

Pioneering forest protection work in Cote d'Ivoire

A case study on Public – Private Partnership

October 2018



Mondelēz
International



IMPACTUM
Catalyseur de Durabilité - Catalyzing Sustainability

REDD+
CÔTE D'IVOIRE

tft 

Executive summary

Mondelēz International, in a public-private partnership with the REDD+ Permanent Executive Secretary in Cote d'Ivoire, and with the support of the European Union's REDD+ facility, is implementing a pilot project on payment for environmental services (PES) within its key cocoa supply areas.

The pilot initial stage takes place in the Nawa region, where the cooperatives ECAM and COVIMEA are present. Both of these cooperatives have been involved with the Cocoa Life program for the past five years and have benefited from support to their productivity and trading system.

Since 2017, the REDD+ mechanism initiated by Mondelēz has been implemented by Impactum and TFT. After a year, the partners have already achieved the following results:

- Raised awareness regarding climate change and the necessity of limiting deforestation, in **36 communities**
- Conducted **the High Carbon Stock Approach** across the Nawa Region
- Signing Payment for Environmental Services (**PES**) agreements with **500 farmers and 5 communities** before the end of the year

Mondelēz will continue to extend the REDD+ mechanisms to other farmers and explore the possibility of extending it to other regions within Cote d'Ivoire, as well as to other cocoa growing countries. This pilot is aimed to spark a larger movement of change in the cocoa sector, and encourage partners and other stakeholders to participate to the expansion of the project.

I. Context

a. Cocoa Life

Cocoa Life is Mondelez's holistic, third-party verified cocoa sustainability program established in six cocoa producing origins: Ghana, Cote d'Ivoire, Indonesia, India, Brazil and Dominican Republic. It is grounded in strengthening cocoa communities and inspiring the next generation of cocoa farmers. The Cocoa Life approach helps these communities address the dynamic and complex challenges they face — all of which are interrelated and demand a holistic approach to solve.

Deforestation from cocoa farming disrupts local weather patterns and causes carbon emissions, contributing to global climate change. Some reports show current cocoa-producing regions may no longer be suitable for cocoa production in the next 30 years, if we don't take action. That is why combatting deforestation and climate change is a key priority built into the Cocoa Life program.

In fighting climate change, Cocoa Life focuses on [three areas](#):

- *Produce*: Investing in training farmers on Good Agricultural Practices to increase cocoa yields
- *Protect*: Mapping all registered Cocoa Life farms to identify areas at risk with Global Forest Watch, monitoring tree cover losses and working towards restoring degraded forests
- *People*: Providing community members with climate-smart business training and financial support to strengthen their resilience and ensuring Community Action Plans prioritize forest protection

b. Deforestation in Cote d'Ivoire

The natural forest coverage of Cote d'Ivoire has deteriorated by almost 90% since 1960. According to figures published by BNEDT in 2015, the annual rate of deforestation is estimated at 2.69% between 2000 and 2015.

As weather patterns evolve, like high temperatures and droughts, farmers aren't able to grow as much cocoa. They're forced to expand into new areas, triggering this vicious cycle all over again. National parks and protected forests, despite being regarded as non-accessible to farmers, have not been spared by deforestation.

c. REDD+ national strategy and project partnership

The national REDD+ strategy has been adopted by the Ivorian government with the purpose of eliminating deforestation in major agricultural supply chains, and intervening in the restoration of forests in order to attain 20% of forest coverage by 2040. This government goal has been reaffirmed by the new policy of restoration and extension of forests, endorsed in 2018.

Following this governmental ambition, Mondelēz International, in a public-private partnership with the REDD+ Permanent Executive Secretary in Cote d'Ivoire, is implementing a pilot project on payment for environmental services (PES) within its key cocoa supply areas.

