

# Unilever CFI Annual Progress Report 2021

- Côte d'Ivoire -

## 1. 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 [Cocoa & Forests Initiative \(CFI\)](#) to end deforestation and restore forest areas. Their combined actions play a crucial role in 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 ([Côte d'Ivoire](#) and [Ghana](#)) and action plans for the private sector ([Côte d'Ivoire](#) and [Ghana](#)) and public sector ([Côte d'Ivoire](#) and [Ghana](#)) that spell out commitments to:

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

The [World Cocoa Foundation](#) (WCF); [IDH, the Sustainable Trade Initiative](#); and the Governments of Côte d'Ivoire and Ghana drive the Cocoa & Forests Initiative. The Prince of Wales launched the Initiative in March 2017 and reviewed implementation progress in November 2018.

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. [Côte d'Ivoire](#) and [Ghana](#) respectively lost 26% and 9.3% of their humid primary forest between 2002 and 2020, with a significant portion of deforestation attributable to cocoa farming expansion.

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.



World Cocoa  
Foundation

## 2. What are the key commitments in the cocoa and forest initiative?

The Cocoa & Forests Initiative commitments are focused on three key priorities: (1) forest protection and restoration, (2) sustainable production and farmers' livelihoods, and (3) community engagement and social inclusion.

**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 around the classified forests and rural zones. Both governments have shared maps on forest cover and land-use, and continue to update the maps, including socio-economic data on cocoa farmers, to inform private sector investments.

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 (in development) to effectively monitor progress on CFI, as well as proactively address threats of new deforestation.

**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 training in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers' organisations. 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.

### **3. Unilever's overall vision for Cocoa & Forests Initiative**

Deforestation is a major contributor to climate change, accounting for up to 15% of global CO<sub>2</sub> emissions. At Unilever, deforestation is one of our 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, Global Forest Watch (convened by the World Resources Institute) and the European Union Due Diligence Policy, to drive progress and align business action with public policy.

We joined CFI in 2018, an important and coherent next step in our ambitious journey.

In 2020 we took our commitment further and announced that by the end of 2023, key high-risk deforestation raw materials, including cocoa, will come from places that are verified as deforestation and conversion free. Please look at Annex 1 to access our Disclosure of CFI Company Action Plan.

By the end of 2021, 99% of our cocoa derivatives were sourced sustainably through certification schemes such as the Rainforest Alliance (RA) and Fairtrade that allow buyers like us to work with suppliers within existing sustainability frameworks. For further detail, see the Sustainable and Regenerative Sourcing section of our [website](#).

We continue to believe in the role of certification as a key tool in driving industry change, and that strengthening of certification standards is an important step in the journey to deforestation-free cocoa cultivation.

We are determined to source 100% of our cocoa sustainably – but we know we need to go further to generate systemic change. This is why we have set ourselves the goal of sourcing 100% of our cocoa deforestation free by 2023 and to drive impact programmes that complement the work of certification and bring us closer to the people who grow our ingredients. Our CFI actions target about 24,000 farmers in these impact programmes.

At the same time, we are committed to continuous improvement to help end deforestation in the cocoa industry through close collaboration with key suppliers. We 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.

## 4. Overview of Unilever Cocoa & Forest Initiative progress report

This progress report is based on data collected for the Monitoring, Evaluation and Learning (MEL) Framework devised by and reported in accordance with the WCF guidelines. It shows our company's key activities planned over the crop season 2020-2021 to fulfil CFI commitments to end deforestation and forest degradation in the cocoa sector in Côte d'Ivoire (we do not have dedicated cooperatives in Ghana) and our achievements to date. The priorities outlined in this progress report align with the priorities developed in the CFI national implementation plans for Côte d'Ivoire.

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.

Several activities from our initial action plan are still to be determined pending government input. Our CFI actions detailed below are implemented with the support of our suppliers that are working with more than 24,000 individual cocoa farmers involved in the impact programme scope of this plan.

### Pillar 1: Forest Protection and Restoration

Unilever has committed to a deforestation-free supply chain by 2023, and cocoa is one of the five priority crops we are working on.

Our strategy to achieve this is built on three pillars:

**Focused sourcing:** We are collaborating with partners that share our values for people and environment and have strengthened our contractual framework with key suppliers. This to ensure we are working on aligned commitments following the release of our People & Nature Policy in 2020.

**Traceability and Transparency:** We are working to ensure we build the greatest degree of traceability and transparency in our supply chain. We expanded the coverage and capabilities of our deforestation monitoring platform, which uses satellite imagery and geolocation data to measure and respond to deforestation in our supply chain.

