



Valrhona Annual Progress Report - Côte d'Ivoire

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.

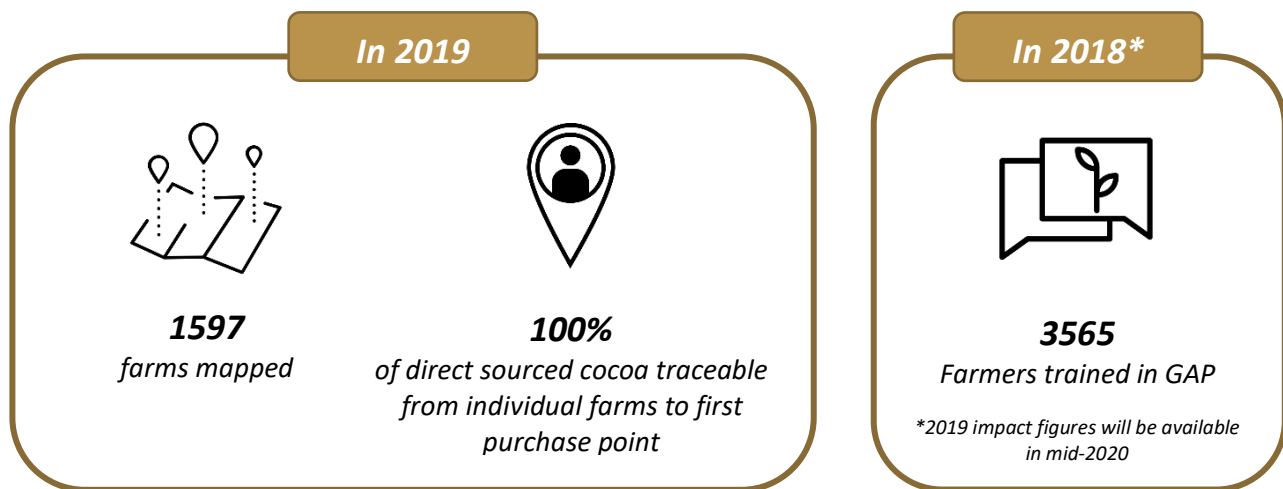
As we look at this first year of implementation, we are proud of the Cocoa & Forests Initiative's first steps and are determined to keep our eyes on the prize: end deforestation and restore forest areas. We are not there yet and need to intensify our efforts. In 2020, we will notably accelerate private 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 Scobey

President, World Cocoa Foundation

2. KEY FACTS & FIGURES



3. WHAT IS THE COCOA & FORESTS INITIATIVE?

The Governments of Côte d'Ivoire and Ghana and the world's leading cocoa and chocolate companies [signed landmark agreements](#) in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain.

This public-private partnership – called the [Cocoa & Forests Initiative \(CFI\)](#) – 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 [launched CFI](#) in March 2017 and reviewed implementation progress in November 2018.

The Frameworks for Action for [Côte d'Ivoire](#) and [Ghana](#) 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 ([Côte d'Ivoire](#), [Ghana](#)) 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 ([Côte d'Ivoire](#), [Ghana](#)).

On the heels of the 2020 International Day of Forests, CFI companies and the governments of Côte d'Ivoire and Ghana [reported on the first two years of implementation](#). 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. VALRHONA COCOA & FORESTS INITIATIVE RESULTS

Forest protection and restoration

We have worked with our partner ECOOKIM/CAPEDIG over the past few years to map the farm boundaries of all of the producers’ farms’ supplying us with cocoa. This level of traceability is vital in enabling us to eradicate deforestation from our supply chain and to take targeted action to preserve forests. In 2018, we set ourselves the goal of mapping all of the 832 farms from which we sourced our cocoa. Since then, however, CAPEDIG has grown exponentially, in part due to the minimum guaranteed price Valrhona put in place for the cooperative’s producers in 2017. This means that today, 1597 producers supply us with cocoa in Côte d’Ivoire. 100% of our Ivorian cocoa is traceable to from individual farms to first purchase point and all of the farms have been polygon mapped.

