





Valrhona: Cocoa & Forests Initiative Côte d'Ivoire 2020 progress report

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 <u>Cocoa & Forests Initiative</u> 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 (<u>Côte d'Ivoire</u> and <u>Ghana</u>) and action plans for the private sector (<u>Côte d'Ivoire</u> and <u>Ghana</u>) and public sector (<u>Côte d'Ivoire</u> and <u>Ghana</u>) that spell out commitments to:

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

In 2020 Valrhona worked towards achieving our CFI commitments in Côte d'Ivoire in the following ways:

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 in 2020, 1936 out of the 2178 CAPEDIG's members supply us with cocoa in Côte d'Ivoire. 100% of our Ivorian cocoa is traceable 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 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 Humans 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 2018-2020 training programs 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.

In 2020, 1869 producers received GAP training around renewing and replanting cocoa trees, different pruning methods, manual weeding and selective herbicide use, crop management and integrated pest control. In addition, 1934 producers received training in Good Environmental Practices, covering the use of pesticides, use and storage of chemical fertilizers, erosion control and shade tree planting, while 1722 producers learnt how to protect waterways and forests, catalogue and restore existing ecosystems, recycle household waste and preserve forest plant species.

CFI Valrhona Progress Report Tracking Table for Côte d'Ivoire

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)			
Forest Protection and Res	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	# of cocoa plots mapped in direct supply chain	The number of plots is likely to change as the exact number of farmers we source from varies from year to year, but we are committed to mapping all of the farms and plots in our direct supply chain	100% of our producers (1936) mapped by our partner cooperative CAPEDIG. This equals 6083 ha The number of farmers supplying us cocoa has increased since we set our mapping target in 2018. This is why this figure has increased.						
		# and % of farms mapped in direct supply chain	832 100% The number of farms is likely to change as the exact number of farmers we source from varies from year to year, but we are committed to mapping all of the farms and plots in our direct supply chain	100% of our producers (1936) mapped by our partner cooperative CAPEDIG. This equals 6083 ha The number of farmers supplying us cocoa has increased since we set our mapping target in 2018. This is why this figure has increased.						
	Conduct deforestation risk assessments in all direct sourcing areas	# of hectares in the direct supply chain with deforestation risk assessments completed	ТВС	0						

2. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programs.	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					
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	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					
	4.1 Support farmers with tree registration	# trees registered					
4. Legal protection and management status for the	4.2 Support cocoa farmers to acquire land (tenure) documentation	# and % of farmers with land tenure agreements/documentation etc. obtained via company support	Total	Total	Total	Total	Total
remaining forests of Côte d'Ivoire in the Rural Domain			М	М	М	М	М
			F	F	F	F	F
5. Public enforcement of the	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 enforcement, forest protection, and restoration	Total	Total	Total	Total	Total
new Forest Code and its subsequent guidelines, and public sector governance will be strengthened			М	M	М	M	М
			F	F	F	F	F
	6.1 Mobilize finance for forest protection and restoration	# Individuals receiving PES: New		Total	Total	Total	Total
				М	М	М	М
6. Public-private collaboration to mobilize resources for forest				F	F	F	F
protection and restoration		# Individuals receiving PES: Total Active	Total	Total	Total		
			M	М	М		
			F	F	F		
7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest restoration and agroforestry	7.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# farmers applying agroforestry	Total	Total	Total	Total	Total
			М	М	М	М	М
			F	F	F	F	F
		# multi-purpose trees distributed for on-farm planting					

	7.2 Support distribution and planting of native trees for off-farm restoration (reforestation) 7.3 Train farmers in CSC production including cocoa	# hectares cocoa agroforestry in development ## of trees distributed for off-farm planting # ha of forest area restored in rural zone # farmers trained in CSC	Total M	Total M	Total M	Total M	Total M
8. 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 public-private forest conservation and rehabilitation fund	best practices \$ contributed to fund	F N/A	F	F	F	F
	Sustainable Production and Farmers' Livelihoods						
	9.1 Distribute improved cocoa planting material	# improved seedlings distributed to farmers					
9. Promote investment in long- term productivity of cocoa in environmentally suitable areas in order to grow "more cocoa on less land"	9.3 Train farmers in Good Agriculture Practices (GAPs)	# of farmers reached by GAP training programs	Total 640	Total 1869 Our partner cooperative CAPEDIG has grown consistently since 2018, when we set our 2022 target. The number of farmers attending training is as such significantly higher than our original target for 2022.	Total	Total 5434 Our partner cooperative CAPEDIG has grown consistently since 2018, when we set our 2022 target. The number of farmers attending training is as such significantly higher than our original target for 2022.	Total
			M	M 1689	M	M	M
			F	F 180	F	F	F
10. Promote sustainable livelihoods and income diversification for cocoa farmers	10.1 Promote farm-level crop diversification	# individuals participating in additional Income Generating Activities (IGA's)	Total	Total	Total	Total	Total
			M F	M	M	M	M F
	10.2 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# multi-purpose trees distributed for on-farm planting	Already reported 7.1	1.	1,	1.	,

•	1	f	r					
		# hectares of cocoa agroforestry						
11 Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds		# 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	Total	Total	Total	Total	
			М	М	М	М	М	
	11.1 Offer financial products to farmers and promote		F	F	F	F	F	
for production and farm	farmer savings		Total	Total	Total	Total	Total	
renovation		# of members of VSLA groups in the current year	М	М	М	М	М	
			F	F	F	F	F	
		# of VSLA groups in the current year						
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	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					
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					
	1	Social Inclusion	on and Community Enga	gement				
13. 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 enforcement, forest protection, and restoration	Already reported 5.1					
14. Promote community-based management models for forest protection and restoration	14.1 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						

# Farmers in direct supply/ member sustainability programs			2178				
15. 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	# of individuals participating	F	F	F	F	F
			М	М	М	М	М
			Total	Total	Total	Total	Total
		projects and activities	F	F	F	F	F
			M	М	М	М	М
			Total	Total	Total	Total	Total