



COCOA  
COMPASS  
2023 IMPACT REPORT

**ofi**  
make it real

 choices for  
change

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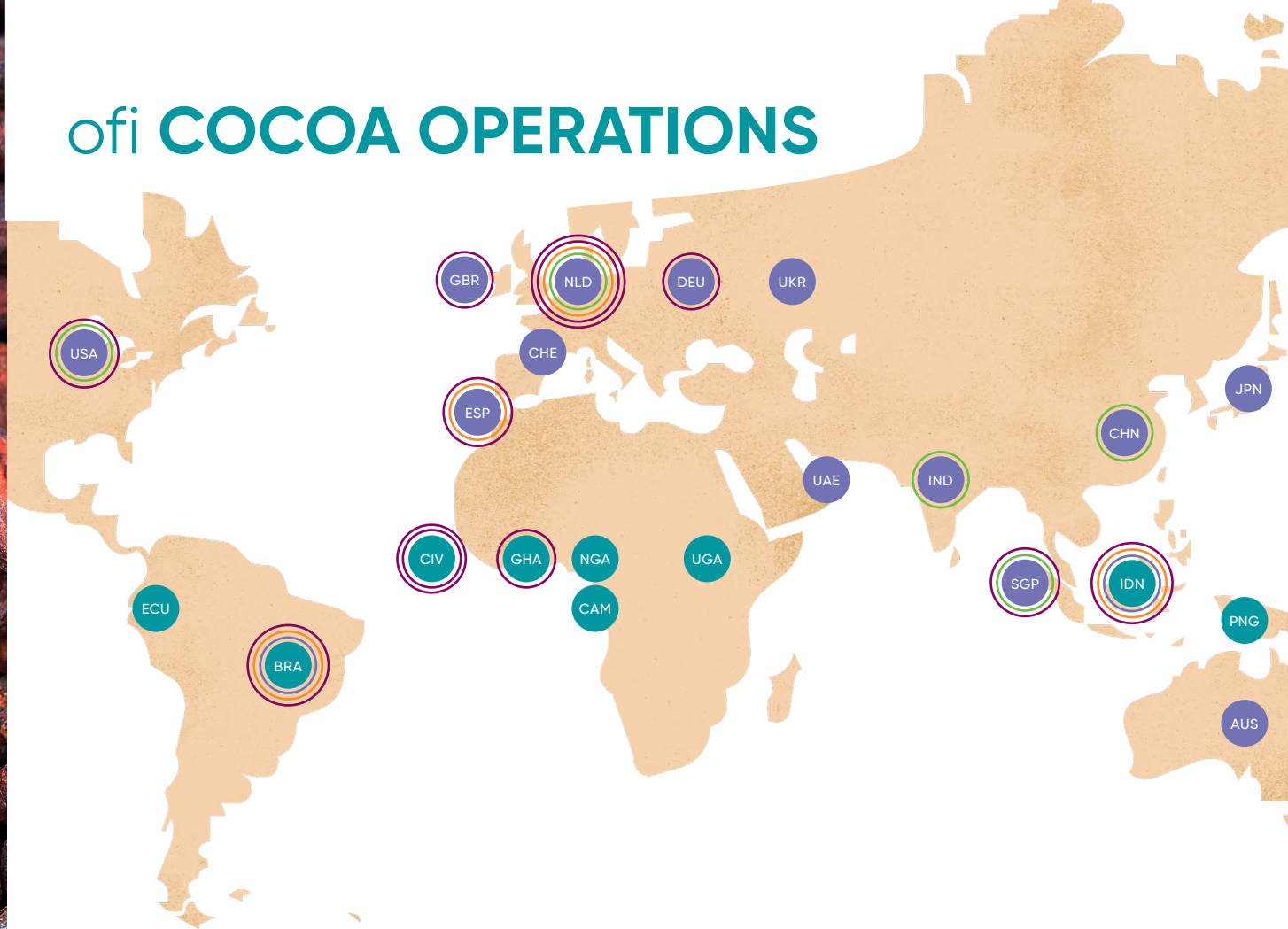
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# ofi COCOA OPERATIONS



AUS	Australia	IDN	Indonesia
BRA	Brazil	IND	India
CAM	Cameroon	JPN	Japan
CHE	Switzerland	NGA	Nigeria
CHN	China	NLD	Netherlands
CIV	Côte d'Ivoire	PNG	Papua New Guinea
DEU	Germany	SGP	Singapore
ECU	Ecuador	UAE	United Arab Emirates
ESP	Spain	UGA	Uganda
GBR	Great Britain	UKR	Ukraine
GHA	Ghana	USA	United States

- 9 Sustainable Sourcing Countries
- 5 ofi Customer Solution Centers
- 4 Cocoa Ingredient Excellence Centers
- 12 Cocoa Processing Facilities
- 15 Key Sale Offices



# YEAR IN REVIEW

**Our purpose, to be the change for good food and a healthy future, guides us in driving the changes that farmers, communities and nature need. It's now been four years since we launched Cocoa Compass, delivering positive impact, together with our customers and partners.**

I'm excited that this year, we will be transitioning to a refreshed Cocoa Compass ambition and targets, which we will report against from next year. They will align with Choices for Change, launched in 2024, **ofi's** overarching sustainability strategy, making it easier for customers and stakeholders to understand our impact across all our ingredients. Our cocoa targets have also been updated to reflect the evolving requirements of a sustainable cocoa supply chain and build on the expertise and insight generated through our programs, partnerships and tools over several years. Under this new strategy, our Investing in Nature pillar will be split into Climate Action and Regenerating the Living World, to recognise the growing urgency required to tackle climate change as well as protecting and restoring cocoa landscapes. Our Empowered to Grow chapter will be expanded into Thriving Communities to include health and nutrition support to complement our existing work to empower women and children.

I'm proud to share the progress we achieved in 2023 against the backdrop of perhaps the most economically challenging year ever for the cocoa industry, which included one of the largest annual supply deficits on record and, consequently, the lowest stock-to-grinding ratio. Specifically in Ghana and Côte d'Ivoire, supply was challenged by crop disease and weather conditions. Ghana's cocoa bean output also dropped to the lowest for a decade, which all subsequently contributed to severe cocoa market pricing fluctuations. We expect these challenges to increase, which will require us to redouble our efforts to enable resilient and thriving cocoa farming communities.

The year ahead will also be an important one for our customers as they approach deadlines for their near-term sustainability targets and prepare for the European regulation on deforestation-free products, now likely coming into force in December 2025, increasing requirements for traceability and transparency. Our mission will remain the same, but these builds will help us to inject fresh momentum, challenge us to be even more ambitious, and support transformative change in the years to come.

## Prosperous Farmers

We've supported cocoa farmers with tailored farm development plans and good agricultural practices to strengthen their resilience and to grow their economic opportunities outside of cocoa to help them achieve a living income. In 2023, we supported **44,000 farmers in our cocoa supply chain** to earn a living income. Our new data analysis also looks at living income trends over three years to understand what contributes to farmer household incomes and the external influencing factors.

## Thriving Communities

With many cocoa communities located in rural areas with limited access to health, finance or education, a holistic approach is required. Our focus has been supporting women and girls, working with NGOs like Child Rights International to address gender inequalities in cocoa communities and empower women by investing in education and income-generating activities. A Fair Labor Association social impact assessment of Village Savings and Loans Associations (VSLAs) in our supply chain in Côte d'Ivoire showed that members' household income has improved, and it is being used towards food and health expenses and supporting children's education. We also embarked on our first partnership with the President's Malaria Institute to distribute life-saving mosquito nets and malaria prevention training in Nigeria.



## Climate Action

Climate change impacts crop quality and yield and is a threat to farmers, businesses and consumers alike. We want to bring about real change by reducing emissions, sequestering carbon, giving farmers the support they need to practice climate-smart agriculture. We also continue to help our customers meet their scope 3 emissions targets, both through our expert field teams on the ground in origin and our Carbon Scenario Planner tool, which is built into our sustainability management system, **AtSource**. We've also continued to invest in decarbonizing our processing operations, installing a circular biomass boiler in our factory in Mannheim, Germany, where we produce some of our deZaan cocoa ingredients.

## Regenerating the Living World

To show cocoa landscapes as integrated ecosystems where agriculture and nature can coexist, we're co-developing ambitious multi-stakeholder landscape partnerships to scale impact beyond individual programs and drive collective action. Agroforestry remains a key element in our approach to regenerative agriculture, which is reflected in the updated target.

The issues are complex but the progress we have made through Cocoa Compass so far gives us a strong foundation to learn and build from. The data we are reporting today is helping us to understand the interventions that are working and how we can scale impact together with our customers and partners around the world. I'd like to thank everyone who has been on this journey with us so far, and I look forward to communicating further progress.



