

A close-up photograph of several cocoa pods in various stages of ripeness, from green to brown, with some showing signs of mold or damage. Large green leaves are visible in the background.

ETG / Beyond Beans Cocoa & Forests Initiative Progress Report

2020-2021





Our work is centred around 4 core pillars:



Farmer Incomes: Providing the tools, technologies, and inputs that will empower smallholder farmers to turn their plantations into dynamic, profitable businesses.



Resilient Communities: Delivering impactful community development initiatives at the farmer level with a focus on women's empowerment, access to finance, and children's development.



A Healthy Environment: Leveraging community sensitization and nature-compatible farming practices to protect forests, water systems, other natural resources, and to mitigate climate change.



Dedicated Partnerships: Establishing effective cross-pollination between companies, not-for-profit organizations and government agencies to optimize investments and maximize impact.

The Export Trading Group (ETG) is a signatory of the Cocoa and Forest initiative (CFI), and with our dedicated sustainability foundation Beyond Beans, we are committed to protecting and restoring forests, engaging communities, and supporting sustainable production and farmer livelihoods. The purpose of this report is to share the work we have accomplished alongside our farmers in the 2020-21 crop season (October - September).

As a cocoa trader, we implement CFI activities with our farmers on behalf of chocolate makers. To avoid double counting of CFI results, chocolate makers report the CFI results obtained with the farmers that supplied their cocoa. Many chocolate makers that we work with have also joined CFI and our joint efforts are thus mostly reported by them. However, we also implement sustainability project with some farmers that do not fall under a CFI chocolate maker, and thus report on those achievements ourselves.

At Beyond Beans we believe that the world of today has the knowledge, people, and tools in place to build profitable and self-sustaining communities, where farming is regarded as a respected profession and sustainable entrepreneurship is the norm.





The Cocoa & Forests Initiative: Collective Action to End Cocoa- Related Deforestation

The governments of Côte d'Ivoire and Ghana and 35 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 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.

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 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.

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.

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.

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.

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 improved planting materials, training in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers' organizations. Sustainable livelihoods and income diversification for cocoa farmers are being accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agroforestry systems and shade-grown cocoa.

The final area of focus is strong community engagement and social inclusion, with

a particular focus on women and youth. The governments and companies have committed to full and effective consultation and participation of cocoa farmers in the design and implementation of key actions, and promotion of community-based management models for forest protection and restoration. The governments 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.



How ETG Engages in the CFI Partnership

ETG is a commercial partner, with direct links to farmer groups across Ghana and Cote d'Ivoire. Beyond Beans is ETG's dedicated sustainability organisation and implements activities across ETG's cocoa supply chains.

ETG and Beyond Beans primarily work for large grinders and chocolate manufacturers, many of whom are also signatories of CFI. We see great value in these collaborations, as it means that goals and activities are well aligned throughout the supply chain. However, because we implement a great number of activities on behalf of CFI signatory clients, these are not counted in the progress report of ETG. ETG-Beyond Beans also implements activities for farmers whose cocoa does not go to CFI chocolate makers, but who still receive our support. We therefore report those activities separately.

One of ETG and Beyond Beans' strengths has been in developing innovative interventions and methodologies, which we pilot at a small scale internally and which are then upscaled together with other CFI signatories. This is the case for some of the projects described in this report.

Finally, ETG-Beyond Beans also actively engages in the Cocoa and Forest Initiative's broader ambitions and functioning. Our cocoa

and forestry experts join other CFI signatory companies in a bi-weekly call to support the initiative's overall development, and we actively participate in technical working groups to develop sector wide best-practices.

Notably, ETG-BB has been actively engaging in the joint effort between the World Cocoa Foundation and Climate Focus together with the World Resources Institute to develop a comprehensive dataset of cocoa plot locations in the direct supply chain and an aligned method for assessing deforestation risk. An aggregate view of cocoa plot locations across West Africa will provide a basis for identifying opportunities for pre-competitive collaboration. Paired with the outputs of the risk assessment, collaboration can proceed in the areas that matter most for addressing deforestation. Creation of the comprehensive dataset is underway, and a beta version of the risk assessment has been developed. The final risk assessment will go through a peer review process and be made available as a freely accessible public good through WRI's Global Forest Watch platforms to help drive aligned deforestation risk management across the cocoa sector for impact at scale. We strongly believe in the importance of participating in these sector pilots to collaborate and share knowledge, experience and insights so as to accelerate progress for the sector as a whole.



Our CFI Work in Ghana

In 2020-21, ETG-Beyond Beans has coordinated the planning, implementation and monitoring of a wide range of interventions across Ghana's key cocoa-producing landscapes. Central to this has been the launch of our ASASE (Accessible Soils and Sustainable Environments) project, where we have begun large-scale reforestation and conservation work as well as other interventions alongside 5,000 farmers in our supply chains.

