

Chocolate prices expected to continue rising as cocoa crisis deepens

By Elizabeth Schroeder | 5 April 2024 | 1:00 pm

A perfect storm of widespread illegal gold mining, climate change, mismanagement of the industry, and rapidly spreading disease are contributing to a potentially disastrous cocoa bean harvest in West Africa this season.



Illegal gold mining, mismanagement of the industry and disease, amongst other challenges, will result in a cocoa bean shortage in 2024.

Photo: Flickr | International Institute of Tropical Agriculture

This emerged in interviews conducted by Reuters with more than 20 farmers, experts and industry insiders.

Farmers in both Ghana and *Côte d'Ivoire* were reportedly facing catastrophic crop failures this season. Production in these countries account for more than 60% of global cocoa supply.

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According to [*data obtained by Reuters*](#), which Ghana's cocoa marketing board Cocobod had compiled since 2018, it was estimated that 590 000ha of plantations in that country had been infected with swollen shoot, a virus that would ultimately result in trees dying off.

Due to the factors outlined above, it was expected that there would be shortages of cocoa beans this season, which was resulting in cocoa futures on the New York Stock Exchange in the US more than doubling this year alone.

About 1,38 million hectares of land is under cocoa cultivation in Ghana, according to Cocobod, with this figure including infected trees that were still producing cocoa.

[*Speaking to Al Jazeera*](#), Steve Wateridge, a cocoa expert at Tropical Research Services, said production was in long-term decline.

"We wouldn't get the lowest crop for 20 years in Ghana and lowest for eight years in *Côte d'Ivoire*, if we hadn't reached a tipping point," he said.

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According to the experts interviewed by Reuters, this situation could "spell the beginning of the end for West Africa's cocoa supremacy", which may "open the door for ascendant producers, particularly in Latin America".

Wealthy consumer markets were expected to experience the fallout from "the painful watershed moment millions of cocoa farmers in West Africa are facing", possibly for years to come.

In the US, consumers who purchased Easter eggs during the recent Easter period, reported a more than 10% increase in prices year-on-year, according to data from research company NielsenIQ.

Analysts said that because chocolate manufacturers tended to hedge cocoa purchases months in advance, the crop failures in West Africa would only really be felt by consumers later in 2024.