



# Cocoa & Forests Initiative

## Progress Report 2018 - 2019



Cocoa &  
Forests  
Initiative



World Cocoa  
Foundation

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# Foreword

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With UPL taking over from Arysta LifeScience as the only agricultural inputs company in the Cocoa & Forests Initiative, we are extremely proud to be a signatory and have enjoyed being a part of the programme's initiation, growth and development in its first year.

The relevance of the initiative's aims has only grown in importance over the past 12 months and we believe that it is more urgent than ever that we work together to deliver a vision of prosperous, respectful and sustainable agriculture that plays a leading role the fight against deforestation in West Africa.

Across our global business, UPL has made it a responsibility to prioritise openness and collaboration so that our expertise in research and innovation and around practical agronomic solutions can be shared as widely as possible for the benefits of farmers and forests alike.

Our mission with *OpenAg* is to build a new working model that brings together all the different players in the food system to generate a much deeper impact on society, where agriculture is properly valued,

food is sustainable, and small farmers grow and prosper.

So as we reflect on this first year with CFI and look ahead to 2020 and beyond, we are confident that the organic and climate-smart technologies we are developing form part of the solution for intensive agroecology farm models.

From bio-controls and bio-stimulants to innovative water retention technologies, we are working harder than ever to facilitate smallholders' access to transformative inputs which will allow for the sustainable co-existence of cocoa orchards, forests and thriving communities across West Africa.

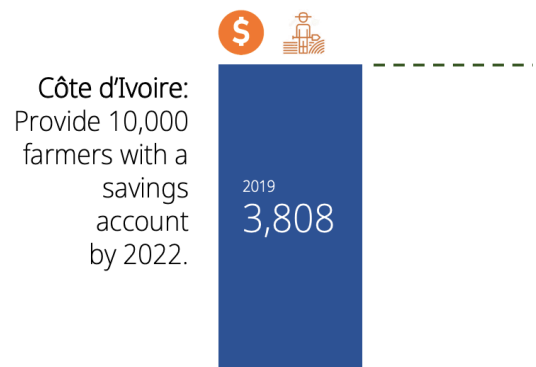
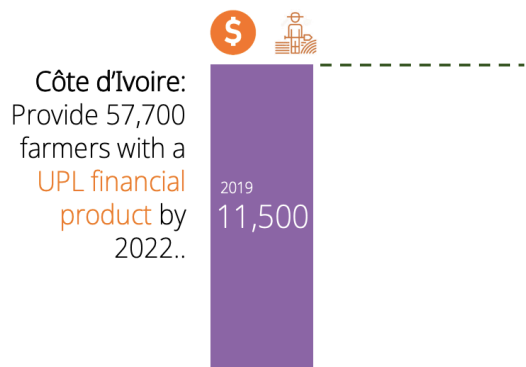
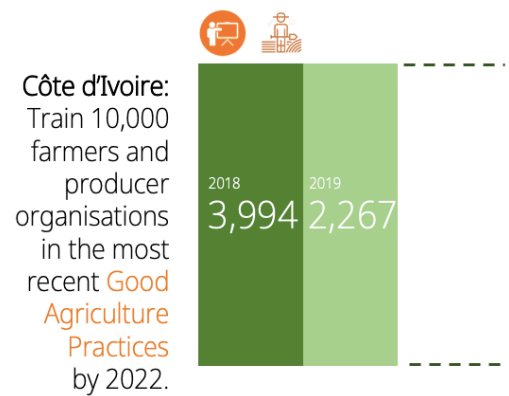
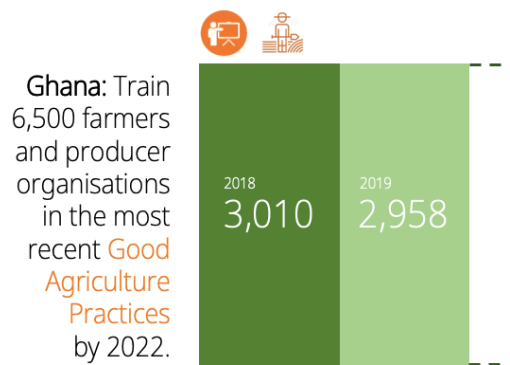
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**Diego Casanello**  
Global COO - Crop Protection  
UPL Ltd

# Key Facts & Figures

## CFI Pillar 2: Sustainable Production and Farmers' Livelihoods



## Our Integrated Offer





# What is the 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 public-private partnership – called the Cocoa & Forests Initiative (CFI) – has been organized by the World Cocoa Foundation (WCF), IDH - the Sustainable Trade Initiative, and The Prince of Wales's International Sustainability Unit (ISU), in partnership with the Governments of Côte d'Ivoire and Ghana. The Prince of Wales launched CFI in March 2017 and reviewed implementation progress in November 2018.