**Empowering the farmers and smallholders in communities and areas we source from:** Our sourcing strategy seeks to empower and enhance the livelihoods of smallholders across the commodities we work in.

Given the strategy and commitments outlined above, and as signatories of CFI, it is consistent for us to publicly commit to no sourcing of cocoa from protected areas,

or National Parks and Reserves through the traceable direct sourcing programmes of our Tier 1 suppliers.

Part of our commitment as a signatory to CFI is to halt further conversion of any forest land and conduct 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 on land cover and recent land cover changes.

- We have targeted to map 100% of the 23,996 farmers involved in our impact programme. To date we have mapped 25,006 farm plots linked to 20,821 farms and representing 87% of farms in our programme.

Our commitment to report on all farms found in National Parks and Reserves to the Ivorian Ministry of Water and Forests is operational and the farmer list is available. The transfer of this information to the government (from our Tier 1 Suppliers) is dependent on agreement on social safeguards.

Based on the mapping of our dedicated farmers in Côte d'Ivoire, we are now working to develop a differentiated approach based on the level of degradation of forests. Once finalised, it will help us to firm up a progressive strategy based on findings as well as a prescribed timeline and key roles and responsibilities specified in the land use plans.

This process requires inputs from the government, which is currently finalising the operational decrees that provide further guidance on the new forest policies, which will further inform our remediation and investments. The requirements from the government also include updated protected forest maps and we are expecting to report on this in our 2022 progress report.

Going forward, a top priority is to assist farmers who are in National Parks, or in proximity, to find alternative livelihoods in accordance with industry guidelines. A remediation programme has already started in 2021 with local partners and is currently still ongoing. In this remediation programme, we have conducted a baseline assessment with shapefiles provided by Tier 1 Suppliers, and we are supporting farmers in the deployment of agroforestry models. Local suppliers' staff have been trained to facilitate agroforestry data collection, as well as monitoring and evaluation of activities.

- As part of our integrated agroforestry approach, we have distributed and planted 171,788 multi-purpose trees for on-farm restoration, and we are planning to distribute about 370,000 multi-purpose trees by 2023.
- Tree distribution for off-farm restoration has started in 2021 with very low numbers but we are expecting to plant about 30,000 trees on off-farm areas by 2023.

- We worked with 109 communities implementing active forest restoration and protection programmes (CBNRM) under 1,941 ha of area.

Regarding the public enforcement of the new Forest Code and its subsequent guidelines, we have initiated training and awareness-raising campaigns via suppliers and implementers to educate farmers in high-risk areas via theatrical plays, especially in the Cavally region.

- In the overall implementation programme, 7,225 farmers were informed, trained, or consulted regarding the new Forest Code, law enforcement, forest protection and restoration in 2021.
- We also initiated forest protection awareness-raising campaigns using radio drama episodes, aired with three different local radio stations in French and 5 local languages: Dioula, Baoulé, Moré, Guéré, Bété. The effectiveness of the radio programme was evaluated with the support of Farm Radio International (FRI) and key findings such as the radio programme listenership and the level of knowledge, will help to improve the second round of the radio programme that is expected for 2022.
- The evaluation results will also help to develop a new gender drama programme that will be implemented in 2022.

Regarding 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, this is also an initiative that we will consider depending on the scope and governance model. We are looking forward to learning more about this area from WCF in 2022.

## **Pillar 2: Productivity and Livelihoods**

Productivity enhancements in cocoa are closely linked to improved livelihoods. We are committed to increasing the long-term productivity of cocoa to grow “more cocoa on less land”, through investments in training in good agricultural practices for farmers, the subsidisation of inputs, and the development and capacity building of farmers’ organisations. These are critical enabling factors for sustainable agriculture development.

- Between October 2020 and September 2021, we have trained 10,877 farmers on good agricultural practices via our suppliers, to comply with Rainforest Alliance Certification requirements.
- The company has established procurement policies that operationalise sustainable cocoa supply chain commitments, and address social and environmental risks in the supply chain with 215 cocoa communities.

- We are working with about 24,000 households in our direct supply chain, all of whom are covered by effective and sustainable child protection systems that assess and address child labour.
- We have also enabled the assessment of the development needs for 36 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 worked to promote access to saving and credit, including the establishment of Village Savings and Loans Associations (VSLA) for over 3,500 members. We will report more progress on these actions by next year (2022).

