



Human Rights workshop

Chocolate case study

September 2026

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This presentation is intended to support discussion on human rights issues in global supply chains, with a particular focus on the cocoa sector. The content does not relate to investment products, investment advice, or investment decision-making, and should not be interpreted as such. While the information has been prepared with due care, no guarantee is given as to its accuracy or completeness. Examples used are illustrative and aim to facilitate understanding of human rights risks and challenges. The views expressed are those of the presenter at the time of the workshop and do not necessarily reflect the views of LGT Capital Partners as a whole

Introduction

Master thesis microinsurance and the reduction of poverty and child labour



Passion for all things sweet and chocolate



Master degree in International Law

Thesis on an initiative to reduce child labour in cacao and cotton farming communities in Ivory Coast.

« *Exploring facilitators and obstacles to the **implementation of a comprehensive medical coverage intervention for farming communities** : A qualitative study of local stakeholders' perceptions **in Côte d'Ivoire.** »*

Chocolate supply chain



Child labour, slavery and poverty

A case for microinsurance healthcare



Illness Strikes

When small farmers fall ill (e.g., malaria), they face an **immediate or gradual inability to work**. At the same time, they must **cover medical expenses**, most often **without savings or insurance**.



Financial Burden

To afford care, families **often sell assets or borrow money**, deepening financial instability.



Coping Mechanisms with Severe Consequences

Unable to tend to crops or livestock, **families often resort to pulling children out of school to help or, in extreme cases, fall into exploitative practices** such as human trafficking.



Delayed Access to Healthcare

Eventually, the farmer **may reach a hospital**. But by then, the illness may have **worsened due to the lack of prior treatment**.

Long-Term Physical Impact and Escalating Costs

This **chain of events** leads to chronic health issues and rising medical costs, **locking families into a cycle of poverty** that becomes harder to escape.

Chocolate supply chain

Boat shipment – the issue of transshipment and bunkering

Bunkering: term used in the shipping industry to describe the **selling of fuel from specialized vessel tankers, which supply fuel** (e.g., light fuel, gas oil and marine diesel) **to other vessels whilst at sea.**



INTERNATIONAL TRIBUNAL FOR THE LAW OF THE SEA

REPORTS OF JUDGMENTS,
ADVISORY OPINIONS AND ORDERS

THE M/V "VIRGINIA G" CASE
(PANAMA/GUINEA-BISSAU)
List of cases: No. 19

JUDGMENT OF 14 APRIL 2014

The M/V "Virginia G" Case (Panama/Guinea-Bissau)

Case of a coastal state taking measure against a bunkering vessel. The Advisory opinion **recognized the coastal state's obligations to investigate and if appropriate take any action necessary to remedy the situation.**

Chocolate supply chain

Human slavery vs human trafficking

Legal Definition (Palermo Protocol, Article 3)

“Trafficking in persons” shall mean:

The act: *Recruitment, transportation, transfer, harbouring or receipt of persons*

By means of: *Threat or use of force, coercion, abduction, fraud, deception, abuse of power or vulnerability, or giving/receiving payments to control another person*

For the purpose of exploitation, which includes:

- Sexual exploitation
- Forced labor or services
- Slavery or practices similar to slavery
- Servitude
- Removal of organs

Special provision for children:

The recruitment, transportation, transfer, harbouring or receipt of a child (under 18) for the purpose of exploitation is considered trafficking even if none of the coercive means are used.

The internationally recognized legal definition of slavery is found in **Article 1(1) of the 1926 Slavery Convention**:

