



2021 Progress Report by Meiji -Ghana-

1. WHAT IS THE COCOA & FORESTS INITIATIVE?

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 <u>Cocoa & Forests Initiative</u> to end deforestation and restore forest areas. Their combined actions play a crucial role in 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</u> <u>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 <u>CocoaAndForests.org</u> and <u>WorldCocoa.org</u>.

The <u>World Cocoa Foundation</u> (WCF); <u>IDH</u>, the <u>Sustainable Trade Initiative</u>; and the Governments of Côte d'Ivoire and Ghana drive the Cocoa & Forests Initiative. The Prince of Wales 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.

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?

Cocoa & Forests Initiative activities proceed from three priorities: (1) forest protection and restoration, (2) sustainable production and farmers' livelihoods, and (3) community engagement and social inclusion.

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.

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 (in development) 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 improved planting materials, 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 4 districts (Wassa Akropong A B, Bogoso and Assin North) including 87 communities.

We improved access to agronomic knowledge and extension services such about GAPs training and additional livelihoods.

And we also increased access to planting materials such as cocoa seedlings and shade trees.

Meiji invested in sustainable agricultural intensification to grow "more cocoa on less land", with focused on:

•Training 3,447 farmers in off-reserve forest land in CSC production including cocoa agroforestry systems and the latest Good Agriculture Practice (GAPs).

5,955(total from 2018 to 2021) against 4,000(initial target by 2022)

 \cdot Distribution of 127,926 improved cocoa seedlings to farmers and supporting cocoa farm rehabilitation.

203,384(total from 2018 to 2021) against 200,000(initial target by 2022)

•Distribution of 2,000 trees for off-farm-planting and 10,000 multi-purpose trees for on-farm planting.

122,860(total from 2018 to 2021) against 112,560(initial target by 2022)

·Establishing and providing nurseries with improved cocoa planting material.

•Construction of boreholes in 2 societies for planting material, cocoa farming and their daily life.

TRACKING TABLE / GHANA

In 2020, WCF worked with CFI companies, governments, and technical experts to review and refine CFI indicators and definitions to improve alignment, accuracy of reporting, and to ensure what is reported reflects a meaningful result on the ground and that the data can be used to monitor and guide the delivery of interventions. As part of this review, some indicators were removed because they were redundant and process oriented. In other cases, the wording and/or definitions were adjusted to improve clarity, accuracy, and consistency.

RESULT STORIES

Since 2019 when we launched our CFI Action Plan, we have been working on various sustainability programs in Ghana. The main activities are training farmers regarding the latest Good Agricultural Practices (GAPs), and distribution of hybrid cocoa seedlings, agricultural inputs and equipment, which contribute to the "Sustainable Production and Farmer Livelihoods" programs in CFI. We have also distributed multipurpose trees for on-farm restoration via agroforestry, and enhanced farmer awareness of how important it is to protect off-reserve forest lands, in terms of "Forest Production and Restoration".

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:

