for Sustainable Cocoa to advance sustainability in the sector. The next level of sustainability efforts is to address the economic imbalance and integrate sustainability into the global market. Each stakeholder group must contribute to this, Assanvo said. We need a systemic change in the cocoa sector and business as usual is not possible to deliver the ambition of a paradigm shift to deliver a sustainable cocoa production.

Aminata Bamba, head of sustainability at ECOOKIM, a cooperative union in Côte d'Ivoire, pointed out that out of one million coffee and cocoa farmers in Côte d'Ivoire, only about 15% can earn a living income according to a Fairtrade study published in July 2021. Poverty is also the main cause of child labor. To get out of poverty, however, producers must be able to invest. It is therefore essential to support income diversification and work towards a fair cocoa price. According to Bamba, both the industry and politicians have a duty here.

In his keynote speech, Christian Mieles, Director of the Federal Association of the German Retail Grocery Trade (BVLH), emphasised that the focus should be on the structural challenges in the cocoa sector in particular, so that companies can also meet their ambitious sustainability targets. He warned against unilaterally raising prices at producer level without accompanying them with holistic agricultural programmes. Accompanying measures, such as diversification in cultivation and volume management in cocoa, could prevent overproduction, achieve more stable prices, and counteract deforestation. According to Mieles, the EU should participate through partnership and trade agreements. In his view, a practicable EU duty of care regulation could also be effective, which would make all actors involved responsible in their respective spheres of influence.

Harold Poelma, President of the European Cocoa Association, urged that the creation of an enabling environment was a top priority to address common challenges. According to Mr. Poelma, this included uniform traceability and transparency across the cocoa sector, managed by national governments, as well as the implementation of strong agricultural policies at the producer country level. The root cause of child labor - the poverty of cocoa producers - has not been adequately addressed at all levels. The cocoa price is a critical element in achieving a living income, integrated into a smart mix of policies, measures and cooperation and coupled with a robust supply management policy. The President of the European Cocoa Association called for a concrete action plan from the EU to address and monitor the identified gaps with clear and time-bound targets, detailing the activities to be carried out by each actor. He sees an important contribution from the private sector in scaling up successful initiatives.

Matthias Lange, the new executive director of the International Cocoa Initiative (ICI) as of November, stressed the importance of scaling-up effective human rights due diligence and social traceability systems and to ensure better alignment and integration between private and public systems and stronger coordination led by cocoa producing countries. Addressing the root causes of child labour as a complementary and mutually reinforcing objective, he said, requires a joint effort by producer and consumer countries which will require far more resources than has been the case to date. "Multi-stakeholder initiatives such as the EU Cocoa Talks, ICI or GISCO make important contributions to raising the common bar," he concluded.

The subsequent panel created space for discussion. The focus was on the question of which of the demands presented could be implemented as a matter of priority and who is responsible for what.

Sebastian Lesch, Head of Division at the Federal Ministry for Economic Cooperation and Development (BMZ) presented conclusions from the EU cocoa talks by like-minded European ministries committed to support a sustainable cocoa sector. He pointed out that there were no easy solutions, but that there was a good starting point for tackling the problems. In this context, Lesch welcomed the joint Initiative Cacao Côte d'Ivoire-Ghana and offered to support important initiatives in close cooperation with the EU.

Julia Christian, campaigner at Fern, referred to the joint letter from West African & European NGOs calling for bilateral agreements between the EU and cocoa-producing countries to reach sustainable cocoa production. Local civil society and cocoa farmers should be involved in the development and implementation of an action plan for each producer country to address outstanding issues in the cocoa sector, which should be enshrined in a bilateral agreement with the EU, Christian said.

Aldo Cristiano, President of CAOBISCO, praised the outcome of the Cocoa Talks, saying that the stakeholders now have a common understanding in many areas. After intensive dialogue, the EU must now move forward with the transformation process. Core elements of this are uniform national traceability systems, sectoral transparency, supply and demand management as well as the creation of an enabling environment and a political dialogue at eye level, Cristiano said.

Zoé Druilhe replied that the Commission shared most of the suggestions. From the Commission's point of view, achieving a living income is also the basis for a sustainable supply chain and has the highest priority. At EU level, there are three main work streams: to continue the dialogue on sustainability issues; to deepen the bilateral dialogue with producing countries on the development cooperation and the trade side; and to support producing countries in the transformation of the cocoa sector through our development and finance instruments.

All speakers agreed that the EU Cocoa Talks significantly improved the constructive dialogue between stakeholders in the sector, the EU and producer countries and built consensus on what needs to be done. However, it is now even more important to translate the recommendations into action.

A comprehensive and inclusive EU support programme must focus on measures to stabilise the international cocoa market, to effectively combat poverty and to create the necessary economic and political framework conditions.

In his closing remarks, Dirk Schattschneider, Head of Division for Sustainable Supply Chains at the BMZ, called for even closer cooperation between European countries and the EU at the political level. Development cooperation with cocoa-producing countries must be coherent, he said. He thanked the EU's Directorate-General for initiating the process and GISCO for organising the event and for its commitment to a sustainable cocoa sector.

Climate neutral event of GISCO



© German Initiative on Sustainable Cocoa/ A. Köhring

Caption:

At the invitation of GISCO, representatives from international politics, business and civil society discussed what could be learned from the EU Cocoa Talks with regard to the issues of living incomes and child labor (from left: Aldo Cristiano, CAOBISCO, Sebastian Lesch, BMZ, Alex Assanvo, Initiative Cacao Côte d'Ivoire-Ghana, Merit Buama, Chairwoman GISCO, Christian Miele, BVLH, Dr. Karl Wessels, BMEL, Beate Weiskopf, Secretariat GISCO, Alexander Bernet, BMEL, Conny Czymoch, moderator, Dr. Torben Erbrath, BDSI, Evelyn Bahn, INKOTA-netzwerk, Johanna Bodewing, Secretariat GISCO).



© German Initiative on Sustainable Cocoa/ A. Köhring

Caption:

Alex Assanvo, Executive Secretary of the Initiative Cacao Côte d'Ivoire-Ghana, travelled from Ghana for the event and shared the perspective of cocoa producing countries with the audience in his opening speech.

About the German Initiative on Sustainable Cocoa

The 'German Initiative on Sustainable Cocoa' (GISCO) is a joint initiative of the German government, civil society, industry and retail and brings together relevant actors from Germany with those from the producing countries and international initiatives. The aim of GISCO is to improve the living conditions of cocoa farmers, to conserve and preserve natural resources and biodiversity in the producing countries, and to increase the share of sustainably produced cocoa. The German Initiative on Sustainable Cocoa currently has 78 members and is open to other interested parties.

Contact for media enquiries:

Ms Laura Schröter

Phone: +49 6196 79-7962

E-Mail: laura.schroeter@giz.de