# The Ghana Cocoa Report 2024: Cocoa Labor Practices in Ghana: Challenges and Future Directions

Explore the labor practices in Ghana's cocoa industry, focusing on key statistics, worker conditions, and efforts to improve labor rights. Learn about child labor, gender inequality, and the challenges facing the cocoa workforce.



# Highlights

Comprehensive analysis of labor practices in Ghana's cocoa industry, focusing on the workforce conditions, labor rights, and key challenges.

Key statistics on labor participation, income, and demographic trends within the sector.

Strategic recommendations for improving labor conditions and ensuring ethical labor practices in cocoa production.

#### Content

Cocoa Labor Practices in Ghana: Examining the Workforce Behind the

# Industry

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## Research Methodology

This article draws on data from the Ghana Cocoa Board (COCOBOD), the International Labour Organization (ILO), academic research on labor economics, and reports from NGOs monitoring labor rights in Ghana. Quantitative data on employment, wages, and workforce demographics are combined with qualitative insights from interviews with labor rights advocates and cocoa farmers.

#### Top 10 Key Statistics and Facts

- 1. Labor force size: The cocoa sector in Ghana employs over **800,000 to 1 million workers**, including smallholder farmers, laborers, and seasonal workers.
- 2. **Smallholder farmers**: Over **90%** of cocoa farms in Ghana are smallholder-owned, with most farms being **2-4 hectares** in size.
- 3. **Income levels**: The average cocoa farmer in Ghana earns approximately **\$\psi\$12,000-15,000 per year**, though incomes fluctuate based on market prices and productivity.
- 4. **Child labor prevalence**: Approximately **770,000 children** are involved in hazardous child labor in the cocoa sector, representing a major challenge in improving labor conditions.
- 5. **Seasonal labor**: Cocoa farming relies heavily on seasonal labor, particularly during peak harvesting periods, when workers migrate from other regions to meet demand.
- 6. Farm labor costs: Labor costs account for around **50-60%** of total production expenses in cocoa farming, impacting overall profitability.
- 7. **Labor shortages**: The cocoa sector faces a labor shortage, with fewer young people entering the industry, contributing to labor costs rising by **10-15%** in the past five years.
- 8. Worker rights protection: Ghana is a signatory to ILO conventions on labor rights, but enforcement in rural cocoa-growing regions remains weak.
- 9. **Sustainability certifications**: Around **60%** of Ghana's cocoa is certified under sustainability programs, which include labor monitoring standards, though compliance is inconsistent.
- 10. **Gender in labor**: Women make up about **40**% of the cocoa workforce, primarily involved in post-harvest activities, though they are often paid less than male counterparts.

Critical Analysis of Labor Practices in Ghana's Cocoa Sector

The labor practices within Ghana's cocoa industry are deeply intertwined with the economic, social, and cultural fabric of rural communities. As one of the country's most important agricultural sectors, cocoa farming provides employment for hundreds of thousands of people. However, the industry faces a series of challenges that complicate labor conditions, ranging from poverty-driven child labor to insufficient wages for adult workers. This critical analysis examines the core issues affecting labor in the cocoa sector and explores opportunities for reform.

**Smallholder Farming and Labor Structures**: Cocoa production in Ghana is dominated by smallholder farmers, who operate on small plots of land and rely heavily on family labor, hired workers, and seasonal laborers to cultivate and harvest their crops. The structure of smallholder farming inherently limits scalability, which in turn restricts income potential for many cocoa farmers. Given that labor costs represent a significant portion of production expenses—often 50-60%—smallholder farmers face financial pressure to minimize these costs, sometimes at the expense of fair labor practices.

Seasonal labor is crucial during the peak cocoa harvest period, when demand for manual labor rises sharply. Migrant workers, often from poorer northern regions of Ghana or neighboring countries like Burkina Faso, travel to cocoa-growing areas for short-term employment. While seasonal workers play an essential role in sustaining cocoa production, their labor rights are often precarious, with irregular wages, lack of formal contracts, and limited access to social protections.

**Child Labor in Cocoa Farming**: Child labor remains one of the most pressing issues in Ghana's cocoa industry. According to recent estimates, approximately 770,000 children are involved in hazardous labor in the cocoa sector. Children typically engage in tasks such as carrying heavy loads, using sharp tools, and working long hours under difficult conditions. The root cause of child labor in cocoa farming is economic insecurity. Low household incomes drive families to rely on their children's labor to supplement family earnings.

Despite Ghana's ratification of international agreements such as ILO Convention No. 182 on the worst forms of child labor, enforcement remains a challenge. The Ghanaian government, in partnership with international organizations, has implemented initiatives such as the Child Labor Monitoring and Remediation System (CLMRS), which aims to identify and address cases of child labor in cocoa-producing areas. However, coverage remains limited, and many instances of child labor go undetected or unresolved.

Efforts to combat child labor must address the underlying economic factors that perpetuate it. Poverty alleviation, improving access to education, and expanding social protection programs are critical to ensuring that children are not forced to work in hazardous conditions.

Wages and Income Levels in the Cocoa Sector: Income levels for cocoa farmers in Ghana vary significantly, depending on factors such as

farm size, productivity, and access to markets. On average, cocoa farmers earn between \$\psi 12,000\$ and \$\psi 15,000\$ annually, though many farmers live on less than that, as income is often affected by fluctuating cocoa prices and production costs. Laborers working on cocoa farms, including seasonal workers, often earn lower wages, particularly those without formal contracts or employment protections.