CFI Company Progress Report for Ghana

Commitments	Actions Forest Pr	Indicator	2022 Target	# through direct investment (Oct 2020-Sept 2021)	# Total through direct investment (since 2018)
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies for cocca production.	1.1 Conduct farm mapping within supply chain to ensure coccoa is not being sourced from forest land	# of cocoa plots mapped in direct supply chain		1,681	
		# and % of cocoa farms mapped in direct supply chain	TBD	1,343	
	1.2 Conduct deforestation risk assessments in all sourcing areas.	# of hectares in the direct supply chain with deforestation risk assessments	TBD	1,525	1,525
2. No production and sourcing of cocoa from National Parks,	2.1 Implement traceability tools/technology to ensure no	completed			
Wildlife Sanctuaries, and Wildlife Resource Reserves, except from farms with existing legal status.	cocoa purchases originate from National Parks, Wildlife Sanctuaries, and Wildlife Resource Reserves (all forest areas)	% of directly sourced cocoa traceable from the farm to the first purchase point	100%	29%	
3. A differentiated approach for Forest Reserves will be adopted, based on level of degradation; with elimination of sourcing of occain less degraded reserves (Cat.1) as of 31 December 2019; and production and sourcing for a period up to 25 years through MTS in more degraded reserves (Cat.2).	3.1 Support farmers in Category 2 Forest Reserve areas in their restoration and reforestation programs	# hectares of Category 2 Forest Reserve areas restored:	-	-	-
 In highly degraded off reserve forest lands, cocca production and sourcing will continue, supported by climate smart cocca and MTS. 	4.1 Train farmers in off-reserve forest lands in CSC production including cocoa agroforestry systems	# farmers trained in CSC best practices	4,000	3,447	
	4.2 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	TBD		
 Land and tree tenure reforms, and benefit sharing arrangement to incentivize land ow ners and users to retain naturally regenerated trees will be accelerated, including approval of CREMA mechanism. 	5.1 Support farmers with tree registration	# trees registered	TBD	-	-
	5.2 Support cocoa farmers to acquire land (tenure)	# and % of farmers with land tenure agreements/documentation etc.	TBD		
	documentation	obtained via company support			
6. Public sector forest law enforcement and governance will be strengthened	6.1 Promote aw areness-raising campaigns to educate farmers on forest law enforcement and tree tenure provisions	# farmers informed, trained, and / or consulted on forest policy/law enforcement, forest protection, and restoration	4,000	1,343	
 Public-private collaboration to mobilize new sources of funding for forest protection and restoration, and to incentivize farmers adoption of environmentally sustainable cocce production will be developed. 	7.1 Mobilize finance for forest protection and restoration	# Individuals receiving PES: <u>New</u>		-	-
		# Individuals receiving PES: <u>Total</u> <u>Receiving</u>	TBD	-	
8. Public-private collaboration will be enhanced to identify good practices and technical guidance for forest conservation and restoration, shade grow n cocoa, and MTS in Forest Reserves.	8.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# farmers applying agroforestry	TBD	680	
		# multipurpose trees distributed for on- farm planting	TBD	10,000	122,860
		# hectares cocoa agroforestry in	TBD	680	680
		development # of trees distributed for off-farm	TBD	2,000	2,000
	8.2 Support distribution and planting of native trees for off- farm restoration (reforestation)	planting # hectares of forest area restored off- reserve	TBD	-	-
	8.3 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	Already reported 4.2		
	Sustainable Pro 9.1 Distribute improved coccoa planting material	duction and Farmer Livelihoods # improved cocoa seedlings distributed	200,000	127,926	203,384
9.Promote investment in long-term productivity of high quality cocca in environmentally sustainable manner and grow "more cocca on less land."	9.1 Distribute improved cocca planting material 9.2 Train farmers and producer organizations in the latest Good Agriculture Practices (GAPs)	to farmers # of farmers reached by GAP training programs	4,000	1,343	203,384
10. Pormote sustainable livelihoods and income diversification for cocca farmers.	10.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# multipurpose trees distributed for on- farm planting # hectares cocoa agroforestry in development	Aiready reported 8.1		
	10.2 Promote farm-level crop diversification	# individuals participating in additional Income Generating Activities (IGA's)	TBD	-	
 Porrote financial inclusion and innovation to deepen farmers' access to working capital and investment funds required for production and cocoa farm rehabilitation and renovation. 		# and % individuals in the current reporting year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bankmobile] with support from companies (excluding cocoa bean pre-financing)	TBD	-	
		# of members of VSLA groups in the current year	TBD	-	
12. Improve supply chain mapping, with 100% of cocoa	12.1 Conduct mapping to identify and collect cocoa farm boundaries polygon data	# of VSLA groups in the current year # farms mapped within direct supply chain	TBD Already reported 1.1	-	6
sourcing traceable from farm to first purchase point. An action plan will be developed that maps out key principles, steps, and milestones to achieve this step, encompassing all national and international traders.	12.2 Implement traceability system to farm level in 100% of supply chain by end-2019	% cocoa supply traceable from individual farms to first purchase point	Already reported 2.1		
 Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes. 	Social Inclusion 13.1 Organize cocea community consultations on the implementation of the Framew orks for Action	and Community Engagement # farmers informed, trained, and / or consulted on forest policy/law enforcement, forest protection, and restoration # of cocca communities with active	Already reported 6.1		
14. Promote community-based management models for forest protection and restoration.	14.1 Establish and/or support community-based natural resource management (CBNRM) programs for forest restoration/protection	# or cocca communities with active forest restoration and protection program # hectares under CBNRM	TBD		-
15. Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	15.1 Develop forest protection & restoration and agriculture intensification action plans that are youth and gender sensitive	# of individuals participating in women' s empowerment projects and activities	TBD	-	
		# of individuals participating in youth focused projects and activities (age 15- 35)	TBD	-	



CSC training in Larbikrom Society

19 farmers joined the training class regarding sustainable cocoa farming in Larbikrom Society. In addition to CSC training, farmers themselves gather in this village to enthusiastically exchange opinions and hold study sessions. In fact, they have a better understanding of climate change and agricultural norms. They have been facing many difficulties due to climate change over the last few years. Thus they're delighted to have CFI activities such as CSC training, distribution of young cocoa plants, et cetera.



New Borehole in Larbikrom Society



New Borehole in Saamang Society

As a CFI-related activity, in Larbikrom and Saamang society, we constructed boreholes with electric pumping system, purifier filter and large water tank on it. This was not only to establish a cocoa seedling nursery in the society, but also to give an access to clean and safe drinking-water for the local people. Local people in the community are thankful because they can raise their small children with safe water from the borehole. They have appointed well managers, collect usage fees, and use them for maintenance costs to ensure that the community gets clean water.