**Andrew Brooks,**  
Head of Cocoa  
Sustainability, **ofi**



# GLOSSARY

## Beneficial trees distributed in agroforestry systems

A beneficial tree refers to native or non-native trees, not including **ofi**'s target crop species, which are planted in or around farms for any useful purpose (e.g. shade, timber, fodder, fruit and other crops, medicinal products, biological control, windbreaks, soil stabilization, hedging, etc.). An Agroforestry Program refers to the distribution of trees to farmers for use on their farms.

## Child labor

Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development (work that interferes with schooling or is hazardous) (ILO convention 138). The worst forms of child labor include children being enslaved, separated from their families, exposed to serious hazards and illnesses, and/or left to fend for themselves on the streets of large cities – often at a very early age.

## Child labor remediation actions

Child labor remediation actions refer to actions taken to remove a child from child labor or mitigate the consequences of child labor by providing alternatives and promoting their safety and wellbeing.

## Direct Sourcing/supply chain

Volumes procured by **ofi**, or its subsidiaries, directly from farmers, or from farming co-operatives, farmer groups, community/growing areas or their representatives (including Local Buying Agents who are restricted to a specific community/growing area). This also includes sourcing from **ofi**'s in-country subsidiary-owned estates, orchards or farms.

## Education support

An intervention aiming to improve children's access to quality education. This excludes any type of infrastructure-related interventions. Examples of interventions that are considered are the establishment of birth certificates and the distribution of school material & equipment (school kits, schoolbooks, etc).

## Forest Positive

We define this by the CGF – Forest Positive Coalition definition: 1. accelerate efforts to end deforestation in our own supply chains, 2. set higher expectations for suppliers to end deforestation across all their supply chains, 3. drive transformational change in strategic landscapes, and 4. track and report using common metrics.

## Indirect Supply Chain

Volumes procured from non-supported farmers or not associated with any sustainability claim. This is consistent with a vast majority of trade in the past and still occurring today; and includes volumes procured from third parties, for example, government entities, exchange trading, other national and international companies, as well as from intermediaries (e.g., Local Buying Agents, LBAs) who are not restricted to a specific farmer group/community/growing area.

## Living Income

We adopt the guidance of the Living Income Community of Practice (LICOP): "The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household. Elements of a decent standard of living include food, water, housing, education, healthcare, transport, clothing, and other essential needs including provision for unexpected events."

## Natural Capital

Capital has traditionally been thought of as financial capital. However, capital describes any resource or asset that stores or provides value to people. Stocks of the elements of nature that provide benefits to society, such as forests, fisheries, rivers, biodiversity, soils, minerals, the atmosphere and oceans, as well as natural processes and functions. Natural Capital include both the living and non-living aspects of ecosystems (Source BSI NCA Standard pg. 12). Natural capital works in much the same way as traditional capital – if companies invest in them, they create value, and if companies degrade them, they limit their value.

## Natural Capital Accounting

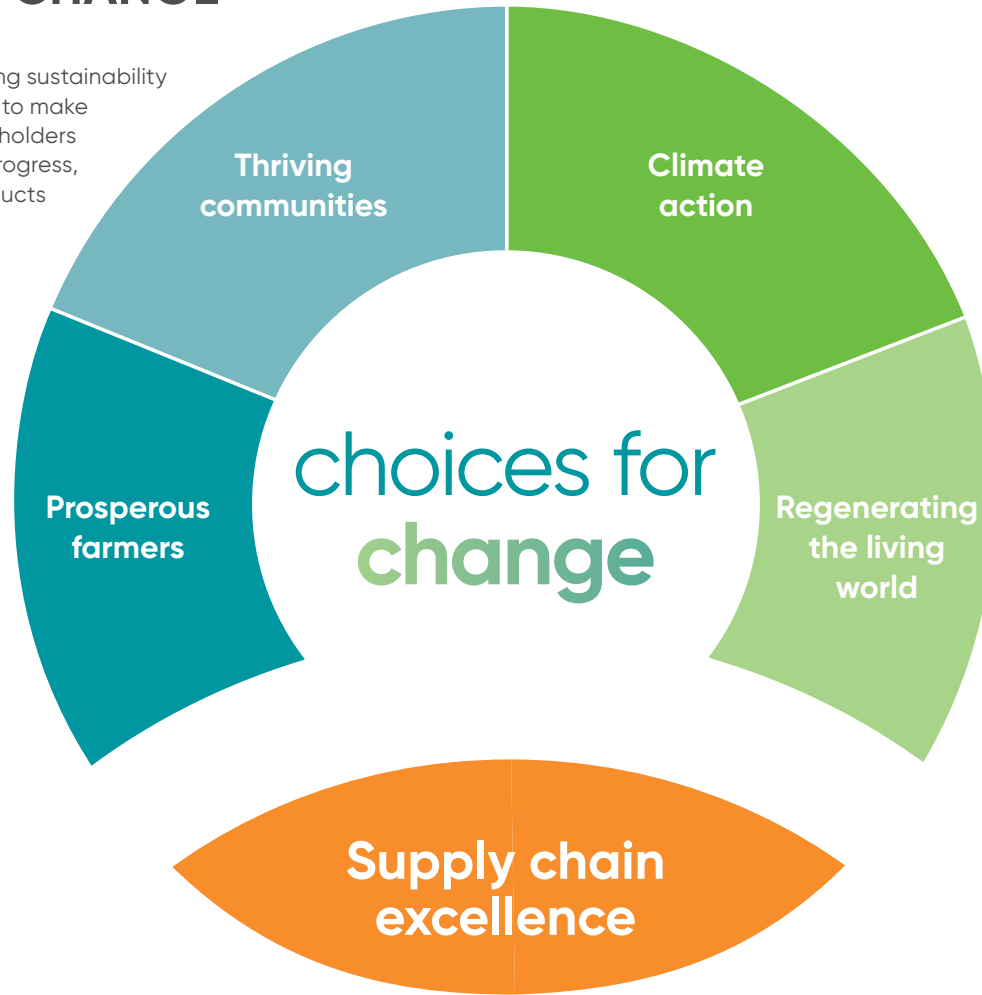
Natural Capital Accounting follows a holistic systems approach to understanding the true value of nature, people, society for humans. The economy must be recognized as parts within a deeply interconnected global system and addressed together to deliver value across the capitals. It is an approach to measure the changes in the stock of natural capital at a variety of scales and to integrate the value of ecosystem services into accounting and reporting systems at national, corporate, project and product levels. This will result in better management of natural capital by these different entities.

**[See ofi's full Sustainability Glossary in the Choices for Change strategy here.](#)**

# CHOICES FOR CHANGE

**ofi** has introduced its overarching sustainability strategy - Choices for Change, to make it easy for customers and stakeholders to understand our approach, progress, and impact across all **ofi**'s products and ingredients. It lays out our ambitions, what we aspire to deliver by 2030 and how we aim to make this real - with our farmers, our customers and other partners across our supply chains. Read the full Choices for Change report [here](#).

A comprehensive double materiality assessment was completed, allowing us to identify the material sustainability topics for **ofi**. These are linked to our interconnected sustainability pillars of the Choices for Change strategy and our supply chain excellence.



## Material Sustainability Topics



Economic opportunity

Human Rights

Climate Change

Ecosystems & biodiversity

Traceability

## Cocoa's contribution to Choices for Change

Following the publication of Choices for Change in 2024, **ofi**'s cocoa business will update existing and introduce new 2030 cocoa-related targets to show its contribution towards the strategy. From the 2024 Cocoa Compass impact report, we will include and report on our progress against these targets:



**15 million beneficial trees** distributed for agroforestry programs



**500,000 farmer households** receive enhanced livelihood support



**150,000 cocoa farmers** in our supplier network achieve a living income



**100,000 children** receive education support



**All identified child labor cases** receive remediation actions



**Seven** landscape partnerships



**1.4 million** hectares under regenerative agriculture

# PROGRESS ON A PAGE

Since 2018 we have been making strides towards our 2030 Cocoa Compass Ambition – to make the future of Cocoa more sustainable. With our transition to align with **ofi's** companywide strategy – Choices for Change, we have adjusted three existing Cocoa Compass targets. This reflects our approach to measure our impact on a more granular level in cocoa communities with education

support and actions to remediate child labor as well as the number of trees distributed for agroforestry. From next year, additional targets will be introduced to show the evolution of our ambition and integration of Choices for Change. We have organized our existing targets under the new Choices for Change pillars which is reflected in chapters of the report.



