



**Cocoa &  
Forests  
Initiative**



**COCOA & FORESTS INITIATIVE**

# **ANNUAL REPORT**

**GHANA 2021**

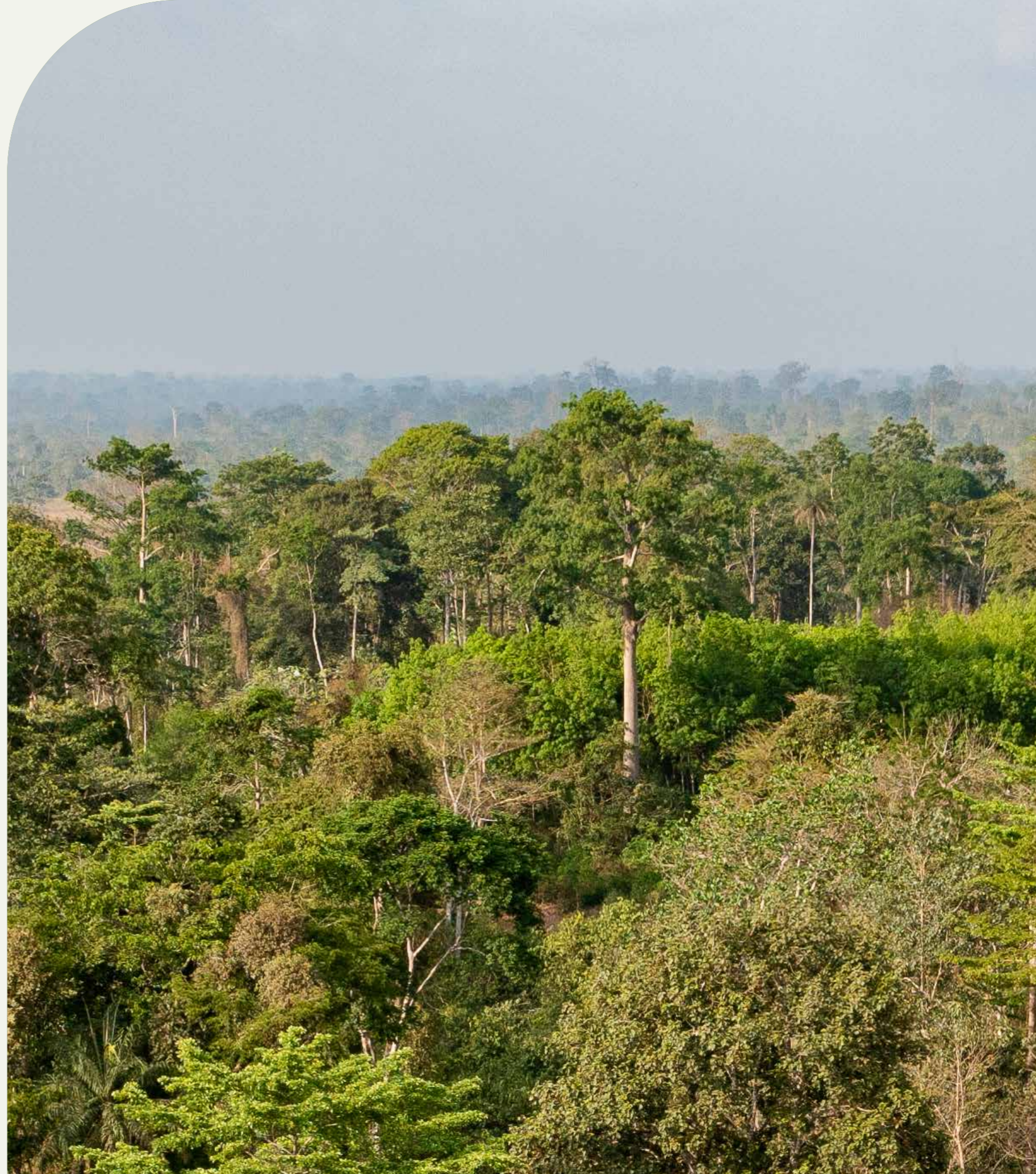


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## LIST OF ABBREVIATIONS

<b>CCSVD</b>	Cocoa Swollen shoot Virus Disease
<b>CFI</b>	Cocoa & Forests Initiative
<b>COP</b>	Conference of Parties
<b>COCOBOD</b>	Ghana Cocoa Board
<b>CMS</b>	Cocoa Management System
<b>CRIG</b>	Cocoa Research Institute of Ghana
<b>CRP</b>	Cocoa Rehabilitation Program
<b>CREMA</b>	Community Resource Management Area
<b>CSC</b>	Climate Smart Cocoa
<b>CSDS</b>	Cocoa Sector Development Strategy
<b>CSO</b>	Civil Society Organization
<b>ERP</b>	Economic Recovery Program
<b>FC</b>	Forestry Commission
<b>FDMP</b>	Forestry Development Master Plan
<b>FGRM</b>	Framework for Governance Redress Mechanism
<b>GAP</b>	Good Agriculture Practice
<b>GCFRP</b>	Ghana Cocoa Forest REDD+ Programme
<b>GFIP</b>	Ghana Forest Investment Programme
<b>GRS</b>	Ghana REDD+ Strategy
<b>ha</b>	hectare
<b>HCS</b>	High Carbon Stock
<b>HCV</b>	High Carbon Value
<b>HIA</b>	Hotspot Intervention Area
<b>IDH</b>	Sustainable Trade Initiative
<b>JFA</b>	Joint Framework for Action
<b>KPI</b>	Key Performance Indicator
<b>KCA</b>	Kakum Conservation Area
<b>KNUST</b>	Kwame Nkrumah University of Science and Technology
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MLNR</b>	Ministry of Lands and Natural Resources
<b>MTS</b>	Modified Tuangya System
<b>NCTS</b>	National Cocoa Traceability System
<b>NGO</b>	Non-Governmental Organization
<b>NIP</b>	National Implementation Plan
<b>NYD</b>	New York Declaration on forests
<b>RPF</b>	Resettlement Policy Framework
<b>PA</b>	Protected Areas
<b>PES</b>	Payment for Ecosystem Services
<b>REDD+</b>	Reducing Emissions from Deforestation and Forest Degradation (conservation, sustainable management of forests, and enhancement of forest carbon stock)
<b>RPF</b>	Resettlement Policy Framework
<b>SDGs</b>	Sustainable Development Goals
<b>ToT</b>	Trainer of Trainers
<b>VSLA</b>	Village Saving and Loan Association
<b>WCF</b>	World Cocoa Foundation



# Executive Summary

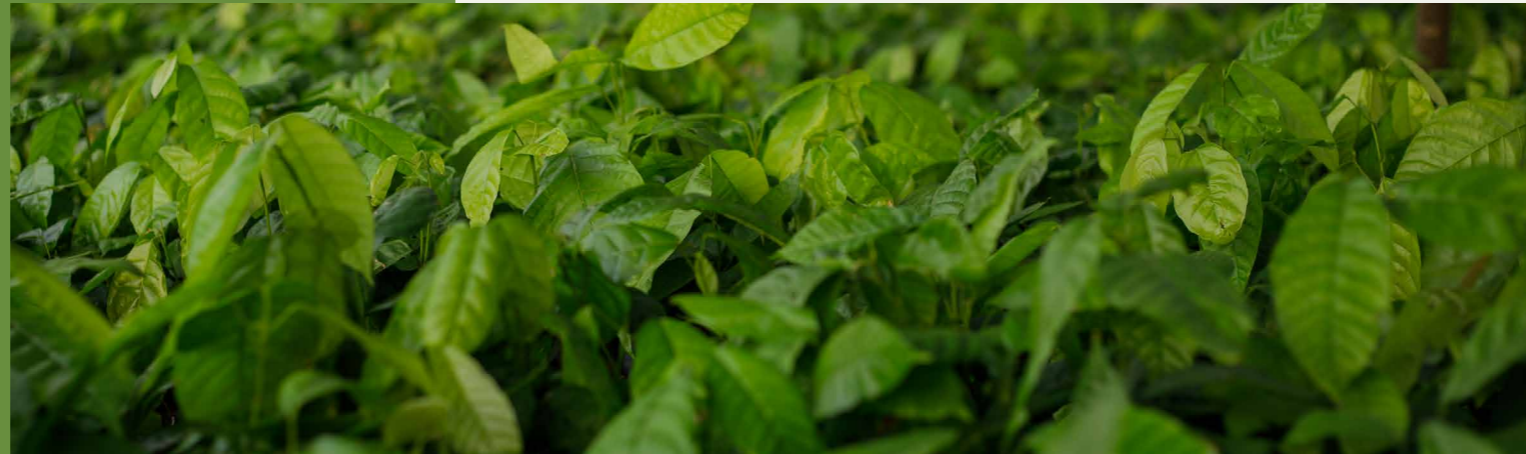
## About the Cocoa & Forests Initiative

Driven by the governments of Côte d'Ivoire and Ghana as well as 35 leading cocoa and chocolate companies, the Cocoa & Forests Initiative (CFI) aims to end deforestation and restore forest areas. 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. Cocoa provides crucial income to communities in rural West Africa, but farmers are too often faced with poverty – one of the leading causes of deforestation. Accelerating the transition to sustainable livelihoods is essential to farmers' economic security and to a healthy planet.

