



Annual Progress Report Template - Côte d'Îvoire -

1. FOREWORD

Dear Cocoa & Forests Initiative friends,

Yao Ahou, a cocoa farmer in Ndenou, Lagunes district, Côte d'Ivoire, told us in no uncertain terms: "There is less rain because we cut down all the big trees. We took down all the big trees that could get the steam up in the air to attract the rain. Really, if we could have more of these big trees there, they can cover the cocoa trees, protect them at least against the sun." Yao has put her convictions into practice, and has planted forest trees on her cocoa farm, including a beautiful acacia, which provides shade, a barrier against some insects, fodder for farm animals, soil restoration, and other benefits.

Yao is one among over a million people who are actively involved in the Cocoa & Forests Initiative: from cocoa farmers, to the governments of Côte d'Ivoire and Ghana, and private sector companies. This collective effort today passes a milestone: we are reporting on our first two years of implementation for Cocoa & Forests Initiative interventions.

What have we achieved since announcing the Cocoa & Forests Initiative Frameworks for Action in November 2017 and the initial company action plans in March 2019?

First, and most importantly, companies have begun fulfilling their Cocoa & Forests Initiative commitments, with a particular focus on increasing traceability in their direct supply chains, putting in place systems to eliminate deforestation from their cocoa sourcing, rehabilitating and reforesting degraded lands, increasing canopy cover and sustainable production with the promotion of cocoa agroforestry, and community engagement.

Second, we have grown the partnership to 35 companies (from 12 originally) who are signatories of the Cocoa & Forests Initiative.

Third, we have strengthened our partnership with the governments of Côte d'Ivoire and Ghana and other key stakeholders. In the past year, governments have delivered on significant commitments in order to catalyze further private sector investment, particularly promulgating new legislation, sharing critical baseline data and maps, adopting social and environmental safeguards, and embracing new forest policies to promote cocoa agroforestry.

As we look at this first year of implementation, we are proud of the Cocoa & Forests Initiative's first steps and are determined to keep our eyes on the prize: end deforestation and restore forest areas. We are not there yet and need to intensify our efforts. In 2020, we will notably accelerate private sector collaboration across cocoa landscapes and, in partnership with governments, put in place effective tools to monitor and eliminate any new deforestation.

For Yao, her children, and her children's children.

Richard Scobev

President, World Cocoa Foundation

2. KEY FACTS & FIGURES

Covering activities in 2018 and 2019

CÔTE D'IVOIRE

Forest Protection and Restoration

3,669 farms mapped

28,084 **multi-purpose trees** distributed to farmers for agroforestry

Sustainable Production and Farmer Livelihoods

3,716 farmers trained in good agriculture practices

492 farmers participating in a village savings and loan association

3. WHAT IS THE COCOA & FORESTS INITIATIVE?

The Governments of Côte d'Ivoire and Ghana and the world's leading cocoa and chocolate companies <u>signed landmark agreements</u> in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain.

This public-private partnership – called the <u>Cocoa & Forests Initiative (CFI)</u> – has been organized by the World Cocoa Foundation (WCF), IDH - the Sustainable Trade Initiative, and The Prince of Wales' International Sustainability Unit (ISU), in partnership with the Governments of Côte d'Ivoire and Ghana. The Prince of Wales <u>launched CFI</u> in March 2017 and reviewed implementation progress in November 2018.

The Frameworks for Action for <u>Côte d'Ivoire</u> and <u>Ghana</u> define core commitments, verifiable actions, and timebound targets required for a deforestation-free and forest-positive supply chain.

The Governments of Côte d'Ivoire and Ghana establish national strategies, policy environments, and governance structures for CFI implementation. They ensure that CFI is linked to similar initiatives with other commodities, and fully aligned with the national Reducing Emissions from Deforestation and Forest Degradation (REDD+) strategies and other relevant national strategies and plans. They provide key operational guidance, and baseline economic, environmental, and social data, to help companies identify and plan the most effective and efficient private investment activities for CFI.

The Governments have prepared comprehensive National Implementation Plans (<u>Côte d'Ivoire</u>, <u>Ghana</u>) that outline public sector priorities, actions and timelines. Since 2017, both governments have fulfilled commitments on the key building blocks for successful CFI implementation, including important revisions to the legal framework for sustainable forest management, adoption of World Bank environmental and social safeguard standards, and preparation and sharing of up-to-date boundary maps of protected areas.

In March 2019, CFI companies released initial action plans for 2018-2022. These initial plans detail how the private sector will deliver the commitments spelled out in the Frameworks for

Action. Each company explained how they will support the Framework objectives, based on their role in the supply chain, their strategic priorities, and their cocoa sustainability goals. WCF published a summary of the initial action plans for the cocoa and chocolate industry (<u>Côte</u> <u>d'Ivoire</u>, <u>Ghana</u>).

On the heels of the 2020 International Day of Forests, CFI companies and the governments of Côte d'Ivoire and Ghana <u>reported on the first two years of implementation</u>. Companies are publishing individual reports on progress and outcomes related to the implementation of their specific actions. The following is the aggregate report of company actions.