The purpose of this pilot project is to test the payment mechanism for environmental services, and simultaneously improve agricultural productivity, food safety and the living conditions of the farmers, while ensuring the preservation of the remaining forests and the conservation of biodiversity in the supply chain. Mondelēz and its partners aim at:

- Raising awareness and providing information to 5,000 farmers
- Planting 700,000 economic forest trees
- Creating at least 5,100 hectares of cocoa-based agroforestry farms for 2,550 farmers,
- Reforestation of at least 600 hectares of forests with the key focus on wood-energy and timber
- Contribution to the conservation of at least 300 hectares of natural communal forests in at least 10 villages

Partnership is key to lasting change and essential to ensure projects success. Mondelēz works with a number of partners to guarantee delivery of this pilot, including:

- *The Forest Trust (TFT)* is responsible for forest mapping, socio-economic surveys, and land use planning.
- *Impactum* which works with the community and farmer mobilization, collaborate with the government services and farmer organizations and manages the PES.
- *The Ivorian Office for Parks and Natural Reserves* provides technical support as well as planting material.
- *Women's associations* are in charge of producing and distributing the forest tree seedlings.
- *Farmers' organizations* mobilize members to engage in agroforestry PES projects.
- *Ecom AgroTrade* provides the farmers' training and sources the cocoa beans
- *CARE International* is one of the key Cocoa Life partners on community development work in Cote d'Ivoire

It is funded by Mondelēz International, with one million USD, as well as the European Forest Institute, with 290,000 USD, over the course of 3 years.

II. Innovations

a. HCSA for smallholders

The supply area of Nawa region is entirely within the rural domain and belongs to local communities. The first step to identify high carbon stock zones, according to the HCSA (High Carbon Stock Approach), is to share information and raise awareness on the necessity of preserving residual forests. Then, a survey is conducted to better understand how farmers interact with the forests.

This approach is in a testing phase in the area. It is entirely funded by Mondelez, and implemented by TFT under the supervision of the REDD+ Permanent Executive Secretary in Cote d'Ivoire.