## About this report

This annual report provides an update on the CFI's progress in Ghana in 2021. It starts with a summary of key data, followed by statements gathered from the CFI's key stakeholders: the Ministry of Lands and Natural Resources in Ghana, the World Cocoa Foundation, IDH The Sustainable Trade Initiative, Partnerships for Forests, and the Swiss State Secretariat for Economic Affairs. While every partner in the CFI has their own unique perspective, all are committed to the CFI's collaborative approach between the government and private sector to end deforestation in Ghana and to promote more sustainable livelihoods and communities.

The CFI's work falls under three thematic pillars, which also make up the main narrative structure for this report:



## Pillar 3: Community engagement and social inclusion

Cocoa-farming communities have a direct impact on forest cover, and thereby play a critical role in ensuring protection, restoration, and biodiversity conservation, particularly in forest protection areas. The CFI safeguards the social inclusion of local communities and other key stakeholders to collaborate on forest and other natural resource management through participatory planning in the use of the resources. In this chapter of the annual report, you will learn about the CFI signatories' key commitments and achievements, as well as the promotion of community-based natural resource management and the empowerment of women and young people in cocoa-farming communities.

The report also includes information on the governance structure of the CFI, how progress is monitored and evaluated, and its alignment with the Green Ghana Initiative – a government program to restore degraded landscapes and mitigate climate change. The report concludes with the next steps for 2022 and beyond.

## Acknowledgements

We would like to thank all the partners and teams that have contributed to the compilation of this report. In addition to the organizations that make up the Technical Secretariat of the Ministry of Lands and Natural Resources, World Cocoa Foundation and IDH, input and data have been provided by the Ghana Cocoa Board (COCOBOD), the Forestry Commission, Partnerships for Forests (P4F), and Swiss Economic Cooperation and Development (SECO).

## Pillar 1: Forest protection and restoration

The CFI's signatories have made five commitments to halt conversion of any forest land for cocoa production and to eliminate production and sourcing of cocoa from national parks, wildlife sanctuaries and wildlife resource reserves, except for farms with existing legal status. In this chapter of the annual report, you will read an overview of facts and figures, as well as detailed descriptions of innovative landscape approaches to land use and the ways in which companies and the government have prioritized building collective action and collaboration in Ghana.

## Pillar 2: Sustainable cocoa and farmer livelihoods

Public, private, and civil society partners of the CFI recognize that sustainable agriculture intensification in environmentally suitable areas and better incomes for farmers reduce pressure for cocoa-driven encroachment into forest reserves, ensure biodiversity conservation, and strengthen the resilience of cocoa farmers against climate change. This chapter of the annual report focuses on the key commitments that signatories have made as well as selected data based on Key performance indicators (KPIs). The report also outlines the innovative Cocoa Management System, traceability and monitoring of cocoa, climate-smart agroforestry, income diversification for farmers, farm rehabilitation, and payment for ecosystem services.



## Forest Protection & Restoration

**9,487.53**

hectares of degraded forest area restored in 6 hotspot intervention areas (HIAs)

**2**

new HIAs established with a multi-stakeholder landscape approach

**9,281**

farmers engaged in Modified Tuangya System

**1**

forest monitoring system with a web portal and deforestation alerts developed and operational

**947**

front-line staff trained in forest law enforcement and governance

**143**

management plans for forest and wildlife reserves reviewed and updated



## Sustainable cocoa production and Farmer livelihoods

**36,222.31**

hectares of new cocoa agroforestry farms

**82,055**

multi-purpose trees distributed to cocoa farmers

**36,249**

farmers benefited from cocoa agroforestry rehabilitation

**229,469**

farmers trained in good agricultural practice (GAP)

**1,047,384.94 mt**

metric tons of cocoa sourced nationwide

**76,279**

farmers benefitted from cocoa hand pollination

**69,188,038**

hybrid cocoa seedlings provided to farmers for free

**197**

irrigation systems installed in cocoa landscape

**9,925,422**

temporary shade trees (plantain suckers) supplied for free to establish young cocoa agroforestry farms

**481**

cocoa nurseries sites established

**600 kg**

average yield of cocoa produced per farmer increased from 500 kg



## Community Engagement & Social Inclusion

**17,038**

women and youths trained in alternative livelihoods

**2,000**

farmers in 12 communities in 4 HIAs reached by landscape community-level awareness



Grievance Redress Mechanism Framework disseminated in 1 additional HIA, bringing the total to 4 out of 6 HIAs



Definition and implementation of benefit-sharing on ecosystem services determined and operational

PUBLIC SECTOR

**610,879**

cocoa plots mapped in direct supply chain

**2,446**

people received payment for environmental services

**361,395**

cocoa farms mapped in direct supply chain

**4,521,810**

multi-purpose trees distributed for agroforestry

**213**

hectares of category 2 forest reserve areas restored

**87,462**

hectares of cocoa agroforestry in development

**186,287**

farmers trained in climate-smart cocoa

**694,897**

trees distributed for forest restoration

**50,334**

trees registered

**564 ha**

hectares of forest area restored off-reserve

**71,356**

farmers in cocoa agroforestry

PRIVATE SECTOR

**7,041,101**

improved cocoa seedlings distributed to farmers

**139,361**

people benefitted from formal financial products and services (loans, insurance, digital payments, savings)

**346,299**

farmers trained in GAPs

**3,817**

Village Savings and Loan Associations with 87,269 members established

**86,327**

people participated in income-generating activities

**901**

cocoa communities with active forest restoration and protection program

**258,416**

hectares under community-based natural resource management

**97,949**

people participated in women's empowerment projects and activities

**16,107**

people aged 15-35 participated in youth-focused projects and activities





**Hon. Samuel A. Jinapor**  
Minister for Lands and Natural Resources

One of the boldest initiatives taken to halt deforestation and promote nature-based solutions to climate change is the Cocoa and Forests Initiative (CFI), through which we seek to promote forest protection and restoration, sustainable production, farmer's livelihoods, community engagement and social inclusion. I want to commend all partners who are supporting us on this initiative.

Cocoa remains one of the mainstays of our economy, contributing about three percent (3%) to our Gross Domestic Product (GDP). Due to its importance to our national lives and economy, Government has been implementing policies to boost cocoa production. These include, the introduction of the Living Income Differential for cocoa farmers, aimed at improving the lives of the farmers; cocoa rehabilitation programme to eradicate diseases that affect cocoa trees; mass pruning of cocoa trees, to increase yield; artificial/hand pollination; and mass spraying exercises.

While we seek to increase production, we are committed to do so in a manner that protects our forest resources, which also supports the lives and livelihood of millions of our people. It is for this reason that we cherish the partnership on this initiative. Government is committed to implementing the three pillars of the initiative, namely,

1. Forest Protection and Restoration;
2. Sustainable Cocoa Production and Farmers Livelihood; and
3. Community Engagement and Social Inclusion.

The high level participation at the CFI Forum, organised by the CFI Secretariat on the side-lines of the twenty-sixth Conference of Parties (COP26) of the United Nations Framework Convention on Climate Change, gives me assurance that we can deliver on these pillars. We must, therefore, continue to support the Secretariat to provide the needed guidance to deliver on our mandate.

This 2021 Report shows a lot of progress, particularly in improving the livelihoods of forest fringe communities, which is necessary to ease the pressures on the forests.

The Government of Ghana supports any initiative that contributes to reducing deforestation and forest degradation, as well as contribute to the fight against climate change. The Ministry of Lands and Natural Resources, therefore, remains committed to the CFI to ensure that the principal objective of ending deforestation and forest degradation in the cocoa supply chain is achieved in the long term. We will continue to count on the support and collaboration of all our partners, both national and global, in this common enterprise.

Let us all be called upon to "act with the fierce urgency of now;" for we do not have tomorrow or the day after tomorrow to do this. Let us join hands together and build a sustainable and greener future.



**Martin Short**  
President, World Cocoa Foundation

"In the past, the temperature was not as high as we experience today," says Kofi Ameyaw, a cocoa farmer from Ghana's central region. "If we don't protect the cocoa, the children who may be interested in farming when they grow older will face difficulties. If we continuously teach them instead, they will grow up appreciating and caring for the environment." Kofi Ameyaw is one of the thousands of people – cocoa farmers, government officials, company executives, implementers, experts, and donors – involved in the Cocoa & Forests Initiative since 2017.

We can be proud of this unprecedented collective action and the achievements made along the way. We particularly welcome our partnership with the government, under the leadership of the Minister of Lands and Natural Resources, and thank all the stakeholders who work hard every day to make deforestation-free cocoa a reality.

The best example of our collective work can be found in the Asunafo-Asutifi hotspot intervention area, prioritized by the Ghana Cocoa Forest REDD+ Program, where eight CFI companies work with traditional and political authorities, NGOs and civil society to eliminate deforestation and restore degraded land. This approach ensures communities have a seat at the table, benefit from protecting the environment and thrive. Let's expand it to other landscapes.