### **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. With our partners, we have launched programmes to achieve these goals. Over the last three years, we have launched pilot programmes to test income diversification strategies and entrepreneurship, targeting women. These programmes aim to support farmers in diversifying their crop production as well as exploring additional sources of off-farm income.

- Specifically these programs reached a total of over 3,500 farmers. These initiatives provided a wealth of learnings on which to base the programme as we upscale in more communities in 2022.

Coop members have also started forming and involving themselves in Village Savings and Loans Associations (VSLA) groups and we will report on this by next year.

## **5. Looking Forward to 2022 and Beyond**

Since 2018, signatory companies have been working to fulfil their commitments to end deforestation and restore degraded forests in the cocoa sector. In 2021, Unilever and partners have continued to implement the CFI remediation and restoration programmes as initially planned. However, based on the various activities we are currently implementing in (i) forest protection and restoration, (ii) sustainable production and farmers' livelihoods, and (iii) social inclusion and community, the targets set in the 2018/2019 report for 2022 achievements will be adjusted for the coming years' reports.

The governments of Côte d'Ivoire and Ghana delivered on numerous commitments which have informed our planning. Based on these government commitments, companies like ours are now able to further develop their activities, moving from planning to implementation. As the governments continue to provide critical information, we will continue to ramp up our delivery of CFI activities in alignment with government priorities. This will include building partnerships with global development partners to drive forest-positive impact on the ground and identifying opportunities for collective action at landscape level.

The Cavally region is a landscape of relevance for us since it is an area of huge importance for biodiversity and forest conservation and at high risk of deforestation. Therefore, the radio programme to raise awareness on the new forest code launched in 2021 will continue in 2022, in the Cavally region and extended to include the topic of gender awareness. The mini drama series is expected to reach over one million listeners in French and five local dialects across three local radio stations. Going forward, actions to improve the living income for our cocoa farmers will be strengthened in 2022.

## Tracking Table Côte d'Ivoire

| Indicator   | 2022 Target | # Through direct investment (Current reporting year) | # Through direct investment (Since 2018) |
|---|-------------|--|--|
| <b>FOREST PROTECTION AND RESTORATION</b>  |             |  |  |
| # of cocoa plots mapped in direct supply chain  | 26 328      | 25 006   |  |
| # of farms mapped in direct supply chain  | 24 083      | 20 821   |  |
| # of hectares in the direct supply chain with deforestation risk assessments completed  | 59 000      | 70 832   | 193 097                                  |
| % of directly sourced cocoa traceable from the farm to the first purchase point   | 100%        | 80%  |  |
| # hectares restored in Forest Reserve / Forêts Classée  |             |  |  |
| # trees registered  |             |  |  |
| # of farmers with land tenure agreements/documentation obtained via company support   |             |  |  |
| # farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration     | 14 000      | 7 225  |  |
| # individuals receiving PES: New  |             |  |  |
| # individuals receiving PES: Total Active   | 100         | 117  |  |
| # farmers applying agroforestry   |             | 293  | 2 291                                    |
| # multi-purpose trees distributed for on-farm planting  | 104 000     | 171 788  | 357 631                                  |
| # hectares cocoa agroforestry in development  | 1 250       | 1 969  | 4 715                                    |
| # of trees distributed for off-farm planting  | 20 000      | 136  | 5 456                                    |
| # hectares of forest area restored off-reserve / in rural zone  | 2 000       |  | 4  |
| # farmers trained in CSC best practices   |             | 2 992  |  |
| # of farmers trained in Modified Taungya System (MTS)   |             |  |  |
| \$ contributed to fund  |             |  |  |
| <b>SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD</b>   |             |  |  |
| # improved cocoa seedlings distributed to farmers   |             |  |  |
| # of farmers reached by GAP training programs   | 17 000      | 10 877   |  |
| # individuals participating in additional Income Generating Activities (IGA's)  | 6 000       | 622  |  |
| # of individuals in the current reporting year enrolled in a formal financial products and services with support from companies | 13 000      | 5 219  |  |
| # of members of VSLA groups in the current year   | 4 000       |  |  |
| # of VSLA groups in the current year  | 158         |  |  |
| <b>SOCIAL INCLUSION AND COMMUNITY</b>   |             |  |  |
| # of cocoa communities with active forest restoration and protection program (CBNRM)  | 10          | 109  | 110                                      |

|   |    |       |       |
|---|----|-------|-------|
| # hectares under CBNRM  | 10 | 1 941 | 1 944 |
| # of individuals participating in women's empowerment projects and activities             |    | 18    |       |
| # of individuals participating in youth focused projects and activities (15-35 years old) |    |       |       |