











1. Introduction

GCB Cocoa is pleased to publish its fifth Cocoa & Forests Initiative (CFI) progress report. GCB joined the Cocoa & Forests Initiative (CFI) in early 2020, following the launch of a new corporate sustainability strategy, Good Cocoa & Beyond, which includes *Protecting the Environment* as a main pillar. The Cocoa and Forests Initiative is a key component of our strategy to achieve no cocoa-driven deforestation, nor conversion of other natural ecosystems in our direct supply chains by 2030, to contribute to ending cocoa-related deforestation, and to promote forest restoration. This report reflects our journey over the last five years and discusses the CFI-related achievements between October 2023 and September 2024.

Last year was the second year of CFI 2.0, for which we set new ambitions to end deforestation and promote forest protection and restoration in the cocoa supply chain. In this second phase, we have launched direct investment in CFI-related activities with our direct sourcing network in Côte d'Ivoire and strengthened our partnerships with other CFI signatories. We are proud to share our progress within the framework of this renewed and deepened engagement, and we look forward to continuing our collaboration for a sustainable cocoa supply chain.



Introduction

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

The governments of Côte d'Ivoire and Ghana and 35 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the <u>Cocoa & Forests Initiative</u> to 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 delivers on Sustainable Development Goal 13 (Climate Action) and 15 (Life on Land).

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

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

To learn more, follow #CocoaAndForests on social media, or visit Cocoa & Forests Initiative.

The <u>World Cocoa Foundation</u> (WCF); <u>IDH</u>, the <u>Sustainable Trade Initiative</u>; and the Governments of Côte d'Ivoire and Ghana drive the Cocoa & Forests Initiative. The Prince of Wales (now King Charles III) launched the Initiative in March 2017.

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. According to Global Forest Watch, between 2002 and 2023, Côte d'Ivoire lost 28% and Ghana 13% of their humid primary forest, with a large portion of this loss attributable to cocoa farming expansion.

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 the share of cocoa production to overall deforestation rates with a high level of accuracy in cocoa producing countries. Data reliability and a good knowledge of the cause and location of deforestation is essential to develop effective and adequate mitigation measures and ensure that WCF members and partners are compliant with regulations such as the 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.

KEY COMMITMENTS



3. What are the Key Commitments in the Cocoa & Forest 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 degradation of forests. In 2019, the government of Côte d'Ivoire adopted and published a new forest code which, among other things, put forth policies for the promotion of cocoa agroforestry to restore degraded land, improve forest cover, and promote sustainable livelihoods and agriculture in the classified forests and rural zones. Both governments have shared maps on forest cover and land-use, and continue to update the maps, including socioeconomic data on cocoa farmers, to inform private sector investments. Companies have made significant investments in the promotion of cocoa agroforestry and the restoration of degraded forests.

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

KEY COMMITMENTS



3. What are the Key Commitments in the Cocoa & Forest Initiative?



The next critical priority is sustainable agricultural production and increased farmer incomes.

These are essential pre-requisites for reducing pressure for agricultural encroachment into forests and strengthening the resilience of cocoa farmers to climate change.

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 planting materials for the promotion of cocoa agroforestry, training in 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.

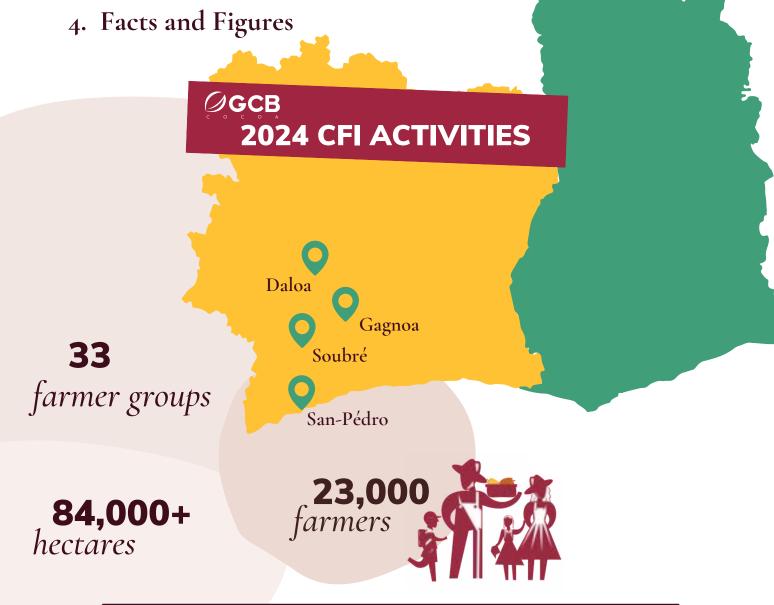


The final area of focus is strong community engagement and social inclusion, with a particular focus on women and youth.

