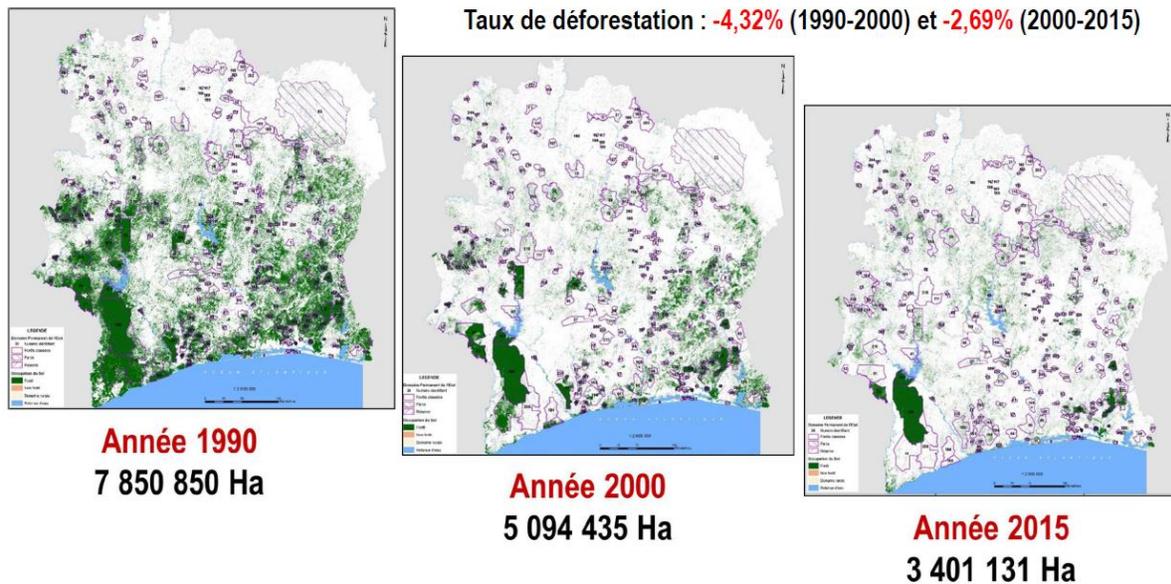


Deforestation and Cocoa in Côte d'Ivoire

Version September 20th 2018

Progress of deforestation in Côte d'Ivoire 1990 - 2015



Almost 1/3 of the earth's surface is covered by forests. Depending on the collection method and forest definition, between 7.6 million hectares (FAO) and 18 million hectares (Global Forest Watch) of forest are lost annually. The expansion of agriculture causes between 55% and 80% of deforestation.

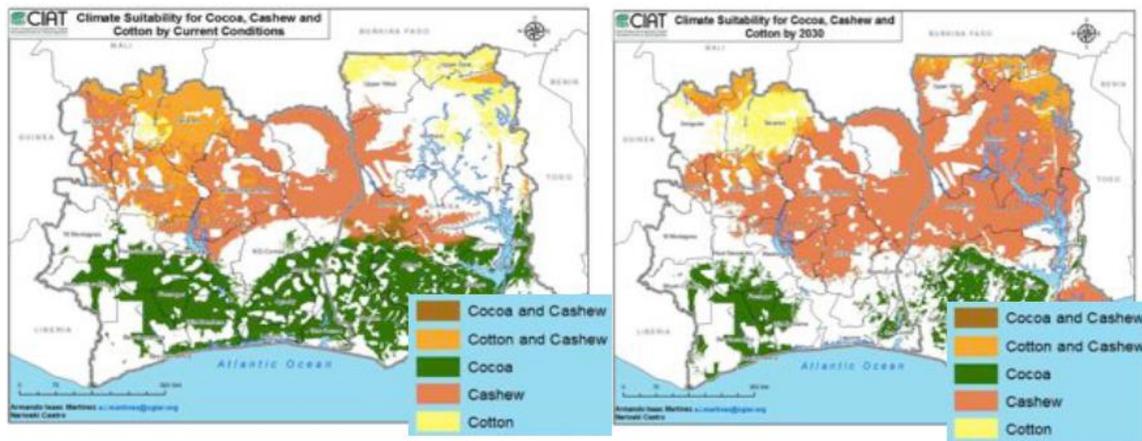
- Palm oil, soya, cattle breeding and wood products account for 40% of deforestation worldwide. This corresponds to 3.8 million hectares per year. Between 1988 and 2008, between 2 and 3 million hectares of forest were destroyed globally for cocoa productionⁱ.
- Deforestation related to cocoa production is strongly concentrated in some countries in West Africa and Asia: small farmers in Côte d'Ivoire, Ghana, Nigeria and Cameroon increased their cocoa acreage by 3.3% per year between 1988 and 2007. This resulted in a loss of 2.3 million hectares of forestⁱⁱ.
- From 1960 to the present, forestland in Côte d'Ivoire has been greatly reduced. The surface of forest areas as defined in the Forestry Act has declined from 16 million hectares in 1960 to 7.8 million hectares in 1990 and 3.4 million hectares in 2015 (total -79% of forest areas).