In 2021, we also built on the progress made on traceability in 2020. Companies have mapped more than 360,000 farms and are achieving 72%

traceability<sup>1</sup> in their direct supply chains in Ghana. But we have to do better. We cannot be satisfied with simply benchmarking progress in the direct supply chain. We must commit to full traceability – from bean to fork. To that end, the Ghana Cocoa Board's good progress on a farmer census and cocoa management system are crucial.

We are now in a better position to know how cocoa is grown, by whom and where, so our chocolate is not linked to deforestation. As a sector, we must ensure farmers benefit financially from these improvements in traceability. We should also better integrate these traceability tools, share data, and embrace the upcoming due diligence legislations, in the European Union and around the world.

As I write, I am focused on extending our commitment to deforestation-free cocoa beyond 2022. We can do it by working together on strategic interventions addressing systemic issues, by placing farmers at the center of our work, by prioritizing evidence-based interventions, by reaching new donors, and most importantly, by holding ourselves accountable.

Finally, we should never lose sight of the root causes of deforestation and child labor: farmer poverty and low cocoa prices. We will need to find the right strategic approach to tackle these issues together if we truly want to protect the environment and provide a living income to cocoa communities.

<sup>1</sup> Companies are applying more precise criteria for the traceability indicator, based on the volume of cocoa – rather than number of farmers – that meets requirements on unique farmer IDs, polygon mapping and tracing of cocoa.

## IDH - THE SUSTAINABLE TRADE INITIATIVE



**Daan Wensing**  
CEO, IDH The Sustainable Trade Initiative

2021 was a remarkable year for Ghana and the rest of the world, as it marked a gradual transition to normalcy as countries eased COVID-19 lockdown restrictions. The challenging period prior to this witnessed the interruption and suspension of many project activities that adversely affected project planning and timelines.

Nonetheless, the Cocoa & Forests Initiative (CFI) has proven its resilience by successfully transitioning to its second phase (2021-2025). The initiative saw stronger collaboration between cocoa companies and relevant government institutions at both national and landscape levels. The CFI's National Secretariat put much work into finalizing the 2021-2025 implementation plan, which builds on the achievements of the first phase (2018 -2020). IDH continues this journey with cocoa companies and governments to ensure that they live up to the strong commitments made to eliminate deforestation linked to cocoa production, increase sustainable cocoa production, and contribute to farmers' livelihoods. We aim to help reach these goals by facilitating cooperation, aligning groups of stakeholders around the way forward, and creating the conditions necessary for success. The CFI is just one such example of a coalition of stakeholders convened by IDH.

In 2022, the move to collaborate with public and private sectors to plant and nurture 20 million trees across the country will give CFI partners the opportunity to further collaborate with government. We look forward to exciting times as we work through the second phase of the CFI during 2021-2025. We would like to encourage the signatories of CFI to maintain their level of ambition. We have no doubt that sustainable cocoa production can truly go hand in hand with forest preservation, which we believe is valuable to all of us – from local communities to the national economy and everything in between.

We look forward to the CFI's next steps when it comes to cocoa traceability, the joint use of satellite monitoring, and facilitating joint investments. It is ever more important to stay committed and move towards the same goal – together.

## PARTNERSHIP FOR FORESTS



**Victoria Wiafe Duah**  
Project Director – West and Central Africa  
Partnership for Forests

The Cocoa & Forests Initiative (CFI) has achieved unprecedented collaboration between the governments of Ghana and Côte d'Ivoire, global cocoa and chocolate companies, civil society organizations, and cocoa communities. This has improved follow-through on companies' commitments to halt deforestation and forest degradation within cocoa supply chains.

We continue to see a participatory approach by industry players towards the implementation of the CFI's 2021-2025 action plans. Over the last two years, Partnerships for Forests (P4F) has provided grant support and technical assistance to enable operationalization of these action plans, including strengthening the CFI Secretariats in both Ghana's and Côte d'Ivoire's governments to effectively undertake their facilitative role, in partnership with the World Cocoa Foundation and IDH.

Progress so far has been positive, and I applaud the CFI partners for their sustained commitment, as well as their ability to adapt quickly to the "new normal" in light of the global effects of COVID-19.

The commitment was particularly evident in the maintenance of collective momentum at national, regional, and global levels, while jointly implementing practical pre-competitive solutions within forest hotspots to deliver deforestation-free cocoa. P4F is committed to continue its support of the CFI and member companies, in partnership with cocoa farmers and communities, to deepen and scale up practical actions to existing and new geographies, and mobilize greater investments into nature, climate, and people.

A key lesson from six years of support to the CFI, since its outset, has been that we can address the menace of commodity-driven deforestation and restore forests through partnerships, collective action, and blended finance – and these can build community resilience. We are happy to be part of the progress so far and look forward to scaling up this project further, with the aim of making transformational impact.

## SWISS STATE SECRETARIAT FOR ECONOMIC AFFAIRS (SECO)



**Anne Schick**  
Acting Head of Cooperation, SECO

Ghana is a priority country for economic cooperation and development activities of the Swiss State Secretariat for Economic Affairs (SECO). SECO's primary goal is to contribute to a resilient and self-sufficient Ghana. We intend to reach this aim through the promotion of attractive economic framework conditions for sustainable growth and the creation of decent income opportunities for the population. The government and the private sector are key partners in all our activities, and are crucial players to reach our objectives. In this context, our support to the Cocoa & Forests Initiative (CFI) fits well with our mission. The initiative presents an active commitment through a Joint Framework for Action by the government of Ghana and 35 signatories from chocolate and cocoa companies. Together, they demonstrate how systemic change can be triggered through building a strong coalition among stakeholders to confront the issues of alarming deforestation rates and unsustainable cocoa production systems.

Despite the significant progress made in each of the CFI's three thematic areas, further effort is required to address the fundamental issues of tree ownership, forest protection, and better income for farmers. We are pleased to support this process through

our long-standing cooperation between SECO and IDH, both of which are neutral conveners of the CFI. In fact, the partnership with IDH allowed SECO to earmark part of our financial contribution to support the CFI governance structure to become more resilient and efficient, to develop a tree registration manual to raise awareness among farmers, and to collaborate with private-sector partners to support farmers to register their planted trees.

Furthermore, SECO envisions strengthening the ties between CFI and the Swiss Platform for Sustainable Cocoa, as both initiatives have shared members. Synergies are especially sought in the fields of climate resilience and biodiversity. We are excited about the level of progress made in 2021, and we anticipate the participation of signatories and other stakeholders to finalize and publish the tree registration manual in 2022.





## Introduction: Collective action to end cocoa-related deforestation

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 lost 26% and 9.3% of their humid primary forest respectively between 2002 and 2020, with a significant proportion 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 – one of the causes of deforestation. Accelerating the transition to sustainable livelihoods is essential to farmers' economic security and to a healthy planet.

For this reason, the governments of Côte d'Ivoire and Ghana as well as 35 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative (CFI) 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 CFI delivers on Sustainable Development Goals 13 (Climate Action) and 15 (Life on Land).

The CFI is a public-private partnership based on frameworks for action and action plans for the private and public sectors that outline 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 and the governments of Côte d'Ivoire and Ghana drive the CFI jointly.

### Signatory companies

Barry Callebaut, Blommer Chocolate Company (1), Cargill Cocoa and Chocolate, Cémoi (1), Chocolats Halba (2), Cococo Chocolatiers, ECOM Group (2), The Export Trading Group, Ferrero, GCB Cocoa (1), General Mills Inc., Godiva Chocolatier Inc., Guittard Chocolate Company, The Hershey Company, Indcresa (2), JB Foods (1), Kuapa Kokoo (2), Lindt & Sprüngli Group, Marks & Spencer Food, Mars Wrigley, Meiji Co. Ltd.(2), Mondel z, Nestlé, Olam Cocoa, Puratos (1), Sainsbury's, SIAT (1), Sucden, Tesco, Toms Group (2), Touton, Unilever (1), UPL, Valrhona, J.H. Whittaker & Sons (2) (1) Côte d'Ivoire only (2) Ghana only.