The Frameworks for Action for [Côte d'Ivoire](#) and [Ghana](#) define core commitments, verifiable actions, and timebound targets required for a deforestation-free and forest-positive supply chain.

The Governments of Côte d'Ivoire and Ghana establish national strategies, policy environments, and governance structures for CFI implementation. They ensure that CFI is linked to similar initiatives with other commodities, and fully aligned with the national REDD+ strategies and other relevant national strategies and plans. They provide key operational guidance, and baseline economic, environmental, and social data, to help companies identify and plan the most effective and efficient private investment activities for CFI.

The Governments have prepared comprehensive National Implementation Plans (Côte d'Ivoire, Ghana) that outline public sector priorities, actions and timelines. Since 2017, both governments have fulfilled commitments on the key building blocks for successful CFI implementation, including important revisions to the legal framework for sustainable forest management, adoption of World Bank environmental and social safeguard standards, and preparation and sharing of up-to-date boundary maps of protected areas.

In March 2019, 34 CFI signatory companies, accounting for about 85% of global cocoa usage, released initial action plans for 2018-2022. These initial plans detail how the private sector will deliver the commitments spelled out in the Frameworks for Action. Each company explained how they will support the Framework objectives, based on their role in the supply chain, their strategic priorities, and their cocoa sustainability goals. WCF published a summary of the initial action plans for the cocoa and chocolate industry (Côte d'Ivoire, Ghana).

On the 2020 International Day of Forests, the Cocoa & Forests Initiative companies and governments of Côte d'Ivoire and Ghana reported on the first year of implementation\*. Companies published individual reports on progress and outcomes related to the implementation of their specific actions. The following is the aggregate progress report of company actions.

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

CFI is coordinated closely with a wide range of global and local environmental organizations and partnerships, including the Amsterdam Declaration Partnership, Climate Focus, the German Initiative on Sustainable Cocoa, Partnerships for Forests, Proforest, Rainforest Alliance, Tropical Forest Alliance, World Resources Institute, World Agroforestry (ICRAF), and the World Wildlife Fund.

The industry is committed to ending deforestation and forest degradation throughout the global supply chain. Already in 2018, we have expanded CFI from West Africa to Latin America, with the signing of a new Framework of Action in Colombia in July 2018.

#### \*CFI Signatories:

UPL (formerly Arysta LifeScience), Barry Callebaut, Blommer Chocolate Company (1), Cargill Cocoa and Chocolate, Cémoi (1), Chocolats Halba (2), Cocoanect, Cococo Chocolatiers, ECOM Group (2), Fazer, Ferrero, GCB Cocoa (1), General Mills Inc., Godiva Chocolatier Inc., Guittard Chocolate Company, The Hershey Company, Indcresa (2), Kuapa Kokoo (2), Lindt & Sprüngli Group, Marks & Spencer Food, Mars Wrigley Confectionery, Meiji Co. Ltd. (2), Mondelez International, Nestlé, Olam Cocoa, PBC Limited (2), Sainsbury's, SIAT (1), Sucden, Tesco, Toms Group (2), Touton, Unilever (1), Valrhona, and J.H. Whittaker & Sons (2).

(1) Côte d'Ivoire only

(2) Ghana only



## What are the key commitments in the Cocoa & Forests Initiative?

Cocoa & Forests Initiative activities proceed from three 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 in the classified forests and rural zones. The Ivorian government is currently finalizing the operational decrees that provide further guidance on the new forest policies. Both governments have shared maps on forest cover and land-use, and are currently updating the maps, including socio-economic data on cocoa farmers, which will further inform private sector investments.

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 governments to ensure an effective national framework for traceability encompassing all traders in the supply chain. 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 provision of improved planting materials, 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 are assessing and mitigating 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.





