

# The Cocoa & Forests Initiative: 2023 Progress Report

#### Collective Action to End Cocoa-Related Deforestation

The governments of Côte d'Ivoire, Ghana and 36 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the <u>Cocoa & Forests Initiative</u> to end deforestation and restore forest areas. Their combined actions play a crucial role in protecting and restoring biodiversity, sequestering carbon stocks in West African forests, and addressing climate change in line with the Paris Climate Agreement. The Cocoa & Forests Initiative delivers on Sustainable Development Goal 13 (Climate Action) and 15 (Life on Land).

The Cocoa & Forests Initiative is a public private partnership based on frameworks for action (<u>Côte d'Ivoire</u> and <u>Ghana</u>) and action plans for the private sector and public sector that spell out commitments to:

- protect and restore forests,
- promote sustainable cocoa production and farmers' livelihoods,
- engage communities and boost social inclusion.

To learn more, follow #CocoaAndForests on social media, or visit Cocoa & Forests Initiative.





The <u>World Cocoa Foundation</u> (WCF); <u>IDH, the Sustainable Trade Initiative</u>; and the Governments of Côte d'Ivoire and Ghana drive the Cocoa & Forests Initiative. The Prince of Wales (now King Charles III) launched the Initiative in March 2017 and reviewed implementation progress in November 2018.

Deforestation of tropical rainforests is a major issue in <u>Côte d'Ivoire</u> and <u>Ghana</u>, which together produce nearly two-thirds of the world's supply of cocoa, the main ingredient in chocolate. Côte d'Ivoire and Ghana respectively lost 26% and 9.3% of their humid primary forest between 2002 and 2020, with a significant portion of deforestation attributable to cocoa farming expansion.

A comprehensive analysis is required to determine the exact contribution of cocoa production to deforestation. WCF, CFI members, and partners are working together on science-based methods to determine the share of cocoa production to overall deforestation rates with a high level of accuracy in cocoa producing countries. Data reliability and a good knowledge of the cause and location of deforestation is essential to develop effective and adequate mitigation measures and ensure that WCF members and partners are compliant with regulations such as the EUDR which will come into application in 2025.

Cocoa provides crucial income to communities in rural West Africa, but farmers are too often faced with poverty. Poverty is one of the causes of deforestation. Accelerating a transition to sustainable livelihoods is essential for farmers' economic security and a healthy planet. ECOM and its partners are committed to the CFI Action plan in Côte d'Ivoire and Ghana.

#### In the season of 2022/2023, ECOM Côte d'Ivoire and its partners ensured;

- The distribution of 393,107 multipurpose shade trees for on-farm planting to promote agroforestry
- 41,604 farmers actively applying agroforestry
- 30,342 farmers received technical assistance (based on plans) to increase income from non-cocoa sources
- 139,031 Ha underwent Deforestation Risk Assessments.
- 25,484 farmers received technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm
- 30,050 individuals participating in women's empowerment projects



#### In the season of 2022/2023, ECOM Ghana and its partners ensured;

- The distribution of 1,029,602 multipurpose shade trees for on-farm planting to promote agroforestry.
- The distribution of 245,135 hightech improved cocoa seedlings.
- 8,789 farmers received technical assistance (based on plans) to increase income from non-cocoa sources
- 102,730 Ha underwent
  Deforestation Risk Assessments.
- 15 communities with active forest restoration and protection programs
- 21,918 farmers received technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm

The first priority is the protection and restoration of forests that have been degraded. To this end, the governments and companies have pledged no further conversion of forest land for cocoa production and have committed to the phased elimination of illegal cocoa production and sourcing in protected areas.

Both countries are introducing a differentiated approach for improved management of forest reserves, based on the level of degradation of forests. In 2019, the government of Côte d'Ivoire adopted and published a new forest code which, among other things, put forth policies for the promotion of cocoa agroforestry to restore degraded land, improve forest cover, and promote sustainable livelihoods and agriculture in the classified forests and rural zones. Both governments have shared maps on forest cover and land-use, and continue to update the maps, including socio-economic data on cocoa farmers, to inform private sector investments. Companies have made significant investments in the promotion of cocoa agroforestry and the restoration of degraded forests.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop traceability from farm to the first purchase point for their own purchases of cocoa. They also work with governments to ensure an effective national framework for traceability encompassing all traders in the supply chain and to anticipate forthcoming due diligence legislation. The companies will similarly share information with the national satellite monitoring platforms to effectively monitor progress on CFI, as well as proactively address threats of new deforestation.

The next critical priority is sustainable agricultural production and increased farmer incomes. These are essential prerequisites for reducing pressure for agricultural encroachment into forests and strengthening the resilience of cocoa farmers to climate change.

The governments and companies are accelerating investment in long-term productivity of cocoa in order to grow "more cocoa on less land." Key actions include provision of planting materials for the promotion of cocoa agroforestry, training in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers' organizations. Sustainable livelihoods and income diversification for cocoa farmers are being accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agroforestry systems and shade-grown cocoa.

The final area of focus is strong community engagement and social inclusion, with a particular focus on women and youth. The governments and companies have committed to full and effective consultation and participation of cocoa farmers in the design and implementation of key actions, and promotion of community-based management models for forest protection and restoration. The governments have adopted social and environmental safeguards and are assessing and mitigating the social impacts and risks of any proposed landuse changes on affected communities.

#### **Community Engagement**

In Old Akrofuom, a small village in the Ashanti Region of Ghana, young women in a Village Savings and Loans Association (VSLA) for Women-In-Cocoa-Farming have taken up the initiative of planting trees in their farms and the community.