## Prosperous Farmers

## Thriving Communities

## Climate Action

## Regenerating the Living World

### 2030 Targets

**150,000** farmers earning a living income

**All** identified child labor cases have received remediation actions

**30% reduction** in GHG Natural Capital cost (against 2018 baseline)

**15 million** beneficial trees distributed for agroforestry programs (accumulative)

### 2024 Milestones

**60,000** farmers earning a living income



**10%** reduction in natural capital costs



### 2023 Impact

**44,000** farmers earning a living income<sup>1</sup>

**25,000** children received education support (**+36% 2018**)

Total **7%** reduction in GHG natural capital costs (**since 2018**)<sup>2</sup>

**2 million** beneficial trees distributed for agroforestry programs (**+453% 2018**)

**167,000** children received education support (**cumulative**)

**910** USD GHG natural capital costs from agriculture, sequestration & transportation (**-6% 2018**)

**8.9 million** beneficial trees distributed for agroforestry programs (**cumulative**)

**8,600** cases in the process of receiving remediation (**+163% 2018**)

**15** GHG natural capital cost USD per ton of finished product (**-38% 2018**)

**42,000** remediation cases (**cumulative**)

**0.21** CO2 emissions per metric ton of product output from processing (**-23% 2018**)

<sup>1</sup> Living income data is only available for 2021-2023

<sup>2</sup> Significant reductions in yield particularly in Ghana and Côte d'Ivoire may affect future GHG reductions

# GETTING READY FOR EUROPEAN DEFORESTATION REGULATION COMPLIANCE

Since our first cocoa sustainability initiative back in 2004, we have been developing systems and policies to support a more traceable and transparent cocoa supply chain. Our on-the-ground presence, integrated business model, systems and technology solutions, and sustainability programs, mean we are well-prepared to provide the required due diligence and traceability obligations for our cocoa products destined for the EU market when the regulation begins to apply. Our existing traceability and information systems already provide much of the data required for compliance and have been enhanced to ensure support for European Deforestation Regulation compliance. For direct supply chains, this is from **ofi**'s internal digital solution Track & Trace, including traceability to individually mapped farms. Due to our long-term focus on reducing deforestation in smallholder supply chains and advancing sustainability programs, we already regularly perform extensive deforestation risk assessments, including the use of Google Earth Engine planetary libraries and Global Forest Watch. This provides near-real time and historical monitoring of farm plots mapped using **ofi**'s digital solutions.

## What steps are we taking?

- **On-the-ground presence and farmer networks:** We have a deep-rooted presence in all nine of the sustainable cocoa growing regions, which allows our local teams to directly engage with farmers to promote compliance with EUDR standards.
- **Enhanced traceability and data systems:** Our existing traceability and data systems are being integrated into our track and trace to meet EUDR requirements, providing detailed information from farm to factory.

- **Risk assessment and mitigation:** We conduct thorough risk assessments to identify and take steps to mitigate deforestation, legal, and human rights risks. Our trackable improvement plans and programs ensure ongoing compliance reliably.
- **Industry engagement:** We actively participate in discussions with the EU, industry associations and sectoral forums to try to shape and gain clarity on the implications of EUDR. Continued engagement with the two largest cocoa producing countries Ghana and Cote d'Ivoire governments, organizing their national traceability systems, and indirect suppliers is required for successful compliance with the legislation.

### EXISTING SYSTEMS AND TOOLS

- **ofi** and Farmers Information System
- Child Labor Monitoring and Remediation System (CLMRS) in development in collaboration with the Fair Labor Association
- Farm Deforestation Risk Index and Landscape Deforestation Risk Index
- GPS polygon mapping and AI geospatial carbon stock monitoring tool

### ofi TRACK AND TRACE

This internal system integrates information from our on-the-ground digital apps and enterprise resource planning systems to enable traceability from farm plots within our direct cocoa supply chain to customers.

## Supporting policies

All our suppliers, both direct and indirect, must adhere to our Agri-Supplier Code. We also outline our expectations for supplier code of conduct and human rights in our policies.

- UK Modern Slavery policy
- Position Statement on Human Rights and Labor
- Supplier Principles



# PROSPEROUS FARMERS

## 2030 TARGET

**150,000 cocoa farmers** in our supplier network achieve a living income

## 2024 MILESTONE

**60,000 cocoa farmers** in our supplier network achieve a living income

## 2023 PROGRESS

**44,000 cocoa farmers** earning a living income

**2.5 million cocoa seedlings** distributed

**176,000 farmers** trained in Good Agricultural Practices (+49% 2018)

**USD 39 million in premiums** distributed to farmers (+44% 2018)



## Enhancing Farmer Resilience

To support cocoa farmers with more sustainable livelihoods means they have the appropriate environment and resources to live beyond the necessities and protect themselves from climate and market shocks. For most smallholder farmers, cocoa is often their main source of income. However, they can face several challenges, such as disrupted rainfall, ineffective pesticides, low yields due to ageing trees, more harmful crop disease, lack of access to finance, labor, and fertilizer, small farm plots (majority less than two hectares), and low maintenance. Helping them to overcome these challenges and improve the quality of their cocoa can make a big difference in productivity and income.

To support our aims, we're helping farmers develop more professionalized farms with tailored farm development plans, access to improved cocoa seedlings, and training on Good Agricultural Practices. We are providing assistance to diversify their income streams, through agroforestry and additional crops. Access to rural credit and loans through VSLAs or partnerships with banking institutions enables farmers to invest and grow cocoa farming and other businesses. The income generated can be saved so the funds are available when they most need it. Access to rural credit and loans through Village Savings and Loans Associations (VSLAs) or partnerships with banking institutions enables farmers to invest and grow cocoa farming and other businesses. The income generated can be saved so the funds are available when they most need it. Farmers can also receive premiums to support their transition to sustainable practices based on how much cocoa they supply through **ofi** and its customer sustainability programs. A combination of all these factors can help farmers increase their earnings and resilience, which in turn helps to create thriving communities and more possibilities for farming households to earn a living income.

## Increasing yields with agronomy

Our plant scientists and field staff in countries where we source cocoa work closely with farmers to help them increase yield and crop quality. We participated in a three-year **CocoaSoils** trial using cocoa yield data (2021-2023), to uncover the most effective combination of fertilizer and good agricultural practice interactions for cocoa productivity. **ofi** hosted trial sites in all four countries in the project: Cameroon, Côte d'Ivoire, Ghana, and Nigeria, testing four different treatments, which looked at varying levels of fertilizers in combination with pruning, weeding, insecticide application, and fungicide application. Results show that good agriculture practices, better-targeted soil nutrient inputs, and good plantation management can improve overall cocoa production. We're now exploring ways to implement the optimal fertilizer application in our supply chain, acknowledging, however, progress has been compromised for smallholder farmers due to the limited availability and high cost of fertilizers. We are conducting separate trials on cocoa pod residue management such as composting and mulching, as a more nature-based and economical solution that also reduces carbon footprint.





## Accelerating farmer income with the Nestlé Income Accelerator Program

Since 2022, we have supported over 4,000 farmers in more than 220 communities in Côte d'Ivoire as part of the Nestlé income accelerator program. Working with the International Cocoa Initiative, the Rainforest Alliance, KIT Institute and the German development agency GIZ, we are helping to close the living income gap and prevent the risk of child labor by implementing:



### 70 ENUMERATORS TRAINED

by **ofi** to profile cocoa households and identify children at potential risk of child labor.



### 80,000+ SHADE TREES

planted by community service groups (CSGs) and registered on **ofi**'s Digital Supplier engagement app to support proof of ownership for farmers.



### 50 NEWLY ESTABLISHED SCHOOL MANAGEMENT COMMITTEES

to support school activities and infrastructure needs, such as renovating and constructing classrooms, canteens, toilets and teacher housing, as well as installing water and electricity meters and purchasing teaching materials.

Participating farmers in Côte d'Ivoire are financially rewarded for using more sustainable practices. They are all registered and verified on the **ofi** Farmer Information System (OFIS). Mobile money transfers are then made to the farmer through WAZE, an electronic payment system. Find out more about how school canteens are supporting children's education and helping to mitigate child labor [here](#).



### 130 NEW VSLAS WERE CREATED AND EQUIPPED

with vital resources such as savings books and lockable money boxes.



### MEMBERS OF 200 EXISTING VSLAS WERE TRAINED ON GENDER ACTION LEARNING SYSTEM

(GALS) to support the empowerment and inclusion of women in community decision-making and address gender disparities.



### 135 COMMUNITY SERVICE GROUPS

(CSGs) – **ofi** trained and equipped the groups with the tools needed to provide extra labor and specialized pruning support to improve cocoa productivity – covering 4,000+ hectares of farmland.