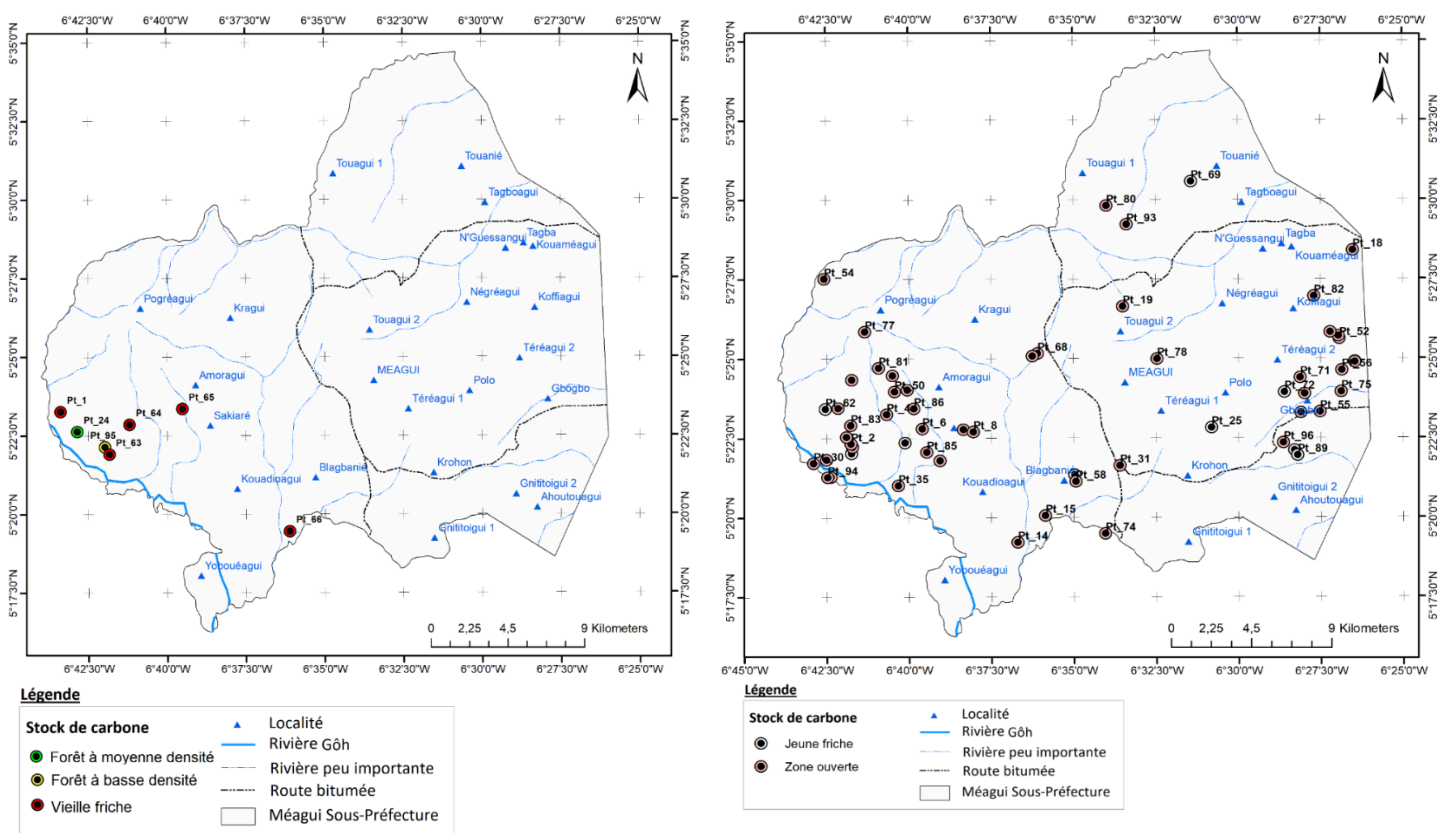


Figure 1: HCSA in the Soubré area

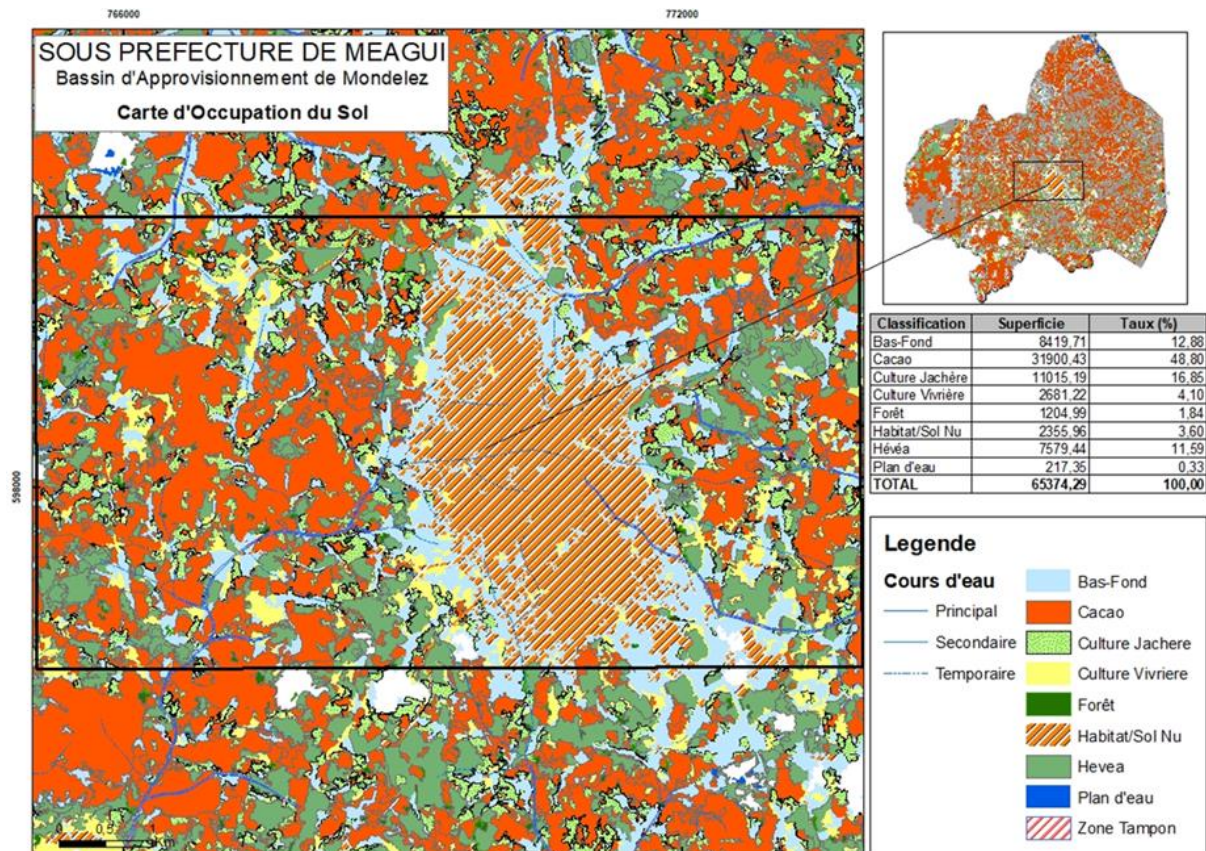


Figure 2: Land cover map

b. Payment for Environmental Services

Payments for environmental services (PES) are voluntary contracts concluded with the farmers or the communities, consisting of payments, in cash and/or in-kind, subject to compliance with a plan for land use and/or change of agricultural practices. The objective is to maintain or improve certain ecosystems by cutting down on carbon, preserving biological diversity and water.

With Mondelez International's Cocoa Life program, the Payments for Environmental Services (PSE) combines two approaches:

- *At the cocoa farmers' level:*

The purpose is to support small-scale cocoa farmers to invest in productive agricultural practices, which are respectful of the environment and the forests, such as agroforestry. This allows them to diversify their sources of income and strengthen their resilience to climate change.

- *At the territorial level:*

This involves the cocoa growing communities in a collective conservation and reforestation dynamic, through a plan for land use. It starts by mapping the cocoa growing areas, whilst including the concepts of High Conservation Value (HCV) and High Carbon Stock (HCS).

Three specific PES projects have been used: agroforestry, reforestation and conservation. The contracts differ for each project, as shown below:

	Agroforestry	Reforestation	Conservation
Type of contract	Individual contract with the cocoa farmers	Individual and collective	Collective and individual
Term	3 years	5 years	5 years
Payment amount	1EUR per native tree and 0.75EUR for exotic tree	450EUR / ha	300EUR / ha

Implementing PES projects, at both the farmers' and the territorial level, is done in five stages:

1. Raising awareness and providing information to producers and local communities by presenting the project and promoting a “zero deforestation” model
2. Identification of candidates for the PES: currently, there is 1,043 cocoa farmers and members of the community involved in the three PES projects. Five autonomous villages have shown their intention of signing PES conservation and reforestation contracts within the collective contracts framework.
3. Entrepreneurship development in Cocoa Life communities: creation of three forest tree nurseries. These nurseries are maintained and managed by seven VSLAs (Village Savings and Loan Associations). 105,669 economical shade trees, such as fruit trees, rubber and timber, were produced in these nurseries.
