



COCOA LIFE AND CLIMATE CHANGE: POSITION PAPER

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Since we launched our Cocoa Life program toward the end of 2012, we have observed the impact of changes in weather patterns across the cocoa-producing origin countries where we work. West Africa faced a severe drought in 2016 and the Dominican Republic main crop was spread across only two months, resulting in congestion in the main post-harvest stations. In India, rainfalls in the cocoa-producing regions are lower in 2017 than in previous years.

Whether or not these short-term weather patterns are the result of long-term climate change, there is serious concern for the future. Some reports show that current cocoa-producing regions may no longer be suitable for cocoa production in the next 30 years if we don't act quickly and in a coordinated way.¹

And cocoa farming is a significant source of carbon emissions. Through an environmental impact assessment we conducted in 2016, we learned that, as a company, the biggest driver of our end-to-end carbon footprint is deforestation within our supply chain. Among the various commodities we buy, cocoa and palm oil have the biggest impact. Côte d'Ivoire and Ghana account for close to 60 percent of the world's cocoa supply and, according to the [United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries \(UN-REDD\)](#), annual Côte d'Ivoire and Ghana deforestation rates are estimated at 2.7 and 2.9 percent, respectively, and most of the deforestation and forest degradation is the result of cocoa farming and its expansion into new areas.

At the more local and immediate level, there is considerable research from the UN, and various governments (including the National Meteorological Service of Côte d'Ivoire), attributing droughts to increased deforestation. This then becomes a vicious circle as farmers facing droughts are led to expand their farms into new areas, which can result in further deforestation. Most cocoa is being harvested by smallholders with limited ability to invest and react to sudden climatic changes. Over the last few years, we have heard farmers asking for guidance and recommendations to adapt to changes in weather. And we know most cocoa is being harvested by smallholders with limited ability to invest and react to sudden climatic changes.

We have also noticed the impact of climate change not only in cocoa farms, but at the community level. Community members sometimes face challenges with other crops and they are noting the impact of climate change on crop storage conditions. For these reasons, we have decided to consider climate change as a cross-cutting theme alongside women's empowerment and child protection. This means when implementing interventions with our partners, we will always look at them with our climate change glasses on. This will allow us to be more pertinent and impactful in the interventions we drive under the Cocoa Life program. Indeed, under our environment focus area, we focused initially on sustainable natural resource use on the farm, increased conservation of forests and maintenance of ecosystems. Now, when working on livelihoods, we will promote business activities that will have a positive impact on the environment. Also, when working on community, we will make sure communities include environmental priorities in their community action plans.





OUR COCOA LIFE CLIMATE CHANGE STRATEGY IS ARTICULATED AROUND THREE AREAS:

PRODUCE

PROTECT

PEOPLE

PRODUCE

We believe cocoa farmers need to increase their productivity, not only to increase their net income from cocoa, but also to prevent them from expanding their farms to new land and encroaching on protected forests. This should also allow farmers and community members to free up some land that could be used for purposes other than cocoa. **We will** continue to help farmers increase their yield through our investment in training and coaching farmers to increase adoption of Good Agricultural Practices and in infrastructure to produce improved planting material.

We believe farmers should be farming and harvesting cocoa in a way that protects their future productivity by respecting the environment. Moving forward, **we will** continue to develop and include Good Environmental Practices in our productivity curriculum for training farmers.

We believe cocoa farmers should be planting more shade trees on their cocoa farms. This will retain humidity and reduce the impact of droughts, as well as support biodiversity. To make this possible, **we will** distribute seedlings, support farmers to help shade trees thrive and engage with authorities to understand the process for registering trees and support farmers in doing so.

We believe farmers should be incentivized to protect ecosystems that will ensure their long-term productivity. **We will** test ways of using payment for ecosystem services to pay farmers who have a positive impact on the environment. We will also explore innovative financial instruments to incentivize forest-friendly cocoa production.



PROTECT

We believe a shared understanding of the challenge and common definitions is needed to discuss and align our strategies to tackle climate change. **We will** map all the cocoa farms registered in our program and add an overlay with the [Global Forest Watch](#) to identify areas at risk (water streams, protected and community forests etc.) We have also joined the Global Forest Watch platform and will contribute to aligned definitions with national authorities. Finally, we engage with national authorities to understand their priorities for forest protection and land use plans.

We believe further expansion into protected and community forests should be stopped. **We will** engage with our implementing partners and national entities to monitor rates of tree cover loss and to work toward restoring degraded forests.

We believe community members need to own the local resources and be accountable for their protection. **We will** continue to implement natural resource governance and landscape-level planning tools, such as the Ghanaian Community Resource Management Areas (CREMAs), to support local communities in protecting and managing their forest resources.