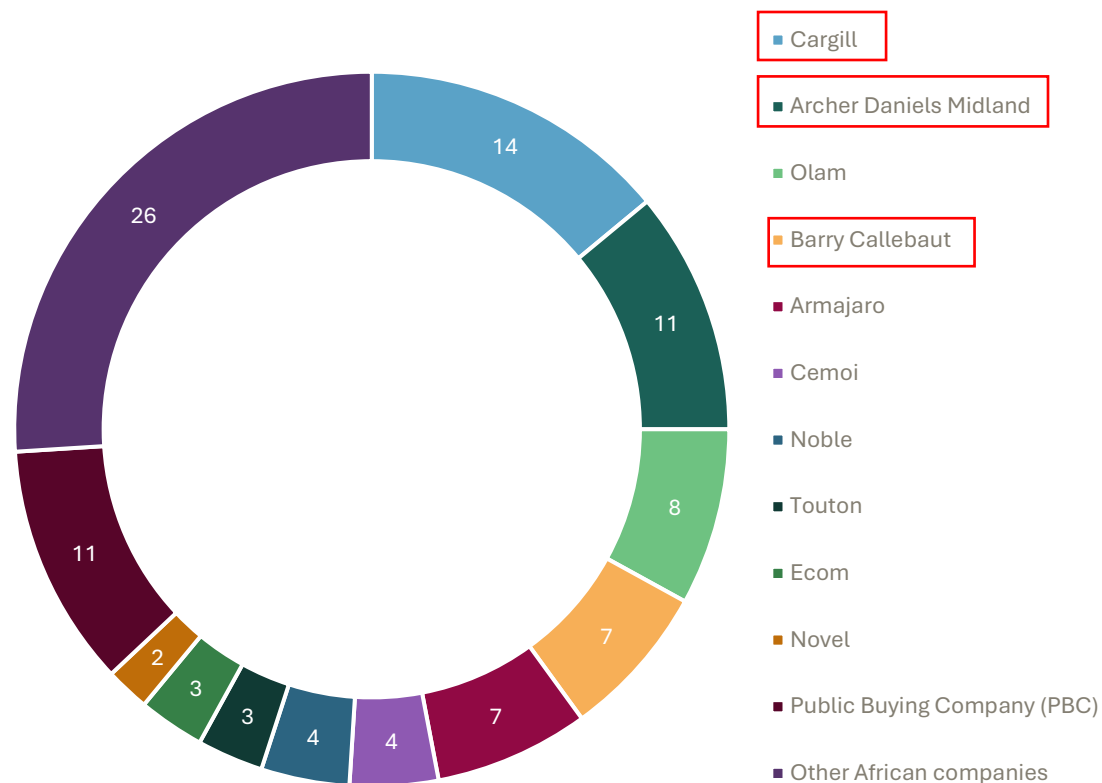
“Slavery is the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised.”

This definition has been reaffirmed in:

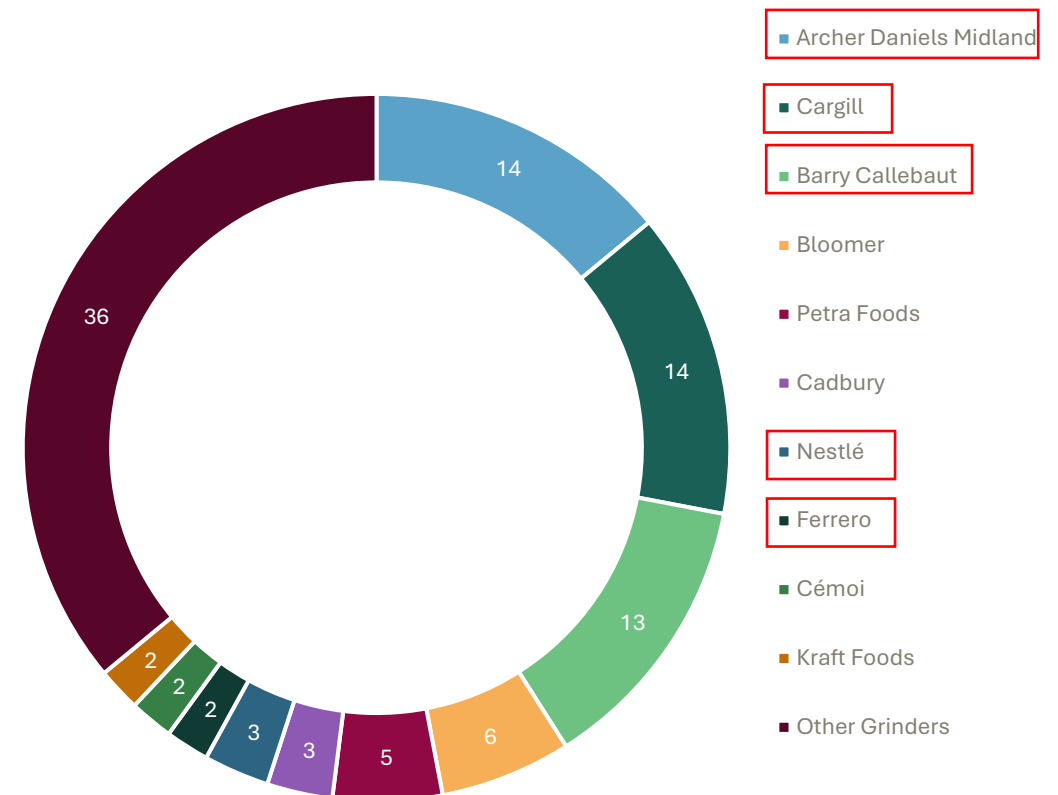
- The 1956 Supplementary Convention on the Abolition of Slavery, the Slave Trade and Institutions and Practices Similar to Slavery
- The Rome Statute of the International Criminal Court (1998) under the crime of enslavement
- The Bellagio–Harvard Guidelines, which elaborate that slavery involves control tantamount to possession, often enforced through coercion, deception, or abuse of vulnerability.