The governments and companies have committed to full and effective consultation and participation of cocoa farmers in the design and implementation of key actions, and promotion of community-based management models for forest protection and restoration. The governments have adopted social and environmental safeguards and are assessing and mitigating the social impacts and risks of any proposed land-use changes on affected communities.









5. GCB's Cocoa & Forests Initiative Progress

In the last year, further progress towards CFI commitments has been made possible through continued and new investment from our customers, including The Hershey Company's <u>Cocoa For Good program</u>, Mars Incorporated's <u>Responsibly Sourced Cocoa Program</u>, Mondelēz International's <u>Cocoa Life program</u>, and Nestlé's <u>Nestlé Cocoa Plan</u>, along with collaboration with partner ETG | Beyond Beans.

In particular, CFI-related activities have been implemented with 33 farmer groups, comprising nearly 23,000 farmers and spanning more than 84,000 hectares in the Daloa, Gagnoa, San-Pedro, and Soubré areas of Côte d'Ivoire, as well as Ghana.

a) Forest Protection and Restoration



Activities in this priority area focused on *farm mapping* and *deforestation risk assessments*, building on previous years' achievements. In 23/24, 7,886 farms were newly mapped, bringing the total number of farms mapped to 20,102, which represents 88% of the direct supply chain. With regards to our direct investment project, "Good Cocoa & Beyond" (GC&B), more than 70% of farms are now mapped, with the remaining to be mapped in the current year. Deforestation risk assessments were also completed for all farms in the network.

By October 2025, 100% of farms will be mapped, with deforestation risk assessments updated at least annually. This will allow us to comply with the European Union Regulation on Deforestation-Free Products, uphold our CFI commitments, and ensure that there is no sourcing in protected areas, nor further conversion of forest land.



Furthermore, 21,620 farmers were trained on the New Forest Code and enhanced environmental protection and stewardship, supporting them to better understand and comply with regulations, as well as adopt good practices with regards to forest protection. This is a 35% increase since 22/23 and includes all 1,942 farmers participating in our GC&B project. This training will continue to be offered on an annual basis.

b) Sustainable Production and Farmers' Livelihoods



Activities in this priority area centred firstly on training in *Good Agricultural Practices (GAPs)*. More specifically, 21,749 farmers were trained on topics including harvest management, pruning, soil fertility, pest management, nursery creation, and farm rehabilitation/regeneration, including 100% of those participating in GC&B. As a result, they are now equipped with the knowledge and skills to grow "more cocoa on less land" and adapt to and mitigate the impact of climate change on production.



In addition to this group training, in 23/24, there was an added focus on the elaboration of individual Farm Development Plans and tailored coaching for farmers. During the year, 15,400 farmers benefited from this bespoke support, a more than 60% increase in reach since last year. The expansion of this initiative is planned throughout 24/25.

Also in this area, 104,542 multi-purpose trees were distributed for on-farm planting, thanks to which a further 2,363 farmers are now trained in and practicing *agroforestry*. Now, a total of 6,886 farmers are applying agroforestry across the network over 12,123 hectares, which will benefit from the key ecosystem services agroforestry offers, including farm restoration and improved cocoa production.

Moreover, 3,609 farmers were trained in *climate smart cocoa (CSC)*. This enables them to address the challenge of climate change and simultaneously reduce and remove carbon emissions on their farms.

This suite of initiatives both fosters sustainable cocoa production and strengthens farmer livelihoods. With less pressure on productivity and incomes, farmers are more resilient, and the risk of expanding their farms in unsuitable areas is reduced.





c) Community Engagement and Social Inclusion



Activities in this priority area prioritized supporting women and youth. 2,947 individuals participated in women's empowerment projects, and 100 *Village Savings and Loan Associations* (VSLAs) were active in farmer groups' communities.

