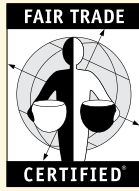


FAST FACTS: Fair Trade Certified™ Specialty Cocoa



Cocoa and the Small-Scale Family Farm

- 90% of the world's cocoa is grown on small family farms of 12 acres or less.
- Lack of access to credit and the market often forces small cocoa growers to sell to middlemen, receiving a fraction of their harvest's value.
- Small family farms produce an average of about 350 lbs. of cocoa per acre, and average annual cocoa revenues range from US\$30 to US\$110 per household member.¹
- In West Africa, cocoa production is labor intensive and, despite low earnings, usually contributes the majority of a household's income. To hold down costs, the entire family unit often participates in the farming.

Fair Trade Cocoa

- Farmers who produce Fair Trade Certified™ cocoa are guaranteed a fair price: a minimum of \$1750 per metric ton (\$1950 per metric ton organic). If the world price rises above \$1600 per metric ton, the Fair Trade price meets the world price and adds a \$150 Fair Trade premium per metric ton plus an additional \$200 per metric ton for organic.



- Many Fair Trade co-ops use their additional income for community projects, such as building schools and healthcare centers, as well as providing training in organic farming techniques.
- Importers of Fair Trade products may provide pre-financing to farmers of up to 60% of the contract value prior to harvest. In 2002, Fair Trade importers offered \$840,000 in pre-harvest financing.



- Over 50,000 cocoa growers in eleven countries are members of Fair Trade cooperatives. Fair Trade cocoa co-ops can be found in Belize, Bolivia, Cameroon, Costa Rica, Dominican Republic, Ecuador, Ghana, Haiti, Ivory Coast, Nicaragua, and Peru.
- Fair Trade cocoa is grown under a canopy of indigenous plant life, preserving biodiversity. Almost fifty percent is also certified organic.
- Critical acclaim for Fair Trade cocoa and chocolate includes: Bon Appétit "Featured Best Chocolates" and American Culinary Institute "Best Tasting Organic Hot Chocolate."

Cocoa World Market

- The US chocolate industry generated \$13.7 billion in retail sales in 2000.²
- 46% of Americans say they can't live without chocolate.³ Americans consumed 3.3 billion pounds of it in 2000.⁴

1. Summary of Findings from the Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria, by the International Institute of Tropical Agriculture. July 2002.

2. "America's Growing Taste for Chocolate." Prepared Foods. June 2001.

3. www.serrv.org

4. www.wholefoods.com/recipes/tips_choc-history.html

Cocoa World Market (cont...)

- The world's largest producer of cocoa is Ivory Coast, with a share of 43%, followed by Ghana, Indonesia, Nigeria, Brazil, and Cameroon.⁵
- Many developing world economies depend heavily on the cocoa industry; cocoa comprises 40% of Ivory Coast's export earnings and 30% of Ghana's.⁶
- 14 million people are directly involved in cocoa production, according to the International Cocoa Organization (ICCO).⁷

Cocoa and Child Labor

- In the Ivory Coast, 87% of the permanent labor used in cocoa farming comes from the family.⁸
- More than 60% of working children on West African cocoa farms are below the age of 14.⁹
- Children often take part in dangerous cocoa-farming tasks, such as the clearing of fields with machetes and the application of pesticides.¹⁰
- Both boys and girls are employed in cocoa farming, and on cocoa farms, girls are often less likely to attend school.¹¹

- In the Ivory Coast, one-third of cocoa farmers' children have never attended school. Children who do not work on farms are 30% more likely to enroll in school than children who do.¹²

TransFair USA and Fair Trade Certification

- TransFair USA is the only independent certifier of Fair Trade cocoa in the US.
- TransFair USA launched its Fair Trade Certified™ label in the spring of 1999. Fair Trade Certified cocoa was introduced to the US in 2002.
- Currently, 28 cocoa importers and chocolate companies are licensed to sell Fair Trade Certified cocoa and chocolate.
- The integrity of the Fair Trade certification system is guaranteed by a rigorous inspection and certification process that audits the entire supply chain—from the field directly to the retail distribution chain.
- TransFair USA is part of a world-class certification network with a 20-year track record of successful operations in over 50 countries worldwide.



5. *Summary of Findings from the Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.

6. www.sierraclub.ca/national/media/item.shtml?x=369

7. www.developments.org.uk/data/issue25/chocolate-pieces.htm

8. *Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.

9. *Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.

10. *Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.

11. *Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.

12. *Child Labor Surveys in the Cocoa Sector of West Africa: Cameroon, Cote d'Ivoire, Ghana, and Nigeria*, by the International Institute of Tropical Agriculture. July 2002.