



2024 (Oct 2023 – Sept 2024) Progress Report by Meiji-Ghana

The Cocoa & Forests Initiative:

Collective Action to End Cocoa-Related Deforestation

The governments of Côte d'Ivoire and Ghana and 35 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative to help 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 contributes to 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.

1. WHAT IS THE COCOA & FORESTS INITIATIVE?

The World Cocoa Foundation (WCF); IDH, 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.

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. According to Global Forest Watch, between 2002 and 2023, Côte d'Ivoire lost 28% and Ghana 13% of their humid primary forest, with a large portion of this loss 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.

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 7 districts (Wasa Akropong, Mankranso, 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 4,015mt and invested in sustainable agricultural intensification to grow "more cocoa on less land" with focused on;

- Providing 7,629 farmers with technical assistance to professionalize & optimize cocoa farming practice.
- 5,227 farmers received technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm such as CSC.
- Supporting 385 farmers to adopt agroforestry during reporting year.

As a result, 622 hectares of new agroforestry farms have been started.

• Distributing of 6,732 multi-purpose trees for on-farm planting. See our CFI tracking table at the end of this report for more information.

4. RESULT STORIES

According to our CFI2.0 Action Plan (2022-2025), 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 multi-purpose trees seedlings representing various species for on-farm planting and are 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. Myarko and his cocoa farm

Mr. Myarko owns a 2.4-acre cocoa farm in Nana Nkrumah Community, Assin Fosu District and started growing cocoa 10 years ago.

He is clearly aware of climate change, citing that last year temperatures were higher than before or that the start of the rainy season used to be in June, but has recently become less predictable. If the temperature is too high, the pods ripen before they are big enough, resulting in a lower harvest.

Until last year, the harvest was usually 8 bags or more, but this year's harvest is much smaller. He knows very well that planting multipurpose shade tress can improve productivity on cocoa farms and form a vital component of agroforestry systems.

In addition to cocoa, Ofram, Mahogany, and Emeri were planted on his farm two years ago as climate change countermeasures, and last year, 10 Ofram, 8 Mahogany, and 15 Emeri trees were planted.



Mr. Patrik Baka in Camp community

Mr. Patrik Baka is 41 and owns a 7-acre cocoa farm in Camp community, Central Region. He takes seriously the impacts of climate change, such as reduced production due to changes in rainfall patterns.

After participating in training programs, multipurpose trees such as avocado, banana, plantain were planted for private consumption as well as for sale to generate income.

He realizes that shade trees contribute to ensuring environmental diversity and income stability.

2024 CFI tracking table

Description	Target (Current reporting year)	# Through direct investment (Current reporting year)	# Through direct investment (Since 2023)	# Through direct investment (Since 2018)
FOREST PROTECTION AND RESTORATION				
# of farms mapped in direct supply chain: Total Active	11,600	7,346		
# of hectares in the direct supply chain with deforestation risk				
assessments completed	12,798	3,965		
# metric tons of directly sourced cocoa traceable from the farm to				
the first purchase point (target is 100%)		4,045		
# hectares restored in Forest Reserve / Forêts Classée	0	0		
# trees registered	0	0		
# farmers informed, trained, and / or consulted on the new Forest				
Code, forest policy, law enforcement, forest protection, and	4,527			
restoration	.,:	2,955		
# Individuals receiving incentives to protect and restore forests and /		2,000		
or adopt agroforestry (e.g., PES): Total Active	13,862	0		
# farmers applying agroforestry: New	10,002	385		
# farmers applying agroforestry: New # farmers applying agroforestry: Total Active		1,062		
# farmers provided with technical assistance to adopt and expand		1,002		
agroforestry	1,324	385		
# hectares cocoa agroforestry: Total Active	1,324	1,353		
# hectares of forest area restored off-reserve / in rural zone	0	1,333		
·	U	0		
# farmers provided with technical assistance to be more resilient to				
climate change and reduce and remove carbon emissions on farm	7 025	E 227		
(e.g., CSC)	7,835 0	5,227		
# of farmers trained in Modified Taungya System (MTS) \$ contributed to fund	U	0		
<u>'</u>				
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD				
# farmers provided with technical assistance (based on plans) to	7.005	7.000		
professionalize & optimize cocoa farming practices	7,835	7,629		
# individuals participating in additional Income Generating Activities (IGA's)		2 021		
		3,021		
# individuals provided with technical assistance (based on plans) to	C 770	242		
increase income from non-cocoa sources / IGA's	6,773	343		
# Individuals provided with technical assistance to save money and	100	702		
access finance	120	703		
# of members of VSLA groups in the current year	120	780		
# of VSLA groups in the current year	6	29		
SOCIAL INCLUSION AND COMMUNITY				
# of cocoa communities with active forest restoration and protection	0			
program (CBNRM): New	0	0		
# of cocoa communities with active forest restoration and protection				
program (CBNRM): Total Active		0		
# of individuals participating in women's empowerment projects and	•			
activities	0	0		
# of individuals participating in youth focused projects and activities		=		
(15-35 years old)	0	0		
# Individuals receiving incentives to protect and restore forests and /		_		_
or adopt agroforestry (e.g., PES): New	8,009	0	4	4
# hectares under CBNRM	0	0	1,376	1,376
# of farmers with land tenure agreements/documentation obtained			_	_
via company support	0	1,319	2,126	2,126
# hectares cocoa agroforestry: New	1,250	622	1,633	3,350
# of trees distributed for off-farm planting	0	0	,	22,000
# multi-purpose trees distributed for on-farm planting	17,946	11,732	23,611	163,471
# improved cocoa seedlings distributed to farmers	0	0	20,000	223,384