Following the Ivorian government’s publication of updated maps of Forêts Classées (protected forests), national parks and reserves in 2019, we were able to check whether any of these farms were located in protected areas. Thanks to this, we are now able to confirm that none of the producers we source from are situated in a Forêt Classée.

Sustainable production and farmer’s livelihoods

Following a 2018 mapping of Human Rights and environmental risks within our cocoa supply chain in Côte d'Ivoire, we have worked with our partner supplier ECOOKIM/CAPEDIG to address these risks. One of our key actions, which furthermore supports our commitment to the Cocoa and Forests Initiative, has been to use our sustainability and traceability premium to extend and enrich training for CAPEDIG producers.

The 2018/2019 training program aimed to boost sustainable production and improve farmers' livelihoods by teaching Good Agricultural, Environmental, Social and Management Practices, notably:

1. Increasing incomes through training in better agricultural practices, income management and diversification;
2. Protecting the environment through training in sustainable agricultural practices, managing chemical inputs and household waste, and protecting forests and waterways;
3. Improving community awareness of labor, children's and women's rights as well as occupational health and safety.

We are due to receive finalized impact figures for 2019 trainings from our partner CAPEDIG by mid-2020.

In 2018, 2327 people received GAP training around renewing and replanting cocoa trees, different pruning methods, manual weeding and selective herbicide use, crop management and integrated pest control. 1238 participants were also trained in composting techniques. In addition, 3594 producers received training in Good Environmental Practices, covering the use of pesticides, use and storage of chemical fertilizers, and erosion control, while 1259 producers learnt how to protect waterways and forests, catalogue and restore existing ecosystems, recycle household waste and preserve forest plant species.

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.

Over the coming years, Valrhona will work to achieve its mission to create a fair and sustainable cocoa sector. This means continuing to progress towards our goals to fight deforestation and promote sustainable cocoa cultivation, including our CFI aims around traceability, deforestation risk assessments, GAP training and cocoa farm rehabilitation (see tracking table below) as well as the commitments detailed in our [Forests and Agroforestry policy](#).

We will also work to improve cocoa communities' living and working conditions in Côte d'Ivoire and to uphold Human Rights. This includes continuing to guaranteeing a minimum farmgate price to our Ivorian cocoa supplier partner, an action first launched in 2017 and which represents the first step towards achieving our ambition of ensuring that all of our producers earn a living income. We will also continue to invest in key infrastructure such as schools.

ANNEX 1: TRACKING TABLE / CÔTE D'IVOIRE
Valrhona CFI Tracking Table for Côte d'Ivoire

Commitment	Actions	Indicator	2022 Target	# through direct investment in 2018	# through direct investment in 2019	# on behalf of clients in 2019
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	# farms mapped	832 farms by end of 2019	0	1597 farms mapped <i>The number of producers, and thus farms, supplying us has increased since we set our mapping target in 2018. This is why the 2019 figure is a 92% increase on our 2022 target.</i>	
	1.2 Conduct deforestation risk assessments in all direct sourcing areas	# ha included in deforestation risk assessment	# ha included in deforestation risk assessment TBC	TBC	TBC	
2. 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	2.1 Adopt and publish a system for excluding farmers in the direct supply chain with cocoa production in protected areas	Yes/No				
	2.2 All farms found in National Parks and Reserves reported to government	% farms in Natl Parks & Reserves reported to government				
	2.3 Support cocoa farmers' transition to alternative livelihoods	# of total farmers in protected areas receiving assistance for alternative livelihoods				
3. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programs .	3.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	% of direct sourced cocoa is traceable to farm-level	100% of direct sourced cocoa traceable from individual farms to first purchase point by end of 2021	100%	100% <i>The number of producers supplying us has increased since we set our targets in 2018. 100% of our direct sourced cocoa was traceable to farm level in 2019.</i>	
4. A differentiated approach based on the level of degradation of forests for classified	4.1 Support the restoration of Classified Forests by working with cocoa farmers, the government and the forestry industry to	# farmer 'agroforestry restoration' contracts signed				