CFI has been supported by several global development partners, including the Dutch Ministry of Foreign Affairs, the German Federal Ministry of Economic Cooperation and Development, the Global Environment Facility, the Green Commodities Program of the United Nations Development Program, the International Finance Corporation, the United Kingdom's Department for International Development, the United States Agency for International Development, and the World Bank.

CFI is coordinated closely with a wide range of global and local environmental organizations and partnerships, including the Amsterdam Declaration Partnership, Climate Focus, the German Initiative on Sustainable Cocoa, Partnerships for Forests, Proforest, Rainforest Alliance, Tropical Forest Alliance, World Resources Institute, World Agroforestry (ICRAF), and the World Wildlife Fund.

The industry is committed to ending deforestation and forest degradation throughout the global supply chain. In 2018, we have expanded CFI from West Africa to Latin America, with the Cocoa, Forests & Peace Initiative in Colombia.

4. 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. The Ivorian government is currently finalizing the operational decrees that provide further guidance on the new forest policies. Both governments have shared maps on forest cover and land-use, and are currently updating the maps, including socio-economic data on cocoa farmers, which will further inform private sector investments.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop verifiable monitoring systems for traceability from farm to the first purchase point for their own purchases of cocoa, and to work with governments to ensure an effective

national framework for traceability encompassing all traders in the supply chain. 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 are assessing and mitigating the social impacts and risks of any proposed land-use changes on affected communities.

The set of public-private actions represent unprecedented commitments on forest protection and restoration, and sustainable cocoa production and farmer livelihoods. These combined actions, which are aligned with the Paris Climate Agreement, will play a crucial role in sequestering carbon stocks and thereby addressing global and local climate change.

5. BLOMMER COCOA & FORESTS INITIATIVE RESULTS

Blommer recognizes that the cultivation of agricultural commodities, including cocoa, has been a driver of accelerated deforestation and forest degradation in Côte d'Ivoire and Ghana, the world's leading producers of cocoa. In response to this challenging problem, Blommer, working with other industry leaders and key development partners, helped to establish the Cocoa and Forests Initiative. Through this effort we have announced our commitment to end deforestation and forest degradation in our direct supply chains in Côte d'Ivoire and Ghana.

Given the vital role that smallholder cocoa farming plays in providing for employment and income in local communities, efforts to end deforestation and forest degradation must be done in a socially acceptable manner. In all of our efforts, we understand the critical need for a balanced and comprehensive approach between farmers' livelihoods and the environmental challenges.

Blommer's vision for the end of deforestation and establishing reforestation efforts in our direct supply chains aligns with our broader sustainability goals of farm crop diversification which allows for supplemental household income, and improved nutrition for families. It is through this lens that Blommer's agroforestry and shade tree strategy will be developed to ensure that tree varieties introduced to cocoa farms are native and provide not only canopy development but direct benefit to the farm and/or the farming family. These benefits may include, but will not be limited to, improved soil fertility, medicinal uses and direct food sources. In this way, the farm family can realize some more

immediate benefits of tree introduction and the overall strategy can provide solutions that avoid a vicious cycle of trees only planted for later timber harvesting.

With a clear and comprehensive approach which builds upon on long standing agroforestry activity and in alignment with our farmer partners, Blommer believes that success can been achieved where all stakeholders benefit.

In 2018 and 2019 we have focused on the distribution of 28,084 fruit and forest trees to farmers to be planted on their existing cocoa farms. We promote the planting of 20 forest and fruit trees/ha so have with the distribution of the trees lead to approx. 1,404ha of agroforestry.

In terms of farmers' livelihoods, Blommer promoted the planting of 260,598 cocoa seedlings which had been sewn in 13 cocoa nurseries leading to the rehabilitation of 195ha of cocoa farms. During 2019, a total of 3,716 farmers were trained on GAP as part of group and/or individual training.

Under Community Engagement Blommer is working with 9 communities in 2019 across a variety of community development activities including VSLA. A total of 492 farmers were participating in VSLAs.

6. LOOKING FORWARD TO 2020 AND BEYOND

Since 2018, signatory companies have been working to fulfill their commitments to end deforestation and restore degraded forests in the cocoa sector. In 2019, the governments of Côte d'Ivoire and Ghana delivered on numerous commitments which have informed company planning. Companies will now be able to further develop their activities, moving from planning to implementation. As the governments continue to provide critical information (e.g. socio-economic assessments, updated land-use maps, operational decrees for implementation of the new forest code), companies will continue to ramp up their delivery of CFI activities in alignment with government priorities. This will include identifying opportunities for landscape level collective action, as well as building partnerships with global development partners to drive forest positive impact on the ground.

In collaboration with a customer partner and The Alliance of Bioversity International and CIAT, a new program will be launched in 2020.

The project has the following key objectives:

42 communities (forested or not) in Vavoua and Lakota have sustainable access and income from consumption and sale of forest products, including cocoa. Actual and future forest resources are sustainably managed for a combination of timber and non-timber products.