Watch a video on the Challenge of Chocolate and Forests



# Key Commitments in the Cocoa & Forests Initiative



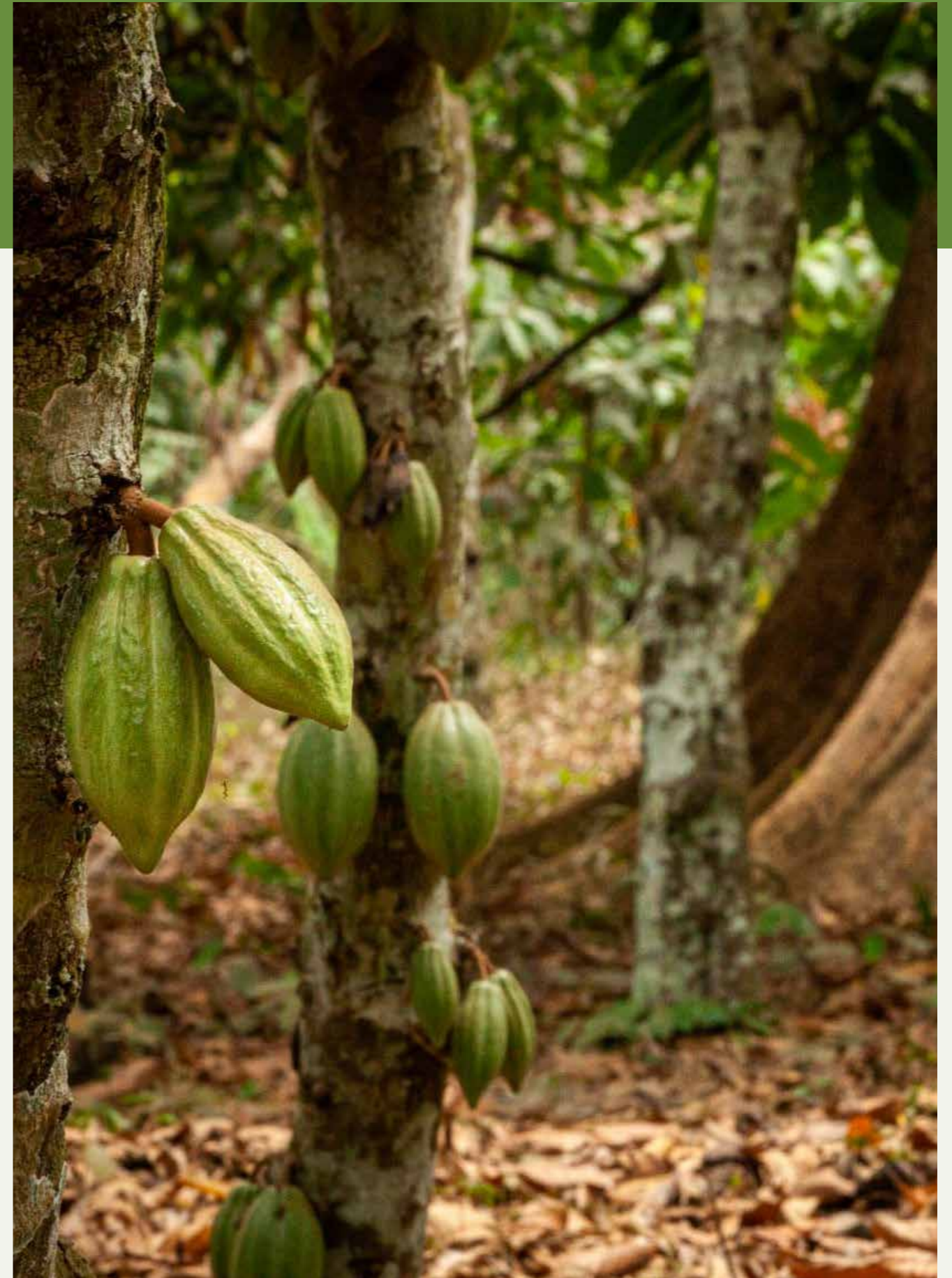
**The first priority is the protection and restoration of forests that have been degraded.** To this end, the governments and companies have pledged no further conversion of forest land for cocoa production, and have committed to the phased elimination of illegal cocoa production and sourcing in protected areas. Both countries are introducing a differentiated approach for improved management of forest reserves, based on the level of forest degradation. The government has shared maps on forest cover and land use, and continues to update the maps, including socio-economic data on cocoa farmers, to inform private-sector investments.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop traceability from the 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 anticipating forthcoming due diligence legislation. Companies will similarly share information with the national satellite monitoring platforms (in development) to effectively monitor progress on the CFI, as well as proactively addressing threats of new deforestation.

**The next critical priority is sustainable agricultural production and increased farmer incomes.** These are essential pre-requisites for reducing pressure that leads to agricultural encroachment into forests and strengthening the climate-resilience of cocoa farmers.

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 on 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, as well as the promotion of community-based management models for forest protection and restoration. The government has adopted social and environmental safeguards, and is assessing and mitigating the social impacts and risks of any proposed land-use changes on affected communities.



## Alignment with the Green Ghana Initiative

Acknowledging the threats of deforestation, forest degradation, and the impact of climate change on livelihoods and national development, the government has initiated and implemented a number of programs and projects over recent years to reduce deforestation and forest degradation while increasing forest cover. The CFI, Ghana Forest Investment Program (GFIP), Ghana Cocoa REDD+ Program (GCFRP), Voluntary Partnership Agreement (VPA) and the National Alternative Employment and Livelihood Programme (NAELP) are some of the programs and initiatives designed to address deforestation and forest degradation.

In accordance with the vision of the President of the Republic, who doubles as co-chair of the UN Secretary General's Group of Eminent Advocates for the 2030 Sustainable Development Goals, the government launched the maiden edition of the Green Ghana Initiative in June 2021. This is part of an ambitious and aggressive afforestation/reforestation program to restore Ghana's lost forest cover and contribute to the global fight against climate change. The overarching aim of the project was to create enhanced nationwide awareness of the necessity for collective action towards restoration of degraded landscapes in the country.

The specific objectives include:

- Promoting the values of tree planting and tree nurturing, and their associated benefits, to communities – especially among youth;
- Mitigating and adapting to climate change;
- Enhancing livelihoods for rural communities through their engagement in the production of tree seedlings. The maiden edition of the Green Ghana Initiative was very successful, with overwhelming participation from communities.

The National target was to plant 5 million different species of trees across the country, but the post-planting report indicated that 7 million trees were planted – far in excess of 2 million. The strategy was to involve a cross-section of the population, including faith-based and religious groups, educational institutions, youth groups, civil society organizations, private-sector partners, and development partners, who directly or indirectly supported the program.

The 2022 Edition of the Green Ghana Day was launched on 1st March 2022 under the theme 'Mobilizing for Green Future' and was executed on June 10, 2022, the Green Ghana Day. The national target was 20 million tree seedlings. Assessment is currently being done to assess how much was planted but preliminary reports indicate that over 23 million seedlings were distributed for planting on the Green Ghana Day. The Green Ghana Initiative and the CFI are fully aligned, as it contributes to the CFI's three pillars. For forest protection and restoration, CFI partners contributed to massive tree-planting drives to restore degraded areas on reserved lands. CFI companies partnered with governments in the distribution and planting of trees in various districts and communities in the cocoa-growing landscape of Ghana. For sustainable cocoa and farmer livelihoods, CFI signatories worked together to provide tree seedlings to farmers to be planted on cocoa farms. And for community engagement and social inclusion, the CFI used its platforms to educate and create awareness among stakeholders on the need to plant, register, and nurture trees to realize their full benefits.

The World Cocoa Foundation, IDH, and other CFI stakeholders were present at the launch, which demonstrates the CFI's commitment to the Green Ghana Initiative. We look forward to a fruitful future collaboration.





## Sector Collaboration At COP26

The CFI participated in activities at UNFCCC COP26, held in Glasgow, Scotland. CFI Ghana hosted the CFI event on November 3, 2021, on behalf of both Ghana and Côte d'Ivoire. Ghana's Minister of Lands and Natural Resources, Hon. Samuel A. Jinapor, led a panel discussion, and the program was moderated by IDH's CEO, Daan Wensing.

The forum was also attended by co-panel members: Martin Short, President of the World Cocoa Foundation; Hon. Carlos Eduardo Correa, Colombia's Minister for Environment and Sustainable Development; Ynsa Traore, representative from the Ministry of Water and Forests, Côte d'Ivoire; Dr. Emmanuel Opoku, Deputy Chief Executive, Ghana Cocoa Board; Cathy Pieters, Senior Director, Sustainable Ingredients & Cocoa Life at Mondelez International; Rob Cameron, Vice President Global Head of Public Affairs and ESG Engagement at Nestlé; and Barry Parkin, Chief Procurement and Sustainability Officer at Mars, Incorporated.

The Minister for Lands and Natural Resources mentioned the successes of the CFI and its contribution to climate change mitigation and sustainable development in Ghana. The governments of Ghana and Côte d'Ivoire, the World Cocoa Foundation, IDH, and the cocoa and chocolate companies present at the event all affirmed their unwavering commitment to the CFI processes. They highlighted the progress made by the CFI over the past few years as well as some challenges.

The panelists agreed that the public-private partnership has been successful and is the best vehicle to address the issue of deforestation and forest degradation within the cocoa sector. The majority of the panelists agreed that the CFI is a fully fledged organization that needs sustainable financing to maintain its momentum and achieve key commitments in the Joint Framework for Action. The donor community and other organizations were urged to consider investing in the CFI processes,



and cocoa and chocolate companies were asked to sustain interest and make more investments for enhanced impact.

In his closing remarks, the Minister for Lands and Natural Resources mentioned that his government will continue to support the CFI process to reverse the negative effect of deforestation and forest degradation in the cocoa supply chain.

# Pillar 1: Forest protection and restoration

## KEY COMMITMENTS

**C1:** There will be no further conversion of any forest land (as defined under national regulations and using methodologies such as high carbon stock and high conservation value) for cocoa production.

**C2:** There will be zero production and sourcing of cocoa from national parks, wildlife sanctuaries and wildlife resource reserves, except from farms with existing legal status.

**C3:** A differentiated approach for forest reserves will be adopted by the government. It will be based on two categories and will specify the number of hectares, timelines, roles and responsibilities, budget and fund-mobilization strategy for each category.