Survey in the villages Gagnoa und Bettié in 2008

Land use conversion between 1980 – 2008 (RUF, 2012)

	Forêts		Jachères peu arborescentes		Vieilles caféières et cacaoyères		Total	
Caféiers	35	(67 %)	16	(31 %)	1	(2 %)	52	(100 %)
Cacaoyères	151	(54 %)	74	(27 %)	53	(19 %)	278	(100 %)
Hévéas	31	(13 %)	172	(74 %)	31	(13 %)	234	(100 %)
		(38 %)		(46 %)		(16 %)		(100 %)

- The causes of this decline are known: Extensive agriculture, uncontrolled use of forests to meet the demand for timber for construction and energy, and inadequate enforcement by public authorities. In Côte d'Ivoire, cocoa producing areas have grown from 1.6 million hectares in 1990 to 2.5 million hectares in 2011. This equals to an average annual conversion of about 70,000 hectares of forest into cocoa plantationsⁱⁱⁱ.
- Changes in climatic conditions can make certain cocoa growing regions unsuitable for cocoa cultivation, increasing the pressure on the remaining forests^{iv}. Conservative calculations predict that by 2030 the expansion of cocoa cultivation will cause pressure on a further 530,640 hectares of forest^v.



Surfaces actuellement propices au cacao, au coton et à l'anacarde en Côte d'Ivoire et au Ghana (à g.), surfaces propices à ces mêmes cultures en 2030 (à dr.) (CIAT, 2011)

- SODEFOR estimated in 2017 that 40% of Ivorian cocoa comes from protected areas. According to Mighty Earth, researchers estimate that around 195,600 tons of cocoa came from 23 protected areas in 2015. According to SODEFOR 40 to 50% of farms are located in Forêts Classées and around 30% of cocoa comes from Forêts Classées^{vi}.
- Between 1990 and 2008 the then 27 EU Member States purchased cocoa from the equivalent of 0.6 million hectares of deforested land, which accounts^{vii} for 8% of the EU's imported deforestation^{vii}.

Illegal occupation rates in Forêts Classées (SODEFOR, 2013)

ZONE	Sud-ouest	Est et Sud	Moyen Cavally	CNO*
Nombre de forêts classées	10	46	5	148
Superficie globale (ha)	791 564	587 108	348 049	2 397 978
Taux d'occupation en 1996	33%	10%	20%	10%
Taux d'occupation actuelle	60%	30%	40%	30%

The forest policy in Côte d'Ivoire^{viii}

The new forest strategy is a response of the Ivorian Government to deforestation and the agricultural conversion of forest areas. It was first presented to the international community in November 2017 during the COP23 in Bonn. The government of Côte d'Ivoire validated the *Politique Nationale de Preservation, de Rehabilitation et d'Extension des Forêts* » (PPREF) within a Presidential Council on Tuesday May 15th 2018. That gives way for the process of approval of the new forest law.

Objectives of the policy are the following:

1. Contribute to achieving the COP21 climate targets by 2030: the Ivorian government stands by the targets set, and understands this as CO2 binding through forests (definition of forests = natural forests but also including plantations, rubber and cocoa).
2. Adhere to national targets: forest conservation and reforestation to increase the resilience of agricultural production and improve productivity (maintaining the objective of restoring forest cover to at least 20% of the national territory).
3. Preserve biodiversity.
4. use of forests as timber and firewood.

