



THE COCOA & FORESTS INITIATIVES

CÉMOI 2020 PROGRESS REPORT



Cocoa &
Forests
Initiative



TRANSPARENCE
CACAO CÉMOI



World Cocoa
Foundation





FOREWORD

Given its strong link to natural resources, CÉMOI is aware of its environmental responsibility. This is why the Group is committed to reducing its environmental impact throughout its value chain, from the upstream agricultural stages to the end of its products' life cycle. By forging partnerships with the farmers and cooperatives, CÉMOI is striving to disseminate good, sustainable farming practices while ensuring better traceability. The Cocoa and forest initiative is the major joint initiative that brings all industry efforts to the common challenge of protecting forest and biodiversity, help strengthening the agro-ecological basis of our supply chain.

Since its launch, the CFI is embedded in our Transparency Cacao Program. Core building blocks of this program are traceability, environmental quality, farmers quality of life and aromatic quality. Within this program the environmental pillar is based on a clear vision: produce a chocolate that contributes to environmental protection efforts that reduce the risk of deforestation, improve the farmer's income and promote a smart cocoa agriculture.



Patrick Poirrier
PGM CÉMOI Group

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KEY FACTS & FIGURES

Our sustainable Cocoa program “Transparence Cacao” vision is to produce chocolate that contributes to environmental protection efforts to reduce the risk of deforestation, improve farmers’ incomes and promote smart cocoa farming. CEMOI’s involvement in CFI is part of this wider Transparence Cacao’s environmental pillar to preserve forests and support farmers across the world in adopting agroforestry practices.

TRANSPARENCE
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FOOD QUALITY/ TRACEABILITY

CHOCOLATE WITH A KNOWN HISTORY.
Total traceability, from its origin to the manufacturing process: the plant, cooperative and farm traceability.



ENVIRONMENTAL QUALITY

CHOCOLATE THAT PROTECT THE ENVIRONMENT & BIODIVERSITY.
Promote responsible cocoa farming and agroforestry to limit the risks of deforestation.



AROMATIC QUALITY

CHOCOLATE WITH SUBTLE, DELICATE FLAVOURS.
Control over fermentation and drying processes in our own fermentation centres.



QUALITY OF LIFE OF THE FARMERS

FAIR REMUNERATION FOR FARMERS.
Support professionalisation of farmers to enable them to diversify their income and invest in their community. Raise awareness and fight against child labor.



FOR FURTHER INFORMATION ON CEMOI'S SUSTAINABLE COCOA INITIATIVE, SEE WWW.TRANSPARENCE-CACAO.COM

Through this program, CEMOI has forged strong links with farmers and its local technical partners, such as Earthworm, the World Agroforestry Centre (ICRAF), ECOTIERRA, a developer of sustainable agroforestry projects, etc., with whom the Group is gradually deploying virtuous agricultural practices within its supply chain to combat deforestation and pest damage, and to improve soil fertility and yields.

Among these practices :

- Strongly developing cocoa in agroforestry: either by planting cocoa trees in an existing, partially

deforested forest, or by introducing trees into cocoa plots;

- Diversifying crops: setting up crop rotation with a mix of cocoa and other crops, preferably food crops such as yams, bananas, maize, cassava, rice, etc.;
- Reducing the use of synthetic inputs: fertilisers and pesticides;
- Banning GMOs;
- Implementing a cocoa orchard development plan;
- Developing the use of natural compost from cocoa pods.

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, have 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:

- A. PROTECT AND RESTORE FORESTS,
- B. PROMOTE SUSTAINABLE COCOA PRODUCTION AND FARMERS' LIVELIHOODS,
- C. 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.

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 25% and 8% of their humid primary forest between 2002-2019, with a significant portion of deforestation attributable to cocoa farming expansion.

Cocoa provides crucial employment and income to smallholders in West Africa. An accelerated transition to sustainable livelihoods is essential for ensuring their long-term economic security. Thanks to public and private sector actions, notably through the Cocoa & Forests Initiative, this transition is under way, with recent reports (from Global Forest Watch and the United Nations) showing that the rate of primary forest loss was halved in both Côte d'Ivoire and Ghana from 2018 to 2019.