An aerial photograph of a lush green forest. A dark, winding river or stream flows through the center of the image, surrounded by dense, vibrant green trees. The perspective is from directly above, showing the intricate patterns of the forest canopy and the meandering path of the water.

## UPL Programmes & Progress

### Pillar 2: Sustainable Production and Farmer's Livelihoods



# Training



## Pillar 2: Sustainable Production and Farmer's Livelihoods

UPL has continued to play a central role in furthering the aims of the Cocoa and Forests Initiative, acting as a technical partner of the cocoa industry on the ground.

In Ghana and Côte d'Ivoire, we have continued to lead work around Sustainable Production and Farmers' Livelihoods through our effort to train farmers and producer organisations in the most recent Good Agriculture Practices (GAPs) and introduce innovative technologies for a more sustainable cocoa farming.

### Ghana

In Ghana, we are well on our way to meeting our **2022 target of reaching 6,500** farmers through direct investment, with **3,010 farmers trained** in 2018 and **2,958 farmers reached** in 2019 by our N'Guso Papa programme.

### Côte d'Ivoire

In Côte d'Ivoire, we have made excellent progress in meeting our **2022 target of reaching 10,000** farmers through direct investment, with **3,994 farmers trained** in 2018 and **2,267 farmers reached** in 2019.

This work is being led through a number of UPL's outreach initiatives and with a number of industry partners.

In 2018, UPL worked with **904 individual farmers** through our proprietary "Applique Bien" programme, another **1,750 through field training days on demonstration plots** and a further **260 farmers** as part of our integrated project with exporter OCEAN, also known as our 'three step approach' for growing more cocoa on less land.

That same year UPL also improved the lives and livelihoods of **60 farmers with Touton** and **1,020 farmers with Olam** using a full cocoa input package including 'Banzai', the first ever bio-stimulant created exclusively for use with cocoa trees. We are proud to announce that we were able to achieve **+30% yield increase** on average, thus contributing to a significant **+18% increase in farmers revenue**.



# Training



Pillar 2: Sustainable Production and Farmer's Livelihoods

In 2019, Callivoire worked with **942 individual farmers** through our "Applique Bien" programme, **350 farmers through demo days** and **600 farmers** through our integrated programme with OCEAN.

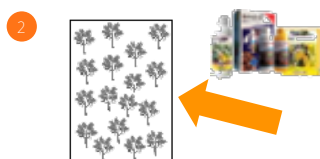
Our external industry and development partners included **104 farmers** reached through our work with Touton, **200 farmers** with Germany's 'Gesellschaft für Internationale Zusammenarbeit' (GIZ) and 71 farmers through Cocoanect.

## Our 3-Step Programme

UPL believes in interventions that bring lasting change for growers. This means our technical solutions and refreshed agri- practices are introduced progressively, persuasively and through an innovative three-step approach:



Training  
Campaign



Demonstration Plots:  
GAPs + input  
package



Farmer  
Adoption + Monitoring  
And Evaluation



# Crop Diversification

Pillar 2: Sustainable Production and Farmer's Livelihoods



## Côte d'Ivoire

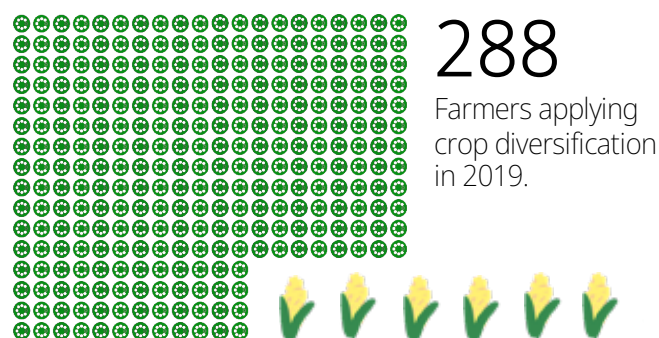
UPL continues to lead several programmes in Côte d'Ivoire to address sustainable production and farmers' livelihoods in the past 12 months.

We are committed to powering new levels of sustainable growth, and to help generate a deeper impact on society, and where agriculture is properly valued, so much of which relies on farmers growing and prospering. Our work in promoting farm-level crop diversification is aimed at creating greater economic and climate resilience for small growers so that increased profitability doesn't rely on more hectares under cultivation.

