

THE COCOA & FORESTS INITIATIVE:

COLLECTIVE ACTION
TO END COCOA-RELATED
DEFORESTATION

2023 PROGRESS REPORT





TRANSPARENCE CACAO PROGRAMME

Transparence Cacao was established in 2015 with the conviction that to create a more sustainable cocoa sector, it is essential to collaborate closely with farmers, pay heed to community needs, and implement customized activities.

traceability, which are fundamental pillars of sustainable initiatives, enabling the implementation of projects that address:

- ENVIRONMENTAL QUALITY, with a strong com- In addition to our endeavors to advance rural mitment to safeguarding forests and biodiversity;
- QUALITY OF LIFE FOR FARMERS, with a primary goal of eradicating poverty and child labor;
- AROMATIC AND FOOD QUALITY, ensuring that consumers benefit from the full aromatic potential of the cocoa beans.

Our programme is implemented in our five origins: Côte d'Ivoire, Ecuador, Sao Tomé, Peru, and the Dominican Republic. However, our emphasis on forest protection is naturally most critical in Ivory Coast, where our own team of sustainability experts collaborates daily with cooperatives and farmers.

Numerous initiatives have been undertaken, with a particular emphasis on agroforestry, given its

potential to bolster environmental conservation while simultaneously boosting farmers' incomes through yield enhancement and revenue

Our programme is grounded in transparency and stream diversification. We offer comprehensive support to farmers through coaching programmes that encompass individualized assessments, tailored training, and the distribution of vegetal materials.

> transformation via agroforestry, we prioritize social programmes aimed at fostering entrepreneurship, empowering women, and facilitating access to healthcare and education. Raising awareness on critical topics such as climate change, women's empowerment, and child labour is also essential for project success.

> Through this programme, CÉMOI has forged strong links with local technical and institutional partners, such as the CCC (Conseil du Café-Cacao), the SODEFOR, International Cocoa Initiative (ICI), the World Agroforestry Centre (ICRAF), and specialised experts of the cocoa sector. With these partners the Group is gradually deploying virtuous agricultural practices within its supply chain to combat deforestation and

> > pest damage, improve soil fertility and yields, but also to change the life of farmers and their communities.





The governments of Côte d'Ivoire and Ghana and 36 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 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 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.

To learn more, follow #CocoaAndForests on social media, or visit 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 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 26% and 9.3% of their humid primary forest between 2002 and 2020, with a significant portion of deforestation 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 which will come into application in 2025.

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.



SEGREGATION & **TRACEABILITY**

CHOCOLATE WITH A KNOWN HISTORY.

Total traceability, from its origin to the manufacturing process: the farm, cooperative and factory.







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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. 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 landuse changes on affected communities.

CÉMOI'S COCOA & FORESTS INITIATIVE RESULTS IN 2023

For numerous years, CÉMOI has remained committed to eliminating cocoa-related deforestation in Côte d'Ivoire. Through our Transparence Cacao programme, we've showcased unwavering support for cocoa farmers and their communities by implementing various initiatives. These include agroforestry projects, training sessions on good agricultural practices to boost productivity, and research endeavours aimed at enhancing cocoa quality.

In 2018, we enthusiastically embraced the Cocoa & Forests Initiative, with WCF convening the private sector, which brought together all stakeholders with a shared objective. Our dedication was promptly reinforced as we became part of this initiative. We firmly believe that only through collaborative efforts between private and public entities can we foster sustainability within the cocoa sector.

CÉMOI'S OBJECTIVES FOR 2025:

- Assist our farmers with tree registration and land documentation by launching a new project;
- Reach 30% of our farmers applying agroforestry in our supply chain and strengthen our support with training and trees distribution;
- Support 5,000 women in their empowerment and reinforce the implementation of Income Generating Activities to promote entrepreneurship;
- Raise awareness in our network on climate change, new Forest code and forest protection;
- Provide access to health and education in rural areas.

And we will of course continue our strong work on traceability by implementing digital system and keep up to date our GPS-polygon database that already includes 100% of our Ivorian sourcing.



FOREST PROTECTION AND RESTORATION

Since December 2014, our field team has reached out to our partner cooperatives to meet with farmers. CÉMOI's sustainability team works daily to provide the support needed to restore forest and promote a sustainable cocoa-culture.



