ofi's **2024 Cocoa & Forests Initiative Progress Report**

1. Foreword

As the first and largest sector-wide public-private partnership in the cocoa industry, the Cocoa & Forests Initiative (CFI) represents collective action from the cocoa sector to tackle key challenges such as deforestation, sustainable farmer livelihoods, and promoting biodiversity. **ofi** has supported this initiative and its landscape approach from its creation, back in 2017 as a founding signatory.

Now in its second phase – CFI 2.0, we are actively assisting farmers to convert their farms to agroforestry through the distribution and planting of multi-purpose trees. By developing more diverse farming systems, farmers have the opportunity to create more agroecological benefits on the farm and grow their incomes from additional crops and goods made from farm resources.

At **ofi**, we also introduced our overarching company sustainability strategy – *Choices for Change* in 2024, which enables us in the cocoa business to raise our own regenerative agriculture ambition with new 2030 targets introduced to our Cocoa Compass strategy on agroforestry, landscape partnerships and hectares under regenerative agriculture. All of these targets are designed to support more sustainable livelihoods for cocoa farmers and protect nature, which is aligned with the CFI objectives.

Increasing regulatory, legislative and consumer interest into how food and beverage products are created means traceability remains top of mind and an important element to providing an equitable and transparent supply chain. Digital systems and tools also become more necessary in this process, both with the areas and farmers we work with, and supporting the testing and development of national traceability systems. This is underpinned by reliable data and in-depth understanding of the landscape, which can be used to inform effective community-centered mitigation and adaptation strategies that protect forests and livelihoods.

Andrew Brooks, Global Head of Cocoa Sustainability, **ofi**

2. Cocoa & Forests Initiative: Collective Action to End Cocoa-Related Deforestation

The governments of Côte d'Ivoire and Ghana and 35 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative to help end deforestation and restore forest areas. Their combined actions play a crucial role in protecting and restoring biodiversity, sequestering carbon stocks in West African forests, and addressing climate change in line with the Paris Climate Agreement. The Cocoa & Forests Initiative contributes to Sustainable Development Goal 13 (Climate Action) and 15 (Life on Land).

The Cocoa & Forests Initiative is a public-private partnership based on frameworks for action and action plans for the public sector in Côte d'Ivoire and Ghana and in the private sector in Ghana, that spell out commitments to:

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

Deforestation of tropical rainforests remains 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. According to Global Forest Watch, between 2002 and 2023, Côte d'Ivoire lost 28% and Ghana 13% of their humid primary forest, with cocoa farming expansion, contributing to part of the loss.

A comprehensive analysis is required to determine the exact contribution of cocoa production to deforestation. WCF, CFI members, and partners are working together on science-based methods to determine this in both countries. Data reliability and a good knowledge of the cause and location of deforestation is essential to develop effective and adequate mitigation measures to support WCF members and partners' own processes to be compliant with market regulations such as the EU Deforestation Regulation (EUDR).

Cocoa provides crucial income to communities in rural West Africa, but farmers are too often faced with poverty. Poverty is one of the causes of deforestation. Accelerating a transition to sustainable livelihoods is essential for farmers' economic security and a healthy planet.

3. Our progress in 2024:

We're monitoring and measuring our impact across key metrics to understand how we are progressing in 2024. These are aligned to the key CFI pillars, such as forest protection and restoration, and sustainable production and farmer livelihoods across our activities in Ghana and Côte d'Ivoire. For country-specific data, please see chapter five - CFI 2024 progress data table.

- **112,599** multi-purpose trees distributed for on-farm planting directly for **ofi** and **1,271279** on behalf of our customers.
- **4,976** farmers actively applying agroforestry for **ofi** and **74,706** on behalf our customers.
- **3,297** individuals participating in women's empowerment projects and activities for **ofi** and **30,272** on behalf of our customers.
- **9,419** individuals provided with technical assistance to save money and access finance for **ofi** and **25,475** on behalf of our customers.
- **9,041** farmers provided with technical assistance to professionalize & optimize cocoa farming practices for **ofi** and **121,169** on behalf of our customers.