# Closing the Living Income gap for Cocoa farmers

We aim to go beyond lifting farmers out of poverty by helping them to earn enough to achieve financial stability. We have set an ambitious goal of 150,000 farmers in our supplier network to achieve a living income by 2030 to track our progress. To support this, in 2022 we created the Farmer Income Tool (FIT) in partnership with sustainability consultancy Dear Impact. This comprehensive tool estimates farmer incomes in our cocoa sustainability programs, offering detailed insights into where our efforts are improving farmer earnings as well as where collaboration with customers can further close income gaps.

Using this Tool, we have calculated the number of cocoa farmers earning a living income using a broad sample of farmers representing approximately half of our sustainable

supplier network. We collected household income data across nine countries via our **ofi** Farmer Information System (OFIS) app and can now see the trend over three consecutive years (2019-2020, 2020-2021, 2021-2022 crop year), collected in 2021, 2022, and 2023 respectively<sup>1</sup>.

## The Results

**Approximately 13% (44,000 farmers) earned a living income in 2023, an increase of approximately 14,000 farmers from the previous year. This shows we are making strides towards our 2024 milestone of 60,000 cocoa farmers in our supplier network earning a living income.**

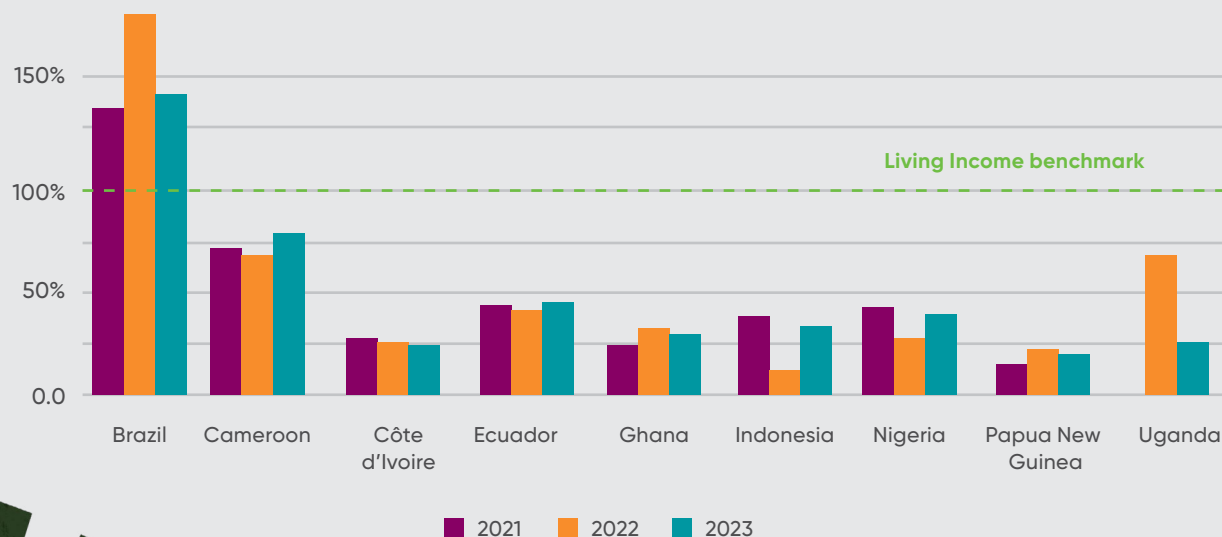
In all origins except Côte d'Ivoire<sup>2</sup>, farmers have increased their total net household income (after taxes) from collection years 2021 to 2023. At the same time, Living Income benchmarks<sup>3</sup> in all nine countries have also increased due

to higher costs of living. This means that in some countries like Indonesia and Nigeria, where the cost of living increases greater than the increase in household income, there is a decrease in the median living income gap.

An improvement in the percentage of the Living Income Gap closed by the median farmer is a strong indication that farmers have been able to improve their standard of living. This is true for the typical cocoa farmer in Cameroon, Papua New Guinea, and Ghana, which has reduced the living income gap by 5% between 2021 and 2023. In Brazil, where the median household income is higher than the Living Income benchmarks, the typical cocoa farmer is consistently earning more than a living income. This is primarily due to having larger commercial farms, than smallholders.



### Share of Living Income Gap closed by median farmer



### Share of Living Income Gap closed by median farmer

Country	2021	2022	2023
Brazil	1.38	1.70	1.45
Cameroon	0.73	0.69	0.78
Côte d'Ivoire	0.27	0.26	0.24
Ecuador	0.43	0.40	0.44
Ghana	0.24	0.32	0.29
Indonesia	0.35	0.13	0.33
Nigeria	0.42	0.28	0.37
Papua New Guinea	0.15	0.22	0.20
Uganda	n/a <sup>2</sup>	0.69	0.26

<sup>1</sup> We could not collect data in 2021 in Uganda due to the impact of COVID-19 on our survey process.

<sup>2</sup> 2021 data not available for Uganda. See above footnote.

<sup>3</sup> A living income benchmark is an estimate of the cost of a basic and decent standard of living for a household see [IDH definition](#). All **ofi** cocoa Living Income benchmarks are based on studies by the Anker Research Institute. **ofi** Cocoa co-funded the development of Living Income benchmarks for Brazil, Cameroon, Nigeria and Papua New Guinea.

## Understanding the key factors contributing to household income

Cocoa farmers can earn an income from a variety of sources such as cocoa, other farm goods, and off-farm income. At **ofi** we take this into consideration as well as land-sharing arrangements, such as sharecropping, and in-kind benefits of farm inputs and equipment distributed to cocoa farmers as part of the sustainability premiums paid by many of our customers. Looking at the data collected between 2021-2023, we conducted a quintile analysis, segmenting farmers into five groups, from the top 20% of earners through to the bottom 20%. Our analysis found that diversification of income streams had a significant positive impact on the overall household income. Within the top 20%, on-farm income represented 93% of household total income, but interestingly, cocoa accounted for only 60% of this, with other farm goods accounting for 25%. In contrast, for the lowest earners, the on-farm income accounted for 99% of the household total, with cocoa making up 90%, and other farm goods 1%.

When we dig even further into the difference between the top and bottom earners, we see that, despite the top earners having a lower proportion of income coming from cocoa, their cocoa revenue superseded that of the lowest earners by over seven and a half times, with the highest yields and cocoa price having the most impact. Off-farm income revenue was also a significant contributing factor, with the lowest earners making 200 times less than those in the top quintile. Overall, these factors cumulatively account for the overall gap in household income, with the top earners having 64% more household income than those in the bottom quintile.

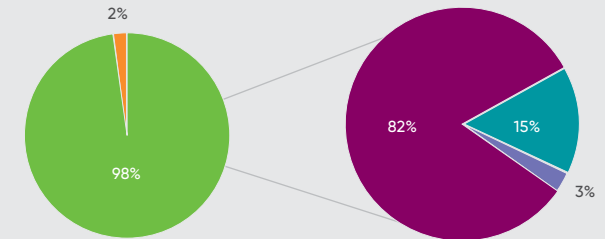
### Next Steps

We are further enhancing our data collection and sampling process to provide us with stronger insights to inform our approach. From the 2024 crop season, we will move from using voluntary responses to our Living Income survey to **ofi** staff conducting direct surveys covering a percentage of farmers per farmer group across all nine origins. This will enable the data to be more representative of our sustainable supplier network and allow us to see the difference between farmer groups and regions within the countries. We also want to look deeper into household income, further analyzing at the contribution of other farm goods than cocoa and off-farm income to better understand the main drivers for those earning a living income.