4. Training of the candidates on PES methods: 20 farmers were recruited from ECAM and COVIMEA cooperatives, and trained on agroforestry. They were asked to relay their knowledge to other farmers. As a result, over 507 farmers have received training and are prepared to implement agroforestry practices in their plots.
5. Signing of PES contracts with producers and members of the communities



Photo 1: Awareness meeting in a village in Méagui



Photo 2: Training session of PES candidates

III. Criteria for success

a. Cocoa Life communities as an enabling platform

TFT and Impactum's work is based on the organization of Cocoa Life communities, which are structured around Community Development Committees (CDCOM) organized and mobilized through the community development work lead by CARE International. These committees are essential to initiating contact and building relationships with the farmers and community members. Regular meetings with the CDCOM strengthens the cooperation between stakeholders, and helps in the exchange of information.

Within the PES framework, IMPACTUM implements local organizational management committees. These are adapted to each community context within the framework of the Cocoa Life program. These committees are responsible for the strategic orientation of the project as well as the definition, implementation, coordination and monitoring of the activities on-site. It consists of community leaders, the two cooperatives, agricultural engineers from ECOM, TFT, CARE and the presidents of CDCOM.

All the members of the committee meet every month to discuss current and future activities. They also regularly receive training on topics such as PES, agroforestry, forestry and property codes and the new forest restoration and extension policy.



b. Building strong trust with the farmers and community members

The building of trust is constructed on a participatory approach at 2 levels.

- *Contact with the farmers of the cooperative or expert community member*

Consists of building and maintaining regular contact with the farmer or member of the community. In this way, the on-site agents regularly pay a visit to members of the community, participate in farm work with them, and sometimes stay in their homes. The objective is to gain the farmers' trust.

- *Interview of the farmer and participatory diagnosis*

This interview is initially informal. After the first contact and participation in the farmer's activities there is an opportunity to exchange information on problems of interest to the farmer, particularly around issues of productivity on the farm. This often leads to constructive exchanges, and very frequently to solutions proposed by the farmer himself.

