



Adapting to Changing Conditions

Touton CFI Company Action Plan - Ghana



TOUTON

Background

I. BOLD PUBLIC-PRIVATE ACTION: 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 new 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). The Prince of Wales [launched CFI](#) in March 2017 in London.



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 play a critical leadership role in establishing the national strategy, enabling policy environment, and governance structure for CFI implementation. They ensure that CFI is linked to similar initiatives with other commodities, and fully aligned with the national REDD+ Strategy 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 key public sector priorities, actions and timelines, following extensive consultation with all stakeholders. During the first year of CFI, the Governments have launched work on the key building blocks for successful CFI implementation, including important revisions to the legal framework for sustainable forest management, preparation of up-to-date boundary maps of protected areas, and collection of socio-economic and land use data for the priority investment areas.

Thirty-three companies¹, accounting for about 85% of global cocoa usage, have now joined CFI. Each company has agreed to prepare a detailed individual action plan that spells out the specific actions it will take in 2018-2022 to deliver the commitments set out in the Framework. Each company will decide for itself how to best support the achievement of the Framework objectives, based on their role in the supply chain, their corporate strategic priorities, and their cocoa sustainability goals.

Almost all companies have now completed initial action plans. These initial plans will be updated and finalized in 2019 after the governments have completed the ongoing legal and operational policy changes, the mapping of protected areas, baseline data collection, and other building blocks needed for full investment programming.²

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, the Global Environment Facility, and the Green Commodities Program of the United Nations Development Program.

CFI is coordinated closely with a wide range of global and local environmental organizations and partnerships, including the Tropical Forest Alliance 2020, Amsterdam Declaration Partnership, Partnerships for Forests, the Rainforest Alliance, and World Resources Institute.



¹ Arysta Callivoire, Barry Callebaut, Blommer Chocolate Company, Cargill Cocoa and Chocolate, Cémoi, Chocolats Halba, Cocoanect, Cococo Chocolatiers, ECOM Group, Fazer, Ferrero, General Mills Inc., Godiva Chocolatier Inc., Guittard Chocolate Company, The Hershey Company, Indcresa, Lindt & Sprüngli Group, Marks & Spencer Food, Mars Wrigley Confectionery, Meiji Co. Ltd., Mondelēz

International, Nestlé, Olam Cocoa, PBC Limited, Sainsbury's, SIAT, Tesco, Toms Group, Touton, Tree Global, Unilever, Valrhona, and J.H. Whittaker & Sons

² The actions pending further information are marked "to be determined" in the initial company action plans

II. WHAT ARE THE KEY COMMITMENTS IN CFI?

The Frameworks are structured around three critical themes of (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. 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 will be 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 governments to ensure an effective national framework for traceability encompassing all traders in the supply chain.

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 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' organizations. 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 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 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

Touton's overall Vision for the Cocoa & Forests Initiative

Touton was among the 12 first signatories of The Cocoa and Forests Initiative declaration that was prepared jointly by the World Cocoa Foundation (WCF) and IDH under the auspices of Prince Charles' International Sustainable Unit development activities.

We are particularly heartened by this development as it is aligned with Touton's strategy when it comes to Landscape Governance. This is an area where we have been active for several years, especially in Ghana. We have been working with Forest and Cocoa authorities as well as with implementing partners to develop a holistic approach which goes beyond the impact of climate change at cocoa-farm level.

I. OVERVIEW OF COMPANY ACTION PLAN

- As a supply chain actor we help our clients to deliver their sustainability ambitions by implementing a host of activities on their behalf in the areas where we source cocoa.
- For this reason, this Action Plan is restricted to providing information on programmes that are run by Touton in its own name. That also means that in time, as we source further volumes for existing or new clients, our numbers will be updated.
- It describes the activities we conducted in 2018 and those that we plan to conduct up to 2022 to fulfill our CFI commitments to end deforestation and forest degradation in the cocoa sectors in Côte d'Ivoire and Ghana.
- These activities align with those that are outlined in Ghana and Côte d'Ivoire's national implementation plans.
- We have been actively involved in the discussions led by the World Cocoa Foundation and IDH and the governments of Côte d'Ivoire and Ghana through participation in national and sectorial working groups.
- In agreement with the Ivorian and Ghanaian governments, activities presented here are based on information available at the present time. In some cases, and in agreement with the above-mentioned governments, activity areas are earmarked as 'To Be Defined' until such a time as a number of reports and studies are made available (eg boundary maps for protected forests, and updated operational guidance about land-use in degraded forest areas). This is therefore an initial plan. Updates will be provided in due time.
- For an overview of programmes we implement on behalf of clients, please see [Touton's latest Sustainable Sourcing Report](#) which covers Season 17/18.

II. KEY ACTIVITIES

Forest Protection and Restoration: Adapting to Changing Conditions

We are committed to preventing any activity that may cause or contribute to deforestation or forest degradation.