We have made significant progress with farmers applying crop diversification through direct investment, with **288 farmers applying crop diversification (maize)** in 2019. This work is being led with our industry partners Cargill, with whom we reached **38 farmers**, and with Barry-Callebaut with whom **250 farmers** have applied crop diversification.

In 2020, programmes will also be scaled to include rice and veggies.

UPL is also contributing to sustainable production and farmers' livelihoods through financial inclusion practices via our financial product offering to growers in Côte d'Ivoire. Our financial products have created a new route for farmers to access to sustainable input packages and bio-solutions, enhancing yield and quality of cocoa crops, contributing to improved farmer health and lessening environmental impact.





# Financial Inclusion



## Pillar 2: Sustainable Production and Farmer's Livelihoods

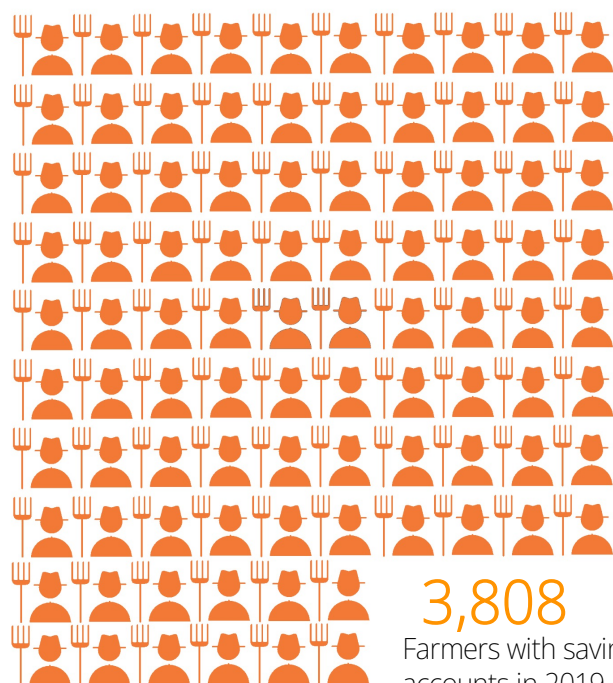
The objective of UPL's services is to move towards a more responsible cocoa farming, through greater respect for producers and their environment.

This relies on appreciating the wider societal needs of cocoa growing communities and recognising how and where UPL can provide assistance. In the last 12 months, one of our most successful programmes addressing Sustainable Production and Farmers' Livelihoods has been to promote greater financial education and resilience through farmer savings accounts.

We have made significant progress in meeting out 2022 target of 10,000 farmers with savings accounts through direct investment, with 3,808 farmers having savings accounts in 2019.

This work is being led with our microfinance institution partner Advans and has been delivered in 47 cooperatives in Côte d'Ivoire. As of 2019, more than 100 million FCFA worth of input credits have been granted.

In 2019, 11,500 farmers were offered a UPL financial product (input credit) with Advans in pursuit of our 2022 target of 57,700 farmers being offered a UPL financial product through direct investment.





# Looking Forward to 2020 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 2019, the governments of Côte d'Ivoire and Ghana delivered on numerous commitments which have informed company planning. Companies will now be able to further develop their activities, moving from planning to implementation. As the governments continue to provide critical information (e.g. socio-economic assessments, updated land-use maps, operational decrees for implementation of the new forest code), companies will continue to ramp up their delivery of CFI activities in alignment with government priorities. This will include identifying opportunities for landscape level collective action, as well as building partnerships with global development partners to drive forest positive impact on the ground.

## UPL: Looking Ahead

First initiated by Arysta Life Science, UPL's W&C Africa team has led a commitment to collaborations for the last 30 years and is developing

a new initiative to scale this approach with the wider UPL team and across the African continent.

Success in providing state-of-the-art agricultural inputs and innovative technologies to smallholder farmers, particularly in West and Central Africa, relies on overcoming the barrier of reaching them where they are - often in very dispersed rural areas with poor transport connections, investing in intensive extension techniques to make change happen, provide financial support to make these changes easier to attain and easier to preserve.

UPL has always relied on its long-term relationships in the region, with partners throughout the value chains of each product, with development institutions and with micro-finance organisations.