TRAINING AND SENSITIZATION

In 2023, a total of 33,561 farmers within our supply chain were educated and trained on forest laws and protection. Sensitization efforts on forest laws and policies are crucial, especially regarding agroforestry practices, empowering farmers to become aware of their rights. Moreover, raising awareness on deforestation and its correlation with climate change fosters improved environmental behaviour.



IMPLEMENTATION OF AN INNOVATIVE DIGITAL TOOL

This monumental project involves authenticating the plots of land belonging to our 78,000 cocoa farmers in Côte d'Ivoire. Local CÉMOI collaborators have already begun the meticulous fieldwork using the mobile tool developed by our technical partner, a company specialized in SaaS software solutions for the first mile of the supply chain. By 2025, a simple click will allow us to precisely track where the cocoa beans used in cocoa masses have been grown, thus ensuring that the chocolate does not originate from deforested or forest-degraded lands. A total of 75 cooperatives have logged their data into the platform in 2023.







Witnessing the ravages of climate change, this 62-year-old man, father of eight children, has seen his fields suffer from the devastating consequences of drought. He has taken part in comprehensive training sessions on climate change resilience, held in Yamoussoukro and Soubré, and is now enlightened about the close links between deforestation and the deterioration of his environment. He has also actively participated in the «farmer Field school,» where teachings on good agricultural practices and resilience methods are shared. Thanks to Transparence Cacao, Mr Doumbia Daouda has been able to accurately assess the extent of his cocoa field.

Although all of these actions help to limit the impact on the environment, Mr Doumbia Daouda is also a witness to the gradual disappearance of forests in his region. Aware that environmental preservation is a shared responsibility, Mr Doumbia Daouda emphasizes the importance of passing on a legacy of respect and protection of nature to his children and future generations.



SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD

Under our Transparence Cocoa programme, we undertake multiple projects that aim to enhance farmers' livelihoods and promote sustainable cocoa production.



IN TOTAL IN OUR SUPPLY CHAIN, 60,185 IVORIAN FARMERS BENEFIT FROM TRAINING IN GOOD AGRICULTURAL PRACTICES.

Good Agricultural Practices play a pivotal role in cocoa cultivation, ensuring both environmental sustainability and the livelihoods of farmers. These practices encompass a range of techniques aimed at optimizing crop yield, a key driver to increase farmer's income at farm level, while minimizing negative impacts on the environment.



MORE THAN 300,000 TREES ARE DISTRIBUTED EACH YEAR.

The distributed trees are intended to be planted on the farmers' plots and are thus selected primarily for their suitability with cocoa. We also aim to provide trees that offer farmers either an additional source of income or a food source. We therefore promote diversification which is another key driver in increasing farmers' income. The main species given to farmers according to their preference are Akpi (Ricinodendron heudoletii), Kplé (Irvingia gabonensis), Petit cola (Garcinia cola), Poivre long (Xylopia aethiopica), mango, avocados, etc.



27% OF OUR IVORIAN FARMERS ARE APPLYING AGROFORESTRY.

The diversification of cocoa farms is an integral aspect of our sustainability programme's overarching vision. Farmers are educated about the advantages of agroforestry and receive training on selecting and planting trees.



COMMUNITY ENGAGEMENT AND SOCIAL INCLUSION



In our roadmap to enhance the quality of life of cocoa farmers, our Maisons du Planteur play a crucial role in Côte d'Ivoire. Through Transparence Cacao initiative, we transform our eight fermentation centers into dynamic farmer hubs, facilitating training and hosting a variety of social and economic activities.



In 2023, we focussed on several projects, all aiming to contribute positively to the lives of our farmers:

- Deforestation sensitization;
- Agroforestry training;
- Income Diversification;
- Access to health services;
- Access to education for children and adults;
- Child labor sensitization.



EXTRA-SUPPORT CLASSES: CONGRATS TO THE STUDENTS!

Reinforcement classes are a valuable educational resource provided outside regular school and tailored to address individual learning needs. Tutors work closely with our Maison du Planteur children during five months before the exam, twice a week. All the fifth-grade children from Maison du Planteur are included in this activity, representing 1,629 students in 2022 and 2023.

