



2023- CFI Progress Report





Introduction	3
What is the Cocoa & Forests Initiative?	4
What are the key CFI Commitments?	6
Indcresa 2023 Progress report	7
Annex 1 – Restult story	9
Annex 2– Summary tables	12



Introduction

INDCRESA is pleased to publish its 5th CFI progress report. This report reflects the implementation of our second Action Plan reflecting our new engagement for the 2nd phase CFI 2.0

We became a signatory of the Cocoa Forests Initiative in 2019 and since then we have been participating thanks to the collaboration with one of our suppliers.

We continue to commit to the Cocoa & Forest Initiative, bringing relevant, necessary, and sustainable changes into the cocoa sector. For this reason, we are initiating a new Action Plan in another area, and we also change the country, being Côte d'Ivoire our main country of origin of the cocoa we source.

The purpose of this report is to inform about INDCRESA's contribution to the Cocoa Forests Initiative, reporting the progress report for 2023.

As Indcresa, we are proud to contribute to this collective initiative that is in line with our values as a family company and to our sustainability commitment to preserve and create a better and healthier environment.

As the entry into force in June 2023 of the new EU Regulation against Imported Deforestation approached, we invested significant resources in strengthening our capacities to be able to implement this new regulation. We believe this will make a decisive contribution to tackling global deforestation and forest degradation. We continue to work with our suppliers to address these new challenges to build a better future for all in the cocoa world.



What is the Cocoa & Forests Initiative?

The governments of Côte d'Ivoire and Ghana and 36 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative to end deforestation and restore forest areas. Their combined actions play a crucial role in protecting and restoring biodiversity, 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.

To learn more, follow #CocoaAndForests on social media, or visit [Cocoa & Forests Initiative](#).



The Cocoa Forests Initiative: Collective Action To End Cocoa-related Deforestation

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 (now King Charles III) 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.

A comprehensive analysis is required to determine the exact contribution of cocoa production to deforestation. WCF, CFI members, and partners are working together on science-based methods to determine the share of cocoa production to overall deforestation rates with a high level of accuracy in cocoa producing countries. Data reliability and a good knowledge of the cause and location of deforestation is essential to develop effective and adequate mitigation measures and ensure that WCF members and partners are compliant with regulations such as the EUDR which will come into application in 2025.

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.



What are the key CFI Commitments?

1 **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. 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. Companies have made significant investments in the promotion of cocoa agroforestry and the restoration of degraded forests.

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.

2 **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 planting materials for the promotion of cocoa agroforestry, 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.

3 **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.



Indcresa CFI 2023 Progress report

Indcresa's Accomplishments for the 22/23 Season: Advancing Sustainable Cocoa Production and Community Engagement

In the 22/23 season, Indcresa has made significant strides in our ongoing commitment to sustainable cocoa production and community engagement. Through collaborative efforts and strategic initiatives, we have achieved notable progress across all pillars of our action plan.

Forest Protection and Restoration:

Polygon Mapping: All 206 farmers within our direct CFI supply chain have been successfully polygon mapped, ensuring greater transparency and accountability in our sourcing practices.

Deforestation Risk Assessments: A total of 755 hectares within our direct supply chain have been assessed for deforestation risk, allowing us to identify and address potential threats to protected areas.

Education on the New Forest Code: We have provided comprehensive training on the new Forest Code to 112 farmers, empowering them with the knowledge and tools necessary to navigate evolving regulatory frameworks.

Climate-Smart Cocoa Practices: A total of 157 farmers have received training in climate-smart cocoa practices, equipping them with sustainable farming techniques to enhance productivity and resilience in the face of climate change.



Sustainable Production and Farmers' Livelihoods:

Village Savings and Loan Associations (VLSA): We have successfully facilitated the membership of 22 members to a VSLA, facilitating access to financial resources and fostering economic empowerment within cocoa-growing communities. Our contribution has supported the overall efforts of these associations, promoting financial inclusion and resilience among farmers.

Community Engagement and Social Inclusion:

Women's Empowerment: Through our support, 22 individuals have participated in women's empowerment projects and activities, contributing to the advancement of gender equality and women's empowerment within cocoa-growing communities.

In summary, the 22/23 season has been marked by accomplishments for Indcresa as we continue to advance our sustainability goals and foster positive change within the cocoa sector. Our achievements in forest protection, sustainable production, and community engagement reflect our unwavering dedication to driving meaningful impact and creating a more sustainable future for cocoa farmers and their communities.