## Looking Forward to 2020 and Beyond

In 2020, UPL will be launching new collaborations in the value chain, pursuing our role as a technology catalyser with several innovations which will include:

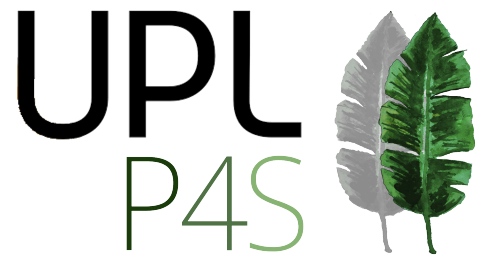
- The introduction of a new water-retention technology (called Zeba®)
- The registration of new Bio-fungicide for cocoa
- The development of a fully organic and low residue technical itinerary to answer to the most recent food chain requirements.

### Partnerships for Sustainability

Our collaboration initiative has recently been formalised in West and Central Africa (W&CA) under the new 'Partnerships for Sustainability' (P4S). In 2020 and beyond, collaboration will be core to UPL's *OpenAg* purpose and contribution to CFI.

Greater collaboration represents a compelling opportunity to scale-up interventions, catalyse innovation technology, create new routes to market and ultimately reach more cocoa growers.

The P4S concept will work with UPL's relationships in West Africa and across the African continent to identify areas of shared interest, opportunity and concern throughout the value chain and align with the efforts of government and development organisations.



### P4S will work to:

- Impact and benefit more farmers
- Introduce innovative, sustainable, climate-smart technologies

# Annex 1: Tracking Table

## Côte d'Ivoire

| Commitments   | Actions  | Indicator  | 2022 Target through direct investment | # through direct investment in 2018 | # through direct investment in 2019 |
|---|--|--|---------------------------------------|-------------------------------------|-------------------------------------|
| Sustainable Production and Farmer Livelihoods   |  |  |                                       |                                     |                                     |
| 11.   | 11.3   |  |                                       |                                     |                                     |
| Promote investment in long-term productivity of high quality cocoa in environmentally sustainable manner and grow "more cocoa on less land."    | Train farmers and producer organizations in the latest Good Agriculture Practices (GAPs) | # farmers trained in GAPs                        | 10,000                                | 3,994                               | 2,267                               |
| 12.   | 12.1   |  |                                       |                                     |                                     |
| Promote sustainable livelihoods and income diversification for cocoa farmers  | Promote farm-level crop diversification  | # farmers applying crop diversification          | N/A                                   |                                     | 288                                 |
| 13.   | 13.1   |  |                                       |                                     |                                     |
| Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation | Promote farmer savings   | # farmers in supply chain with a savings account | 10,000                                |                                     | 3,808                               |
|   | 13.2   |  |                                       |                                     |                                     |
|   | Offer financial products to farmers  | # farmers offered a financial product            | 57,700                                |                                     | 11,550                              |



# Annex 1: Tracking Table

## Ghana

| Commitments                                   | Actions | Indicator | 2022 Target<br>through<br>direct investment<br>investment | # through<br>direct<br>investment in<br>2018 | # through<br>direct<br>investment in<br>2019 |
|---|---------|-----------|---|--|--|
| Sustainable Production and Farmer Livelihoods |         |           |   |  |  |

|  |  |                           |       |      |      |
|--|--|---------------------------|-------|------|------|
| 11.  | 11.3   |                           |       |      |      |
| Promote investment in long-term productivity of high quality cocoa in environmentally sustainable manner and grow "more cocoa on less land." | Train farmers and producer organizations in the latest Good Agriculture Practices (GAPs) | # farmers trained in GAPs | 6,500 | 3010 | 2958 |

## Annex 2: Results Stories

### Applique Bien & N'Guso Papa



Eric Ahoussou, Trainer

"I am Eric Ahoussou, I am a travelling technical engineer from Arysta/UPL in charge of the training unit of the Applique Bien programme.

When the producers are not trained, we often find that a lot of products are being wasted and the producers lose money.

What makes this programme so special is that the emphasis is on the practical side of things.

A good yield means that the producer can benefit from a sizeable income and in turn take care of himself and his family."

### Applique Bien & N'Guso Papa



Behibro Loukou Alfred, Cocoa Farmer, Gagnoa, Ivory Coast

"I started my cocoa crop in 1988 when I left school. I have 2.5 hectares on which I am growing cocoa in the old style. If we don't control pests we'll lose 40 to 50 percent of our production. So if we don't use crop protection products we are lost.

Today we have mirids in our fields, cocoa pod borer and green bugs, that is problematic for us at certain periods.