Since January 1, 2018 we ask our suppliers to guarantee that the cocoa we buy from them does not come from national parks and reserves.

We have also started to implement systems to identify possible inconsistencies in expected volumes vs. volumes provided in order to prevent this.

We further conduct awareness-raising and training activities for farmers and other landscape actors as part of our [Partnership for Productivity Protection and Resilience in Cocoa Landscapes \(3PRCL\) project](#) which we have been developing in the Hotspot Intervention Area of Bia-Juabeso West.

The 3PRCL is the first pilot of the Ghana Cocoa Forest REDD+ Programme (GCFRP) and contributes to the objectives of the Cocoa and Forests Initiative in all 3 pillars of activities. It is supported by the British Government-funded Partnership for Forests.

We are working on mapping farmers in our direct supply chain to identify and collect polygonal GPS delineation data for cocoa plantations to

ensure that cocoa does not come from forests in the rural area, parks and national reserves.

We are currently participating in a pilot project in Ghana with technical partners, Satelligence and SNV, where we are studying the possibility of cross-referencing satellite-derived data to delineate forest areas from cocoa growing areas and other plant species. If this is successful, we will pilot it in Côte d'Ivoire as well.

This data, combined with the information that will be provided by the Ghanaian authorities, will also enable us to identify the areas at risk, as well as the need for socio-economic remediation measures that will be developed by the Government.

We have retained the services of the CIRAD Research Center to study the most efficient agroforestry systems in West Africa in order to test some flagship systems with our partner farmers. Beyond the implementation of agroforestry systems, farmer adoption rates are critical if we want to roll-out agroforestry systems at scale.

We are also working with civil society partners on joint financing mechanisms to sustainably support landscape activities.





Sustainable Production and Farmer Livelihoods

Sustainable agricultural intensification in rural areas is an essential prerequisite for reducing agricultural pressure on forests. We work with civil society partners as well as our in-house teams to train our partner farmers in good agricultural, social and environmental practices. We place a special emphasis on the diversification of income sources - both through the creation of agricultural service employment opportunities and through crop diversification.

We are also working with financial partners and civil society partners to support farmers' access to financing by training them in good management practices.



Community Engagement and Social Inclusion

We have successfully piloted community consultation systems in Ghana on landscape issues by sensitizing them to the interactions between human activity and environmental impact. We are working with traditional authorities, cocoa growing communities, as well as other economic actors in the landscape.

We are committed to promoting women's inclusion at the community level and to creating employment opportunities for young adults in rural areas.

Annex 1: Summary Table of Touton Initial Action Plans for Ghana

Commitments	Actions	To be delivered by 2022	Comments
Forest Protection and Restoration			
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies for cocoa production.	1.1 Conduct farm mapping within supply chain to ensure cocoa is not being sourced from forest land	24 000 farms mapped	
	1.2 Conduct deforestation risk assessments in all sourcing areas.	260 000 hectares included in risk assessment	
2. No production and sourcing of cocoa from National Parks, Wildlife Sanctuaries, and Wildlife Resource Reserves, except from farms with existing legal status.	2.1 All farms found in protected areas will be reported to the Government	Yes	
	2.2 Adopt and publish a system for excluding farmers in the supply chain with cocoa production in protected areas.	Yes	
3. A differentiated approach for Forest Reserves will be adopted, based on level of degradation; with elimination of sourcing of cocoa in less degraded reserves (Cat.1) as of 31 December 2019; and production and sourcing for a period up to 25 years through MTS in more degraded reserves (Cat. 2).	3.1 End sourcing from all farms identified within Category 1 Forest Reserve areas by 31 December 2019.	Yes	Company actions are subject to the accuracy of maps provided by the government for the location and boundaries of National Parks, Wildlife Sanctuaries, and Wildlife Resource Reserves
	3.2 Support farmers in Category 2 Forest Reserve areas in their restoration and reforestation programs	# hectares of Category 2 Forest Reserve areas restored: TBD	
4. In highly degraded off reserve forest lands, cocoa production and sourcing will continue, supported by climate smart cocoa and MTS.	4.1 Train farmers in off-reserve forest lands in CSC production including cocoa agroforestry systems	15 000 farmers trained in CSC best practices	
	4.2 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	
5. In all areas, a multi-stakeholder landscape approach will be followed, with an initial focus on the six Climate-Smart Cocoa Hotspot Intervention Areas as defined under GCFRP.	5.1 Join one/several HIA(s) in the cocoa-sourcing area	1 HIA(s) joined in cocoa sourcing areas	More may be covered at a later stage
	5.2 Implement GCFRP CSC Good-Practice Guidelines with farmers within the HIAs	6 000 farmers within HIAs have adopted CSC best practices	
6. Up-to-date maps on forest cover and land-use, socio-economic data on cocoa farmers, and detailed operational guidelines covering Category 1 and 2 reserves, will all be developed and publicly disclosed.	6.1 Share maps and data with appropriate government bodies	Yes	
	6.2 Participate in the development of operational guidelines for Category 1 and 2 Forest Reserves	Yes	
	7.1 Support farmers with tree registration	50 000 trees registered	Additional activities are conducted on behalf of clients