3.1 Helping farmers to adapt with climate-smart agriculture

Across the sector, cocoa production in Ghana and Côte d'Ivoire has been challenged by crop disease and unpredictable weather conditions, affecting cocoa bean output. With these challenges expected to persist in the future, we're doubling down on our efforts to support farmers to adapt, to enable more resilient and thriving cocoa farming communities. For most smallholder farmers, cocoa is often their main source of income, underscoring the importance of support for productivity and farmer incomes.

Supporting climate mitigation and adaptation with regenerative agriculture

In the cocoa supply chain, farm activities are one of the highest emitters of carbon emissions, mainly due to heaps of discarded open pods, left to rot. As part of our comprehensive training programs, farmers are taught the best practices of crop residue management, such as composting and mulching. The activities also have substantial regenerative benefits too. They can improve soil health and the nutrition for the cocoa trees, helping to grow healthier and support better yields. The main challenge with these approaches is changing farmer behaviors and habits to increase adoption. The additional time it takes to implement the activities compared to the heaps of pods is a barrier. However, what we've seen is that farmers respond well to seeing and hearing from other farmers implementing this activity and their first-hand accounts of the benefits. Youth[1] service groups are also another great way to enable tangible benefits and reduce any perceived risk and skepticism about these approaches.

[1] **ofi**'s definition of youth/young adults is individuals aged 15-24 years.

Developing Cocoa agroforestry systems with on-farm tree planting

At **ofi**, our goal is to become forest-positive[2] by 2030, by working with farmers to increase tree planting and therefore carbon stock. This complements our aims under CFI 2.0, to have 100% of our direct supply chain in Ghana and Côte d'Ivoire under agroforestry management by 2025. One of the main ways we plan to achieve this is by scaling up the distribution and planting of multi-purpose trees.

In 2024, we distributed over a million native timber shade trees in both countries for cocoa agroforestry. This is a mixture of over 20 different types of native forest species: Acajou, Ako, Albizia, Akpi, Azobé, Aniegré, Bete, Bitei, Illomba, Fraké, Framiré, Makoré, Niangon, Kplé, Petit Cola, Poivre long, Poe and Yourou.
Through our agroforestry activities, we are helping to reintroduce biodiversity into cocoa-based agroecosystems. Many of the hardwood tree species are known to be good for carbon sequestration. Other trees such as Akpi, bitei, Makoré, Niangon, kplé petit cola and yourou are considered forest fruit species. For example, Makoré can produce a 'butter' similar to shea, which can provide farmers with additional revenue.

In Ghana, approximately 27,000 of those trees were distributed in the Kakam landscape across four districts within High Intervention Areas (Etsi Sub-HIA, ACOA sub-HIA, Komkom Kwae Sub-HIA, and Parso Camp Sub-HIA) within Ghana's high forest zone.

3.2 Forest protection and biodiversity

In Ghana and Cote d'Ivoire, we're active across the Tai National Park, Sui River Forest, Kakam, and Asunafo-Astutifi landscapes to support forest and biodiversity protection. Our active landscape partnerships take a holistic approach to farmer livelihoods and the environment to provide mutual benefits and inclusion for all the actors in the landscape.

Kakam National Park

In southern Ghana, in the Kakam landscape, we're working with Lindt & Sprüngli and Ferrero and the Ghanaian Nature Conservation Research Center to increase community-led conservation. The partnership, which to date covered the Assin South and Twifo Hermang districts, has now expanded to Assin North and Assin Central, doubling the number of areas under its protection.
As a result, more communities are now involved in forest conservation efforts and climate mitigation strategies such as agroforestry.

Across the landscape, **ofi** trained more than 10,000 farmers and community members on sustainable land-use practices to support more long-term ecological and economic benefits and facilitated community engagement in the governance process of the four Sub-HIAs and CREMA. A proposed by-law was submitted in the Twifo Hemang Lower Denkyira District to formalize a legal and structured framework for sustainable land-use and forest conservation practices. This aims to enhance the effectiveness of conservation and climate-smart initiatives that clarifies land-use rights, provides accountability to farmers and more authority to enforce compliance.