Which companies «make» chocolate?

The largest cocoa trading companies in 2011 (in % of West and Central Africa's total cocoa trade)

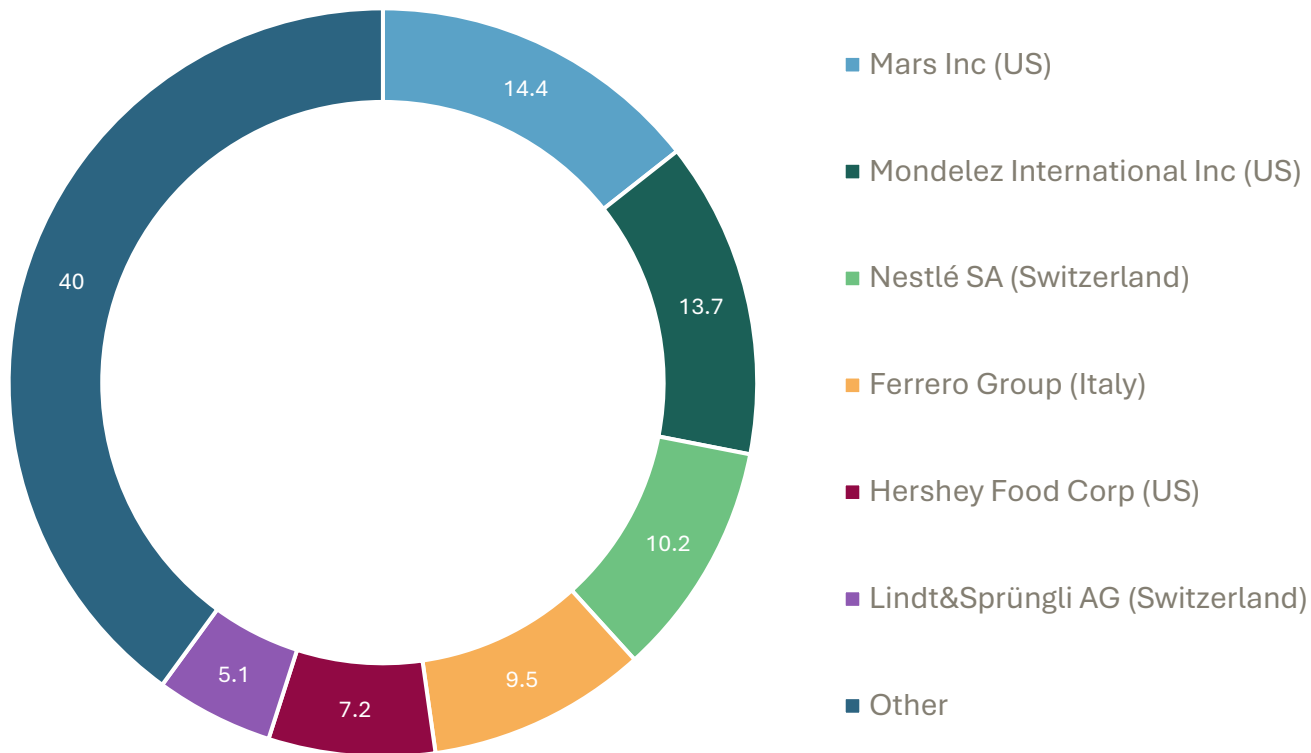


The largest cocoa grinders in 2012/2013 (in % of world's total cocoa grinding)



Which companies «make» chocolate?

Largest cocoa manufacturer in 2016 (company shares in % of world's total production)



1. Mars Inc (US)

2. Mondelez International Inc (US)

3. Nestlé SA (Switzerland)

4. Ferrero Group (Italy)

5. Hershey Food Corp (US)

6. Lindt & Sprüngli AG (Switzerland)

Chocolate supply chain

Nestlé case and unveiling the corporate veil

SWI [swissinfo.ch](https://www.swissinfo.ch)

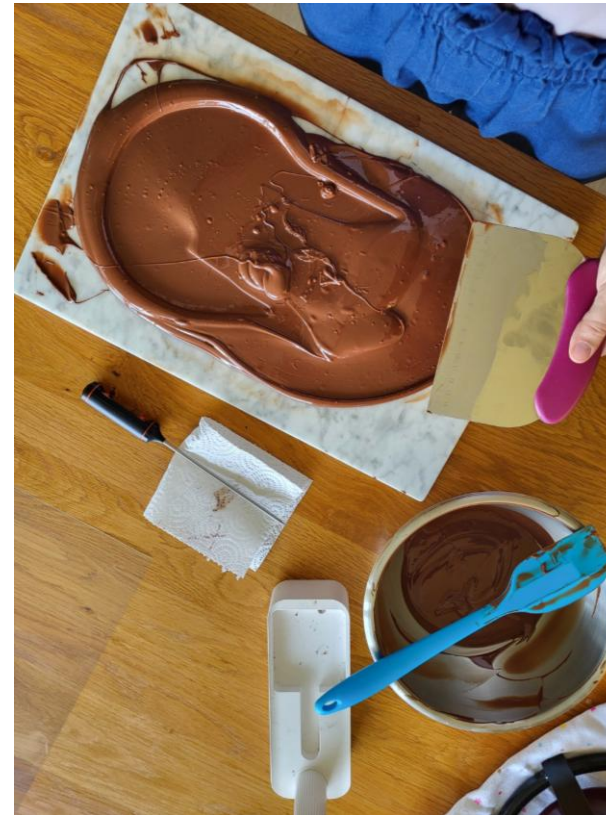
The Swiss voice in the world since 1935

Nestlé Supreme Court
ruling further limits
accountability for
company actions
abroad



*“Their aim was to **hold the companies responsible for [people] having been trafficked** to the Ivory Coast where they were forced to harvest cocoa. The Malians claim that Nestlé and Cargill should be held responsible **as they allegedly provided money and training to the farms in Ivory Coast where they were held, in return for exclusive rights to their cocoa beans.**”*

My chocolate supply chain



The Human Rights structure

Bill of Human Rights

(=Hard law, binding on the states and international organization like the UN, can be multilateral, regional and bilateral)

International Covenant on Economic,
Social and Cultural Rights (ICESCR)

Universal Declaration of Human Rights

International Covenant on Civil and
Political Rights (ICCPR)

Guiding principles

(= Soft law, not binding for states, are often a set of directives and interpretation on how to implement hard laws, can aim at any actors (States, companies, individuals))

OECD Guidelines

UN SDGs
(Sustainable Goals)

UN Global Compact

UN Guiding principles on
Business and Human Rights

Corporate Social Responsibility (CSR)

- Business/Managerial initiative.
- No legal obligation to fulfill Human Rights.