With regards to youth, a total of 290 individuals participated in youth-focused activities and projects. This includes 43 *Youth Service Groups*, which expanded their service offerings to include crop-spraying as well as pruning. The critical services these groups offer to farmers not only promote GAPs and support sustainable production, but they also offer opportunities for young community members.

Promoting holistic and participatory community development in this way builds resilience at all levels; it safeguards against maladapted practices and can prevent and mitigate such related challenges as deforestation and forest degradation.



Annex 1: Tracking Tables

COMMITMENT	ACTIONS	INDICATOR		DIRECT INVESTMENT, OCT 2022 – SEPT 2023	DIRECT INVESTMENT TARGET, OCT 2023 – SEPT 2024	DIRECT INVESTMENT, OCT 2023 – SEPT 2024	TOTAL, OCT 2023 – SEPT 2024	
FOREST PROTECTION AND RESTORATION								
I. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies) for	napping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	# of farms mapped in direct supply chain	CIV	998	2,482	1,378	16,090	
			GH	0	0	o	4,012	
cocoa production.	1.2 Conduct deforestation risk assessments in all direct sourcing areas	# of hectares in the direct supply chain with deforestation risk assessments completed	CIV	6,762	8,015	4,301	34,060	
			GH	0	0	0	9,222	
2. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programs	2.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	MT of directly sourced cocoa traceable from the farm to the first purchase point	CIV	1,171 (49%)	100%	1,312 (73%)	16,986 (92%)	
			GH	0	0	0	3,75 ² (100%)	
5. Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened	participate in awareness-raising campaigns to educate formers on	# farmers informed, trained, and / or consulted on the new	CIV	1,007	791	1,942	18,149	
		enforcement, forest protection, and	GH	0	O	0	3,471	



COMMITMENT	ACTIONS	INDICATOR		DIRECT INVESTMENT, OCT 2022 – SEPT 2023	DIRECT INVESTMENT TARGET, OCT 2023 – SEPT 2024	DIRECT INVESTMENT, OCT 2023 – SEPT 2024	TOTAL, OCT 2023 – SEPT 2024		
FOREST PROTECTION AND RESTORATION									
	7.1 Support distribution and planting of multi- purpose trees for on- farm restoration via agroforestry	# farmers applying agroforestry: new	CIV GH	116 0	0	263 0	1,891 472		
		# farmers applying agroforestry: total active	CIV	116	0	379	6,311		
			GH	О	О	О	575		
7. Public-private collaboration to		# multi-purpose trees distributed for on- farm planting	CIV	3,484	15,000	7,381	69,645		
			GH	О	О	О	34,897		
		# hectares cocoa agroforestry in development: new	CIV	174	311	311	2,651		
identify good			GH	o	o	o	893		
practices, technical guidance and		# hectares cocoa agroforestry in development: total active	CIV	174	682	682	11,088		
mechanisms for forest restoration			GH	О	0	0	1,035		
and agroforestry	7.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	# of trees distributed for off-farm planting	CIV	О	О	О	О		
			GH	0	0	0	0		
		# ha of forest area restored in rural zone	CIV	О	О	О	О		
			GH	О	О	О	О		
	7.3 Train farmers in CSC production including cocoa agroforestry systems	# farmers trained in CSC best practices	CIV	0	0	0	363		
			GH	0	О	О	3,246		



COMMITMENT	ACTIONS	INDICATOR		DIRECT INVESTMENT, OCT 2022 – SEPT 2023	DIRECT INVESTMENT TARGET, OCT 2023 – SEPT 2024	DIRECT INVESTMENT, OCT 2023 – SEPT 2024	TOTAL, OCT 2023 – SEPT 2024	
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOODS								
9. Promote	9.1 Distribute improved cocoa	# improved seedlings distributed to farmers	CIV	N/A	N/A	N/A	N/A	
investment in long- term productivity	planting material	distributed to jurmers	GH	0	0	0	0	
of cocoa in environmentally suitable areas in order to grow	9.3 Train farmers in Good Agriculture	# farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	CIV	1,707	2,107	1,942	18,300	
"more cocoa on less land"	Practices (GAPs)		GH	O	O	O	3,449	
	10.1 Promote farm- level crop diversification	# individuals participating in additional Income Generating Activities (IGA's)	CIV	0	0	0	630	
10. Promote sustainable			GH	0	0	0	1,254	
livelihoods and income diversification for cocoa farmers	10.2 Support distribution and planting of multi- purpose trees for on-	# multi-purpose trees di on-farm planting	stributed for	Already reported 7.1				
	farm restoration via agroforestry	# hectares of cocoa agroforestry						
II. Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation	II.I Offer financial products to farmers and promote farmer savings	# Individuals provided with technical assistance to save money and access finance	CIV	0	1,500	0	0	
			GH	0	0	0	0	
		# of members of VSLA groups in the current year	CIV	0	0	0	1,897	
			GH	0	o	o	984	
		# of VSLA groups in the current year	CIV	0	o	o	62	
			GH	o	O	o	38	