We believe in the national authorities' role of setting the right regulations and policies to protect forests. **We will** support, wherever possible, the enforcement of these policies throughout our supply chains.

We believe working on these activities can only be successful if the right procedures are in place and if they are endorsed by the national authorities and used across our supply chain. **We will** engage with our stakeholders and partners to develop Standard Operating Procedures (SOP) to govern the cocoa supply chain in a way that eliminates deforestation and increases resilience to climate change.





PEOPLE

We believe cocoa farmers and community members should engage in complementary commercial activities that help them become more resilient to external shocks that could impact their income from cocoa. **We will** train and support community members in setting up new businesses—favoring those that are climate-smart and that support our broader environmental objectives. **We will** also look at providing them with financial support and leveraging our contribution as seed money to start activities.

We believe communities should own and drive actions to become more resilient and adapt to climate change. **We will** continue to facilitate the elaboration and activation of Community Action Plans and make sure these include activities related to forest protection and better use of land and natural resources.

All of these activities will be underpinned by partnerships with our existing implementing partners, and also with the various local governments and international agencies. **We are and will** continue to work with the [Cocoa & Forests Initiative](#) to support its commitment to work, in partnership with others, to end deforestation and forest degradation in the global cocoa supply chain, with an initial focus on Côte d'Ivoire and Ghana.

This updated approach is based on previous interventions we have taken in different countries, which resulted in strong achievements.





GHANA

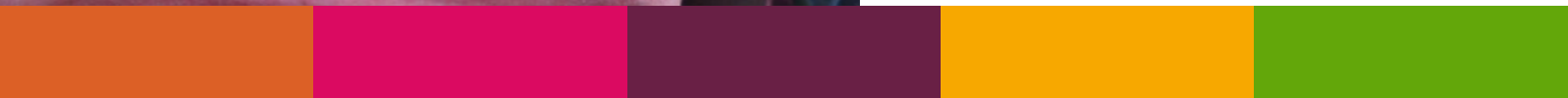


In Ghana, we are working with the [United Nations Development Programme](#), the [Ghana Cocoa Board](#) and cocoa cooperative unions to address environmental sustainability issues in hundreds of Ghana's cocoa-growing communities. Our efforts center on conserving the natural ecosystems to maintain and provide viable environments and farmland for future generations, primarily through the promotion of good agricultural practices and planting trees with economic benefits for farmers. Additionally, we are piloting Community Resource Management Areas (CREMAs) in 36 communities within the Asunafo North cocoa region. CREMAs serve as natural resource management and planning tools that are the basis for community initiatives. A manual on Good Environmental Practices has been developed and is used in the training of farmers.



The Cocoa Life program in Ghana has contributed immensely to ongoing national efforts to make the cocoa sector economically and environmentally sustainable through the promotion of climate-smart approaches to cocoa farming. Spearheading the uptake of innovation and best practices in major cocoa communities in Ghana, the program remains a leader in advancing a new way of producing cocoa that addresses deforestation and forest degradation.

Yaw Kwakye, Head, Climate Change Unit, Forestry Commission (National Focal Point for REDD+)





CÔTE D'IVOIRE

In Côte d'Ivoire, we are working with the government and other partners as part of the national program to combat deforestation, which is part of the international Reduced Emissions from Deforestation and Degradation framework (REDD+). As a next step, a pilot called Forest Friendly Cocoa has started, aiming to reach 5,000 farmers in the Nawa Region, bordering the Tai National Park. The project will closely involve the local communities to work together on producing a forest protection map reflecting the aspirations of local communities (Local Land Use Plan) and a tracking system to identify risks (deforestation) and opportunities (restoration of a forest cover).



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Mondelēz International, through its Cocoa Life program, is leading the cocoa industry to engage in an approach to reduce deforestation in the cocoa supply chain in Côte d'Ivoire. Within the framework of an Memorandum of Understanding with the Ministry of Environment and Sustainable Development, Mondelēz International is committed to support the National REDD+ Strategy for reducing deforestation in the cocoa value chain in Côte d'Ivoire.

Jean Paul Aka, Head, National REDD+ Strategy and Private Sector Commitment



INDONESIA

In Indonesia, we are working with local environmental NGOs, the Forestry Department and communities to address good environmental practices. Efforts focus on promoting soil management and shade trees, planting trees with economic benefits to protect water sheds and reducing risk of natural disasters (flood, drought, earthquake) through an early warning system.

Additionally, we have started to work with CIAT (International Center for Tropical Agriculture) on a technical analysis of climatic vulnerability of cocoa farmers and how it relates to deforestation. This will allow us to define priority adaptation practices.



References

1. Läderach, P., Martinez-Valle, A., Schroth, G. et al. Climatic Change (2013) 119: 841. doi:10.1007/s10584-013-0774-8