This will be achieved by:

- 1) Promoting biodiversity to enhance:
 - Ecosystems and natural capital
 - Cocoa farm resilience
 - Sustainable livelihoods from forest products
 - Dietary diversity and nutrition
- 2) Improving the status of forests by:
 - Reducing deforestation risk through improved land management practices and education
 - Forest restoration targeting appropriate planting material
 - Quantifying and enhancing carbon stocks

Beside this specific project in 2 landscapes, Blommer will continue to promote on and off farm multipurpose tree planting in an around cocoa growing communities and engage with existing communities on a variety of community development activities.

ANNEX 1: TRACKING TABLE / CÔTE D'IVOIRE

Commitment	Actions	2022 Target	Total Achieved to Date through direct investment	# through direct investment in 2019				
Forest Protection and Restoration								
No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies) for cocoa production.	Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	3000 farms to be mapped	3,669	3,669				
	Conduct deforestation risk assessments in all direct sourcing areas	# ha included in deforestation risk assessment: TBD						
Elimination of cocoa production and sourcing in National Parks and Reserves in line with promulgation and enforcement of national forest policy and development of alternative livelihoods for affected farmers	All farms found in National Parks and Reserves reported to government	% farms in Natl Parks & Reserves reported to government: TBD	TBD. No system in place to report					
	Support cocoa farmers' transition to alternative livelihoods	# of total farmers in protected areas receiving assistance for alternative livelihoods: NA	TBD. No safeguard process fully adopted in CIV. Study not completed yet					
No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programs	Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	100% of direct sourced cocoa is traceable to farm-level	100%					
A differentiated approach based on the level of degradation of forests for classified Forests will be developed and translated into a national forest restoration strategy	Support the restoration of Classified Forests by working with cocoa farmers, the government and the forestry industry to implement contracts for mixed agroforestry as a restoration and livelihoods intervention	# farmer 'agroforestry restoration' contracts signed: TBD	TBD. Code adopted, but implementation decrees and arretes are not finalized					
		# hectares restored in Classified Forests: TBD	TBD. Code adopted, but no guidelines on forest restoration yet					
Up-to-date maps on forest cover and land-use for the different forests, and socio-economic data on cocoa farmers developed and publicly disclosed, and detailed operational guidelines prepared	Support the government's forthcoming adaptive management plans for different forest areas to benefit the livelihoods of forest-dependent cocoa communities	Yes	Yes	Yes				
	Participate in the development and operation of land-use and land-use planning at national and regional levels by sharing existing land use maps with government	Yes	Yes	Yes				
Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened	Promote and participate in awareness- raising campaigns to educate farmers on the new Forest Code	600 farmers reached at awareness events	0	0				
	Update farmer engagement materials and training with the revised Forest Code	Yes	No	No				
Public-private collaboration to mobilize resources for forest protection and restoration	Mobilize finance for forest protection and restoration	\$ mobilized towards forest protection and restoration: TBD	NA	NA				
		# hectares with forest protection and restoration financing: NA	NA	NA				
		# farmers participating in PES contracts: TBD	0	0				

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Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest restoration and agro-forestry	Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	135,000 multi-purpose trees distributed for on- farm planting	28,084	20,655
		6,750 hectares cocoa agroforestry developed	1,404	1,033
	Support distribution and planting of native trees for off-farm restoration (reforestation)	# native trees planted off-farm : NA	0	0
		# native trees planted off-farm : NA	0	0
Government creation, in collaboration with all stakeholders, of a public-private fund to support financing of protection and restoration of HCV forest areas.	Support the creation of the public- private forest conservation and rehabilitation fund	\$ contributed to fund: NA	NA	NA
Sustainable Production and	Farmers' Livelihoods		-	-
Promote investment in long- term productivity of cocoa in environmentally suitable areas in order to grow "more cocoa on less land"	Distribute improved cocoa planting material	# improved seedlings distributed to farmers : TBD	260,598	NA
	Establish and/or provide cocoa nurseries with improved cocoa planting material	# of nurseries with improved cocoa seedlings: TBD	13	NA
	Train farmers in Good Agriculture Practices (GAPs)	3000 of farmers trained in GAPs	3,716	3,716
	Support cocoa farm rehabilitation	# of hectares of cocoa rehabilitated: TBD	195	NA
Promote sustainable livelihoods and income diversification for cocoa farmers	Promote farm-level crop diversification	300 farmers applying crop diversification	0	0
Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation	Promote farmer savings	# farmers in supply chain with a savings account: NA	NA	NA
		300 farmers participating in VSLA groups	492	492
	Offer financial products to farmers	# farmers offered a financial product: NA	NA	NA
Social Inclusion and Commi	unity Engagement			
Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	Organize cocoa community consultations on the implementation of the Frameworks for Action	7 communities with consultation sessions	0	0
Promote community-based management models for forest protection and restoration	Establish and/or support community- based natural resource management programs for forest restoration/protection	# of cocoa communities with active forest restoration and protection program: NA	NA	NA
		# hectares under CBNRM: NA	NA	NA
Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	Develop forest protection & restoration and agriculture intensification action plans that are gender and youth sensitive	7 cocoa communities with gender-focused programs	9	9
		# cocoa communities with youth-focused programs: NA	NA	NA