TO LEARN MORE, FOLLOW #COCOAANDFORESTS ON SOCIAL MEDIA, OR VISIT COCOAANDFORESTS.ORG AND WORLDCCOAO.ORG.



CEMOI'S COCOA & FORESTS INITIATIVE RESULTS IN 2020

The challenges of climate change, deforestation and low income for farmers require to the whole industry to act as fast as it can to address cocoa supply chain specific challenges. Our work in the field is focusing on improving farmers income and providing technical supports for a more prosperous business, accelerate the use of the good agricultural practices to help building empowered communities and sustainable livelihood and support farmers in forest and biodiversity protection. Thanks

to this capacity building programme, we can assess every year new coops (Star-up league) and move the older coops (Espoir and Pro-league) to higher levels of autonomy with customized services for environment. From 2019 to 2020 our coops network has expanded welcoming new coops and farmers. In Côte d'Ivoire, our main sourcing country, significant results have been recorded in 2020:

A 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 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.

B 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.

C 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.

A

FOREST PROTECTION AND RESTORATION

10,000 NEW FARMS
MAPPED WITHIN OUR TRANSPARENCE CACAO COOPERATIVES NETWORK

9,200 HECTARES OF COCOA agroforestry in development

4,530 TREES REGISTERED

15,000 MULTIPURPOSE TREES distributed for off-farm planting

B

SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD

TRAINING ON GOOD AGRICULTURE PRACTICES (GAPS) FOR 4,200 FARMERS

1,000 FARMERS participating in Income Generating Activities (IGA's)

1,413 FARMERS IN OUR SUPPLY CHAIN enrolled in a formal financial products and services

C

COMMUNITY ENGAGEMENT AND SOCIAL INCLUSION

9 COCOA COMMUNITIES WITH ACTIVE FOREST PROTECTION AND RESTORATION PROGRAM

300 INDIVIDUALS PARTICIPATING IN WOMEN'S EMPOWERMENT PROJECTS AND ACTIVITIES

LOOKING FORWARD TO 2021 AND BEYOND


In January 2021, we join the International Cocoa Initiative (ICI) in order to strengthen our sustainability program which includes a 'Child Labour Prevention Plan' with the aim of improving the quality of life of the farmers and providing access to education through school projects to support the fight against child labour.

Since 2018, signatory companies have been working to fulfill their commitments to end deforestation and restore degraded forests in the cocoa sector. 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.

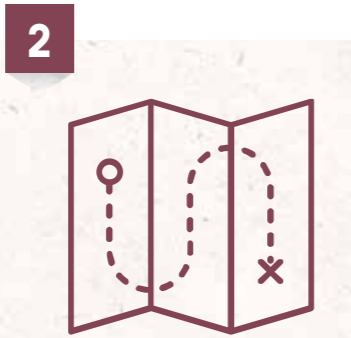
BY THE END OF 2021, CEMOI WILL UNDERTAKE A COUPLE OF KEY ACTIONS:

1




RUN A DEFORESTATION RISK ASSESSMENT BASED ON SATELLITE MONITORING PILOT on around 2000 farms in our direct supply thanks to the Starling verification Technology developed by Earthworm and Airbus.

2



DIRECTLY SOURCED COCOA TRACEABLE FROM THE FARM TO THE FIRST PURCHASE POINT to ensure that our cocoa is not being sourced from primary or secondary forest conversion activities after January 1, 2018 (= cut-off date) and engage the cooperatives to respect this commitment.

3



ENGAGE AND SUPPORT ALL OF THE COOPERATIVES NETWORK OF OUR TRANSPARENCE CACAO PROGRAM TO PROTECT PRIMARY FORESTS and High Conservation Value (HCV) forests and take steps to make sure that no further forest land is converted for cocoa production.