The new policy includes six major axes of work:

- Supplement / Update of the Forest Act
- Conservation of the protected areas and forests Classées (classified forests)
- Strict compliance with the law regarding Forêts Classées
- Reclassification of the degraded Forêts Classées in Agro-Forêts Classées
- Agroforestry regimes in rural areas
- Wood energy

- 1965: Establishment of state forest and land ownership
- 1966: Creation of SODEFOR
- Launch of the *Plan Directeur Forestier* (1988-2015).
- SODEFORs undergoes different reorganization processes changing its name into EPN in 1980, EPIC in 1985 and EPA 1986. 1993 the institution returns to its name *Société de Développement des Forêts* SODEFOR.
- Coup d'état in 1999. Plundering and infiltration of the forests. The state budget for forest protection falls from CFCA 25 billion to less than CFCA 8 billion.
- 2017: New forest policy launched.
- 2018: New forest policy validated.

Cocoa is the main source of income for Côte d'Ivoire (15% of GDP) and represents 55% of its exports. Between 800,000 - 1.3 million of households depend on cocoa income (8 million people), which means that around a third of the population depends on cocoa revenues.

Comparative analyses of economic results in village plantations put cocoa at the top of the income alternatives: cocoa generates a gross margin per hectare of between 250,000 and 926,500 FCFA. Manioc, the main food source in the forest regions, produces a maximum of 150,000 FCFA / hectare gross margin.

The update of the legal framework should follow as quickly as possible, among other things by including the new "Agro-Forêts-Classées" classification in the Forest Act as well as the criteria for the reclassification of the 234 Forêts Classées. Local relic and community forests will be provided with an own classification. In addition, a restructuring of SODEFOR is planned as well as the creation of a new Agency for Rural Land Law (AFOR). A new "General Direction for Forests and Fauna" was created in order to put new focus on the topic and bundle activities related to the protection of forests. The Ivorian government recognizes land use planning and regional planning as decisive factors in a functioning new forest policy. The budget for the implementation of all the activities within the PPREF is estimated at FCFA 616 billion (approx. USD 1.1 billion).^{ix}

A central element of the new policy is the transformation of the state forests occupied by cocoa farmers into Agro-Forêts Classées. This would mean legalizing the previously illegally grown cocoa in state forests. The new policy admits that there are fundamental governance problems in the sector and that these are a reason for shifting more responsibility to private concessionaires. In order to avoid negative effects of the concessions, specific socio-economic studies will allow developing different management criteria for each area under concession. An international body will monitor both the concessionaires and the government.

A reallocation of land use promoted by national policy, which is not coordinated with the local population and stakeholders involved, is questionable. Even if many of the Forêts Classées have few relevant trees left, this policy is a free ticket for final deforestation in favor of agricultural production. Following the official conversion of land use from forests to agriculture, there are few formal incentives to seriously enforce forest protection. The new Agro-Forêts-Classées to be offered to the cocoa industry as concessions seem very questionable, since the control function of the forestry authority (which was already very inadequate in the past) seems difficult to enforce. According to comments from the private sector and WCF^x, companies in the cocoa industry are not interested in becoming involved in the management of Agro-Forêts Classées because the risks (conflict potential, necessary long-term investments) are considered too great. Furthermore, it is not clear how the local capacities of the authority can be built up to implement forestry policy nationwide.

Forest Minister Alain-Richard Donwahi presented some details on the redistribution of classified forest during COP23, though this information is not yet definitive:

- Designated state forests with less than 25 % degradation will be classified as nature reserves. These refers specifically to the Bossématié, Nguéchié and Mont Tonkoui areas, with a total area of 31,000 hectares.
- 31 Forêts Classées, degraded between 25% and 75%, will maintain their classification status. Agricultural activities inside these areas will be eliminated and the land reforested. The inhabitants are to be resettled. Compensatory actions are not addressed. These 31 Forêts Classées correspond to approx. 427,000 hectares of land.
- 1.9 million hectares of Forêts Classées (over 75% degraded) will be classified as Agro-Forêts Classés. At least 50% of the forest stand is to be restored within these areas. Intensification of agricultural activities (increase in productivity) is planned in order to avoid further spread of land.
- Highly degraded forests within the „Domaine Rural“ (over 80 % degradation) will undergo recovering activities until restoring 20 % of the forest.