Forests will be developed and translated into a national forest restoration strategy	implement contracts for mixed agroforestry as a restoration and livelihoods intervention	<i># hectares restored in Classified Forests</i>				
5. Legal protection and management status for the remaining forests of Côte d'Ivoire in the Rural Domain	5.1 Cooperate with the government on enforcement to prevent deforestation in the legally protected forest estate (rural domain)	<i># hectares of forest in rural domain protected:</i>				
6. 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	6.1 Support the government's forthcoming adaptive management plans for different forest areas to benefit the livelihoods of forest-dependent cocoa communities	<i>Yes/No</i>				
	6.2 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	<i>Yes/No</i>				
7. Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened	7.1 Promote and participate in awareness-raising campaigns to educate farmers on the new Forest Code	<i># farmers reached at awareness events</i>				
	7.2 Update farmer engagement materials and training with the revised Forest Code	<i>Yes/No</i>				
8. Public-private collaboration to mobilize resources for forest protection and restoration	8.1 Mobilize finance for forest protection and restoration	<i>\$ mobilized towards forest protection and restoration:</i>				
		<i># hectares with forest protection and restoration financing</i>				
		<i># farmers participating in PES contracts</i>				
9. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest restoration and agro-forestry	9.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	<i># multi-purpose trees distributed for on-farm planting</i>				
	9.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	<i># hectares cocoa agroforestry developed</i> <i># native trees planted off-farm</i> <i># ha of forest area restored</i>				
10. Government creation, in collaboration with all stakeholders, of a public-private fund to support financing of protection and restoration of HCV forest areas.	10.1 Support the creation of the public-private forest conservation and rehabilitation fund	<i>\$ contributed to fund</i>				
Sustainable Production and Farmers' Livelihoods						

11. Promote investment in long-term productivity of cocoa in environmentally suitable areas in order to grow “more cocoa on less land”	11.1 Distribute improved cocoa planting material	# improved seedlings distributed to farmers				
	11.2 Establish and/or provide cocoa nurseries with improved cocoa planting material	# of nurseries with improved cocoa seedlings				
	11.3 Train farmers in Good Agriculture Practices (GAPs)	# of farmers trained in GAPs	640 farmers belonging to 1 organization trained in GAPs by 2022	3565 farmers		We are waiting for 2019 figures from our partner. These should be available by mid-2020.
	11.4 Support cocoa farm rehabilitation	# of hectares of cocoa rehabilitated	# of hectares of cocoa rehabilitated: TBC	0	0	
12. Promote sustainable livelihoods and income diversification for cocoa farmers	12.1 Promote farm-level crop diversification	# farmers applying crop diversification				
	12.2 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# multi-purpose trees distributed for on-farm planting	Already reported 9.1			
13. Promote financial inclusion and innovation to deepen farmers’ access to working capital and investment funds for production and farm renovation	13.1 Promote farmer savings	# farmers in supply chain with a savings account # farmers participating in VSLA groups				
	13.2 Offer financial products to farmers	# farmers offered a financial product				
14. 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.	14.1 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	# farms mapped within direct supply chain	Already reported 1.1			
	14.2 Implement traceability system to farm level in direct supply chain	% of direct sourced cocoa traceable from individual farms to first purchase point	Already reported 3.1			
Social Inclusion and Community Engagement						
15. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	15.1 Organize cocoa community consultations on the implementation of the Frameworks for Action	# communities with consultation sessions				
16. Promote community-based management models for forest protection and restoration	16.1 Establish and/or support community-based natural resource management programs for forest restoration/protection	# of cocoa communities with active forest restoration and protection program # hectares under CBNRM				
17. Development of action plans for forest protection and restoration, and sustainable	17.1 Develop forest protection & restoration and agriculture intensification	# cocoa communities with gender-focused programs				

agricultural intensification that are gender and youth sensitive.	action plans that are gender and youth sensitive	<i># cocoa communities with youth-focused programs</i>				
---	--	--	--	--	--	--