4



COMPLETE THE PILOT OF THE "MAISON DU PLANTEUR" PROJECT
a new set of social and environmental services in our seven fermentation and drying centres in Côte d'Ivoire.
 This set of projects will include films projection to local communities on deforestation and child labor, access to primary health care services, support to birth registration and a couple of community based Income Generating activities (IGA's). The seven committees has already been installed.



BY THE END OF 2022 WE WILL:


IMPLEMENT TRACEABILITY SYSTEMS to the farm level in our direct supply chain
UP TO 50%

INFORM, TRAIN OUR **60,000 FARMER NETWORK** to the new forest Code, law enforcement, forest protection and restauration

TRAIN **5000 MORE FARMERS** in Good Agricultural Practices and agroforestry systems

REACH **8000 FARMERS** applying agroforestry

DISTRIBUTE **100 000 MULTI-PURPOSE TREES** for on-farm and off-farm planting





FIELD SUCCESS STORIES



“

WHEN TREE NURSERY BECAME A THRIVING INCOME GENERATING ACTIVITY THE SUCCESS STORY OF KOUAKOU ATHANASE

Kouakou Athanase in the center of this picture, was trained in 2018 as a tree nursery owner. He started his seedling activity in 2019 in Diankro in the Divo department. Member of SOCOPA-SG cooperative, this father has worked hard to bring this activity to a second source of income after his cocoa farm. In 2019 he produced: 2629 plants of various species (frake, akpi, framire, wood beast, albizzia lebbeck, cajanus, waleh etc) and sold 875 for a turnover of 306 250 FCFA, around €450 with estimated expenses of €170 and the salary of his two employees around €100, he made a net profit of €180.

In 2020, despite the Covid pandemic, he has improved his activity with 6500 plants produced, 4367 sold for a turnover of €1,500 and a Net profit of €1,000, improving significantly his living income.

In 2021 he signed a contract with one of our technical partner, the International Agroforestry Center (Icraf) for the production of 35,000 plants representing a turnover of more than €13 000. Thanks to this economic model and such great story, the tree nursery program become more attractive for farmers with a double impact of improving living income of farmer and restoring forest. ”



“

KONE FANTA IS LEADING 10 WOMEN ASSOCIATIONS WITHIN HER COOPERATIVE

Since October 2020, **Koné Fanta** has been working within the ECAKOOG cooperative as Gender and Child Labor Prevention Manager. She's mainly in charge of the women empowerment and she successfully set up 10 women's associations, around 300 women within the different sections of the cooperative to start a first IGA as the production of food crops. ”

TRACKING TABLE CÉMOI 2020

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. The following tracking table contains the updated CFI indicators. In the few cases where the update of indicators affects original targets, we indicated this in the tracking table.

Commitment	Actions	Indicator	2022 Target	# through direct investment (Oct 2019-Sept 2020)	# on behalf of clients (Oct 2019-Sept 2020)	# Total through direct investment (since 2018)	# total on behalf of clients (since 2018)
A. FOREST PROTECTION AND RESTORATION							
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies) for cocoa production.	1.1 • 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.	# of cocoa plots mapped in direct supply chain.	72 500	16 000	-	-	-
		# and % of farms mapped in direct supply chain.	62 500 /100 %	10000 / 13.8%	-	-	-
	1.2 • Conduct deforestation risk assessments in all direct sourcing areas.	# of hectares in the direct supply chain with deforestation risk assessments completed.	90 000 ha	50 311 ha/56%	-	-	-
2. 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).	% of directly sourced cocoa traceable from the farm to the first purchase point.	50	40	-	-	-
3. 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.	# hectares restored in Classified Forests.	N/A	N/A	-	-	-
4. Legal protection and management status for the remaining forests of Côte d'Ivoire in the Rural Domain.	4.1 • Support farmers with tree registration. 4.2 • Support cocoa farmers to acquire land (tenure) documentation.	# trees registered.	10 000	4 350	-	-	-
		# and % of farmers with land tenure agreements/ documentation etc. obtained via company support.	Total N/A	Total N/A	Total	Total	Total
			M	M	M	M	M
	F	F	F	F	F		
5. 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.	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration.	Total 60 000	Total N/A	Total		
			M	M	-		
			F	F	-		
6. Public-private collaboration to mobilize resources for forest protection and restoration.	Mobilize finance for forest protection and restoration.	# Individuals receiving PES: New.	-	Total N/A	Total	Total	Total
			-	M	M	M	M
			-	F	F	F	F
		# Individuals receiving PES: Total Active.	Total	Total N/A	Total		
			M	M	M		
			F	F	F		