To note: is it working towards responsible companies?

Aid development programs

- Funded by government and/or individuals.
- Often with political intention.

To note: 64% of donor funded projects results in failure.

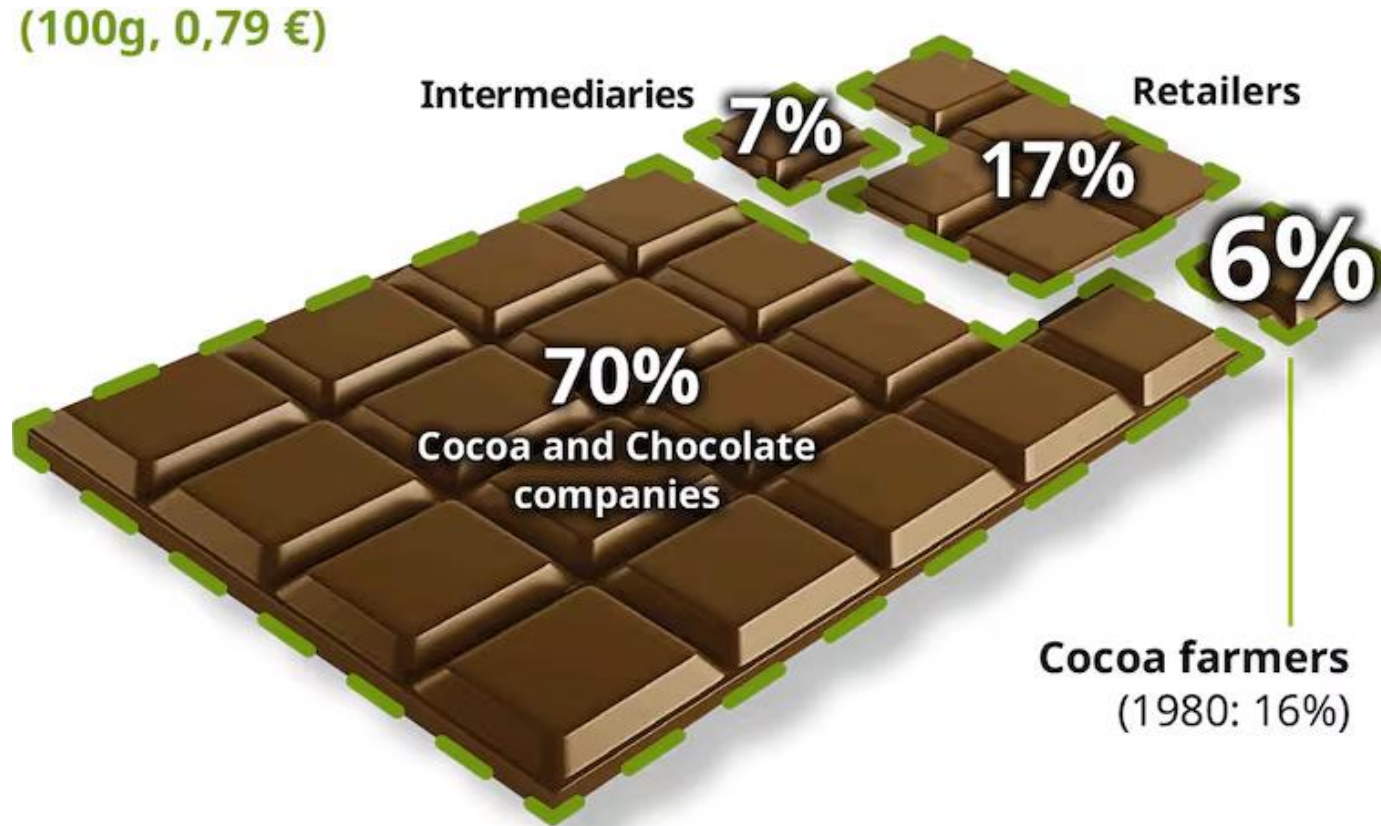
Additional information



Resources

- Business and Human Rights Ressources Center : [Business & Human Rights Resource Centre](#)
- The economics of Chocolate (the book) : [The Economics of Chocolate - Google Books](#)
- Or one article of that book : Source: Poelmans, Eline; Swinnen, Johan F. M. (2019) : A brief economic history of chocolate, LICOS Discussion Paper, No. 412, Katholieke Universiteit Leuven, LICOS Centre for Institutions and Economic Performance, Leuven.
Available here : [EconStor: A brief economic history of chocolate](#)
- Universal declaration of human rights : [Universal Declaration of Human Rights | United Nations](#)