**C4:** In highly degraded off-reserve forest lands (which are held under the customary land ownership sector) cocoa production and sourcing will continue, supported by substantial investment in best practices for climate-smart cocoa and the Modified Tuangya System (MTS).

**C5:** In all these areas, a multi-stakeholder landscape approach will form the basis for interventions, with an initial focus on the six hotspot intervention areas (HIAs) as defined under the Ghana Cocoa Forest REDD+ Program. The process starts by establishing consortia of key stakeholders, followed by development and implementation of integrated landscape management plans, with a strong focus on climate-smart cocoa initiatives.

The Cocoa & Forests Initiative (CFI) emphasizes the conservation, restoration, and rehabilitation of protected areas in the six priority landscapes. The signatories of the Joint Framework for Action (JFA) made five commitments (listed above) to halt conversion of any forest land for cocoa production and to eliminate production and sourcing of cocoa from national parks, wildlife sanctuaries and wildlife resource reserves, except for farms with existing legal status.

The sections below outline the achievements against some of the pillar's key performance indicators (KPIs) as well as a selection of the key actions that have been taken by the public and private sectors.

## Selected public-sector achievements against KPIs

- 9,487.53 hectares of degraded forest area restored in 6 HIAs
- 9,281 farmers engaged in Modified Tuangya System
- 947 frontline staff trained in forest law enforcement and governance
- 143 management plans of forest and wildlife reserves reviewed and updated
- 2 new HIA established and adopted a multi-stakeholder landscape approach
- 1 forest monitoring system with a web portal complemented by deforestation alerts developed and operational

## Land-use innovation

In alignment with national policies, signatory companies are prioritizing investments in the six hotspot intervention areas (HIAs) as defined under the GCFRP. Overall, companies are implementing innovative projects that combine community-based, individual, and holistic approaches to improve the livelihoods of farmer communities and end deforestation. In particular, signatory companies continue to increase efforts to take a more integrated approach through landscape projects that recognize and address multiple land uses within an area as a functioning ecosystem. This is the case in Kakum, Bia, Sefwi, and Asunafo. The CFI company commitments continue to be an integral component of strengthening and driving progress toward their company sustainability strategies.

## Public-private partnerships for collective action

Companies and governments have prioritized building collective action and collaboration in the Ghana HIAs. Over the past year, and in collaboration with the World Bank, the World Cocoa Foundation has worked with the Forestry Commission, COCOBOD, CFI signatory companies, and other partners to develop public-private collaboration in the HIAs. During this period, WCF supported seven companies to sign HIAs agreements in the collaboratively identified priority HIA landscapes of Asunafo, Bia-Juabeso, and Atwima.

This effort will greatly support collaboration with the governments in the HIAs to achieve CFI commitments, and has further demonstrated that the industry is committed to collaborating in the HIAs and as part of the GCFRP.

In addition, eight CFI signatory companies, governments, NGOs, communities, and other stakeholders at national and landscape levels have been working with WCF and Proforest to develop a unified, collaborative approach to end deforestation in Asunafo-Asutifi. WCF and Proforest are working with the Forestry Commission and other stakeholders on a participatory process to finalize the Asunafo Landscape Management Plan based on an initial socio-economic and ecological baseline assessment. The project will move into implementation phase in 2022-2023, once these components are completed. This project and the lessons learned will serve as an important model for future landscape-level initiatives in other HIAs and beyond.



# Pillar 2: Sustainable cocoa and farmer livelihoods

## KEY COMMITMENTS

**C1:** Promote investment in long-term productivity of high-quality cocoa in an environmentally sustainable manner. Grow “more on less land” through intensification of farming practices, provision of improved planting materials, introduction of yield-enhancing methods, training in good agricultural practices, crop protection, crop nutrition, and soil fertility. Continued land tenure reform to strengthen farmers’ land and property rights, as well as the development and capacity building of farmers’ organizations, are critical enabling factors for sustainable agricultural development.

**C2:** Develop implementation plans, including mapping of exact areas, to intensify establishment of shade-grown cocoa landscapes in line with the Ghana Cocoa Forest REDD+ Program (GCFRP) with the promotion of climate-smart cocoa standards in environmentally suitable areas, with an initial focus on hotspot intervention areas.

**C3:** Promote sustainable livelihoods and income diversification for cocoa farmers, including diversification, agricultural inter-cropping, development of shade-grown cocoa, and other income-generating activities designed to boost and diversify household income.

**C4:** Promote financial inclusion and innovation to deepen farmers’ access to working capital and investment funds required for production and cocoa farm rehabilitation and restoration.

**C5:** Improve supply chain mapping, with 100% of cocoa sourcing traceable from farm gate to first purchasing point.

The Cocoa & Forests Initiative (CFI) has a “more cocoa on less land” strategy, with sustainable cocoa production and increased cocoa productivity contributing to forest protection and enhanced livelihoods for farmers. Public, private, and civil-society partners of the CFI recognize that sustainable agriculture intensification in environmentally suitable areas and better incomes for farmers reduce pressure for cocoa-driven encroachment into forest reserves, ensure biodiversity conservation, and strengthen the resilience of cocoa farmers against climate change. The five key commitments on sustainable cocoa production and farmers’ livelihoods are listed above.

The sections below outline the achievements against some of the pillar’s key performance indicators (KPIs) as well as a selection of the key actions that have been taken by the public and private sectors.

## Selected public-sector achievements against KPIs

- 36,222.31 hectares of new cocoa agroforestry farms established
- 36,249 farmers benefited from cocoa agroforestry rehabilitation
- Average yield of cocoa produced per farmer increased to 600 kg from 500 kg in 2020
- 1,047,384.94 metric tons of cocoa sourced nationwide
- 69,188,038 hybrid cocoa seedlings provided to farmers for free

- 9,925,422 temporary shade trees (plantain suckers) supplied for free to establish young agroforestry cocoa farms
- 82,055 multi-purpose trees distributed to cocoa farmers
- 229,469 farmers trained in good agricultural practice (GAP)
- 76,279 farmers benefitted from cocoa hand pollination
- 197 irrigation systems installed in cocoa landscapes
- 481 cocoa nurseries sites established

## Cocoa Management System

The Ghana Cocoa Board (COCOBOD) is responsible for regulating and managing the cocoa sector in Ghana. Ghana’s cocoa sector has been constrained by the lack of accurate and reliable data on farming households and farm profiles. The absence of basic information on cocoa farmers and other cocoa resources has been challenging COCOBOD and the cocoa industry for decades. In 2019, COCOBOD initiated the development of an integrated cocoa farmer and farm database (Cocoa Management System - CMS) to enhance effective policymaking and real-time delivery of interventions in the cocoa sector. The principal objectives were to promote sustainability in cocoa production in line with the Ghana Cocoa Sector Strategy II. The CMS is a data management and operational platform consisting of in-depth socio-economic data on all cocoa farms, farmers, and other key actors in the value chain of the entire cocoa landscape in Ghana.

The goal of the CMS is to strengthen policy decisions, promote transparency in the supply chain, and enhance sustainability in cocoa production through an integrated database of farm profile and farmer data in the cocoa landscape in Ghana. The processes will lead to better management of cocoa production, development of cocoa farm data, sales and marketing transactions and payment platforms for cocoa beans and cocoa inputs, development of a National Cocoa Traceability System (NCTS), development of a child labor monitoring system, development of a deforestation monitoring system, and improved visibility in the cocoa value chain.

The overarching benefits of the CMS are to:

1. Assist in planning, monitoring, and evaluation of the cocoa sector;
2. Enhance mitigation of child labor and deforestation issues;
3. Create a National Cocoa Traceability System, leading to improved transparency, traceability, and accountability in Ghana’s cocoa sector;
4. Improve the effectiveness of subsidy administration;
5. Monitor the activities of licensed buying companies and other private service providers;
6. Monitor compliance with Cocoa Research Institute of Ghana and Environmental Protection Agency guidelines for handling COCOBOD-approved fertilizers and agrochemicals;
7. Optimize operational efficiency.

COCOBOD engages companies through a working group (also facilitated by World Cocoa Foundation) via which COCOBOD and the CMS team interact on the design, data collection, piloting, and awareness-raising of the system to cocoa farmers in their communities. This has proven to be an effective approach to collaborating on the development and rollout of the system to ensure stakeholder support.

