



I. BOLD PUBLIC-PRIVATE ACTION: COCOA & FORESTS INITIATIVE

The governments of Côte d'Ivoire and Ghana and the world's leading cocoa and chocolate companies [signed landmark agreements](#) in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain.

This new public-private partnership, called [the Cocoa & Forests Initiative \(CFI\)](#), has been organised by the World Cocoa Foundation (WCF), IDH - The Sustainable Trade Initiative, and The Prince of Wales's International Sustainability Unit (ISU). The Prince of Wales [launched CFI](#) in March 2017 in London.

[Thirty-one companies](#), accounting for 85% of global cocoa usage, have now signed the Frameworks for Action for [Côte d'Ivoire](#) and [Ghana](#). These Frameworks define core commitments, verifiable actions, and timebound targets required for a deforestation-free and forest positive supply chain.

Each signatory company agreed to prepare a detailed individual action plan that spells out the specific actions it will take to deliver the commitments set out in the Framework. Each company will decide for itself how to best support the achievement of the Framework commitments, based on their role in the supply chain, their corporate strategic priorities, and their cocoa sustainability goals.

CFI has been supported by several global development partners, including the United Kingdom's Department for International Development, the Dutch Ministry of Foreign Affairs, the German Federal Ministry of Economic Cooperation and Development, the World Bank, the International Finance Corporation, and the Green Commodities Program of the United Nations Development Program.

CFI is coordinated closely with a wide range of global and local environmental organisations, including the Tropical Forest Alliance 2020, the Rainforest Alliance, World Resources Institute, and Mighty Earth.

II. WHAT ARE THE KEY COMMITMENTS IN CFI?

The Frameworks are structured around three critical themes: (1) forest protection and restoration, (2) sustainable production and farmers' livelihoods, and (3) community engagement and social inclusion.

The top priority is the protection and restoration of forests that have been degraded. To this end, the government 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. Up-to-date maps on forest cover and land-use, socio-economic data on cocoa farmers, and detailed operational guidelines covering forest management and land-use are being developed and publicly disclosed.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop verifiable monitoring systems for traceability from farm to the first purchase point for their own purchases of cocoa, and to work with government to ensure an effective national framework for traceability encompassing all traders in the supply chain.

The second critical priority is sustainable agricultural production and increased farmer incomes. These are essential prerequisites for reducing pressure for agricultural encroachment into forests and strengthening the resilience of cocoa farmers to climate change.

The governments and companies have agreed to accelerate 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 in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers’ organisations. Sustainable livelihoods and income diversification for cocoa farmers will be accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agro-forestry systems and shade-grown cocoa.

The third 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 will assess and mitigate the social impacts and risks of any proposed land-use changes on affected communities.

The set of public-private actions represent unprecedented commitments on forest protection and restoration, and sustainable cocoa production and farmer livelihoods. These combined actions, which are aligned with the Paris Climate Agreement, will play a crucial role in sequestering carbon stocks and thereby addressing global and local climate change.

III. UNILEVER’S OVERALL VISION FOR CFI

Deforestation is a major contributor to climate change, accounting for up to 15% of global CO₂ emissions. In 2014, Unilever announced that deforestation would become one of our three priorities for transformational change, committing to working with our supply chain, the wider commodities and consumer goods sectors, governments and civil society to driving deforestation out of commodity supply chains and implementing solutions at scale. Unilever is already working with several organisations and partnerships including the Consumer Goods Forum, the Tropical Forest Alliance, IDH – The Sustainable Trade Initiative, and Global Forest Watch (convened by the World Resources Institute), to drive progress and align business action with public policy. We believe joining CFI is an important and coherent next step in our ambitious journey.

By the end of 2018, 82% of our cocoa derivatives¹ were sourced sustainably through certification schemes such as the Rainforest Alliance (RA), UTZ and Fairtrade that allow buyers like us to work with suppliers within existing sustainability frameworks.

We continue to believe in the role of certification as a key tool in driving industry change. At the same time, we are committed to continuous improvement and we believe that further strengthening of certification standards is an important step in the journey to deforestation-free cocoa cultivation.

We are committed to help end deforestation in the cocoa industry through close collaboration with key suppliers and believe the Cocoa & Forests Initiative of the World Cocoa Foundation will play a pivotal role in creating a broader industry platform connecting with government and NGOs to deliver upon these objectives.

IV. OVERVIEW OF UNILEVER'S ACTION PLAN

This **Action Plan** presents our company's key activities planned over the period 2018-2022 to fulfil CFI commitments to end deforestation and forest degradation in the cocoa sector in Côte d'Ivoire (as we do not have any dedicated cooperatives in Ghana). The priorities outlined in this action plan align with the priorities developed in the CFI national implementation plans for Côte d'Ivoire. This is an initial action plan, since the government has not yet provided important background information required to finalise our individual action plans (such as boundary maps for protected forests and updated operational guidance about land-use in degraded forest areas). Therefore, several activities from our initial action plan are still to be determined pending government input. Our action plans will be finalised in mid-2019 once the Ivorian government has provided the necessary data.