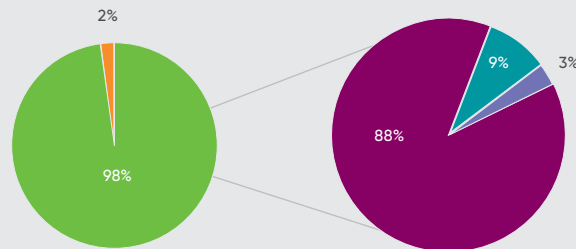
**Q1: Top 20% earners**



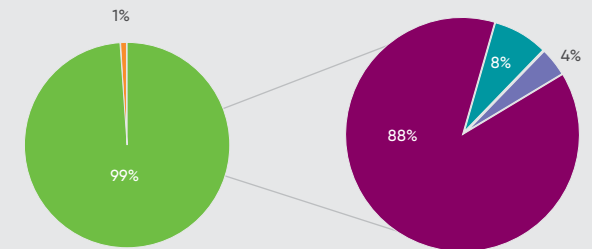
**Q2: Next 20% of top earners**



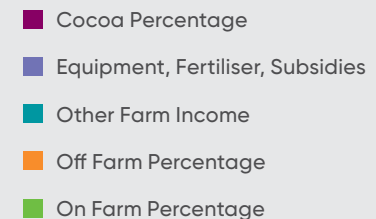
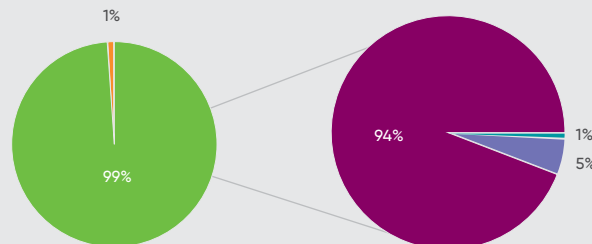
**Q3: Middle 20% earners**



**Q4: Second lowest 20% of earners**



**Q5: Bottom 20% earners**



# THRIVING COMMUNITIES

## 2030 TARGETS

All identified child labor cases receive remediation actions

100,000 children receive educational support

## 2023 PROGRESS

11,700 identified in child labor (+68% 2018)

8,600 child labor cases received remediation actions (+168% 2018)<sup>1</sup>

25,000 children received educational support (+36% 2018)<sup>2</sup>

115 schools built or rehabilitated (+21% 2018)

2,000+ Village Savings and Loans Association established to date (since 2018)

<sup>1</sup> Remediation reduced due to fewer cases of child labor being identified.

<sup>2</sup> Educational support decreased due to reduced human resources which impacted implementation.

## Creating social impact

Creating the right environment for communities to thrive requires a holistic approach that is beneficial for as many as possible and addresses some of the root causes of the social issues cocoa communities face. With this in mind, we have refined our existing goals relating to child labor and education in line with **ofi's** Choices for Change sustainability strategy and are focusing on measuring the actions we can take to make a difference in the lives of children. Through our refreshed targets, we will report on remediation actions taken to support cocoa families and educational support for children's learning and development. We believe these actions, along with our customers and partners, local governments, and civil society, will still contribute to a long-term sector aim to eliminate child labor.

Many of the challenges for cocoa communities are interlinked; for example, improved water infrastructure or access to clean water closer to home not only impacts health but can also help reduce child labor, as it is often young girls who help their mothers fetch water for the family. We also see how schools that provide food in their canteen can encourage school attendance.

The empowerment of women in cocoa communities can benefit the whole family. A **social impact assessment** by the Fair Labor Association (FLA) on six Village Savings and Loan Associations (VSLAs) in our supply chain in Côte d'Ivoire, reported a positive impact on women's involvement in decision-making in the community and the household. It highlighted that VSLAs have improved its members' household income and saving habits which contributed to food and health expenses and supporting children's education. This was also reflected in the higher school enrolment rate of their children compared to non-VSLA members.

Working with Mars and CARE, we are also helping strengthen the role of VSLAs in community finance, creating stronger links with established banking institutions to increase the level of funding available in rural communities. Since 2020, the Women for Change project, a partnership between Mars and CARE, helped to strengthen VSLAs' capacity to establish financial linkages, guiding VSLAs in **ofi**/Mars communities through the process of drafting, legalizing bylaws, and obtaining necessary administrative approvals, and effectively opening group and individual accounts. As of September 2023, the Women for Change partnership has established 780 VSLAs within the **ofi**/Mars program in Côte d'Ivoire. Of these VSLAs, 45 were supported in opening group accounts, with four receiving bank loans totalling USD19,100.



## Addressing gender inequalities and reducing child labor

Our team in Ghana completed a five-year project with CARE International Ghana, Youth Opportunity and Transformation in Africa – YOTA, Child Rights International – CRI, and funded by the United States Department of Labor, Bureau of International Affairs, focusing on reducing child labor through the empowerment of vulnerable women and girls in 80 communities across the Western North, Central, and Ahafo regions in Ghana. Between 2018– 2023, the **Adwuma Pa Project** showed a 25% decrease in child labor, and incidences of hazardous child labor fell by nearly 50% among the participants. Its success came from addressing gender inequalities of women and adolescent girls, by investing in education and income-generating opportunities, and strengthening child protection and community committees.

## Fighting the spread of Malaria in Nigeria

For the first time, **ofi** partnered with the U.S. President's Malaria Initiative (PMI) to help stop the spread of malaria in Nigeria. PMI is the U.S. government's largest program leading the fight against malaria. It is led by the U.S. Agency for International Development (USAID) and co-implemented with the U.S. Centers for Disease Control and Prevention (CDC). **ofi** and PMI, along with the Cross River State Government in Nigeria, widened the distribution of insecticide-treated nets to approximately 3,600 cocoa farmer households in remote communities. The households also received information on the importance of using the nets to protect themselves and their families. Find out more about our partnership [here](#).



## Hear from one of our partners



Despite being a preventable and treatable disease, a child still dies from malaria every minute. No single government or entity can solve this problem alone. Public-private partnerships are needed now more than ever. The U.S. President's Malaria Initiative is proud of our partnership with **ofi** in Nigeria, where we've worked together to reach remote farming households with lifesaving mosquito nets to support healthier families that can thrive.



**Dr. David Walton,**  
U.S. Global Malaria  
Coordinator

**PMI** | U.S. PRESIDENT'S  
MALARIA INITIATIVE

LED BY





## Increasing social protection with universal health coverage

Financial shocks such as unexpected medical bills can contribute to children not attending school, highlighting the importance of universal health coverage (CMU). As part of the Accelerating Action for the Elimination of Child Labor in Supply Chains in Africa project, we partnered with International Labor Organization (ILO) to fund and implement a pilot to improve access to the Universal Health Coverage scheme in Côte d'Ivoire. **ofi** sensitized over 200 farmers and their cooperatives in Nawa and Moronou communities on the benefits of CMU. **ofi** also paid their health insurance contributions for over 12 months, reducing out-of-pocket expenses for farmers to 30%. Local health centers in these cocoa-producing areas were integrated into the national healthcare network. This scheme has the potential to improve the living standards of cocoa farmers, particularly if local health centers can be trained and equipped to process CMU claims and have robust monitoring in place.



**Kouame Kouadio Edmond**  
Cocoa farmer



*I heard about the CMU through a sensitization session organized by the cooperative and also on TV. I enrolled to be able to benefit from health services at a lower cost. I went to the hospital of Soubre to see a doctor about a headache, and by presenting my CMU card, I only had to pay 1000 FCFA for the consultation as opposed to 3000 FCFA. I really appreciated the service that I received at the health center.*



**Ndeye Coumba Diop**  
Director, ILO Country Office for Côte d'Ivoire, Benin, Burkina Faso, Mali, Niger and Togo



***ofi's** contribution to covering the social health insurance fees for members of cocoa-producing cooperatives in the Nawa region, Côte d'Ivoire, sets an example of how the private sector can contribute to tackling the root causes of child labor and promoting the Fundamental Principles and Rights at Work. This was done as part of **ofi's** collaboration with the National Health Insurance Fund of Côte d'Ivoire (CNAM), and the ILO through its **ACCEL Africa project**, financially supported by the Ministry of Foreign Affairs of the Netherlands. The ILO is committed to continuing this collaboration and supporting the private sector's efforts towards the eradication of child labor and the promotion of the Decent Work Agenda, by contributing to the improvement of the living conditions of the most vulnerable workers within the cocoa industry.*



**International  
Labour  
Organization**



## Nurturing the right learning environment

In partnership with Puratos and its Sustainable Cocoa Program, Cacao-Trace, our team in Uganda supported local education infrastructure improvements in the parish of Mirambi in the Bundibugyo district. Three new classrooms were constructed, and four other buildings were renovated, including the provision of 70 new school desks. A water borehole was built on site to provide access to clean water, as well as six standing pit latrines to improve sanitation. Since its completion, the school has seen enrolment grow by nearly 800 students, a 144% increase.



## Making subsidized food available for children at school

Our team in Côte d'Ivoire, in partnership with Nestlé in their income accelerator program, has supported the construction of seven new school canteens, distributing food to local schools and training school management committees to manage the funds for food and cooking meals for the students. Approximately 21,000 children across 70 schools are benefiting from the availability of subsidized food in school with staples such as rice and pasta as well as fish, tomato, and corned beef. The availability of the food was extended beyond the government funded days. By providing meals at schools for a lower cost, this initiative incentivizes children to attend classes. It discourages them from going home to eat during lunch breaks, which can lead to them not returning in the afternoon.