There are also extended benefits to farmers and local communities from implementing these practices. These governance and landscape management structures also enable a mutual

[2] ofi define this by the CGF – Forest Positive Coalition definition: 1. accelerate efforts to end deforestation in our own supply chains, 2. set higher expectations for suppliers to end deforestation across all their supply chains, 3. drive transformational change in strategic landscapes, and 4. track and report using common metrics.

benefit-sharing process. Farmers can access in-kind benefits and other farming tools and equipment such as secateurs, to help safeguard the long-term productivity of their lands. Ghana's REDD+ Program also issues financial rewards from the World Bank to communities via the hotspot management board for meeting emission reduction targets. This payment is a results-based financing mechanism, where carbon reductions achieved in the landscape are verified and monetized. In 2024, over a million dollars were issued and invested into community infrastructure such as enabling nearby access to clean water. Seven communities benefit from either hand pumps or a mechanized borehole.

These activities are aligned with Ghana's National REDD+ Strategy to reduce emissions from deforestation and forest degradation, while supporting sustainable livelihoods.

Asunafo-Astutifi landscape

We are supporting one of our customers to help deliver the aims of the Asunafo-Astutifi landscape project, which was developed by WCF and Proforest. As part of these activities, the hotspot management board in the landscape received an emission reduction payment on behalf of the local communities from the World Bank of approximately $2,600,000 for successfully reducing carbon emissions through sustainable land use and forest conservation efforts in the Asunafo-Astutifi landscape. This payment is a financial reward submitted by the Ghanaian Forestry Commission as part of Ghana's REDD+ Program for verified carbon reductions. The funds were used to invest in community infrastructure such as building over 30 bore holes, including 18 mechanized ones to increase access to nearby clean water in the communities.

As part of the Green Ghana initiative, we planted more than 540 hectares of indigenous non-cocoa trees on-reserve land in the Asunafo-Astutifi landscape. Supporting this year's theme of *Growing for a Greener Tomorrow,* it focused on reforestation and biodiversity, as well as the Ghanaian government's commitment to reduce greenhouse gas emissions by 64 million tons of CO2 equivalent by 2030.

Béki-Bossématié and Tai National Park

In the Béki-Bossématié and South Tai landscapes in Côte d'Ivoire, **ofi** worked with the Rainforest Alliance and chocolate manufacturers and wholesalers to establish four new Landscape Management Boards (LMBs). The LMBs are a landscape governance arrangement designed to give local communities a say in how the land is managed and empower them to protect forest and wildlife resources. Underneath this structure sits village management and subprefect committees which are designed to support the work of the LMBs, such as enabling their legal status with official decrees.

A part of the community engagement process, members of these committees signed Free, Prior and Informed Consent (FPIC) forms, which involve indigenous people in the design, implementation, monitoring, and evaluation of the conservation and sustainable livelihoods activities. The creation of LMBs is a collaborative process with the cocoa farming communities, with the LMBs co-owned by the community members. This enables dual contribution to specific action plans, which are based on a holistic landscape analysis. This supports local advocacy and inclusive capacity building for farmers and the wider community, with a focus on including women and youth, with opportunities in technical and financial assistance to diversify their income.

Since their establishment, the LMBs have been a central point to delivering training and resources to farmers and the community. For example, start-up kits on environmentally friendly income-generating activities, including small-scale agricultural production, livestock rearing, primary processing, and micro-enterprise ventures, were distributed along with specific training. Over 70% of the initial recipients were women.

Community members involved in the LMBs delivery received advanced data collection and monitoring equipment, essential for enhancing their capacity to collect accurate data on land use, biodiversity, and natural resource management. These digital tools ranged from registers, tablets, GPS devices, and computers, to monitor the health of the ecosystem more effectively, identify threats to conservation, and make informed, data-driven decisions. They also contribute towards the professionalization and technical skills of youth, as young LMB members are trained as digital data enumerators.

3.3.Enhancing traceable cocoa

One of the key goals for CFI 2.0 is to strengthen supply chain mapping and enhance our traceability to the farm level. This is a critical tool for creating a deforestation-free cocoa supply chain.

Beyond our direct supply chain, we are supporting the Governments of Ghana and Cote d'Ivoire with their national traceability systems, from sharing learning about our own systems to being an active partner in the Ghana Cocoa traceability system pilot.

Supporting the Ghana Cocoa Traceability System pilot

COCOBOD created the Ghana Cocoa Traceability System to enhance the transparency and traceability of the cocoa sector in Ghana. The digital system is designed to support actors in the national cocoa supply chain to meet the evolving regulatory requirements of major cocoa export markets such as EUDR. As a part of this, cocoa producers will need to show proof that every bean sourced is not linked to child labor and forest zones.

