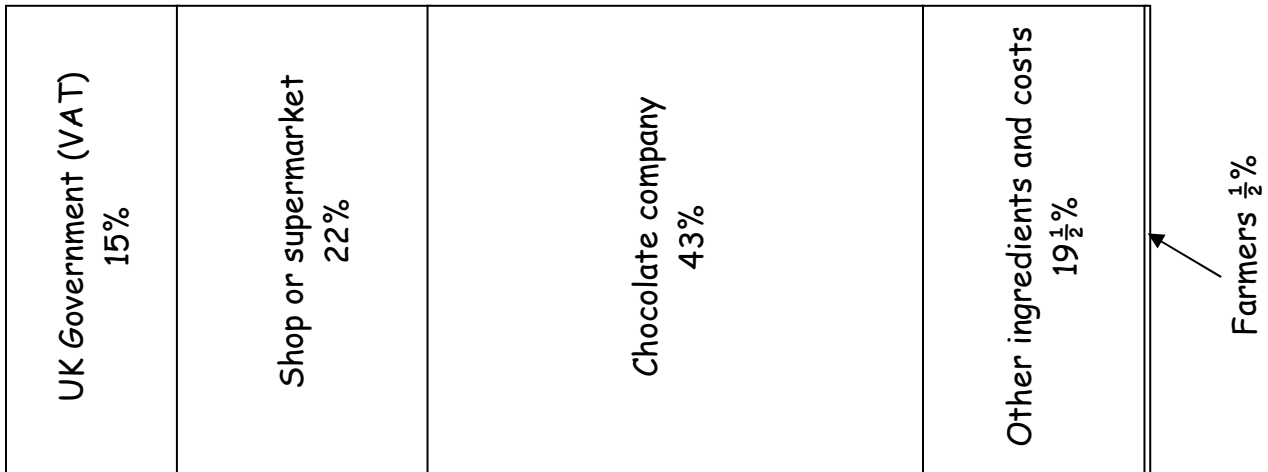


**Fair Trade Chocolate**

In the UK, an average person spends £62 a year on chocolate. That’s the equivalent of about 200 chocolate bars. How much of what we pay for a bar of chocolate goes to the farmers who grow the cocoa beans?

The diagram below shows where the money goes for a typical chocolate bar containing 20% cocoa:



If you buy a fair trade chocolate bar, a larger proportion of what you pay goes to the farmers who grow the cocoa.

The table below shows where the money goes for a ‘Green & Blacks Maya Gold’ fair trade chocolate bar containing 55% cocoa.

UK Government (VAT)	15%
Shop or supermarket	34%
Fair trade company	10%
Other ingredients and costs	37%
Farmers	4%

- Draw a diagram to represent this data.
- Compare the diagrams for a typical chocolate bar and the fair trade chocolate bar.



Fair trade products carry the Fairtrade mark which shows that the producers in developing countries are guaranteed better prices. Find the prices of some typical and some fair trade chocolate bars in your local shop or supermarket.

- Calculate how much of the price you pay for each bar goes to the UK Government, shop or supermarket, fair trade or chocolate company and the farmers.

### Fair Trade Chocolate

#### What is Fair Trade?

Many products we eat and drink in the UK are grown by farmers in the developing world. Because of the unfair nature of world trade, these farmers often live in extreme poverty. 'Fair trade' is an alternative way of trading which means paying farmers a decent price for their product. This helps them to improve their living conditions and those of their families and communities. Fair trade products are becoming more common in shops and supermarkets. The most common fair trade products are coffee, tea, cocoa, chocolate, bananas, sugar, honey, fruit juice and snack bars.

#### The Coffee and Cocoa Trades

Most coffee and cocoa is grown by small farmers in developing countries such as Brazil, Colombia, Vietnam (coffee), Cote d'Ivoire, Ghana, Indonesia (cocoa). Farmers must make large investments of time and money when planting coffee and cocoa bushes. They often have to borrow money until their harvest is ready. In order to pay off their debts, they are forced to sell their beans as soon as they are picked, when prices are at their lowest. They are often taken advantage of by local traders who buy their crop at lower prices (as little as 50% of the market price) and then sell it on at the full price. One of the biggest problems facing farmers is the rise and fall of the price of coffee and cocoa on the world market. It is common for the prices to fall so low that the money farmers get from selling their beans is less than the cost of growing them. This can lead to farmers falling further into debt and sometimes having to sell off their land as a result.

#### Fair Trade Coffee

Fair trade coffee companies pay farmers a guaranteed minimum price for their coffee which means the money they get from selling it will always be more than the cost of growing it. Farmers are also paid an additional 10% on top of the world market price which is called the 'social premium'. This money is used for community projects such as providing safe drinking water and sanitation and building local schools. Farmers are also given longer term trading agreements which help them to plan ahead. Some of the money is paid to farmers in advance so that they do not have to borrow money to plant coffee bushes.

#### Fair Trade Chocolate

Cocoa is one of the ingredients used for making chocolate. Other ingredients are milk, sugar and vegetable fat. A typical bar of chocolate contains only 20% cocoa. Fair trade chocolate contains a higher percentage of cocoa so that a higher proportion of what you pay goes to the cocoa farmers. As with fair trade coffee, farmers receive a guaranteed minimum price and an additional social premium for their cocoa. Fair trade chocolate companies deal directly with farmers through cooperatives. These are businesses owned and run by farmers themselves which means farmers are not exploited by local traders. Further information on fair trade can be found on the Fairtrade Foundation website ([www.fairtrade.org.uk](http://www.fairtrade.org.uk)).

## Fair Trade Chocolate

### Learning Objectives

- Representing data in a compound bar chart and calculating using percentages.
- Comparing how much of the price you pay goes to the producers for fair trade and other products.
- Target age range: 11-13 years.

### Resources

You will need one copy of the 'Fair Trade Chocolate' resource sheet and the 'Fair Trade Chocolate' information sheet for each student or group of students. Chocolate bar wrappers (optional).

### Description of Activity

You may wish to start by discussing why 15% of the price you pay goes towards VAT (and not 17.5%). Ensure that students understand how the length of the typical chocolate bar has been divided into the correct proportions (measuring with a ruler may help). Choosing an appropriate length for the chocolate bar, e.g. 10cm, makes the calculations easier.

You may wish to show students examples of wrappers from fair trade chocolate bars to help them identify them in a shop or supermarket. You could set students the task of finding prices for homework. It may be worth carrying out your own research into prices to act as back-up data. You could encourage students to debate whether the benefits of Fair Trade for the farmers make it worthwhile paying the extra price for Fair Trade chocolate.

The resource sheet concentrates on one aspect only of fair trade. Use the information sheet as a focus for a plenary discussion with students in order to gain a fuller understanding of fair trade.

### Solutions

Diagram showing where the money goes for a 'Green & Blacks Maya Gold' fair trade chocolate bar:

UK Government (VAT) 15%	Shop or supermarket 34%	Chocolate company 10%	Other ingredients and costs 37%	Farmers 4%
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Note: The data is based on figures for 2002 when the rate of VAT was 17.5%.

### Variations

- You could display the information using a pie chart or other diagram.
- How much do you spend a year on chocolate? Where does that money go?
- Investigate the prices of Fair Trade and other products, and compare the two.
- Carry out a survey asking people whether they would be willing to pay the additional price for Fair Trade products.
- Research into different products and compare where the money goes for Fair Trade and other varieties.
- Represent this information using statistical diagrams.