Madam Ernestina Appiah, the Chairperson for the women group, said she has planted over 60 trees in her 3 hectares of cocoa farms and in a small field at home. She shared that while initially the idea was to reduce the effects of heat related hazards on the cocoa plantation. Today, they enjoy improved air quality and a reduction in heat-related illnesses in the community.

Madam Ernestina Appiah indicated that the group of young cocoa farmers have planted and nurtured over 600 tree nurseries they received over the past few years. Planting these trees has helped to control soil erosion in the farms while attracting wildlife, and increasing biodiversity in the area. This, among many of the environmental and economic benefits of agroforestry, have increased the yield of the cocoa plantation and the profitability of their farms. This has reflected significantly in the increased contributions from members in the VSLA.

"This year, we are hoping to receive 700 additional multipurpose tree seedlings to plant in our farms and the community. We are happy to be doing our bit in the fight against climate change," she added.



## Annex

## **Annex 1: Ghana CFI Summary Table**

Description	Target (current reporting year)	# Through direct investment (current reporting year)	# On behalf of clients (current reporting year)	# Through direct investment
FOREST PROTECTION AND RESTORATION				
of farms mapped in direct supply chain: Total Active	0		108,198	
f of hectares in the direct supply chain with deforestation risk assessments completed	0		120,730	
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)			99.78%	
# hectares restored in Forest Reserve / Forêts Classée	0		0	
of farmers with land tenure agreements/documentation obtained via company support	0		0	
farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest	0			
protection, and restoration	0		0	
Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): New	0		370	
‡ Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	0		0	
‡ farmers applying agroforestry: New			2,743	
‡ farmers applying agroforestry: Total Active			3,873	
farmers provided with technical assistance to adopt and expand agroforestry	0		20,477	
# multi-purpose trees distributed for on-farm planting	0		1,029,602	500,000
‡ hectares cocoa agroforestry: New	0		2,743	122
‡ hectares cocoa agroforestry: Total Active	<u> </u>		3,543	122
of trees distributed for off-farm planting	0		130,320	
# hectares of forest area restored off-reserve / in rural zone			0	
farmers provided with technical assistance to be more resilient to climate change and reduce and remove carbon	<u> </u>		21.010	
emissions on farm (e.g., CSC)	0		21,918	
of farmers trained in Modified Taungya System (MTS)	0		0	
S contributed to fund	0			
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD				
# improved cocoa seedlings distributed to farmers	0		245,135	900
farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	0		67,896	300
‡ individuals participating in additional Income Generating Activities (IGA's)			•	
# individuals provided with technical assistance (based on plans) to increase income from non-cocoa sources / IGA's	0		8,789 8,789	
‡ Individuals provided with technical assistance to save money and access finance	0		11,389	
t of members of VSLA groups in the current year	0		13,575	
f of VSLA groups in the current year	0		599	
SOCIAL INCLUSION AND COMMUNITY	V			
of cocoa communities with active forest restoration and protection program (CBNRM): New	0		15	
of cocoa communities with active forest restoration and protection program (CBNRM): Total Active			0	
‡ hectares under CBNRM	0		2,422	
of individuals participating in women's empowerment projects and activities	0		9,616	
of individuals participating in youth focused projects and activities (15-35 years old)			157	

### Annex 2: Côte d'Ivoire CFI Summary Table

Description	Target (current reporting year)	# Through direct investment (current reporting year)	# On behalf of clients (current reporting year)	# Through direct investment
FOREST PROTECTION AND RESTORATION	7.088		73,259	
# of farms mapped in direct supply chain: Total Active			•	
of hectares in the direct supply chain with deforestation risk assessments completed	13.385		139,031	
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)			83%	
# hectares restored in Forest Reserve / Forêts Classée	0		0	
of farmers with land tenure agreements/documentation obtained via company support	200		0	
# farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest	7,694		36,123	
protection, and restoration	<u> </u>			
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): New	340		810	
‡ Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	340		0	
‡ farmers applying agroforestry: New			8,870	
‡ farmers applying agroforestry: Total Active			41,604	
farmers provided with technical assistance to adopt and expand agroforestry	1,967		55,423	
# multi-purpose trees distributed for on-farm planting	57,973		393,107	10,646
‡ hectares cocoa agroforestry: New	1,967		9,143	
‡ hectares cocoa agroforestry: Total Active			60,217	
tof trees distributed for off-farm planting	0		0	
‡ hectares of forest area restored off-reserve / in rural zone	0		0	
farmers provided with technical assistance to be more resilient to climate change and reduce and remove	7,694		25,484	
carbon emissions on farm (e.g., CSC)	7,03-1			
‡ of farmers trained in Modified Taungya System (MTS)	0		0	
contributed to fund				
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD				
‡ improved cocoa seedlings distributed to farmers				
farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming	827		23,651	
practices	<b>327</b>		25,051	
# individuals participating in additional Income Generating Activities (IGA's)			20,229	
‡ individuals provided with technical assistance (based on plans) to increase income from non-cocoa sources /	5,000		30,342	
GA's	5,000		30,342	
‡ Individuals provided with technical assistance to save money and access finance	1,967		151	
of members of VSLA groups in the current year	0		20,159	
of VSLA groups in the current year	0		790	
SOCIAL INCLUSION AND COMMUNITY	0		750	
of cocoa communities with active forest restoration and protection program (CBNRM): New	0		0	
of cocoa communities with active forest restoration and protection program (CBNRM): Total Active	<u> </u>		0	
# hectares under CBNRM	0		0	
# nectares under CBNRM # of individuals participating in women's empowerment projects and activities	2,500			
of individuals participating in women's empowerment projects and activities (15-35 years old)	2,500		<u>30,050</u> 2,059	



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