The main focus is on improving the exam pass rate, so children can continue schooling. Our commitment has not only positively impacted the community but has also yielded remarkable achievements in educational outcomes, outperforming established norms at both the regional and national levels!





SUCCESS STORIES

AGROFORESTRY IS AN EFFICIENT WAY FOR BOOSTING FARMERS' INCOME.

MR KOUAKOU KOUASSI ATHANASE

Within the village of Diankro resides Mr Kouakou Kouassi Athanase, a man of strong convictions and a father responsible for seven school-going children. Witnessing the devastating effects of climate change, Mr Kouakou Kouassi Athanase, faced the loss of young cocoa plants. However, he refuses to be discouraged and continues to take action. Through training and coaching provided by Transparence Cacao for the implementation of agroforestry, he has also been sensitized to the fight against deforestation, the main cause of climate change.

In this context, trees were graciously provided and distributed to the farmers by the Transparence Cacao teams, allowing Kouakou to implement agroforestry on his plot. Trees were then graciously provided and distributed to the farmers, allowing Kouakou to implement agroforestry on his plot. The results are tangible: fruit trees are blooming for the first time, while shade trees provide much-needed relief to cocoa trees in the sweltering heat.

He also notes that the portion of his field already under agroforestry is particularly thriving, whereas in areas where the approach has not yet been initiated, the cocoa trees are very weary from the heat. Mr Kouakou Kouassi Athanase, takes advantage of this situation to use his plot as a visual demonstration of the effectiveness of agroforestry. This has become a powerful tool for awareness-raising for this farmer, who now shares his experience with his neighbours.

As a nurseryman, this awareness is important for Mr Kouakou Kouassi Athanase, who plays a key role within his community. His activity of multiplying and selling plants contributes to maintaining the health of the fields, provides an additional source of income, and helps mitigate the effects of climate change. Thus, he fully participates in the virtuous circle created by Transparence Cacao, where environmental protection and the well-being of agricultural communities go hand in hand.

MR KOUADIO KOUAMÉ RICHARD

Mr Kouadio Kouamé Richard, a cocoa farmer and devoted father of four children, expresses concern about the challenges posed by climate change. As the inheritor of a three-and-a-half-hectare cocoa plantation, he witnesses disruptions affecting his harvest.

Once, rains nourished his land, but now they are scarce due to severe drought. Climate change directly impacts his cocoa trees, soil quality, production quantity, and biodiversity.

However, climate change is not the only concern; deforestation has also left indirect marks on his land. The disappearance of trees deprived his cocoa trees of the shade they need to thrive

Mr Kouadio Kouamé Richard has responded to these challenges with the valuable assistance of Transparence Cacao, embarking on agroforestry. Through training, tree distributions, and regular monitoring, he has been able to establish a more resilient and diverse ecosystem.

Now, his plantation hosts a multitude of species, including fruit trees like avocado and orange trees. Not only do they protect his cocoa trees by providing shade, but they also represent an additional source of income through the future sale of their fruits.