An overview prepared by SODEFOR presents slightly different information:

New classification of forest areas
As part of the new forest conservation strategy Côte d'Ivoire
(Draft), SODEFOR 2017

	Avant reclassement de 2017			Après reclassement de 2017-2019			Vision 2030		
	nombre	Superficie (ha)		nombre	Superficie (ha)		nombre	Superficie (ha)	
		Adm	Physique		Adm	Physique		Adm	Physique
1-Aires protégées	14	2 049 654	622 771	14	2 049 654	622 771	14	2 049 654	747 325
2-Aires protégées transformées en Agro-Forêts Classées	0	0	0	0	0	0	0	0	0
3-Forêts classées transformées en aires protégées	0	0	0	3	30 793	24 273	3	30 793	29 128
4-Forêts classées restant Forêts classées	234	4 293 864	519 745	158	2 231 592	373 961	158	2 231 592	448 753
5-Forêts classées reclassées en Agro-Forêts Classées	0	0	0	73	2 021 479	121 511	73	2 021 479	145 813
6-Domaine rural classé en Agro-Forêts Classées	0	0	0	325	259 850	181 640	325	259 850	217 968
Sous Total Aires protégées	14	2 049 654	622 771	17	2 080 447	647 044	17	2 080 447	776 453
Sous Total Forêts Classées	234	4 293 864	519 745	158	2 231 592	373 961	158	2 231 592	448 753
Sous Total Agro-Forêts Classées	0	0	0	398	2 281 329	303 151	398	2 281 329	363 781
Total	248	6 343 518	1 142 516	573	6 593 368	1 324 156	573	6 593 368	1 588 987

Prince Charles' International Unit for Sustainable Development (Joint Initiative)^{xi}

On 16 March 2017, the initiative of Prince Charles' International Unit for Sustainable Development, the World Cocoa Foundation and The Sustainable Trade Initiative (IDH), twelve of the most important companies in the cocoa and chocolate industry (Mars, Hershey, Nestlé, Mondelez, Ferrero, Blommer, Barry Callebaut, Olam, Cargill, Ecom, Touton, Cémoi) agreed on a declaration. Hereby, they commit to work together, in partnership with other organizations, to halt deforestation and forest degradation in the global cocoa supply chain starting with Côte d'Ivoire and Ghana. Following this initiative, the participating companies developed a project (CWC) framework for joint action to combat deforestation; it has been submitted to Côte d'Ivoire, which was invited to an exchange meeting on the subject on 26 September 2017 in London. At the end of this meeting, Côte d'Ivoire and Ghana agreed on a joint approach on 31 October 2017.

Joint Framework for Action, World Cocoa Foundation (Cocoa & Forests Initiative, CFI)^{xii}

The Cocoa and Forests Initiative (CFI) is a joint commitment of the main cocoa producing countries, namely Côte d'Ivoire and Ghana, and 31 cocoa and chocolate companies¹ with the aim to cooperate and finance a strategy to stop deforestation and degradation of forests and forest areas related to the cocoa value chain. The CFI was launched in 2017, in an effort led by the World Cocoa Foundation, the Sustainable Trade Initiative, and The Prince's International Sustainability Unit. Colombia joined the initiative in 2018. Essential contents of this agreement are:

