

Collective Action to End Cocoa-Related Deforestation

The governments of Côte d'Ivoire and Ghana with 35 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 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 (Côte d'Ivoire and Ghana) and action plans for the private sector (Côte d'Ivoire and Ghana) and public sector (Côte d'Ivoire and Ghana) that spell out commitments to:

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

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 launched the Initiative in March 2017 and reviewed implementation progress in November 2018.

In 2019, ECOM committed to focus on the Forest Protection and Restoration pillar of the CFI Action plan and has since:

- Distributed 500,000 shade trees
- Distributed 26,100 improved cocoa seedlings
- 734 farmers participating in crop diversification activities
- Performed proximity risk assessment on 4,692 high-risk areas mapped in its conventional supply chain
- Piloted a farm rehabilitation model with 29 farmers covering 35.02 hectares of farm land
- Improved the traceability system in our supply chain through digitizing the process to the first bean purchase point.

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. 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.

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.

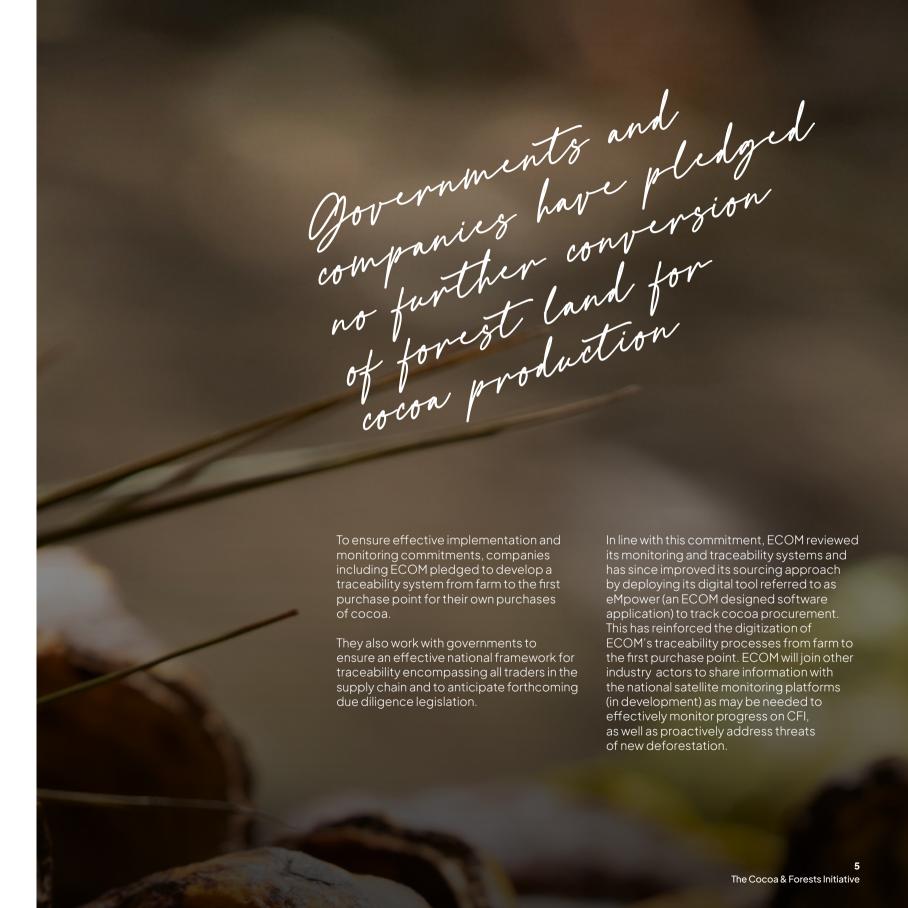


Protection and restoration

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.



Production and income

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.

During the season, ECOM trained 734 farmers on food crop production as part of our commitment to diversify farmer income and build financial resilience to respond to

shocks, often during the lean cocoa season. In addition, ECOM supplied seedlings, agro-inputs and provided on-farm technical guidance to farmers adopting diversification practices. Based on ECOM's market access approach, participating farmers were guaranteed access to markets through ECOM facilitated market linkages.

"The additional income from food crop production has reduced hardship. I have applied skills acquired through diversification training in other business areas. I now own a taxi which brings me extra income too"

Emmanuel Boadi, Farmer and Teacher

ECOM continued to support 29 farmers with a total farm size of 35.02 hectares in the farm rehabilitation model as part of its commitment to promote sustainable agricultural production and rehabilitate overgrown and diseased farms. The program has been implemented since 2019 and is currently in the third year. Cumulatively, ECOM has distributed 26,100 improved cocoa seedlings for replanting with 900 planted in 2021 as part of the rehabilitation program.



Community engagement

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.

Additionally, to help realize effective landscape partnerships, and contribute to deforestation monitoring, ECOM joined the World Cocoa Foundation and Climate Focus in partnership with the World Resources Institute and other companies in order to develop a comprehensive dataset of cocoa plot locations in the direct supply chain and an aligned method for assessing deforestation risk. An aggregate view of cocoa plot locations across West Africa will provide a basis for identifying opportunities for pre-competitive collaboration. Paired with the outputs of the risk assessment, collaboration can proceed in the areas that matter most for addressing deforestation. Creation of the comprehensive dataset is underway, and a beta version of the risk assessment has been developed.

The final risk assessment will go through a peer review process and be made available as a freely accessible public good through WRI's Global Forest Watch platforms to help drive aligned deforestation risk management across the cocoa sector for impact at scale.



ECOM Ghana CFI

Indicator	2022 Target	#Through direct investment (Current reporting year)	# On behalf of clients (Current reporting year)	#Through direct investment (Since 2018)
Forest Protection And Restoration				
# of cocoa plots mapped in direct supply chain		0	121,761	
# of farms mapped in direct supply chain		0	93,050	
# of hectares in the direct supply chain with deforestation risk assessments completed	0	0	125,490	0
% of directly sourced cocoa traceable from the farm to the first purchase point	100%	82%		
# hectares restored in Forest Reserve / Forêts Classée	0	0		0
# trees registered	0			
# of farmers with land tenure agreements/documentation obtained via company support	0	0	0	0
# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration	0	0	63,987	
# individuals receiving PES: New	0	0	0	0
# individuals receiving PES: Total Active	0	0	0	
# farmers applying agroforestry	29	29	6,826	58
# multi-purpose trees distributed for on-farm planting	0	500,000	6,002,571	500,000
# hectares cocoa agroforestry in development	58	35	7,933	122
# of trees distributed for off-farm planting	0	0	501,800	0
# hectares of forest area restored off-reserve / in rural zone	0	0		0
# farmers trained in CSC best practices		0	54,060	
# of farmers trained in Modified Taungya System (MTS)	0			
\$ contributed to fund				
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD				
# improved cocoa seedlings distributed to farmers		900	1,503,900	900
# of farmers reached by GAP training programs	0	734	84,201	
# individuals participating in additional Income Generating Activities (IGA's)		396	24,470	
# of individuals in the current reporting year enrolled in a formal financial products and services with support from companies		0	6,120	
# of members of VSLA groups in the current year	0	0	10,215	
# of VSLA groups in the current year	0	0	341	0
SOCIAL INCLUSION AND COMMUNITY				
# of cocoa communities with active forest restoration and protection program (CBNRM)	0	0	112	0
# hectares under CBNRM	0	0	3,048	0
# of individuals participating in women's empowerment projects and activities	0	176	34,431	
# of individuals participating in youth focused projects and activities (15-35 years old)	0	0		