- International Covenant on Civil and Political Rights : [ch_iv_04.pdf](#)
- International Covenant on Economic, Social and Cultural Rights: [ch_iv_03.pdf](#)
- International Cocoa Initiative (ICI) : [Child labour in cocoa | ICI Cocoa Initiative](#)
- OECD (2023), *Business Handbook on Due Diligence in the Cocoa Sector: Addressing Child Labour and Forced Labour*, OECD. Publishing, Paris, <https://doi.org/10.1787/79812d6f-en>.
- Cocoa Barometer 2025, Antonie C. Fountain / Friedel Huetz-Adams. [Baromètre du cacao 2025 | Public Eye](#)
- Documentaries worth watching :
 - 1) The chocolate War, directed by Miki Mistrati, [Help Us End Child Labour | The Chocolate War](#)
 - 2) Netflix Serie “Rotten”, episode called “Bitter chocolate”.

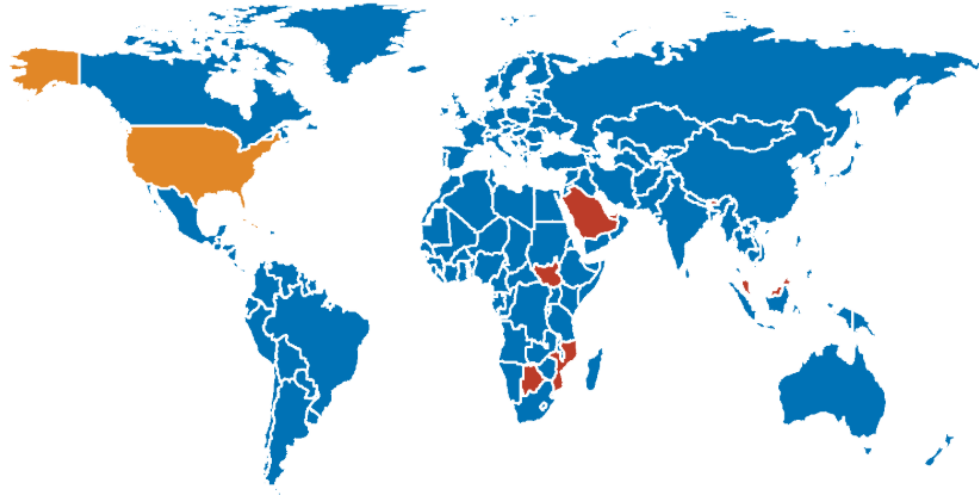
Chocolate price and share to each stakeholders