To help different actors in the supply chain learn more about how the system works, **ofi** hosted two different training sessions for purchasing clerks. The training covers the registration of purchasing clerks (pcs) to a depot and assigning geolocations of purchasing clerk sheds. An app was developed to support pcs with onboarding farmers into the system. This can happen either by scanning farmer QR codes or entering Farmer Cocoa Card ID. The training shows pcs how to record purchasing, bagging/tagging, primary evacuation information. Without the farmers registered in the systems, purchasing clerks cannot purchase their beans.

This pilot generated some important learnings to help with more effective implementation of the Ghana Cocoa Traceability System across all districts in Ghana. For example, this process highlighted the technical challenges of using the app, particularly due to low adoption and unfamiliarity of mobile technology, which did initially slow down the rollout process. However, this underscores the importance of comprehensive training, with trainees showing great receptiveness to the session.

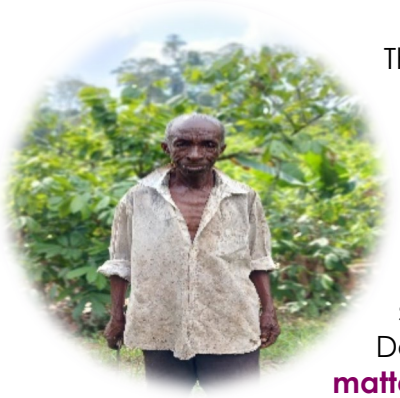
4. Our CFI impact stories

Ghana

From full sun to sustainable shade cocoa: a community's agroforestry journey in Assin Aworoso

In the lush cocoa-growing region of Assin Aworoso, Central Region, Ghana, farmers like 72-year-old Akwasi Donkor have relied on traditional cocoa farming methods, often expanding their farmland to make way for cocoa trees, putting forests at threat. But over the past three years, a shift toward agroforestry has transformed not only Mr. Donkor's farm but the entire community.

"***I was skeptical at first,"*** admits Mr Donkor, standing proudly amidst his thriving farm. His cocoa trees now grow alongside towering shade trees and food crops like plantains and cassava. "***But now, I see the benefits. My soil is healthier, my cocoa yields have improved, and I'm earning extra income from the other crops."***



This transformation is the result of training and support through **ofi**'s agroforestry program. For Mr. Donkor and his neighbors, the change has been life-altering. **"In the past, we didn't realize we were damaging the land"** Mr. Donkor recalls.

With **ofi**'s support, farmers in Assin Aworoso received native tree seedlings like mahogany and Emire, along with training on sustainable land management. **"They didn't just give us trees,"** Mr. Donkor explains. "**They taught us how to care for them and why it matters for our farms and the environment."**

The impact extends beyond individual farms. The Assin Aworoso Farmers Group, with over 300 members, has embraced agroforestry, transforming the village's landscape. Once dominated by cocoa monoculture, the area now boasts areas of diverse agroforestry systems.

Cote d'Ivoire

Developing new value chains based on non-timber forest products from agroforestry

In the West of Cote d'Ivoire, a community member in Lokosso, in the Guemon Region, is harnessing the additional benefits created from planting a mixed agroforestry system on the farm. Additional fruit and seed products such as almonds extracted from the fruit of Irvingia Gabonensis, cultivated and sold for extra revenue, with prices varying from USD 5 - 7 per kg.

5. CFI 2024 Progress Data Table

Cote d'Ivoire

Description	Target (Current reporting year)	# Through direct investment (Current reporting year)	# On behalf of clients (Current reporting year)	# Through direct investment (Since 2023)	# Through direct investment (Since 2018)
FOREST PROTECTION AND RESTORATION					
# of farms mapped in direct supply chain: Total Active	16,267	9,561	121,280		
# of hectares in the direct supply chain with deforestation risk assessments completed	0	24,922	336,531		
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)		13,430	141,940		
# hectares restored in Forest Reserve / Forêts Classée	0	0	0		
# trees registered	0	0	0		
# of farmers with land tenure agreements/documentation obtained via company support		0	0		
# farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest protection, and restoration	5,099	3,997	66,003		
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): New	0	0	288		
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	0	0	635		
# farmers applying agroforestry: New		1,926	31,306		
# farmers applying agroforestry: Total Active		2,821	63,164		