			Total 8 000	Total 4 000	Total	Total	Total
			M	M	M	M	M
7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest restoration and agro-forestry.	7.1 • Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry.	# farmers applying agroforestry.	F	F	F	F	F
		# multi-purpose trees distributed for on-farm planting.	100 000	252 000	-	-	-
		# hectares cocoa agroforestry in development.	18 500	9 200	-	-	-
	7.2 • Support distribution and planting of native trees for off-farm restoration (reforestation).	# of trees distributed for off-farm planting.	60 000	30 000	-	-	-
		# ha of forest area restored in rural zone.	57 000	3 087	-	-	-
	7.3 • Train farmers in CSC production including cocoa agroforestry systems.	# farmers trained in CSC best practices.	Total N/A	Total N/A	Total		
M			M	M			
F			F	F			
8. 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.	N/A	N/A	-	-	-
B. SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOODS							
9. Promote investment in long-term productivity of cocoa in environmentally suitable areas in order to grow "more cocoa on less land".	9.1 • Distribute improved cocoa planting material. 9.2 • Train farmers in Good Agriculture Practices (GAPs).	# improved seedlings distributed to farmers.	N/A	N/A	-	-	-
		# of farmers reached by GAP training programs.	14 500 M: 13 543 F: 957	Total 4 200 M F	Total M F		
10. Promote sustainable livelihoods and income diversification for cocoa farmers.	10.1 • Promote farm-level crop diversification. 10.2 • Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry.	# individuals participating in additional Income Generating Activities (IGA's).	Total 2 100 M F	Total 1 000 M F	Total M F		
		# multi-purpose trees distributed for on-farm planting.	Already reported 7		-	-	-
		# hectares of cocoa agroforestry.					
11. Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation.	Offer financial products to farmers and promote farmer savings.	# and % individuals in the current reporting year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bank/mobile]) with support from companies (excluding cocoa bean pre-financing).	Total 5 000/50% M: 4 670 F: 330	Total 1 413/14% M F	Total M F		
		# of members of VSLA groups in the current year.	Total N/A M F	Total N/A M F	Total M F	-	-
		# of VSLA groups in the current year.	N/A	N/A	-	-	-

Commitment	Actions	Indicator	2022 Target	# through direct investment (Oct 2019-Sept 2020)	# on behalf of clients (Oct 2019-Sept 2020)	# Total through direct investment (since 2018)	# total on behalf of clients (since 2018)
12. Improve supply chain mapping, with the goal of 100% of cocoa sourcing traceable from farm to first purchase point. An action plan will be developed for traceability, which will be implemented step-by-step to achieve full traceability and verification, applicable to all by end-2019.	12.1 • 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.	# of cocoa plots mapped in direct supply chain.	Already reported 1.1	-	-	-	-
	12.2 • Implement traceability system to farm level in direct supply chain.	% of direct sourced cocoa traceable from individual farms to first purchase point.	Already reported 2	-	-	-	-

C. SOCIAL INCLUSION AND COMMUNITY ENGAGEMENT

13. 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.	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration.	Already reported 5	-	-	-	-
14. 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	30	9	-	-	-
		# hectares under CBNRM.	N/A	-	-	-	-
15. 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.	# of individuals participating in women's empowerment projects and activities.	Total 500	Total 300	Total		
			M	M	M		
			F	F	F		
		# of individuals participating in youth focused projects and activities (age 15-35).	Total 100	Total N/A	Total		
			M	M	M		
			F	F	F		

Farmers in direct supply/
member sustainability programs:

62 500



MORE INFORMATION

on our websites: group.cemai.fr
and transparence-cacao.com

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