# CLIMATE ACTION

## 2030 TARGET

**30% reduction** in GHG natural capital costs

## 2024 MILESTONE

**10% reduction** in GHG natural capital costs

## 2023 PROGRESS

**7 % reduction** in GHG natural capital costs *(since 2018)*

**15 USD** per ton of finished product GHG natural capital cost *(-38% 2018)*

**0.21 CO2** emissions per metric ton of product output from processing *(-23% 2018)*

**910 USD** per ton of GHG natural capital costs from agriculture, sequestration & transportation *(-6% 2018)*

Significant drop in yield particularly in Ghana and Côte d'Ivoire may affect future GHG reductions.

## Towards Net Zero

From farm to factory, we're measuring our emissions to create a more resilient cocoa supply chain and achieve our goal of becoming net zero by 2050. **ofi** has signed up to the Business Ambition for 1.5°C coordinated by the Science Based Target Initiative (SBTi) and is developing our near-term targets, segmented into FLAG (Forest, Land, and Agriculture guidelines) and non-FLAG, Scope 1 & 2 and 3 emissions by 2025, which all the businesses within **ofi**, including cocoa, are participating in the process.

To reduce our scope 1 & 2 emissions, we're implementing circular and renewable energy initiatives to power our processing facilities, such as biomass boilers. At the farm level, with our suppliers, customers and partners, we are creating dedicated sustainability programs that integrate interventions to reduce our scope 3 emissions and prevent deforestation; which includes planting agroforestry systems to supporting carbon sequestration to training farmers on good agricultural practices and post-harvest techniques such as mulching and composting to reduce carbon emitted from crop residue. We are also engaging supplier farmers and intermediaries on our **Agri Supplier Code**, which requires them not to deliver products to **ofi**, which have resulted in the destruction of forests and other important natural habitats.

The EUDR legislation is also driving industry-wide change and accelerating the need for farm-level traceability. Mitigating deforestation is key for the industry to reduce its future emissions and the legacy of past emissions. We've been using our Landscape Deforestation and Farm Deforestation Risk Indices (LDRI and FDRI) for the last four years to map and address deforestation risks at the sourcing area and the farm levels, respectively. In addition, we're actively working towards having all farms in our direct cocoa supply chain polygon mapped ahead of when EUDR comes into force. Not only does it provide more granular data about how our cocoa is grown, but it also helps to more accurately monitor land use change, which has historically been the main cause of GHG emissions in the cocoa sector.

We are supporting the industry to report its progress in climate action through the standardization of greenhouse gas (GHG) accounting methodology for land use change and carbon removals. As part of the WCF SBTi Task Force, we're working to align the measurement of scope 3 GHG measurement for all upstream and downstream emissions associated with the value chain of chocolate ingredients.





## Activating digital tools to reduce scope 3 emissions

At **ofi**, we've developed several digital tools to help our customers cut emissions in their supply chains. Using our Carbon Stock Monitoring tool, and our award-winning Carbon Scenario Planner, embedded into AtSource, we can model different scenarios. The insights generated can be applied to the regional context to develop the most relevant strategy for our customers to reduce scope 3 emissions and play a crucial role in cutting our Natural Capital costs.

### Predicting future land use change emission reductions

We used historical tree loss and land conversion data in collaboration with AdAstra Sustainability to predict future emission reductions from land use change across all the sustainability programs we run in partnership with our customers in Côte d'Ivoire. Our geographic information specialists analyzed data from the carbon stock monitoring tool, developed in collaboration with NGIS. Between 2020 (Choices for Change and SBTi baseline) and our 2030 target, we estimate a 68% reduction in land use change emissions in those programs.

### Using climate-smart agriculture to reduce post-harvest emissions

We've seen the benefits teaching good agriculture practices and climate-smart techniques can have on reducing the carbon emitted compared to traditional techniques used on the farm. We used our carbon scenario planner to provide one of our customers with models that showed how mulching could reduce crop residue emissions from discarded cocoa pods by 83%.

We are now looking at integrating our data from our Carbon Stock Monitoring tool and Carbon Scenario Planner in AtSource, so our customers can visualize the sequestration benefits from tree planting in their supply chain, alongside their carbon output.

### Calculating carbon capture for cocoa agroforestry

Since joining the Cocoa and Forest Initiative in 2017, we have been working toward converting all farms within our sustainability programs in Ghana and Côte d'Ivoire under agroforestry management. We can now measure the tree survival rate, which in Côte d'Ivoire has been externally verified. Combining this with our AI-powered Carbon Stock Monitoring tool, we are able to provide a detailed assessment of the carbon these trees have sequestered. This tool can also be used to show the carbon savings in specific customer supply chains and support them with long-term carbon reduction strategies.

We provided one of our customers, a large chocolate brand, with a snapshot of the carbon sequestration and ecosystem benefits of agroforestry planted on specific farms in Côte d'Ivoire. It showed that, over 500,000 shade and fruit trees planted between 2022 and the end of 2023 with a survival rate of 80%, could sequester over 15,000 tons of carbon (CO<sub>2</sub>e).



## Maximizing renewable energy in Europe

### Fueling our factory in Mannheim with Cocoa shells

We're turning our residual cocoa shells into renewable energy for our factory in Mannheim, Germany. The new circular biomass boiler, a joint venture with energy company MVV, is believed to be the first cocoa shell boiler of its kind in the country. It joins our global network of six other Cocoa biomass boilers in: Ilhéus in Brazil; San Pedro, and Abidjan in Côte d'Ivoire; Tangerang in Indonesia, Jurong in Singapore and Koog aan de Zaan in the Netherlands.

### Harnessing solar power for Port of Amsterdam warehouse

**ofi** and the Commodity Centre Group jointly created a cocoa bean warehouse terminal exclusively using renewable energy at the Port of Amsterdam in the Netherlands. Nearly 7,000 solar panels were installed, which could lead to the reduction of 1,350 tons of CO<sub>2</sub>e per year. This is the equivalent of 67,500 trees absorbing carbon from the atmosphere and utilizing roof space in the region of two football pitches.



# Measuring long-term impact on nature in our cocoa sustainability programs

## What is Natural Capital Accounting?

To help measure the effect, we have on nature through our managed sustainability programs, we use Natural Capital accounting. This approach shifts away from costs in the traditional sense to the impact on natural capital closely linked to our cocoa business, such as carbon, and then measures them in dollars and cents. This analysis forms part of our wider reporting on sustainability and feeds into **ofi**'s Integrated Impact Statement, published as part of Olam Group Limited's annual report.



## Progress towards our 2024 milestone

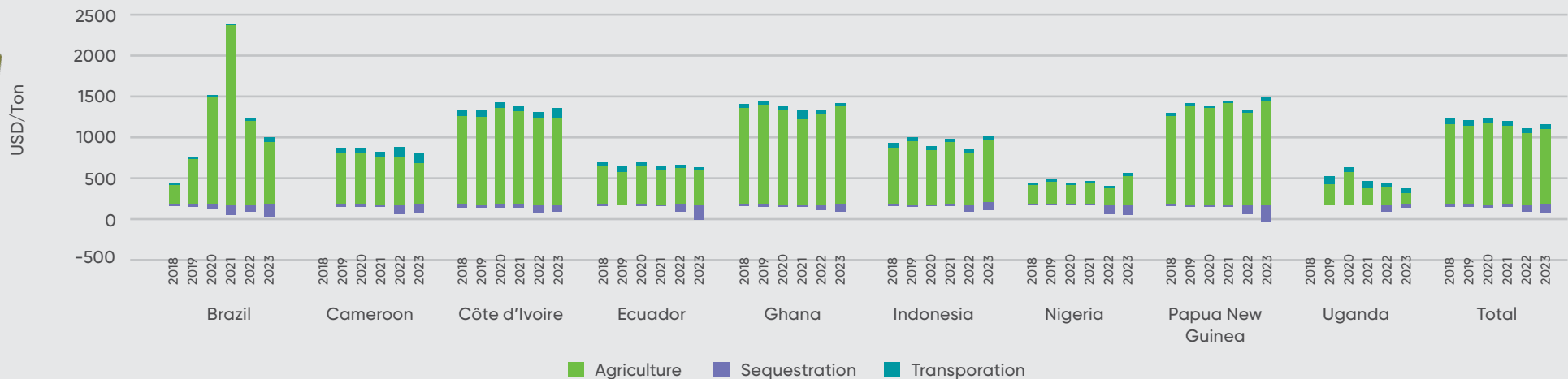
Looking at the total reductions in Greenhouse Gas (GHG) natural capital costs (NCCs) from our cocoa processing and agriculture data, we estimate we have achieved an overall reduction of 7% against our 2018 baseline. This is reflected in a 6% decrease in agricultural GHG-related NCCs per ton<sup>1</sup> and a 38% decrease in GHG emissions-related natural capital costs per ton<sup>2</sup> in processing. It is also important to note that while we have made significant reductions to our processing NCCs, agriculture still accounts for approximately 98% of our total GHG NCC footprint and remains a challenge and a key focus as we work towards our GHG natural capital targets. Land Use Change (LUC), predominantly historical, contributes towards the main portion of natural capital costs. Uganda and Ecuador saw positive results in<sup>3</sup> their Crop Residue Management (CRM) related NCCs per ton. Updates in methodology mean we are continuously refining the accuracy of the data, which is linked to using polygons instead of a farm radius approach. While GHG emissions remain the most significant contributor to our overall NCC

footprint, we recognize the importance of reporting on our overall environmental impact. Therefore, we aim to begin disclosing our natural capital impacts related to water use and ecosystem services starting next year.