The government, through COCOBOD, sets the farmgate price for cocoa to provide a stable income for farmers. While this system has helped mitigate the impact of global price volatility, it has not fully addressed the income disparities faced by farm laborers, who are often paid less than the official farmgate price suggests. Additionally, the rising cost of inputs, such as fertilizers and pesticides, further erodes farmers' income and their ability to provide fair wages to hired workers.

**Gender Dynamics in Cocoa Labor**: Women represent about 40% of the cocoa labor force in Ghana, yet they are disproportionately involved in lower-paid tasks such as pod collection, fermentation, and drying. Despite their crucial role in the post-harvest process, women often receive less recognition and lower wages compared to male counterparts involved in fieldwork. Gender inequality in the cocoa sector reflects broader social norms and economic barriers that limit women's access to land ownership, financial resources, and decision-making power in farming communities.

Addressing gender disparities in cocoa labor requires targeted interventions that promote women's participation in leadership roles within farmer cooperatives, improve access to credit and training, and ensure equal pay for equal work. International organizations working on cocoa sustainability, such as Fairtrade and Rainforest Alliance, have incorporated gender equity into their certification standards, though further efforts are needed to enforce these commitments.

**Labor Shortages and Migration**: In recent years, the cocoa sector has experienced labor shortages, particularly as younger generations increasingly seek employment opportunities outside of agriculture. Urban migration and the growing allure of non-farm jobs have reduced the availability of agricultural labor in rural cocoa-producing regions. This shortage has contributed to rising labor costs, which have increased by 10-15% over the past five years. The labor shortage is further exacerbated by the aging population of cocoa farmers, many of whom are over 50 years old, raising concerns about the future viability of the sector.

To address labor shortages, stakeholders in the cocoa industry are exploring the potential of mechanization to reduce the need for manual labor. However, the adoption of mechanized tools in cocoa farming has been slow, largely due to the high costs of equipment and limited access to financing for smallholder farmers.

Current Top 10 Factors Impacting Cocoa Labor Practices in Ghana

1. **Poverty and low wages**: Economic insecurity among cocoa farmers and laborers drives the use of child labor and limits the ability to

provide fair wages.

2. **Seasonal labor dependence**: The reliance on seasonal labor creates precarious employment conditions, with irregular wages and lack of social protection.

3. **Child labor prevalence**: Economic hardship forces families to involve children in hazardous cocoa farming tasks, despite international

efforts to eliminate child labor.

4. **Farmgate price policies**: COCOBOD's farmgate price system helps stabilize farmer incomes but does not fully address wage disparities for laborers.

5. **Gender inequality**: Women in the cocoa sector are paid less than

men and are often limited to lower-paid roles in the value chain.

6. **Labor shortages**: Declining youth participation in cocoa farming and migration to urban areas have contributed to labor shortages and rising labor costs.

7. **Sustainability certifications**: Sustainability programs aim to improve labor practices, but inconsistent enforcement limits their

effectiveness in protecting workers.

8. **Aging farmer population**: The aging population of cocoa farmers raises concerns about labor availability and the long-term sustainability of the industry.

9. **Global demand for cocoa**: High demand for cocoa, particularly from Europe and North America, puts pressure on farmers to increase

production, sometimes leading to exploitative labor practices.

10. **Government regulations**: Weak enforcement of labor laws in rural areas allows poor labor practices to persist, despite Ghana's commitments to international labor standards.

#### **Projections and Recommendations**

1.

**Strengthen Enforcement of Labor Laws**: The Ghanaian government should invest in strengthening the enforcement of labor laws, particularly in rural cocoa-growing areas. Expanding labor inspections and improving reporting mechanisms will help address issues such as child labor, low wages, and precarious working conditions.

2.

**Expand Access to Social Protection**: Providing social protection programs for cocoa workers, including health care and pensions, will help improve the livelihoods of laborers and reduce economic reliance on exploitative practices.

3.

**Promote Mechanization**: Investing in affordable mechanization tools for cocoa farmers will help reduce the reliance on manual labor and address the

labor shortages currently affecting the sector.

4.

**Improve Gender Equity**: Initiatives aimed at empowering women in the cocoa sector, such as providing access to land ownership and equal pay for equal work, should be expanded. Certification programs should strengthen their gender equity standards and enforce compliance.

5.

**Enhance Child Labor Monitoring Systems**: Expanding the Child Labor Monitoring and Remediation System (CLMRS) and increasing community awareness about the dangers of child labor will be critical to reducing the prevalence of child labor in cocoa farming.

#### Conclusion

Labor practices in Ghana's cocoa industry are shaped by economic, social, and cultural factors that influence the workforce conditions, wages, and labor rights of workers. While significant progress has been made in addressing issues such as child labor and gender inequality, more must be done to ensure that labor practices in the sector meet international standards. By strengthening labor law enforcement, expanding social protections, and promoting mechanization, Ghana can improve labor conditions in its cocoa industry and ensure a more sustainable future for its workforce.

#### **Notes**

Data for this article were sourced from COCOBOD, ILO reports, and NGOs focused on labor rights in the cocoa sector.

Key statistics on labor participation, wages, and child labor prevalence were drawn from government reports and industry studies.

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