Annex 1 - Result story



Adama Ouedraogo, a 41-year-old farmer residing in Nobilakro, Marahoué region, Côte d'Ivoire, plays an important role in his community regarding forest conservation efforts. With a cocoa farm spanning 2.56 hectares and a family of five, including his wife and two young sons, Adama sits at the intersection of sustainable agriculture and environmental stewardship.



Reflecting on changes in weather patterns, Adama notes *"I have observed a pronounced change in the weather, with shifts in dry periods and seasons."* He notes the link of the weather patterns with his education on deforestation, citing participation in Farmer Field School workshops where forest conservation was a central topic.

Adama takes pride in the management of his land, which has been measured and monitored by cooperative representatives and government agricultural agents. Beyond cocoa cultivation, he diversifies his income through fruit trees: *"I cultivate other crops such as avocado, mango, orange trees. I earn some income by selling the various fruits from these trees."*

Adama remains actively engaged in conservation efforts. *"I get involved but at the level of my plot and the advice I spread around me. I do this because I know the importance of trees for the benefits on my plot (protection of my plants against strong sunlight and conservation of soil quality) and also because trees attract rain."* By spreading awareness within his community, he emphasizes the ecological benefits of trees, both on-farm and off-farm.



Adama exemplifies the pivotal role of individuals in safeguarding forest ecosystems while sustaining livelihoods through sustainable agriculture. His story shows the importance of community empowerment and knowledge sharing in fostering environmental resilience and promoting sustainable land use practices.



Annex 2 - Summary tables



Côte d'Ivoire CFI Summary Table

Description	Target 2023	2023 direct investment	2023 on behalf of client	Since 2018 direct investment
FOREST PROTECTION AND RESTORATION				
# of farms mapped in direct supply chain: Total Active	206	206		
# of hectares in the direct supply chain with deforestation risk assessments completed	620	620		
# metric tons of directly sourced cocoa traceable from the farm to the first purchase point (target is 100%)		307		
# hectares restored in Forest Reserve / Forêts Classée	0			
# trees registered	0			
# of farmers with land tenure agreements/documentation obtained via company support	0			
# farmers informed, trained, and / or consulted on the new Forest Code, forest policy, law enforcement, forest protection, and restoration	112			
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): New	0			
# Individuals receiving incentives to protect and restore forests and / or adopt agroforestry (e.g., PES): Total Active	0			
# farmers applying agroforestry: New		62		
# farmers applying agroforestry: Total Active		62		
# farmers provided with technical assistance to adopt and expand agroforestry	62	62		62
# multi-purpose trees distributed for on-farm planting	1549			
# hectares cocoa agroforestry: New	62	62		
# hectares cocoa agroforestry: Total Active		62		
# of trees distributed for off-farm planting	0			
# hectares of forest area restored off-reserve / in rural zone	0			
# farmers provided with technical assistance to be more resilient to climate change and reduce and remove carbon emissions on farm (e.g., CSC)	112			
# of farmers trained in Modified Taungya System (MTS)				
\$ contributed to fund	0			



Description	Target 2023	2023 direct investment	2023 on behalf of client	Since 2018 direct investment
SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOOD				
# improved cocoa seedlings distributed to farmers				
# farmers provided with technical assistance (based on plans) to professionalize & optimize cocoa farming practices	112	11		
# individuals participating in additional Income Generating Activities (IGA's)		12		
# individuals provided with technical assistance (based on plans) to increase income from non-cocoa sources / IGA's	0			
# Individuals provided with technical assistance to save money and access finance	0	19		
# of members of VSLA groups in the current year	19	19		
# of VSLA groups in the current year	1	1		
SOCIAL INCLUSION AND COMMUNITY				
# of cocoa communities with active forest restoration and protection program (CBNRM): New	0			
# of cocoa communities with active forest restoration and protection program (CBNRM): Total Active				
# hectares under CBNRM	0			
# of individuals participating in women's empowerment projects and activities	19	19		
# of individuals participating in youth focused projects and activities (15-35 years old)	300			





INDCRESA (Headquarters)

Albert Einstein 27

08223 Terrassa

Barcelona | Spain

T (+34) 93 736 23 70

cocoa@indcresa.com

indcresa.com

To learn more, follow

#CocoaAndForests on social media,
or visit **Cocoa & Forests Initiative**