# farmers provided with technical assistance to adopt and expand agroforestry	2,400	3,997	66,044		
# multi-purpose trees distributed for on-farm planting	160,923	61,087	1,023,992	216,673	815,812
# hectares cocoa agroforestry: New	7,067	2,892	49,490	9,462	32,930
# hectares cocoa agroforestry: Total Active		5,507	98,770		
# of trees distributed for off-farm planting	0	0	0		
# hectares of forest area restored off-reserve / in rural zone	0	0	0		
# farmers provided with technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm (e.g., CSC)	5,099	223	3,928		
# of farmers trained in Modified Taungya System (MTS)					
$ contributed to fund		0	0		
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD					
# improved cocoa seedlings distributed to farmers					
# farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	5,099	5,720	80,005		
# individuals participating in additional Income Generating Activities (IGA's)		2,481	13,270		
# individuals provided with technical assistance (based on plans) to increase income from non-cocoa sources / IGA's	0	300	17,633		
# Individuals provided with technical assistance to save money and access finance	250	300	17,633		
# of members of VSLA groups in the current year	250	2,643	15,465		
# of VSLA groups in the current year	10	98	557		

SOCIAL INCLUSION AND COMMUNITY					
# of cocoa communities with active forest restoration and protection program (CBNRM): New	0	0	0		
# of cocoa communities with active forest restoration and protection program (CBNRM): Total Active		0	0		
# hectares under CBNRM	0	0	0		
# of individuals participating in women's empowerment projects and activities	659	2,639	23,274		
# of individuals participating in youth focused projects and activities (15-35 years old)	312	440	17,236		

Ghana

Description	Target (Current reporting year)	# Through direct investment (Current reporting year)	# On behalf of clients (Current reporting year)	# Through direct investment (Since 2023)	# Through direct investment (Since 2018)
FOREST PROTECTION AND RESTORATION					
# of farms mapped in direct supply chain: Total Active	8,535	3,732	56,668		
# of hectares in the direct supply chain with deforestation risk assessments completed	35,142	8,780	82,091		
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)		5,183	65,900		
# hectares restored in Forest Reserve / Forêts Classée	0	0	0		
# trees registered	1,000	0	0		

# of farmers with land tenure agreements/documentation obtained via company support		0			
# farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest protection, and restoration	8,535	1,601	43,454		
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): New	0	0	0		
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	0	0	0		
# farmers applying agroforestry: New		1,474	7,879		
# farmers applying agroforestry: Total Active		2,155	11,542		
# farmers provided with technical assistance to adopt and expand agroforestry	1,400	1,601	13,430		
# multi-purpose trees distributed for on-farm planting	100,000	51,512	247,287	66,512	469,481
# hectares cocoa agroforestry: New	1,400	2,939	5,016	4,297	22,206
# hectares cocoa agroforestry: Total Active		4,583	20,205		

# of trees distributed for off-farm planting	15,000	0	0		11,708
# hectares of forest area restored off-reserve / in rural zone	10	0	0		
# farmers provided with technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm (e.g., CSC)	8,535	3,321	28,811		
# of farmers trained in Modified Taungya System (MTS)	0	0	0		
$ contributed to fund					
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD					
# improved cocoa seedlings distributed to farmers	50,000	0		34,978	1,183,999
# farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	8,535	3,321	41,164		
# individuals participating in additional Income Generating Activities (IGA's)		78	8,235		
# individuals provided with technical assistance (based on plans) to increase income from non-cocoa sources / IGA's	1,500	193	4,650		

# Individuals provided with technical assistance to save money and access finance	4,267	9,119	7,842		
# of members of VSLA groups in the current year	750	9,119	9,027		
# of VSLA groups in the current year	30	349	358		
SOCIAL INCLUSION AND COMMUNITY					
# of cocoa communities with active forest restoration and protection program (CBNRM): New	40	19	0	19	198
# of cocoa communities with active forest restoration and protection program (CBNRM): Total Active		19	49		
# hectares under CBNRM	6,000	3,568	19,104	3,568	19,891
# of individuals participating in women's empowerment projects and activities	1,500	658	6,998		
# of individuals participating in youth focused projects and activities (15-35 years old)	65	0	1,207		