Another channel is the CFI traceability taskforce that has been used to disseminate CMS information for a variety of stakeholders. Supported by the CFI Secretariat team, the taskforce has created this avenue for CSOs, community members, and various service providers to interact with the COCOBOD on the CMS and provide useful feedback on the functionality of the system

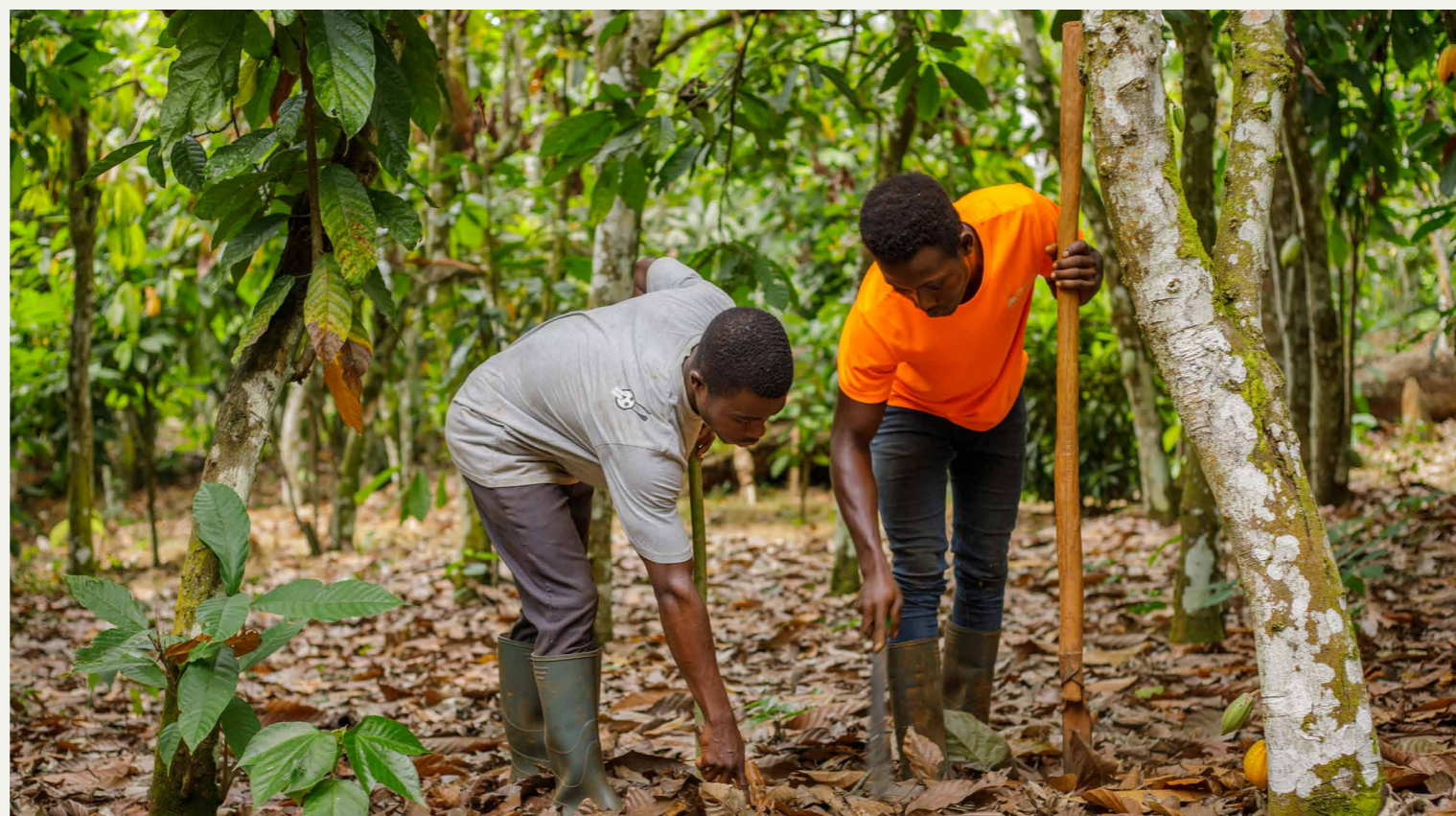
## Results in 2021

By the end of 2021, counting and mapping had been completed in three cocoa regions: Western South, Ashanti, and Central. A total of 515,762 farmers who own 845,635 farms have benefited from mapping so far. We estimate that the exercise has covered around 72% of the total cocoa area. The process is ongoing in the other regions and the project is expected to be completed in August 2022.

## Traceability and monitoring

CFI signatory companies are working to trace the origins of cocoa in their direct supply chains to avoid sourcing cocoa from farms that contribute to forest conversion and/or are situated in protected forest areas. Companies have continued to implement policies and carry out mapping exercises to ensure they are not sourcing cocoa from national parks, wildlife sanctuaries, and wildlife resource reserves. As part of this, WCF and signatory companies are engaging with COCOBOD and the National REDD+ Secretariat to clarify national resettlement policies.

In 2021, signatory companies mapped a total of 361,395 farms in their direct supply chain using farm polygons, and have ensured that 72% of directly sourced cocoa is traceable. Companies are meeting traceability goals by creating innovative digital tools that help track cocoa procurement and digitalize traceability from the first purchase point. They are establishing web portals that support real-time deforestation monitoring and contribute to the development of national regulatory frameworks and enforcement, making the process more transparent and accessible for a broad range of stakeholders. WCF is working with signatory companies and COCOBOD to align on the development and operationalization of the CMS.



## Climate-smart cocoa and agroforestry

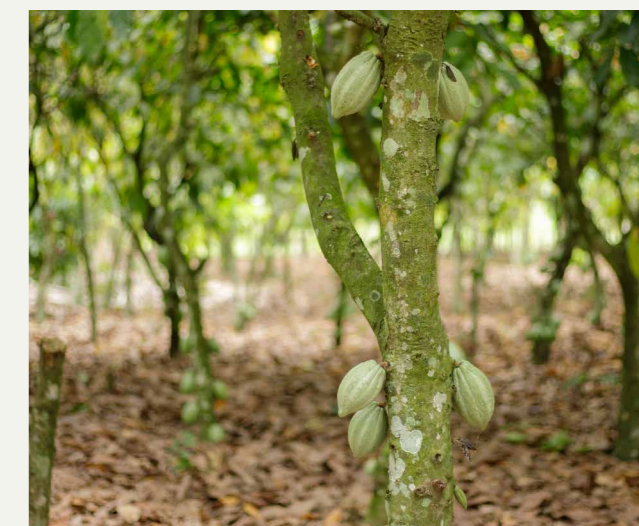
Companies are continuing to provide support to farmers in adopting climate-smart cocoa practices that will help farmers build resilience to climate change by improving cocoa agricultural practices and implementing actions that prevent forest degradation and deforestation. In 2021, signatory companies provided training to 186,287 farmers in climate-smart cocoa practices and distributed 4,521,810 multi-purpose trees to promote shade-grown cocoa and on-farm restoration. In addition to increasing farmers' access to planting materials, signatory companies are supporting farming communities with irrigation systems to reduce farm maintenance and constructing boreholes to increase the communities' ability to care for crops and improve their everyday lives. Signatory companies are also incorporating innovative agroforestry models and increasingly adapting them to location-specific contexts for sustainable livelihoods, forest conservation, and income diversification.

One such innovative model being piloted is dynamic agroforestry. This farming technique creates cultivation conditions that mimic cocoa's native habitat. Cocoa trees are mixed with fruit and timber trees. But, on top of these traditional agroforestry practices, other conditions such as forest floor composition and nutrient cycles are also taken into consideration. This method intends to boost ecosystem functioning and, in turn, improve the livelihoods of farmers by growing more resilient cocoa that also requires fewer inputs. Regenerative agriculture, a similar approach, is being piloted with the aim of building ecosystems and farm resilience through practices that improve soil quality.

Signatory companies are also implementing community-based agroforestry through the establishment of community infrastructures and capacity building. For example, in the Sui River Forest Reserve, companies helped set up a type of community-based resource management governance system known as a Land Management Board. This enables the community to take a more active role in managing their lands.

Training community members in climate-smart cocoa practices and forest law, registering trees to give farmers ownership and legal rights to their trees, and ensuring that farmers have access to seedlings have also been key components to building infrastructure and capacity in the landscape. To increase access to planting materials within the Sui River Forest Reserve landscape and beyond, some companies have helped establish community nurseries to grow seedlings. The community-based agroforestry work within the Sui River Forest Reserve has been successful in giving communities a voice and protecting the environment, while companies and partners are expanding similar efforts to the high forest and transition zones of Ghana.

Lastly, signatory companies are making investments and finding innovative ways to contribute to forest conservation by restoring deforested and degraded land outside of cocoa farms. For example, companies have helped set up legally recognized Community Resource Management Committees in forest-fringe communities. These are managed by elected community leaders who are empowered to run forest conservation and restoration activities. Companies provide incentives for farmers to plant the multi-purpose trees grown through community nurseries on abandoned Galamsey sites through approaches such as payment for ecosystem services. Payments consist in tools and fertilizers for their work on reforestation and restoring degraded lands. In 2021, signatory companies distributed 694,897 trees to restore 564 hectares of forested land.



## Income diversification and farmer professionalization

Signatory companies are committing to lifting farmers out of poverty – a root cause of deforestation. To do this, some are piloting progressive solutions with partner organizations for example, by paying farmers the differential between the Fairtrade Living Income Reference Price (FLIRP) and the farm-gate price in addition to the Fairtrade premium.

Income-generating activities also contribute to improving farmer livelihoods. Such activities include marketing and selling non-cocoa crops, livestock, or off-farm products to generate additional income for the household. Signatory companies provide farmers training in these activities to further their professionalization and help them with crop and income diversification, which are critically important for building financial resilience. In some cases, companies are integrating income-generating activities, such as crop diversification, with agroforestry and only incorporating the use of native species to help increase ecosystem resilience and household benefits such as income and nutrition. Funds have also been established to help farmers who want to start businesses to gain access to credit. In 2021, signatory companies supported 86,327 individuals to participate in income-generating activities. Some companies are also ensuring that farmers have market access by helping them establish market links to sell crops and products.