International law

Mapping the ratification of the Bill of Human Rights

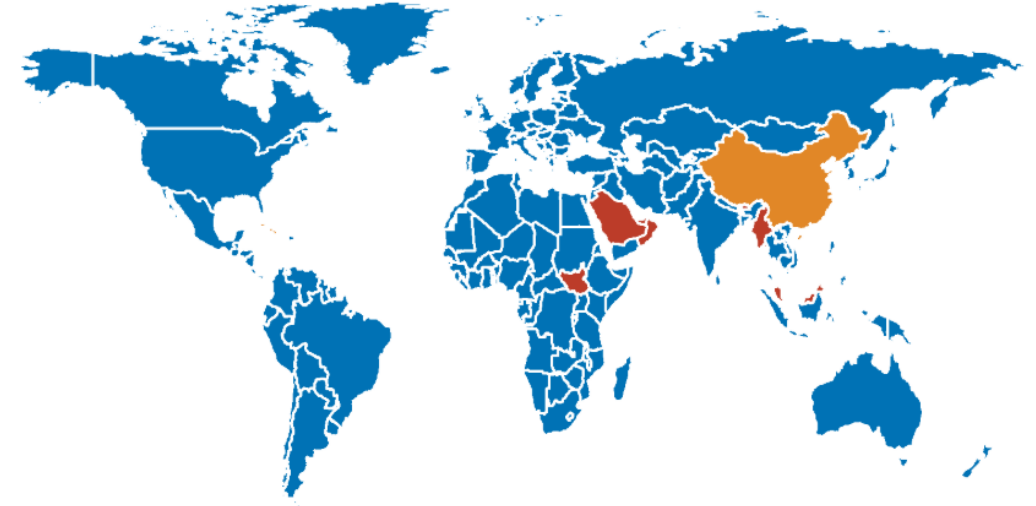
International Covenant on Economic, Social and Cultural Rights (ICESCR)



Status of Ratification: ■ no action ■ signatory state ■ state party

Not a party = United States and Saudi Arabia

International Covenant on Civil and Political Rights (ICCPR)



Status of Ratification: ■ no action ■ signatory state ■ state party

Not a party = China and Saudi Arabia

Chocolate supply chain

Child labour

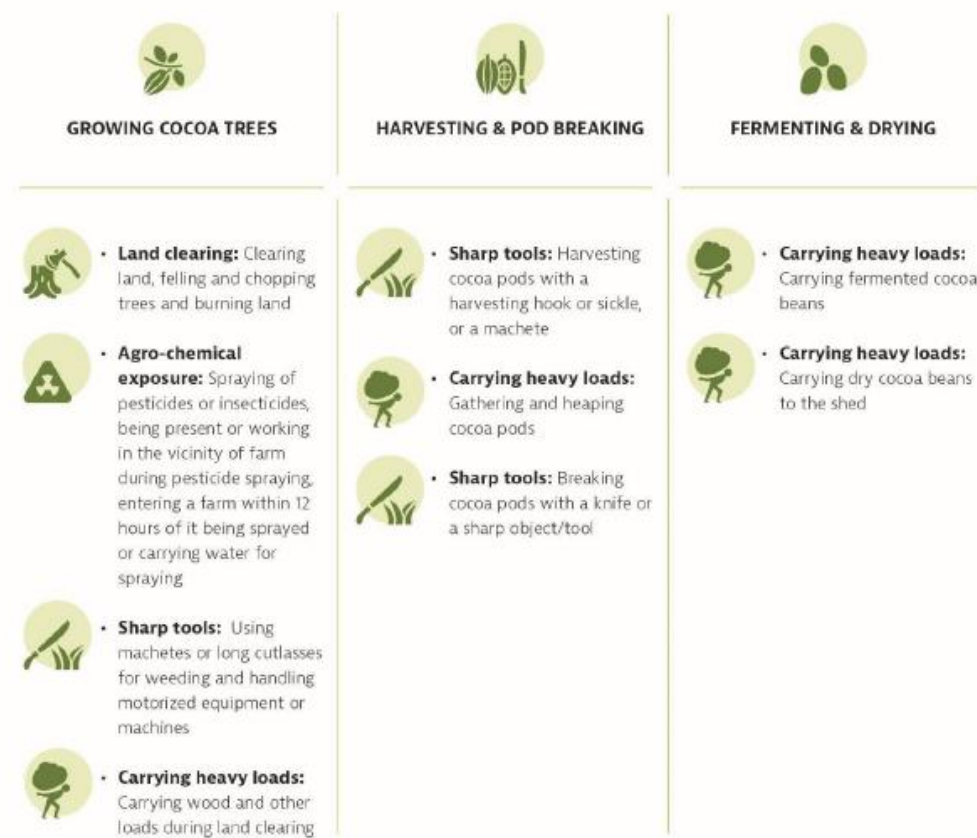
 Child Employment	 Child Labour	 Hazardous Labour	 Worst Forms
Work in any form of market production and certain types of non-market production. Formal/informal; paid/unpaid; in/out of family.	Deprives them of their childhood, potential, dignity, and that is harmful to their development. Mentally, physically, socially and morally dangerous; interferes with school.	By its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. Used as proxy category for 'worst forms'.	Enslaved, separated from their families, exposed to serious hazards and illnesses and/or left to fend for themselves. Slavery, prostitution, illicit activities, armed conflict.