COMMITMENT	ACTIONS	INDICATOR	DIRECT INVESTMENT, OCT 2022 – SEPT 2023	DIRECT INVESTMENT TARGET, OCT 2023 – SEPT 2024	DIRECT INVESTMENT, OCT 2023 – SEPT 2024	TOTAL, OCT 2023 – SEPT 2024			
	SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOODS								
chain mapping, may with the goal of 100% of cocoa 100% of	12.1 Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	# of cocoa plots mapped in direct supply chain	Already reported 1.1						
	12.2 Implement traceability system to farm level in direct supply chain	% of direct sourced cocoa traceable from individual farms to first purchase point		Already re	eported 2.1				





COMMITMENT	ACTIONS	INDICATOR		DIRECT INVESTMENT, OCT 2022 – SEPT 2023	DIRECT INVESTMENT TARGET, OCT 2023 – SEPT 2024	DIRECT INVESTMENT, OCT 2023 – SEPT 2024	TOTAL, OCT 2023 – SEPT 2024		
SOCIAL INCLUSION AND COMMUNITY ENGAGEMENT									
13. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	•	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration		Already reported 5.1					
15. Development of action plans for forest protection and restoration, and sustainable	action plans for 15.1 Develop forest forest protection protection & won and restoration, and sustainable agriculture intensification action plans that are gender and and youth sensitive focus	# of individuals participating in women's empowerment projects and activities	CIV GH	0	0	0	1,963 984		
agricultural intensification that are gender and youth sensitive.		participating in youth focused projects and	CIV	O	18	0	290		
			GH	0	0	0	O		





Annex 2: Result Stories

Alphonse Saga Kaboré farms cocoa on a 2.14-hectare plot in Bobékro, in Côte d'Ivoire's San Pedro region. At 42, he has experienced firsthand the escalating toll of climate change on his crops. "In 2021–2022, I harvested about three tons of cocoa," he recalls. "The following year, it dropped to two tons. But 2023–2024 was the hardest season: between disease and lack of rainfall, I only harvested 800 kg."

Mr. Kaboré is not alone. Across the region, farmers are grappling with increasingly erratic weather patterns. "Before, it rained regularly," he explains. "Now, it can be four or five months without a single drop. The sun burns everything, and the cocoa trees wither. The pods remain small; some don't grow at all." Despite his best efforts—cutting down diseased trees, applying treatments—he has struggled to manage the impacts.

But Alphonse's story is not just one of loss. It's also one of adaptation, learning, and hope. With support from GCB's Good Cocoa & Beyond sustainability programme, Mr. Kaboré is not facing these challenges in isolation. He is now embracing more regenerative and climateresilient farming practices and can see a new path forward. "I was given 49 shade trees. I now know that I risk losing my entire farm if I don't plant trees. I'm carefully looking after those that are already taller than the cocoa trees."

This shift has been more than just technical — it's been a transformation in both mindset and method. Through Farmer Field Schools and one-on-one coaching, Mr. Kaboré has gained the knowledge and confidence to adapt his





cocoa farming to the changing realities he confronts. Regular visits from a "Lead Farmer" help him apply good agricultural practices, while Youth Service Groups from his cooperative assist with pruning and planting.

Mr. Kaboré's story shows not just his resilience, but the power of shared effort. In face of climate uncertainty, collaboration between farmers, cooperatives, and sustainability partners has become a vital source of strength, allowing farmers like Alphonse to find new ways to protect their crops, their livelihoods, and their future. It's a reminder that while the pressures on farmers are immense, they don't have to carry the burden alone.





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