Other solutions to further farmer professionalization include providing packages of training, coaching, and services to support good agricultural practices. These services help increase the long-term productivity of cocoa. Companies are also increasingly tailoring them to address farmers' specific needs. For example, innovative decision-making tools are being developed by the private sector to support the development of farm management plans and offer tailor-made services. These tools help create unique roadmaps that fit the individual needs of farmers. In 2021, companies trained 346,299 farmers in good agricultural practices to help increase farm productivity and support farmer livelihoods.

## Farm rehabilitation

Signatory companies will continue to work with the government to accelerate sustainable cocoa production on environmentally suitable land, through improved planting materials and rehabilitation of diseased or aged farms, in line with the government's longer-term cocoa sector development strategy. In 2021, signatory companies distributed 7,041,101 improved cocoa seedlings to farmers to rehabilitate aged and diseased farms. Since 2018, they have distributed 28,151,912 seedlings in total. As methodologies continue to improve and tailored farmer support increases, some companies are seeing success in rehabilitation with increased seedling survival rates. Signatory companies are implementing innovative solutions to help support farmers in this process by providing them with training on alternative livelihoods while farms are undergoing rehabilitation. They also develop technology to help farmers quickly identify trees affected by diseases such as Cocoa Swollen Shoot Disease. Companies are finally piloting other innovations, such as bio stimulants that will help farmers grow more cocoa on less land sustainably.

## Payment for ecosystem services

CFI signatory companies are continuing to incentivize farmers to adopt new practices and behaviors in forest protection and restoration through payment for environmental services (PES) agreements. PES can support farmers in the initial years of implementation of cocoa agroforestry, and some companies are piloting them as incentives for community-led planting and conservation on- and off-farm. Signatory companies that have worked with the community landscape governance structures have been able to ensure that trees are planted and closely monitor their health. Other projects have enabled community-led conservation by combining PES with remote sensing and modeling to categorize landscapes based on conservation value and cocoa intensification. In 2021, companies supported 2,446 farmers to receive PES. Other novel approaches are providing remittances for conditions beyond the scope of ecosystem services to promote youth empowerment and gender equality.



### Testimony

**Owusu Sampson**, Cocoa Farmer, Anyinam District-Ghana



“Last year I received 150 cocoa seedlings and 12 multipurpose tree seedlings from the local nursery that has been established in my community, Adasawase. I have five cocoa plots where I grow my cocoa. I am grateful for this nursery and the access to multipurpose trees as they benefit the growth of my cocoa trees and help me maintain my yields”

Owusu visited the nursery in early 2022 to collect his cocoa and multipurpose tree seedlings. He received *Terminalia superba* and *Terminalia ivorensis*, two of the most popular species of forest trees among farmers. In just two years, they can reach beyond two meters in height. These trees bring additional shade to protect the cocoa leaves from increasing drought stress due to climate change. This also helps with cocoa yields. These activities are part of the Cocoa & Forests Initiative to end deforestation in West Africa.

Farmers are trained to plant the trees according to one of five agroforestry models, for example as a boundary along the farms, making use of open spaces or even planting according to a predefined plan. Distribution of seedlings is done based on a needs assessment. For instance, farmers who need seedlings for rejuvenation receive more seedlings than others.

“I have 25 multipurpose trees on this particular plot, which is 1 hectare in size. The trees are attracting rain, and they shelter my cocoa from the sun.” Owusu planted most of the seedlings in the open spaces on his farm. He has made sure that they receive enough shade. No extra watering was required for the seedlings to do well, as they were distributed at the beginning of the rainy season.





# Pillar 3: Community engagement and social inclusion

## KEY COMMITMENTS

**C1:** Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes under the framework.

**C2:** Promotion of community-based management models for forest protection and restoration, including engagement of local communities and farmers in awareness-raising campaigns on the status of protected areas and the critical role that forest plays in climate regulation.

**C3:** Development of action plans for forest protection, restoration and suitable agricultural intensification, which are gender- and youth-sensitive.

**C4:** For the forest reserves approach, the government will assess and mitigate the social impacts and risks of proposed land-use changes on affected cocoa farmers and their communities, and ensure the provision of alternative livelihoods and restoration of standards of living for affected parties, in line with global standards.

**C5:** The government will prepare operational guidelines covering resettlement and livelihood restoration of any affected parties with relevant input from the private sector, civil-society organizations, and other stakeholders, in line with global standards.

Forest fringe communities and most communities in cocoa-growing landscapes largely depend on the forest to provide fundamental forest resources and ecosystem services. However, human activities in rural areas aimed at enhancing livelihoods – including agriculture, small-scale mining, and wood harvesting – have a direct impact on forest cover. They play a critical role when ensuring protection, restoration, and biodiversity conservation, particularly in forest protection areas. The Cocoa & Forests Initiative (CFI) safeguards the social inclusion of local communities and other key stakeholders, including public and private sectors and civil-society organizations, to collaborate on forest and other natural resource management through participatory planning in the use of the resources. Under the CFI's Joint Framework for Action, signatories made five commitments to ensure community engagement and social inclusion.

The sections below outline the achievements against some of the pillar's key performance indicators (KPIs) as well as a selection of activities undertaken by the public and private sectors.

### Selected public-sector achievements against KPIs

- 17,038 women and youths trained in additional livelihoods
- 2,000 farmers in 12 communities in 4 HIAs reached by landscape community-level awareness
- Grievance redress mechanism framework disseminated in 1 additional hotspot intervention area (HIA), bringing the total to 4 out of 6 HIAs
- Definition and implementation of benefit-sharing on ecosystem services determined and operational

## Community-based management

CFI signatory companies are supporting communities to claim decision-making power and actively manage forests and other natural resources. A prominent strategy to achieve this is through enabling the establishment and strengthening of community-based natural resource management (CBNRM) mechanisms, which are community structures with authority over the management of natural resources. These can be designed with varying levels of structure, legal recognition, purpose, and authority, but they generally preside over the environmental and economic impacts of natural resource management, including benefit-sharing arrangements between community members. In 2021, signatory companies supported 901 communities with active forest restoration and protection programs, covering a total of 258,416 hectares under CBNRM. In total, signatory companies have supported 2,199 communities and 576,155 hectares under CBNRM since 2018.

## Empowering women and youth

CFI signatory companies are committed to the promotion of women's inclusion and the creation of employment opportunities for youth in rural areas to help build capacity and strengthen the resilience of cocoa-growing communities. Some companies support youth through programs that empower children to promote climate-friendly behaviors and have a voice against child labor in peer-led activist and community service groups.

Other means of engaging youth include farm-oriented service groups that provide support to farmers, such as pruning groups. In 2021, 97,949



individuals participated in women's empowerment projects and activities, while 16,107 individuals participated in youth-focused projects and activities in Ghana.

Village Savings and Loan Associations (VSLAs) have been key components of many cocoa and chocolate companies' sustainability initiatives to help communities increase their financial autonomy. As part of CFI, VSLAs support entrepreneurship and farm diversification. VSLA participants, mostly women, are encouraged to save, increasing their resilience, and benefit from loans. The loans allow them to cover emergencies or invest in business opportunities, with the intention of generating more income in the future. VSLAs also serve as an important means to disseminate skills training to women on income-generating activities. As the private sector continues to increase child labor monitoring, some companies are also combining VSLAs with the Child-Household Intervention for Learning & Development (CHILD) program. This program provides targeted training to members on child labor education and intervention. In 2021, signatory companies reported that they were supporting 3,817 VSLA groups consisting of 87,269 members.

## CFI GOVERNANCE

The governance structure for the Cocoa & Forests Initiative (CFI) was set up and endorsed by the government of Ghana and high-level private companies that signed up to the initiative. The various levels of the governance structure held operational meetings and carried out activities in 2021.

The **National Steering Committee** consists of senior in-country representatives from relevant ministries, government institutions, private companies and civil-society organizations. The committee gives strategic guidance to the CFI's Coordinating Team and the Technical Working Groups to ensure strategic rollout of the implementation plan and its alignment with public policy. This committee is jointly chaired by the Ghana Cocoa Board (COCOBOD) and Forestry Commission (FC). The committee only met once in 2021 due to COVID-19 restrictions, but was able to carry out its work via email and other online methods. Actions included reviewing and approving the annual plans of all taskforces as well as overseeing the CFI's participation in COP26.

The major action taken by the Steering Committee in 2021 was to oversee and finalize the CFI Ghana Masterplan 2021-2025, which formed the basis for the 2022-2025 National Implementation Plan. This plan will be brought for final approval by mid-2022 to the **Oversight Committee**, the highest decision-making body of the CFI in Ghana. The Oversight Committee members were kept up-to-date on the CFI's progress and the development of the new multi-year plan, but did not have an opportunity to meet in 2021.

