

EXECUTIVE SUMMARY

Monitoring Report 2025: Spotlight on Living Income, Agroforestry

The German Initiative on Sustainable Cocoa (GISCO) is working towards a sustainable cocoa sector reflected in its **10 goals**, flanked by a comprehensive **definition of sustainable cocoa**.[1] To measure the progress towards achieving these goals, a set of indicators linked to the specific objectives have been developed and are monitored annually.

Purpose and methodology

The purpose of this report is to establish transparency on the progress of GISCO toward its collective goals. Therefore, data is only presented in an aggregate form. It is not possible to draw any conclusions on the sustainability performance of individual GISCO members from the report. Also, please note that data herein is provided by the members themselves and not externally verified.

This year, additional indicators were introduced to measure progress on sustainable procurement practices. Furthermore, several smaller changes were made to some of the questions and definitions to increase clarity and improve data quality. Like last year, all required members submitted questionnaires. Data quality before cleaning remained mixed, which indicates a need to further refine the monitoring system.

This year's report focusses on two priority topics, living income and agroforestry.

Living income: Encouraging signs, but progress remains fragile

Reported data indicates that the share of farmers above the living income benchmark increased substantially compared to 2024. While this signals progress, it will be important to observe whether this improvement can be sustained in light of declined cocoa prices in 2026. Moreover, the comparability of the reported data remained limited.

The number of cocoa-farming households covered by a Living Income strategy continued to increase between 2024 and 2025. The percentage share of households covered remained broadly stable in members' direct supply chains. Members continued to employ a mix of income-related activities. Support for improved farming practices remained the most commonly reported strategy, followed by approaches such as women's economic empowerment (WEE) and improved access to finance.

Financial measures continued to rely mainly on volume-based premiums. While the payment of living income reference prices (LIRP) increased compared to last year, they still represent a small share of volumes sourced. Initial data on procurement practices also suggest further scope to strengthen long-term relationships. As this was the first year that questions related to procurement practices were included in the monitoring questionnaire, differences in how members interpreted and reported the information were expected.

Agroforestry: Expansion, with uneven progress

Members reported a substantial expansion of agroforestry in their projects and supply chains. Reported data indicated an expansion by about thirty percent. However, progress between members remained highly uneven: The expansion was largely driven by a comparatively small number of members, while some other programmes stagnated or even declined. Members reported about 480,000 hectares of newly established agroforestry systems. Basic systems accounted for about half of this area, while advanced and

1 The GISCO goals as well as the sustainability definition are expected to be reviewed, among others to ensure compliance with the EU regulation on Empowering Consumers for the Green Transition (EmpCo).

dynamic systems made up smaller shares. The reported two-year tree survival rate was 62% in 2025, broadly comparable to last year's data. As in previous years, only a few members reported on the survival rate.

The share of cocoa volumes that members could identify as sourced from agroforestry systems remained low, based on the limited reporting available. This likely understates the actual share, as traceability of volumes sourced from agroforestry remains challenging.

Priorities for further progress

The findings point to the need to scale effective living-income and agroforestry programmes while continuing to align on measurement methodologies. Continued exchange and joint action will be important to translate reported progress into sustained improvements.