So now we have a programme with our partners who give us products, they bring them to us to apply them in our plots."

## Annex 2: Results Stories

### UPL: Integrated Approach



John Street, Ex-UPL Head of  
Regulatory Affairs, Europe

"UPL/Arysta's business model is a little bit different to that of conventional companies operating in their business area. We like to really understand the growers' need and get close to the farmer and understand what his problems are and then try and find a solution based on the products we have in our portfolio which may be conventional products or they may be BioSolutions.

Our products are thoroughly tested to ensure that they can be applied safely in these environments. We develop labels that are targeted at meeting specific grower needs and we provide safety instructions for their use which will enable them to treat all the pests and diseases they have, but most importantly to improve the efficiency of products which leads to a better income for the grower in the long run."

## Annex 2: Results Stories



### Applique Bien & N'Guso Papa

UPL is very proud of the best-practice, safety and application programmes that have been delivered and expanded across West Africa. In Côte d'Ivoire we are delivering the Applique Bien programme and in Ghana we are rolling out the N'Guso Papa programme, each with the shared aim to provide small scale farmers in Africa with free training and advice on protective equipment, sprayer use, product labels and safety.

These programmes are the first of their kind in Ghana and Côte d'Ivoire – having first been trialled by UPL with smallholders in Brazil – and we are fast scaling the successful cocoa programmes that have been delivered in West Africa to new regions and for new crops including vegetables, rice and maize.

Our purpose-built mobile training units travel to villages across West Africa to educate local farmers on pesticide application and operator protection through practical and interactive training sessions. Applique Bien and N'Guso Papa

have both received excellent feedback from Lead farmers, sprayers and cooperative leaders, many of whom had never received such training before.

We will be working to ensure that our training programmes not only instil better practice in pesticide use but also contribute towards improved productivity and help secure farmers' income in Africa.



### 2019-2020 Goals

- Maintain the number of people trained at around about 12, 000 in 2019 in W&CA.
- 1 new mobile unit and 1 new trainer in West Africa.
- Enhance the quality of our training and maintain the continuous training process for our teams.
- Develop new tools and enhance Personal Protective Equipment (PPE) use.
- Reinforce our relationship with our partners.
- To benefit from synergies with other countries.



## Annex 2: Results Stories

### Farm Service Centres

Since 2019, UPL has been working with Cultivating New Frontiers in Agriculture (CNFA) to develop Farm Service Centres in Côte d'Ivoire.

Each of the five centres will work to improve cocoa production, enable producers to increase their incomes, and raise the standard of living for their families.

UPL's Farm Service Centres have been developed under the Maximising Opportunities in Cocoa Activity (MOCA) project, focused on increasing the productivity and efficiency of actors in the cocoa value chain in Côte d'Ivoire.

UPL's Farm Service Centres will improve the professionalism of Ivorian cocoa producers and retailers, and promote access to the highest-quality inputs and services.



Inputs  
Distribution



Inputs  
Credit



Demo  
Plots



Training  
Programmes



Diversification  
Programmes



Intensification  
Programmes

### UPL Impact

8,000 H/a of land benefiting from improved cultivation and technology

20,000 Individuals benefiting from MOCA activities in Côte d'Ivoire

5 Farm Service Centres established by the MOCA project

\$150k In matching grants to Farm Service Centre franchise owners



## Annex 2: Results Stories

### 3-Step Approach

UPL's core mission is to cultivate prosperity through advanced agriculture, concrete agronomy solutions and a farmer-centric approach.

The work UPL is leading with cocoa farmers in Côte d'Ivoire demonstrates both the method and the benefits of this approach.

UPL's integrated BioSolutions package is a new initiative that has refreshed agri-practices with cocoa growers, delivering quick returns on investment, new methods for driving economic growth and reducing the amount of land used.

UPL believes in interventions that bring lasting change for growers. This means our technical solutions and refreshed agri-practices are introduced progressively, persuasively and through an innovative three-step approach.



### UPL Impact

|       |                                       |
|-------|---------------------------------------|
| 32    | Cooperatives involved                 |
| 2,216 | Farmers reached within 2 years        |
| 2,416 | Ha of intensive cocoa farms developed |
| +30%  | Average yield increase                |
| +18%  | Average revenue increase              |



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OpenAg<sup>TM</sup>