TRACKING TABLE CÉMOI 2023

	The state of the s		THE PARTY OF THE		4			
	Commitment	Actions	Indicator	Results so far (Oct 2022- Sept 2023)	Targets through direct investment (Oct 2022 - Sept 2025)			
	A. 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.	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	# and % of farms mapped in direct supply chain (HP-IND-03)	256,272 ha representing 99%	100%			
		1.2 Conduct deforestation risk assessments in all direct sourcing areas	# of hectares in the direct supply chain with deforestation risk assessments completed (HP-02)	99,615 ha representing 39%	100%			
	Q. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programmes.	2.1 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 (HP-IND-02)	-	-			
	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.	3.1 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 (HP-07)	-	-			
	Legal protection and management status for the remaining forests of Côte d'Ivoire in the Rural Domain.	4.1 Support farmers with tree registration	# trees registered	-	-			
		4.2 Support cocoa farmers to acquire land (tenure) documentation	# and % of farmers with land tenure agreements/ documentation etc. obtained via company support (PF-07)	-	-			
	5. Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened.	5.1 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 enfor- cement, forest protection, and restoration (HP-11)	33,561	30,000			
	6, Public-private collaboration to mobilize resources for forest protection and restoration.	6.1 Mobilize finance for forest protection and restoration	# Individuals receiving PES: New (HP-05)	-	-			
			# Individuals receiving PES: Total Active (HP-05)	-	-			
	7. Public-private collaboration to identify good practices,	7.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# farmers applying agroforestry (HP-06)	60,185 (in development) 21,383 (applying)	-			
			# multi-purpose trees distri- buted for on-farm planting (HP-10)	361,130	400,000			
			# hectares cocoa agroforestry in development (HP-IND-04)	-	75,000			
	incentive mechanisms for forest restoration and agro-forestry.	7.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	# of trees distributed for off- farm planting (HP-09)	9,933	1,131,000			
			# ha of forest area restored in rural zone (HP-07)	-	-			
		7.3 Train farmers in CSC production including cocoa agroforestry systems	# farmers trained in CSC best practices (HP-08)	-	-			
	subsequent guidelines, and public sector governance will be strengthened. 6. Public-private collaboration to mobilize resources for forest protection and restoration. 7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest	educate farmers on the new Forest Code 6.1 Mobilize finance for forest protection and restoration 7.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry 7.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	cement, forest protection, and restoration (HP-11) # Individuals receiving PES: New (HP-05) # Individuals receiving PES: Total Active (HP-05) # farmers applying agroforestry (HP-06) # multi-purpose trees distributed for on-farm planting (HP-10) # hectares cocoa agroforestry in development (HP-IND-04) # of trees distributed for off-farm planting (HP-09) # ha of forest area restored in rural zone (HP-07)	- 60,185 (in development) 21,383 (applying) 361,130	- - 400,000 75,000			

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Government creation, in collaboration with all stakeholders, of a public private fund to support financing of protection and restoration of HCV forest areas.

8.1 Support the creation of the government led public-private forest conservation and rehabilitation fund

\$ contributed to fund

B. 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".	9.1 Distribute improved cocoa planting material	# improved seedlings distributed to farmers (PF-IND-02)	Not authorized in IVC since 2018	-	
		9.2 Train farmers in Good Agriculture Practices (GAPs)	# of farmers reached by GAP training programmes (PF-IND-01)	60,185	-	
	10.	10.1 Promote farm-level crop diversification	# individuals participa- ting in additional Income Generating Activities (IGA's) (PF-IND-03)	7,121	-	
	Promote sustainable livelihoods and income diversification for cocoa farmers.	10.2 Support distribution and planting	# multi-purpose trees distri- buted for on-farm planting	Already reported 7.1		
		of multi-purpose trees for on-farm restoration via agroforestry 11.1 Offer financial products to farmers and promote farmer savings	# hectares of cocoa agro- forestry	Already reported 7.1	Already reported 7.1	
	Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production		# 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 compa- nies (excluding cocoa bean pre-financing) (PF-03)	19,086	-	
	and farm renovation capital and investment funds for production and farm renovation.		# of members of VSLA groups in the current year (EC-05)	12,559	-	
			# of VSLA groups in the current year (EC-06)	511	-	
	12. Improve supply chain mapping, with the goal of 100% of cocoa sourcing traceable from farm to first purchase point. An	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	# and % of farms mapped in direct supply chain	Already reported	Already reported 1.1	
	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.	12.2 Implement traceability system to farm level in direct supply chain	% of direct sourced cocoa traceable from individual farms to first purchase point	Already reported 2.1	Already reported 2.1	
C. SOCIAL INCLUSION AND COMMUNITY ENGAGEMENT						
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	Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	13.1 Organize cocoa community consultations on the implementation of the Frameworks for Action	# farmers informed, trained, and / or consulted on the new Forest Code, law enfor- cement, forest protection, and restoration	Already reported 5.1	Already reported 5.1
	Promote community-based management models for forest protection and restoration.	14.1 Establish and/or support community-based natural resource management programmes for forest restoration/protection	# of cocoa communities with active forest restoration and protection programme (HP-03)	-	-
			# hectares under CBNRM (HP-04)	-	-
	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 gender and youth sensitive	# of individuals participating in women's empowerment projects and activities (EC-08)	14,076	
			# of individuals participating in youth focused projects and activities (age 15-35) (EC-07)	991	