The **National Secretariat and Coordinating Team** are led by the Ministry of Lands and Natural Resources (MLNR), and facilitate the operation of the CFI in Ghana. Their main achievements included finalizing the Masterplan 2021-2025, representing the CFI at COP26 in Glasgow, and making progress on linking the CFI to COCOBOD's traceability system.

The **Technical Working Group** (TWG) consists of representatives of key stakeholders, such as signatory companies, COCOBOD, MLNR, FC, civil society, and so on, and is linked to the three thematic areas of the Joint Framework for Actions. The TWG provides technical support to the Coordinating Team, and is broken down into taskforces working on specific areas of the initiative. There are currently five taskforces that work towards achieving the CFI's objectives:

- Mapping Taskforce
- Monitoring and Evaluation Taskforce
- Agroforestry and Climate-smart Cocoa Taskforce
- Traceability Taskforce
- Safeguard Taskforce
- Fundraising Taskforce

### **Agroforestry and Climate-smart Cocoa Taskforce**

In 2021, the taskforce focused on engagements and collaboration on:

- Tree registration manual/guide – in addition to several engagements, the taskforce was crucial in the validation process for the national tree registration manual;
- Content development for agroforestry awareness at landscape level;
- Collaboration with partners to implement tree registration and land use documentation – engagement and collaboration on farmer's land security.

**Traceability Taskforce** – In 2021, the taskforce was keen to ensure that CFI stakeholders were aware and actively participating in the ongoing cocoa traceability processes in Ghana. The Secretariat connected with COCOBOD and the Ghana Standards Authority to increase CFI stakeholders' awareness of the Cocoa Management System (CMS) as well as African standards updates. In mid-November 2021, the taskforce hosted a knowledge-sharing event with participation from NGOs, government, and the private sector.



**Safeguard Taskforce** – In 2021, the taskforce worked to review and finalize the CFI safeguard guidelines. At this stage, the taskforce is engaging REDD+ to ensure the CFI aligns with their Safeguard Implementation System, which is both comprehensive and internationally recognized. This integration process will take time, and discussions with REDD+ are ongoing.

**Monitoring and Evaluation Taskforce** – The success of the CFI is directly linked to effective monitoring and evaluation of progress on commitments made by signatories of the Joint Framework for Action (JFA). It is important to ensure accountability and transparency at national and landscape levels while promoting learning and knowledge sharing. This taskforce worked under the leadership of REDD+ to produce the CFI 2021 Monitoring & Evaluation report, which contributed to the 2021 annual report.

**Mapping Taskforce** – In 2021, the Mapping Taskforce met only once. The Ministry of Lands and Natural Resources is still following up on specific issues. Meanwhile, the Forestry Commission is making progress on the National Forest Monitoring System.

## Landscape-level alignment and collaboration

In 2021, the CFI intensified its collaboration, participation, and alignment with related programs and initiatives in the cocoa sector. With the National REDD+ Secretariat taking the lead on landscape-level governance, companies and civil society organizations carried out numerous programs in the six priority areas. The Secretariat identified alignment gaps and took action to ensure landscape-level players understand commitments made by CFI signatories and their practical implications. There was a need to promote a sense of ownership and alignment among stakeholders. The Secretariat worked to bring landscape-level civil society organizations fully on board. This included several national events to create collaboration and alignment on CFI commitments at landscape level. To push this agenda further, the National Secretariat has partnered with four national NGOs to carry out specific tasks concerning CFI collaboration and alignment in the following priority regions:

- Ahafo Ano South/Atwima Mponua/Atwima Nwabiagya;
- Asunafo/Asutifi;
- Atiwa/Denkyembour/East Akim;
- Kakum.

## MONITORING AND EVALUATION

As a public-private partnership, the Cocoa & Forests Initiative (CFI) understands the importance of monitoring progress and measuring results to enhance transparency and accountability of the initiatives at national and global levels. In the first phase of the National Implementation Plan (2018-2020), the National REDD+ Secretariat led the coordination of development of the CFI Monitoring and Evaluation Framework in collaboration with the CFI Secretariat and the Monitoring and Evaluation (M&E) Taskforce. As part of alignment of the CFI with national policies and ongoing programs, the Results Measurement Framework took into consideration the geographical scope of the Ghana Cocoa REDD+ Program (GCFRP) and the relevant key performance indicators (KPIs) of interventions to identify the synergies.

For the purpose of the specific commitments made by the signatories of the initiative, relevant public-sector institutions – including the Forestry Commission, COCOBOD and the Ministry of Lands and Natural Resources (MLNR) – were assigned to provide specific data on relevant KPIs on the three thematic pillars: forest protection and restoration, sustainable cocoa and farmer livelihoods, and community engagement and social inclusion. The private-sector signatories had specific KPIs based on their action plans to complement the overall nationally agreed KPIs to track progress of achievement. The World Cocoa Foundation was assigned to lead the work with the CFI companies to ensure the high quality and timely reporting on the targets set in their action plans. Since the launch of CFI, WCF has worked with companies to identify actions and investments in line with the CFI Framework for Action and national implementation plans to develop these action plans.

Companies are provided with reporting guidance, templates, training, aligned indicator definitions and criteria, and digital dashboards to view their individual data and cross member aggregate data. It has been a learning process and over the period of the Initiative indicator definitions and criteria have been adjusted based upon realities on the ground and expert consultations. Looking ahead, the M&E framework will be further refined to have a greater focus on impact and improved alignment with national level M&E.

To ensure transparency, quality assurance, and data integrity of the public sector's activities, in 2021 the data collection and analysis was led by the Policy Planning, Monitoring and Evaluation (PPME) unit of the MLNR, which was tasked with monitoring the project/program implementation of the cocoa sector. The process involved field visits to engage with the relevant stakeholders required to provide the source data. This was followed up by the development of a customized data collection template for each of the public institutions, with specific KPIs. A formal request was addressed to the CEOs and Technical Directors of the various institutions to submit the data to the PPME unit. The data was collated and random validations were conducted at field level to ascertain the credibility of the data source. Subsequently, a validation workshop was held for the final authentication of the data. The meeting provided the opportunity to discuss the methodology and findings. More importantly, it allowed all the relevant stakeholders – including representatives of the CFI Secretariat, M&E Taskforce, IDH, WCF, and private-sector partners – to play a significant role in validating the data on the progress made.

## NEXT STEPS: 2022 AND BEYOND

### Highlights from the National Implementation Plan 2021-2025

The National Implementation Plan (NIP) 2021-2025 aims to build on the achievements of the previous NIP (2018-2020). It also provides strategic direction for the implementation of the commitments made by the signatories of the Joint Framework for Action (JFA).

The goal of the NIP 2021-2025 is reflected in the National Development Agenda, as stipulated in the National Climate Change Action Plan, UN Sustainable Development Goals, Forest and Wildlife Policy (2012), Forestry Development Masterplan (2016-2036) and National REDD+ Strategy. The NIP will help the signatories of the JFA to pursue the common goal of reducing deforestation and forest degradation in the cocoa supply chain. It also highlights various government policies/programs and private-sector programs in the cocoa sector as necessary building blocks to ensure a sustainable cocoa sector, with thriving farmers and environmentally-friendly production practices.

Just as in the previous NIP, the NIP 2021-2025 adopts a three-dimensional approach to ensure sustainable management of cocoa-forest landscapes, following the three thematic pillars:

1. Forest protection and restoration
2. Sustainable cocoa and farmer livelihoods
3. Community engagement and social inclusion

Under each theme, the plan specifies commitments, actions, and activities that ensure cocoa-forest landscapes are sustainably managed. It also outlines implementation arrangements, timelines, key performance indicators for measuring and monitoring, and defines roles and responsibilities for each action. The NIP also adopts a multi-stakeholder approach to ensure a participatory process, inclusive of all stakeholders for effective implementation.

To maximize the effect for forests and farmers and to optimize resource use, the 2021-2025 NIP will also focus on the six priority hotspot intervention areas (HIAs), which were identified in the Ghana Cocoa Forest REDD+ Program and used for the 2018-2020 NIP.

In 2022-2023, the NIP will focus its implementation efforts on the following commitments:

- Satellite-based monitoring and mapping
- Tree registration and land title documentation
- Forest restoration (tree distribution and planting)
- Integrated landscapes (HIAs)
- Cocoa traceability (Cocoa Management System)
- Resettlement, social and environmental safeguards
- Resource mobilization and financing
- Communication and raising awareness

The Technical Secretariat will continue to work closely with the various institutional leads, Technical Working Groups, the private sector, and other stakeholders to ensure successful rollout of the NIP.

### Fund mobilization

With the World Cocoa Foundation in the lead, the CFI Secretariat worked to develop a resource mobilization strategy for CFI to present fundraising needs more clearly to the funding community, and to leverage private-sector investment to support donor fundraising. The resource mobilization will prioritize cross-cutting CFI interventions (e.g. reforestation, agroforestry, protection, satellite monitoring, and technical assistance) that are critical to delivering on commitments in the Joint Framework for Action. WCF is working with the partners to further define the scope of the interventions in order to engage with potential funders (i.e. donors, financial institutions, and foundations). The aim is to submit formal proposals by Q3 2022 and to secure funding by Q1 2023.





# Cocoa & Forests Initiative