In conclusion, the agents are based in the community in such a way that they are fully regarded as members of the community. This guarantees the quality of the information gathered.

c. Growing opportunities for women

In 2017, seven Village Savings and Loans Associations (VLSAs) were formally identified for the creation of economic shade tree nurseries in the region. Women's associations were trained by Impactum as nursery workers, on the techniques of shade tree production.

These associations now maintain and manage three nursery sites with a production capacity exceeding 100,000 seedlings. These plants are sold to Mondelēz for distribution to the farmers, and are used for two PES methods: reforestation and agroforestry. They contribute to increasing the resilience of the communities to climate change, rehabilitating cocoa territories whilst providing an additional source of income to the women and the farmers.



Photo 2: *Women's training in the theory of nursery techniques*



Photo 3: *Overview of a nursery field of Akpi, implemented by the VSLAs*

IV. Learnings to date

As highlighted by numerous studies, all cocoa fields in the Nawa area are ageing. Over 90% of the plantations are over 25 years old. These plantations were created in forests areas by farmers who, at the time, were cutting down forest to benefit their productivity.

Farmers understand climate change and its devastating effects, but remain reticent to planting new trees. Reassuring the farmers about the ownership of the trees remains essential. Therefore, tree and land registration process must be simplified and accessible to all.

Farmers are very interested in fruit trees such as the Akpi (*Ricinodendron heudoletii*) and Little Cola (*Garcinia kola*). The survey has shown that these two choices were in the first place in the farmer's preference, as they provide additional source of income during lean season.

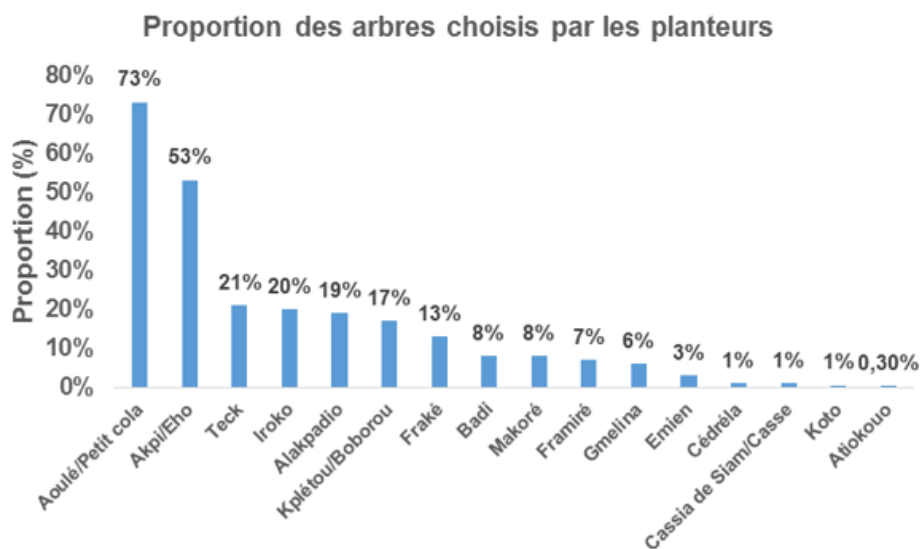


Figure 3: Tree species preference, based on communities' survey

Finally, the compensation offered to communities involved in collective contracts should be reviewed and increased, if possible. The amounts being offered currently are not considered sufficient to convince the communities and their members to change their practices. Ideally, the compensation being offered must be competitive to the potential revenue generated from new cocoa harvest from deforested areas.

V. Next steps

The initial results from this pilot project are more than positive, but it is just the beginning. The aim is to keep delivering the pilot, and work with 5,000 beneficiaries while continuing to share knowhow with the rest of the industry and stakeholders in Cote d'Ivoire. This would mean adding on new cooperatives and integrating other suppliers in the project.

Mondelēz believes the pilot can be extended to other supply chain areas in the Cote d'Ivoire, as well as to other cocoa growing countries.

This would require important funding. Therefore, it is important to establish new partnerships with stakeholders involved in green finance, but also in other industries to identify new sources of income from sustainably managed forests. Specific business partners could help us develop the permanent business model for funding this involvement. As an example, one of Mondelēz's future priorities within this pilot is to engage with the timber industry.

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