



2023 (Oct 2022 – Sept 2023) Progress Report by Meiji-Ghana

The Cocoa & Forests Initiative:

Collective Action to End Cocoa-Related Deforestation

1. WHAT IS THE COCOA & FORESTS INITIATIVE?

The governments of Côte d'Ivoire and Ghana and 36 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative 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 (<u>Côte d'Ivoire</u> and <u>Ghana</u>) and public sector (<u>Côte d'Ivoire</u> and <u>Ghana</u>) 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</u>, the Sustainable Trade Initiative; 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 Côte d'Ivoire and Ghana, which together produce nearly two-thirds of the world's supply of cocoa, the main ingredient in chocolate. <u>Côte d'Ivoire</u> and <u>Ghana</u> 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.

2. WHAT ARE THE KEY COMMITMENTS IN THE COCOA & FORESTS INITIATIVE?

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 socioeconomic 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 pre-requisites 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 land-use changes on affected communities.

3. MEIJI'S COCOA & FORESTS INITIATIVE RESULTS

Our sustainability programs are carried out in 6 districts (Wasa Akropong, Assin Bereku, Nsokote, Tepa, Dunkwa, and Assin Fosu).

In the past year, Meiji has increased volume of cocoa beans sourced from the direct supply chain to 3,800mt and invested in sustainable agricultural intensification to grow "more cocoa on less land" with focused on;

• Providing 5,117 farmers with technical assistance to professionalize & optimize cocoa farming practice.

4,626 farmers received technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm such as CSC.

•Supporting 691 farmers to adopt and expand agroforestry.

As a result, 1011 hectares of new agroforestry farms have been started.

•Distributing of 20,000 trees for off-farm planting and 11,879 multi-purpose trees for on-farm planting.

See our CFI tracking table at the end of this report for more information.

4. **RESULT STORIES**

Since 2019 when we launched our CFI Action Plan, we have been working on various sustainability programs in Ghana.

During the year, we continued to provide farmer group training sessions focusing on Climate Smart Cocoa (CSC) to be more resilient to climate change and reduce and remove carbon emissions on farm.

We also provided technical assistance to promote agroforestry. Agroforestry practices in cocoa communities has always remain a key factor.

We distributed shade trees seedlings representing various species for on- and off- farm planting and are currently profiling shade trees on farm to serve as a baseline for Agroforestry Status of cocoa farms.

We are regularly visiting societies in Western and Central Region where we are carrying out CFI programs, and having interaction with farmers whom we are providing supports. When our team visited there, we received lots of positive comments from farmers, and this reinforced our trust in the Action Plan:



Mr. Kewaku and his Reforestation Farm



Mr. Kewaku's Agroforestry Farm



Profiling shade trees

Mr. Kewaku owns four cocoa farms in Kwadwo Nkwanta Society, Nsokote District. He has dedicated two acres out of them to a reforestation program.

The cocoa trees planted on these two acres had died, but after learning about the reforestation program and recognizing its significance, he began replanting.

Three species were planted as shade trees: Mahogany, Ofram and Cedrela.

Maize, cassava and plantain are also planted as cash crops to diversify income.



Mr. Anane Thomas

Mr. Anan Thomas is 49 years old, lives in Dunkwa, Western Region, and has a wife and a daughter. He was originally a cashew nut farmer but now also owns a 24-acre cocoa farm, which has 435 cocoa trees per acre as recommended. 50 shade trees were planted on his farm to introduce agroforestry. Thanks to technical supports such as training for outplanting and husbandry including shade management, agro-chemicals & fertilizers, and post-harvest management, he feels that such technical assistances have increased the yield.

2023 CFI tracking table

Description	Target (Current reporting year)	# Through direct investment (Current reporting year)	# Through direct investment (Since 2018)
FOREST PROTECTION AND RESTORATION			
# of farms mapped in direct supply chain: Total Active	5,200	6,087	
# of hectares in the direct supply chain with deforestation risk assessments completed	246	4,771	
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)		3,800	
# hectares restored in Forest Reserve / Forêts Classée	0		
# trees registered	0		
# farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest protection, and restoration	87	1,536	
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	5,853		
# farmers applying agroforestry: New		672	
# farmers applying agroforestry: Total Active		1,063	
# farmers provided with technical assistance to adopt and expand agroforestry	0	691	
# hectares cocoa agroforestry: Total Active		1,409	
# 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 emissions on farm (e.g., CSC)	3,308	4,626	
# of farmers trained in Modified Taungya System (MTS)	0		
\$ contributed to fund			
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD			
# farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	3,308	5,117	
# individuals participating in additional Income Generating Activities (IGA's)		855	

Description	Target (Current reporting year)	# Through direct investment (Current reporting year)	# Through direct investment (Since 2018)
# individuals provided with technical assistance (based on	130	294	
plans) to increase income from non-cocoa sources / IGA's	130	234	
# Individuals provided with technical assistance to save money	0	1,777	
and access finance	0		
# of members of VSLA groups in the current year	0	1,266	
# of VSLA groups in the current year	0	53	
SOCIAL INCLUSION AND COMMUNITY			
# of cocoa communities with active forest restoration and	0		
protection program (CBNRM): New			
# of cocoa communities with active forest restoration and		807	
protection program (CBNRM): Total Active			
# of individuals participating in women's empowerment projects	0	1,964	
and activities			
# of individuals participating in youth focused projects and	0	394	
activities (15-35 years old)			
# Individuals receiving incentives to protect and restore forests	154	4	4
and / or adopt agroforestry (e.g., PES): New			
# of farmers with land tenure agreements/documentation	0	807	807
obtained via company support			
# hectares under CBNRM	0	1,376	1,376
# hectares cocoa agroforestry: New	0	1,011	2,728
# of trees distributed for off-farm planting	0	20,000	22,000
# multi-purpose trees distributed for on-farm planting	54	11,879	151,739
# improved cocoa seedlings distributed to farmers	0	20,000	223,384