As such, we are waiting to finalise the action plan before determining the level of our financial investment over the next five years.

This initial action plan was shared by WCF on an aggregated basis with the Ivorian government for feedback prior to being finalised and published to ensure overall alignment.

V. PRIMARY ACTIVITIES AND INVESTMENTS

PILLAR 1: FOREST PROTECTION AND RESTORATION

Unilever does not source directly from any cocoa smallholders since we are not originators. However, through our suppliers, we maintain long-term relationships with dedicated cooperatives in Côte d'Ivoire. As such, we felt we should become signatories of CFI and publicly commit to no sourcing of cocoa from National Parks and Reserves through the traceable direct sourcing programmes of our tier 1 suppliers.

As is true for all CFI signatories, part of our commitment to halt further conversion of any forest land included conducting a deforestation risk assessment in all sourcing areas where our dedicated cooperatives are based. This geospatial risk assessment combined satellite imagery and other geographical information to identify where deforestation is or is likely to occur based

¹ For further detail, see [Targets & performance](#) in our Sustainable Living Report

on land cover and recent land cover changes. To date, we have mapped approximately 15,000 farm plots.

Once the Ivorian government has published the appropriate social and environmental safeguards to ensure that there is minimal impact on the farmers and communities producing cocoa illegally in the protected areas, we intend to report on all farms found in National Parks and Reserves to the Ivorian Ministry of Water and Forests (expected April 2019).

Once the mapping of our dedicated farmers in Côte d'Ivoire is complete, and a differentiated approach based on the level of degradation of forests for the current Classified Forests is developed by the Ivorian government and translated into a national forest restoration strategy, we will be in a position to firm up a progressive remediation strategy based on findings, a prescribed timeline and key roles and responsibilities specified in the land use plans. This process requires inputs from key external stakeholders hence we are hoping to be able to update this information in mid-2019.

Our top priority will be to assist farmers who are in National Parks, or in close proximity, to find alternative livelihoods in accordance with industry guidelines.

We are also supporting the distribution and planting of multi-purpose trees for on-farm restoration, and by 2022, we will have distributed over 100,000 seedlings.

Since 2012, Ben & Jerry's has been piloting how mixed agroforestry and payments for environmental services can help raising incomes for cocoa farmers in Latin America. We hope to use their insights to develop a similar programme in Côte d'Ivoire replicating the successes we have seen to date. By 2022, we expect to have developed about 1,000 hectares of cocoa agroforestry.

We will also consider, depending on the scope and governance model, to support the creation of a public-private fund that the Ivorian government and other stakeholders are planning to launch to support the long-term financing of the protection and restoration of high conservation value forest areas. We are looking forward to learning more about this area from WCF in May 2019.

PILLAR 2: PRODUCTIVITY AND LIVELIHOODS

Productivity enhancements in cocoa are closely linked to improved livelihoods. We are committed to promote investment in long-term productivity of cocoa in order to grow "more cocoa on less land" through provision of training in good agricultural practices, and the development and capacity building of farmers' organisations which are critical enabling factors for sustainable agriculture development.

To date, via our suppliers, we have reached over 12,000 farmers with training to comply with Rainforest Alliance Certification requirements. We have enabled the assessment of the development needs for nine farmers' groups and the ad-hoc support in developing improvement plans such as the provision of cooperative management training and the finance of transportation.

We recognise the importance of access to financial mechanisms for farmers to enable them to invest in their farms and diversify their incomes. Specifically, we are planning to promote access to saving and credit, including the establishment of Village Loans and Savings Associations.

PILLAR 3: COMMUNITY ENGAGEMENT & SOCIAL INCLUSION

We believe that gender empowerment and the creation of alternative livelihoods for farmers will play a crucial role in fighting deforestation. In partnership with our suppliers, we have launched two pilot programmes which target women and reach a total of about 500 farmers to test income diversification strategies on intercropping and entrepreneurship. If successful, learnings could be mainstreamed in our extended supply chain and upscaled.

The first project, co-funded by Unilever and the Ford Foundation and implemented by the One Acre Fund, aims to support farmers diversifying their crop production into maize, thus lowering their reliance on cocoa as their only source of income.

The second project, co-funded by Unilever and DFID and implemented by Technoserve, aims to trial an innovative last-mile distribution model for rural smallholder communities by leveraging cocoa cooperatives to distribute high-impact products (including soap, detergents and toothpaste) and provide income diversification opportunities for cocoa farmers who are recruited as agents to sell products with health, hygiene and well-being benefits to members of their communities.