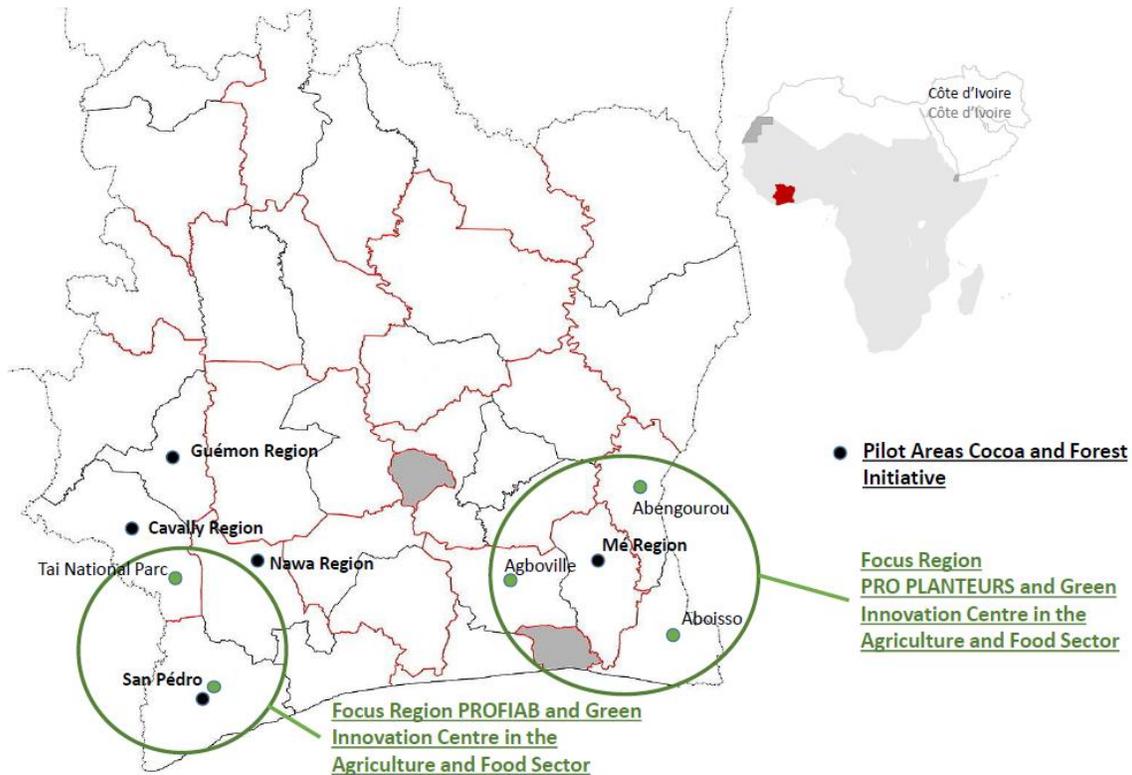
- Prohibition and prevention of activities in the cocoa sector leading to deforestation or degradation of forest stands.
- Respect for cocoa farmers' rights, identifying and mitigating social risks and taking measures to minimize negative social and economic effects.
- Effective restoration and long-term preservation of national parks, reserves and classified forests.
- Definition of verifiable activities and goals.
- Implementation of agreed activities in an extended context of a landscape approach.
- Joint implementation of the framework and mobilization of the necessary financing, resources and technical support.
- Monitoring and reporting

Implementation of this initiative is being coordinated through a steering and a technical committee as well as six working groups. The signatories of the agreement work together on the following topics:

- Working group 1: Traceability
- Working group 2: Agroforestry and sustainable production
- Working group 3: Forest conservation and reforestation
- Working group 4: Finance
- Working group 5: Social inclusion
- Working group 6: Monitoring and evaluation

In Côte d'Ivoire, the initiative aims at supporting the government in the preservation and restoration of forests. For that, two phases have been proposed – the Start-up Phase of 2 years (2018 – 2020) and the Expansion Phase, which is expected to last 10 years. The Start-up Phase provides the opportunity to test key interventions such as public policy, cocoa agroforestry, forest restoration and traceability in the form of pilot operations. The activities within this Start-up Phase will focus on specific “critical” areas - Guémon, Cavally, Nawa, San-Pedro and La Mé – thereby covering the largest remaining forests.

¹ The members of the CFI are: Barry Callebaut; Blommer Chocolate Company; Callivoire; Cargill Cocoa and Chocolate; Cémoi; Clasen Quality Chocolate; Cocomanect; Cococo Chocolatiers; ECOM Group; Ferrero; General Mills, Inc.; Godiva Chocolatier, Inc.; Guittard Chocolate Company; The Hershey Company; Lindt & Spruengli; Marks & Spencer Foods; Mars Wrigley Confectionary; Meiji Co., Ltd.; Mondelēz International; Nestlé; Olam Cocoa; Ovomaltine; Pladis; Purdys Chocolatier; Ritter Sport; Sainsbury's; TCHO; Toms Group; Touton; Tree Global; and J.H. Whittaker & Sons Ltd.



The specific objectives for the Start-up Phase are:

- Publishing and enforcing the new Forest code and its decrees for implementation, assuring no further deforestation and forest degradation by the end of 2018
- Creating the National Forest Preservation and Rehabilitation Fund by June 2019, for the co-financing of the actions in 2018-2020 and the national roll-out beyond 2020
- Develop and implement the national cocoa traceability system by the end of 2019
- Developing a Monitoring & Evaluation mechanism to track progress, help steer actions and transparently report on these and be accountable, by the end of 2018
- Implement pilot projects in the identified priority regions where all the actions related to protection, production and inclusion will start in October 2018 to test the new policies and actions using a landscape-level approach, and inform the overall design of the program for 2021-2030
- Development of agroforestry systems and the promotion of sustainable and diversified sources of income for cocoa farmers, by the end of 2020
- Empowerment of farmers and local communities to support the inclusive implementation of the Initiative
- Evaluating the Start-up Phase and developing the plan for the roll-out phase 2021-2030

All stakeholders will be sensitized and mobilized through concrete activities to subsequently contribute to the national goal to end deforestation and restore 20% of forest cover in Côte d'Ivoire by 2030. The Implementation Plan will serve as a basis for companies to develop their individual action plans. Once the Implementation Plan is approved by the Steering Committee, industry signatories will begin developing their individual plans for a public release by December 2018.