## Cocoa processing in 2023:

Across our cocoa factories worldwide, we have made strides in cutting our GHG emissions-related natural capital costs (NCCs). In 2023, they decreased by 27% from USD20.64 per ton to USD15.15 per ton. We have made particularly strong progress in Europe, with 4 out of 5 European facilities now exceeding the 50% reduction mark, which is partly because all the European facilities have now transitioned to using renewable electricity this year and the implementation of circular biomass boilers, the most recent in Mannheim, Germany. In Brazil, we have also been able to gradually optimize our operations at our facility in Ilhéus. In 2023, we're pleased to report a 27% reduction in NCCs to USD8.93 against a 35% increase during 2021-2022.

GHG Natural Capital USD/ton) from Agriculture, Sequestration, & Transportation (2018-2023)



<sup>1</sup> 2018: USD 972 per ton, 2023: USD 910 per ton <sup>2</sup> 2018: USD 25 per ton, 2023: USD 15 per ton <sup>3</sup> Uganda: 41%, Cote D'Ivoire: 12%, Ecuador: 11%

## Why invest in nature?

Investing in nature is a long-term imperative if we want to protect farmers' livelihoods and future cocoa supplies. The cocoa industry is facing many environmental challenges, including climate change, deforestation and biodiversity loss, as well as pests and crop diseases. Through our managed cocoa sustainability programs, we train farmers on good and regenerative agricultural practices can help to boost the quality and quantity of natural resources that support cocoa growing, as well as restoring landscapes and degraded lands. By taking a proactive approach, we aim to build a global supply chain that is resilient to fluctuations in nature and climate and provides more consistent long-term value in the areas from which we source.

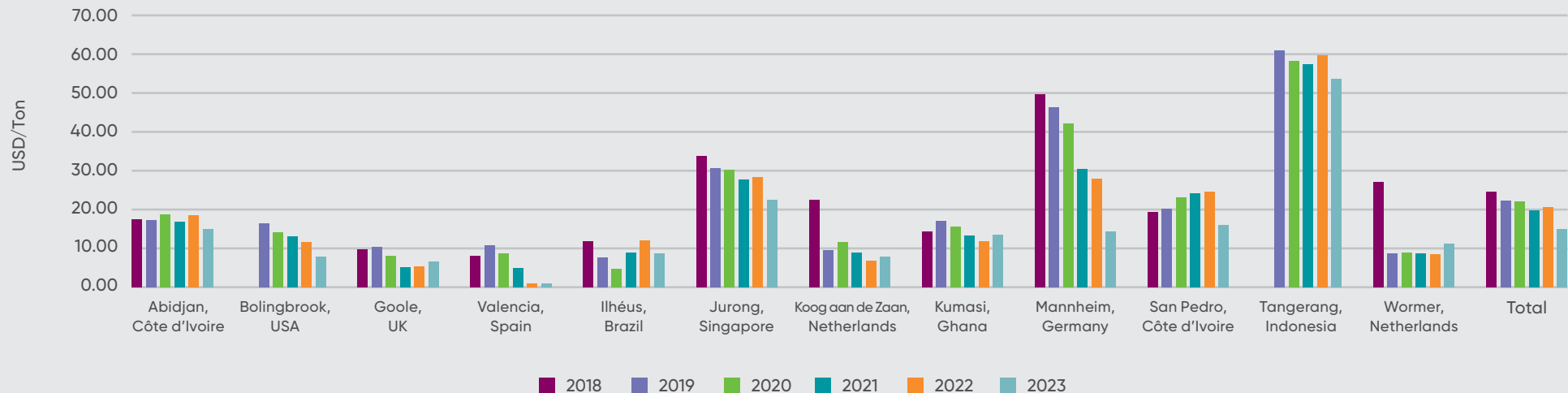
## Cocoa Agriculture in 2023:

Between 2022 and 2023, our GHG-related Natural Capital Costs (NCCs) per ton increased from USD 861 to USD 910 per ton. This increase was primarily due to a 7% rise in Land Use Change (LUC) related NCCs per ton, largely driven by methodological refinements. Natural capital costs related to Land Use Change (per ton) in Nigeria and Ghana<sup>4</sup> increased. In Nigeria, this is because we updated methodology using polygons rather than the farm radius approach, which means more accurate data for each farm rather than

an estimate based on the farmer group. In Ghana, we expanded the number of farmers in our sustainable cocoa programs, which were polygon-mapped at the start of the season. This increased the LUC-related NCCs because it takes into consideration any deforestation on their land that happened before joining our supply chain, which we inherited. Conversely, Uganda and Cameroon<sup>5</sup> achieved a reduction in LUC emissions, and in the same period, we observed a 19% decrease in our fertilizer-use related NCCs per ton, with key origins like Côte d'Ivoire and Ghana<sup>6</sup>.



### GHG Natural Capital Cost (USD/ton of finished product)



<sup>4</sup> Nigeria: 68%, Ghana: 11% <sup>5</sup> Uganda 11%, Cameroon: 8% . The reduction is due to lower cocoa volumes purchased. <sup>6</sup> Cote D'Ivoire: 71%, Ghana: 55%

# REGENERATING THE LIVING WORLD

## 2030 TARGET



**15 Million** beneficial trees distributed for agroforestry programs (cumulative)

## 2023 PROGRESS



**2 million** beneficial trees distributed for agroforestry programs ( +453% 2018)

**8.9 Million** beneficial trees distributed for agroforestry programs (cumulative)

## Generating holistic change in living landscapes

Our goal is to become forest-positive by 2030, by working with farmers to increase tree carbon stock and have an impact at scale. Since 2017 as a founding signatory of the Cocoa & Forests Initiative (CFI), we have been actively assisting farmers to convert their farms to agroforestry. In our latest CFI publication, we reported over 250,000 hectares of active cocoa agroforestry, which we implemented in our supply chain and on behalf of our customers in Ghana and Côte d'Ivoire. We also co-developed ambitious multi-stakeholder landscape partnerships to scale up impact beyond individual programs and drive collective action.

To demonstrate our impact, we've tightened our approach to measuring the increase in tree carbon stock through the distribution of trees for agroforestry, which is reflected in our updated target. We've also introduced a new target to track our progress to scale our ambition through landscape partnerships. These changes complement **ofi's** Choices for Change sustainability strategy and show cocoa landscapes as integrated ecosystems where agriculture and nature can coexist.

## Inclusive landscape governance

Through the Resilient Ecosystems and Sustainable Transformation of Rural Economies (RESTORE) partnership, we're bringing together community leadership, local governments, and traditional and forest protection authorities to better protect the environment and cocoa livelihoods. Co-funded by USAID, **ofi** is working with the Rainforest Alliance and chocolate manufacturers and wholesalers in Côte d'Ivoire, to create the foundations for Landscape Management Boards (LMBs). The LMB is a landscape governance arrangement designed to give local communities a say in how the land is managed and empower them to protect forest and wildlife resources. Ahead of launching the LMBs in Côte d'Ivoire in 2024, RESTORE has reached some important milestones. Approximately 1,900 km of village boundaries have been mapped and will be planted with over 95,000 native forest species. In addition, 26 village committees were formalized to support the work of the LMBs. At **ofi**, we've already seen the benefits of this inclusive governance arrangement in Ghana. In 2018, we operationalized LMBs in the Sui River Forest Landscape, with Partnership for Forests and the Rainforest Alliance. The RESTORE partnership is now working with these LMBs in Ghana to facilitate support for climate-smart farming and forest-friendly income diversification. In 2023, over 120 community members received a total of USD 60,000 worth of start-up kits and training for businesses such as beekeeping, snail farming, fish farming and breadmaking. This initiative mostly benefited women and youth, and it is aimed at supporting communities to help them become more entrepreneurial and financially independent.