Figure 2: Simplified definitions of child employment, child labour, hazardous labour, and the worst forms of child labour (Source: Brando, 2020)

Chocolate supply chain

Labour issues : cacao farms

Figure 1. Examples of hazardous child labour on cacao farms



Chocolate supply chain

ESG issues : cacao farms



Chocolate supply chain

Warehouse (developed and developing countries)

Potential Human Rights violations:

- Freedom of association
- Excessive working hours
- Health and safety
- Discrimination

EU/USA: Amazon Prime Day adds pressure on warehouse staff, unions warn



**Business-related human rights
abuse reported in the EU and
available remedies**

EU Warehouse working conditions:

Migrant workers play an important role in the EU's logistics and warehousing sector, often taking on roles that are essential but may involve challenging conditions. While contributing to the economy, some migrant workers face exploitation and precarious working situations. The EU has various initiatives to regulate legal migration for work and address exploitation, but challenges remain in ensuring fair treatment and safe working conditions for all migrant workers.

Chocolate supply chain

Transportation issues (Ships, car, buses,...)

Potential Human Rights violations:

- Human trafficking (incl. slavery)
- Freedom of association
- Excessive working hours
- Health and safety
- Bunkering practices



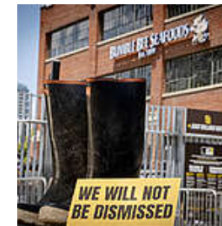
Press Release • #Bumble Bee

Forced labor linked to Bumble Bee supply chain



Press Release • #Oceans #Seafood #Fisheries #Human Rights #Workers' Rights

US Department of Labor: Fish from Taiwan is caught with forced labor



Press Release • #Bumble Bee #Forced labor #Modern slavery

Indonesian fishers respond to Bumble Bee's attempt to dismiss forced labor suit

The reply contends that, the plaintiffs plausibly allege, and Bumble Bee does not dispute, that the plaintiffs were forced to labor by the vessel owners and argues the company was...

01/08/2025



WIDESPREAD EXPLOITATION IN THE EU ROAD TRANSPORT INDUSTRY:
The Case of Central Asian Truck Drivers

Chocolate supply chain

Factories processing chocolate

Potential Human Rights violations:

- Freedom of association
- Excessive working hours
- Health and safety
- Discrimination

Nutella protests: what workers are angry about

Striking staff blockade French site over pay demands, halting 80% of production

    Newsletter sign up



(Image credit: Getty Images)

Chocolate supply chain

Chocolate makers

Potential Human Rights violations:

- Excessive working hours
- Health and safety
- Competition rules
- Right to access to goods at fair prices

SWI swissinfo.ch

The Swiss voice in the world since 1935

Nestlé Supreme Court ruling further limits accountability for company actions abroad



MENU Search

EUROPEANINTEREST

f X

By Beata Stur

May 23, 2024

Commission finds a breach of EU competition rules and fines Mondelēz for cross-border trade restrictions

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Retailers

Potential Human Rights violations:

- Excessive working hours
- Health and safety
- Low wages

REI Workers Take Coordinated Action in Response to Unlawful, Unilateral Changes to Working Conditions

October 30, 2023 | **UPDATED:** November 13, 2023

Industrial relations and social dialogue

Labour disputes across Europe in 2023: Ongoing struggle for higher wages as cost of living rises

29 July 2024 Victoria Cojocariu Mária Sedláková