7. Land and tree tenure reforms, and benefit sharing arrangement to incentivize land owners and users to retain naturally regenerated trees will be accelerated, including approval of CREMA mechanism.	7.2 Support cocoa farmers to acquire land (tenure) documentation	# farmers with secure land titles	
8. Public sector forest law enforcement and governance will be strengthened	8.1 Promote awareness-raising campaigns to educate farmers on forest law enforcement and tree tenure provisions	15 000 farmers reached at awareness events	
9. Public-private collaboration to mobilize new sources of funding for forest protection and restoration, and to incentivize farmers adoption of environmentally sustainable cocoa production will be developed.	9.1 Mobilize finance for forest protection and restoration	Amount of \$ mobilized towards forest protection and restoration: TBD	PES type activities would typically be conducted on behalf of clients
		# hectares with forest protection & restoration financing	
		# farmers participating in PES contracts	
10. Public-private collaboration will be enhanced to identify good practices and technical guidance for forest conservation and restoration, shade grown cocoa, and MTS in Forest Reserves.	10.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	20 000 multipurpose trees distributed for on-farm planting	
		800 hectares of cocoa agroforestry	
	10.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	# native trees planted off-farm	
		# hectares of forest area restored	
	10.3 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	
Sustainable Production and Farmer Livelihoods			
11. Promote investment in long-term productivity of high quality cocoa in environmentally sustainable manner and grow "more cocoa on less land."	11.1 Distribute improved cocoa planting material	253 308 improved seedlings distributed to farmers	Only beyond client reporting
	11.2 Establish and/or provide cocoa nurseries with improved cocoa planting material	# nurseries with improved cocoa seedlings	
	11.3 Train farmers and producer organizations in the latest Good Agriculture Practices (GAPs)	15 000 farmers trained in GAPs	
	11.4 Support cocoa farm rehabilitation	# of hectares of cocoa rehabilitated:	
12. Develop implementation plans, including mapping of exact areas to intensify establishment of shaded cocoa landscapes in line with GCFRP, with the promotion of Climate Smart Cocoa and the national Climate Smart Cocoa Standard.	12.1 Promote the Climate Smart Cocoa Standard	# of farmers adopting CSC: 6 000	

13. Promote sustainable livelihoods and income diversification for cocoa farmers.	13.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	20 000 multipurpose trees distributed for on-farm planting 800 hectares of cocoa agroforestry	Diversification programmes conducted on behalf of clients
	13.2 Promote farm-level crop diversification	# farmers applying crop diversification	
14. Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds required for production and cocoa farm rehabilitation and renovation.	14.1 Promote expansion of farmer savings	4 096 farmers in supply chain with a savings account # farmers participating in VSLA groups	VSLA would be conducted on behalf of clients
	14.2 Offer financial products to farmers	4 096 farmers offered a financial product	
15. Improve supply chain mapping, with 100% of cocoa sourcing traceable from farm to first purchase point. An action plan will be developed that maps out key principles, steps, and milestones to achieve this step, encompassing all national and international traders.	15.1 Conduct mapping to identify and collect cocoa farm boundaries polygon data	24 000 farms mapped within direct supply chain	
	15.2 Implement traceability system to farm level in 100% of supply chain by end-2019	100% cocoa supply traceable from individual farms to first purchase point for direct sourcing	
Social Inclusion and Community Engagement			
16. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	16.1 Organize cocoa community consultations on the implementation of the Frameworks for Action	450 communities with consultation sessions	Average of 66 pax/society
17. Promote community-based management models for forest protection and restoration.	17.1 Establish and/or support community-based natural resource management (CBNRM) programs for forest restoration/protection	450 cocoa communities with active forest restoration and protection program	
		200 000 hectares under CBNRM	
18. Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	18.1 Develop forest protection & restoration and agriculture intensification action plans that are youth and gender sensitive	450 cocoa communities with gender-focused programs	
		450 cocoa communities with youth-focused programs:	

TBD = To Be Determined, following additional inputs from Government

Touton is a leading agro-industrial actor. Our know-how builds on 170 years' experience of providing our customers with high quality commodities. In addition to delivering responsibly-sourced cocoa, coffee, vanilla and natural ingredients, we are now increasing our engagement in commodity-producing countries through processing operations in cocoa. With subsidiaries in originating regions, and agents in key locations, Touton's strength lies in the skills of its workers, the cultural diversity of its teams, and a deep understanding of the countries in which the company operates.

TOUTON SA

Cidex 13 – 1 rue René-Magne

33083 Bordeaux cedex

France

T +33 (0)5 56 69 33 69

F +33 (0)5 56 69 33 66

www.touton.com