The complete Implementation Plan 2018-2020 for the Joint Framework of Action can be downloaded here: <https://www.idhsustainabletrade.com/publication/cocoa-and-forests-initiative-implementation-plan-for-the-joint-framework-of-action-cote-divoire/>

The REDD+ Strategy in Côte d'Ivoire

The Ivorian REDD+ strategy was presented at the same time as the new forest policy in November 2017 during the COP23. Eight options should enable President Ouattara to reach the target of a forest cover rate of 20% in Côte announced in 2014 by 2030:

1. Deforestation-free agriculture within the framework of public-private partnerships
2. Sustainable energy based on the use of agricultural biomass
3. Sustainable forestry, conservation of protected areas and sacred forests
4. Afforestation, restoration of forests and degraded areas
5. Environmentally friendly mining
6. Payment incentives for environmental services
7. Land use planning and land security, and
8. National planning and structural reforms for the transition to a green economy.

According to the current draft of the REDD+ strategy^{xiii} (the final version is not yet available), agricultural activities are supported in the following framework in the future:

- Intensive farming (i.e. no support for extensive agriculture) in rural areas (domaine foncier rural);
- Conservation of protected areas and reserves, Forêts Clasées and Forêts Sacrées (sacred forests);
- Promotion of afforestation and reforestation;
- Resilience to the effects of climate change; and
- Respect for the rights of the local population.

The REDD+ process at national level is led by the Permanent Executive REDD+ Secretariat, which is accompanied by the Inter-Ministerial Technical Committee (CT-REDD+).

As part of the development of the REDD+ strategy in Côte d'Ivoire, which was launched in early 2015, various projects have been developed, including two projects in the cocoa sector (FIP World Bank, Ami des Forêts-Mondelez and CEMOI).

ⁱ Estimates by Climate Focus based on the European Commission. *The impact of EU consumption on deforestation: Comprehensive analysis of the impact EU consumption on deforestation. 2013. Technical Report 063.* Und Gockowski and Sonwa. *Cocoa Intensification Scenarios and Their Predicted Impact on CO2 Emissions, Biodiversity Conservation and Rural Livelihoods in the Rainforest of West Africa. 2010. CIFOR*

ⁱⁱ Gockowski and Sonwa. *Cocoa Intensification Scenarios and Their Predicted Impact on CO2 Emissions, Biodiversity Conservation and Rural Livelihoods in the Rainforest of West Africa. 2010. CIFOR*

ⁱⁱⁱ Côte d'Ivoire Readiness Preparation Proposal 2013

^{iv} Laderach et al (2013) at <https://cgspace.cgiar.org/bitstream/Hektarndle/10568/51470/Climate%20suitability%20for%20Cocoa%20farming.pdf>

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^v European Commission. *The impact of EU consumption on deforestation: Comprehensive analysis of the impact EU consumption on deforestation. 2013. Technical Report 063.*

^{vi} KARSENTY : *Étude de faisabilité pour la mise en œuvre d'un système national de paiements pour services environnementaux (PSE) en Côte d'Ivoire, 2015*

^{vii} Estimates by Climate Focus calculations of European Commission Statistics (2013)

^{viii} *Déclaration de politique de préservation et de réhabilitation des forêts – Version provisoire du 15 septembre 2017*

^{ix} *Politique Nationale de Préservation, de Réhabilitation et d'Extension des Forêts. Ministère des Eaux et Forêts. Côte d'Ivoire*

^x *Phone call between GIZ und R. Scobey, WCF on November 10th 2017*

^{xi} *Politique Nationale de Préservation, de Réhabilitation et d'Extension des Forêts. Ministère des Eaux et Forêts. Côte d'Ivoire*

^{xii} *Draft Framework for Action – Côte d'Ivoire, WCF, Version dated 3 November 2017*

^{xiii} *Draft of REDD+ Strategy, July 2017*