## Adapting to a changing landscape

Indonesia has a diverse agriculture sector, with many crops, such as rice and palm oil, competing for the same suitable growing land as cocoa. Crops are also vulnerable to the effects of climate change, such as landslides. So, to protect the future of cocoa farming, our team in Indonesia started to test and implement a new way of growing cocoa called Sloping Agriculture Land Technology (SALT). The approach is to plant cocoa trees in combination with fruit trees, timber and food crops so the root systems bind the soil on the hillsides and help prevent erosion.

In addition to improving soil structure, the trees planted help to lock in soil nutrients, which is beneficial to the cocoa crop. It's also a relatively easy approach for smallholder farmers to implement using an easy-to-construct wooden or metal 'A-frame' structure to create contour and water drains in the land to save the soil and to harvest water for crops.

Agroforestry also helps farmers diversify their income from the other trees planted alongside cocoa – increasing their earning potential. Working with Mars and the German Development Cooperation (GIZ) we've implemented 20 hectares of SALT agroforestry demonstration plots to train farmers on this new approach in Sigi, Luwu Utara Districts, Sulawesi Island. This SALT technique is now being implemented in our other sustainability programs in Indonesia and in landscape partnerships such as LASCARCOCO. Following a visit to the landscape project, the government of Aceh Province, is also considering including the SALT technique in its Cocoa Agroforestry Road Map 2024-2030.



## Hear from one of our partners



Regenerative agriculture is an important part of how Mars supports sustainable cocoa production. As land use in the lowlands moves to rice for food security, it is key we focus on rehabilitating cocoa in the highlands. Mars appreciates **ofi**'s innovative approaches, such as Sloping Agriculture Land Technology, to help farmers transition to diversified cocoa agroforestry in new growing conditions, which also helps to increase biodiversity and farmers' resilience to a changing climate.



**Fay Fay Choo,**  
Asia Cocoa Director,  
Mars



## Using social forestry for conservation

To support the restoration and climate resilience aims of the Landscape Approach to Sustainable and Climate Change Resilient Cocoa and Coffee (LASCARCOCO) project, we are actively implementing a social forestry approach in four districts in Indonesia. This is where the government grant legal access to farmers to manage forests whilst also using the natural resources sustainably for their own livelihoods.

Using spatial information and forest maps, areas for land restoration and forest revitalization were identified to implement sustainable agroforestry. So far, we have identified nearly 15,000 new hectares for social forestry which will either use simple agroforestry or SALT agroforestry models depending on the topography in each district.

## On-farm conservation using regenerative agriculture

In Ecuador, we have been piloting with Lindt & Sprüngli a dynamic agroforestry model (DAF) using up to 35 species of wood and fruit trees, spices like ginger and turmeric, as well as food crops such as corn and cassava alongside cocoa seedlings, to create a more complex farming system as well as increase the sequestration of carbon. Approximately 90 smallholder farmers in the project are implementing agroforestry – 45% are applying regenerative models with dynamic agroforestry, the others are using standard agroforestry model practices to their cocoa farms. These agroforestry systems provide farmers with the opportunity to diversify their incomes alongside cocoa and help maintain or

regenerate soil organic matter, helping farmers reduce their use on external inputs, such as fertilizer. After successfully implementing these techniques, the farmers have shared these learnings with others in their community, helping them build knowledge for new ways of farming cocoa. In the next phase of this project, we will continue to give the farmers technical support for DAF and are looking to partner with ClimaLoca project alliance to measure the impact on soil health and farmers resilience against climate change.

## Value of the ecosystem

The Landscapes for Cocoa Livelihoods pilot is incentivizing six cocoa communities to protect over 1,000 hectares of forest within the Tano Ofin forest reserve in Ghana, helping to preserve natural water and forest resources that support food security. Since 2020, **ofi** has been one of the key partners in co-developing a community-based conservation payment for ecosystem services (PES), led by the Alliance of Bioversity International and the International Center for Tropical Agriculture (CIAT) with funding from Beyond Chocolate and Mondelēz International. In return for meeting conservation targets, the communities will receive payments from Mondelēz that will be used to improve the communities' shared infrastructure, such as health clinics, water boreholes, or improved road connectivity. This approach was the result of a participatory design process led by the Alliance of Bioversity International and CIAT, with the participation of community members and leaders, project partners, and local government stakeholders.

The project used the Terra-i satellite-based system for deforestation alerts developed by the Alliance of Bioversity International and CIAT, to monitor and report forest disturbances and evaluate the effectiveness of the scheme. In addition, the project also used advanced modelling techniques to assess the status of water, carbon, and biodiversity services provided by the forest and estimated the savings these generate for communities.

In the next phase, the Landscapes for Cocoa Livelihoods project will continue to monitor both forest disturbances and community well-being, to generate learnings about the key enabling conditions and necessary provisions to implement a successful PES scheme. These insights will be used to scale up and replicate this community conservation model in other cocoa production areas at the forest frontier in Ghana.

## Hear from one of our partners



The Landscape for Cocoa Livelihoods pilot has delivered early successes due in large part to being well-adapted to the needs of the local community. **ofi** staff have provided crucial inputs to enable this effective intervention design both through their direct insights and by facilitating engagement with the participating communities.



**Tiffany Talsma,**  
Team Leader,  
Alliance of Bioversity  
International and  
International Center  
for Tropical Agriculture

	2017/2018 Crop year	2021 (Jan - Dec)	2022 (Jan - Dec)	2023 (Jan - Dec)	2022 - 2023% change calendar	2018-2023 % change
<b>THRIVING COMMUNITIES</b>						
# covered by CLMRS	43,000	218,000	250,000	249,000	-1%	480%
# monitored by CLMRS	27,000	50,000	84,000	114,000	36%	322%
# monitored by CLMRS cumulative	27,000	126,000	137,000	197,000	44%	630%
# identified in child labor	7,000	12,500	12,300	11,700	-4%	68%
# cases in process of receiving remediation	3,000	9,500	10,000	8,600	-15%	163%
# children receiving from type of remediation or preventative action	14,000	20,000	36,000	6,000	-83%	57%
# children received education support	18,000	34,000	90,000	25,000	-73%	36%
# cases no longer in child labor (remediated and resolved)	500	4,800	4,900	2,500	-49%	409%
# birth certificates	650	400	4,300	5,700	34%	777%
# classrooms constructed/rehabilitated	95	100	160	115	-28%	21%
# school kits	9,000	23,000	32,000	23,400	-27%	160%
# educational funds (cumulative)	9	9	9	9	0%	0%
# VSLAs	50	1,400	1,800	2,000	11%	3900%
# Amount saved	144,000	1.5M	700,000	900,000	18%	497%
<b>PROSPEROUS FARMERS</b>						
# farmers trained in Good Agricultural Practices	118,000	174,000	128,000	176,000	37%	49%
# cocoa seedlings distributed	4.8M	2.8M	3.5M	2.5M	-29%	-56%
# in premiums paid to farmer groups	27M	32.8M	37.8M	39M	5%	44%
# hectares of land rehabilitated	4,100	11,200	7,000	10,300	47%	158%
# current yield (ton/ha) (weighted average, by farm area)	585	635	720	645	-10%	10%
# % productivity change between current year and baseline (weighted average, by farm area)	0	12	11	8	-3%	8%
% of farmers in our supply chain earning a living income	n/a	12	10	13	3%	n/a
# Generated FDPs on OFIS	33,000	47,000	72,000	131,000	82%	297%
<b>REGENERATING THE LIVING WORLD</b>						
# Farmers in High-Risk Farmer Group Trained on Olam Living Landscape Policies	79,000	78,000	29,000	21,000	-28%	-73%
# beneficial trees distributed for agroforestry systems	380,000	1.7M	2.3M	2M	-13%	426%
% suppliers mapped by FLRI	100	100	100	100	0%	0%
% suppliers assessed to have no deforestation risk	81	100	88	92	4%	11%
<b>CLIMATE ACTION</b>						
USD natural capital cost from agriculture, sequestration & transportation	972	934	861	910	6%	-6%
GHG natural capital cost (USD per ton of finished product)	25	22	21	15	-27%	-38%
CO2 emissions per metric ton of product output from processing	0.27	0.22	0.23	0.21	-9%	-23%

\*Number under a million, rounded to the nearest '000 \* Numbers over a million round to one decimal point

<sup>1</sup> Living income data is only available for 2021-2023. <sup>2</sup> Educational support decreased due reduced human resources which impacted implementation. <sup>3</sup> Remediation reduced due to fewer cases of child labor being identified. <sup>4</sup> Primarily due to a 7% rise in Land Use Change (LUC) related NCCs per ton, largely driven by methodological refinements. <sup>5</sup> Higher cocoa prices impacted customer investment in tree planting and distribution



**ofi**  
make it real

Images by Tyson Sadlo at The Herd Represented

 choices for  
change