Forest Protection and Restoration

CRMCs for reforestation of degraded lands and forest conservation under ASASE project

Making forest conservation effective for the long-term requires local leadership, ownership and responsibility over project activities. As part of our ASASE (Accessible Soils and Sustainable Environments) project, we are setting up Community Resource Management Committees (CRMCs) in 25 forest-fringe communities. These groups will take the lead on conservation and reforestation efforts.

CRMCs are made up of 10 democratically elected individuals, often including village chiefs and/or queen mothers, assembly men, church leaders, school directors and local farmers. With Tropenbos Ghana, we visit communities and speak with local authorities to discuss the project, and then work together to set up these committees and support with the writing of bylaws and activity planning. Our partnership with the Ghanaian Forestry Commission (part of the Ministry of Lands and Natural Resources) ensures that these groups are legally recognized. Through these local structures, we will support the conservation

of 100 hectares of forest lands in and around these communities over the next 4 years.

To grow multipurpose tree seedlings, we are establishing community nurseries. Once matured, seedlings will be planted across former galamsey sites and other degraded lands through approaches such as Payment for Ecosystem Services (PES), where farmers receive in-kind payments such as fertilisers and tools in return for their work. Over the course of ASASE's four years, we plan to set up a total of 30 community nurseries to grow the 650,000 multipurpose tree seedlings for distribution. At least 100,000 of these will be for off-farm planting, to reforest a total of 100 hectares of degraded lands across 25 communities.

For more information about the ASASE project and the other interventions it involves, read our [Notes from the Field](#) report on this topic.



ASASE Field Officers mapping a farmer's land in Ghana.

Shade tree registration

As part of our ASASE project we are also working to map shade trees on cocoa farms to ensure farmers have the legal rights to the trees that they plant and grow.

Despite the importance of shade trees on cocoa farms, farmers often fear planting or maintaining shade trees on their farms because they lack legal ownership over them, putting them at risk of exploitation by timber contractors. These corporations are known to cut down shade trees without farmers' consent, destroying cocoa plantations in the process.

With GPS mapping software, we are mapping the locations of all shade trees on participating farmers' land. These are then registered, and farmers receive legal ownership documents for the trees. Over the course of the four years of the ASASE project, 3,000 farmers will tree ownership documentation.

Sustainable Cocoa Production and Farmers' Livelihoods

Cocoaching

Individualized coaching can support farmers in developing their cocoa farms in environmentally

friendly ways that best fit their individual situation. This year, after a successful launch in Ivory Coast, our Cocoaching programme expanded to Ghana.

Cocoaching is the Beyond Beans Farm Development Plan, designed to provide individual farmer coaching at scale. While Farmer Field Schools have been the main source of training conducted for smallholder farmers over the past decade, they have resulted in low GAP adoption rates. We believe more individual coaching is needed to increase impact for farmers.

Cocoaching was developed based on Grameen Foundation and Rainforest Alliance's FarmGrow. The main differences are that the Cocoaching methodology takes into account farmer motivation, focuses on agroforestry as a key priority, and provides farmers with ready-to-use recommendations. Our field officers discuss five different agroforestry models with farmers in the programme, they can then choose the one most suited to their situation, and field officers coach them on how to realise the chosen model. This helps farmers create a long-term roadmap for their cocoa plantation.

For more information, read our [Notes from the Field](#) report on the topic.



Cocoaching Field Officer with farmer in Ghana

Community Engagement and Social Inclusion

VSLA-CHILD

Our Child-Household Intervention for Learning & Development (CHILD) methodology was developed together with partners and includes group sensitizations on what child labour is and why it is harmful, as well as concrete remediation activities. VSLA-CHILD groups provide the perfect platform to discuss issues like child labour in the community and to open the door for dialogue between farmers as to how such problems could be tackled. This facilitates grassroots change led by community members themselves.

As with VSLA-GALS, trainings are highly visual, and they are integrated into the GALS methodology. This involves, for example, the integration of a 'CHILD' element in the household and group plans, to encourage thinking about child wellbeing at different levels and how community members and households can best make decisions in the interests of children. The savings distributed at the share-out ceremony also support farmers in realising the child labour remediation plans that they develop in the trainings.

Training modules include Understanding the Rights of a Child, The Worst forms of Child Labour, What Child Labour is Not, and Creating Safe Space for Children in Households and Communities.



Our CFI Work in Côte d'Ivoire

ETG-Beyond Beans has engaged in a range of activities aimed at supporting the protection and restoration of Ivorian forests throughout 2020-21, particularly in cocoa landscapes. We have developed our community reforestation work, we have continued our Payment for Ecosystem Services project along the banks of the Hana River, and we have launched our individual farmer coaching programme 'Cocoaching,' which has a strong focus on the development of agroforestry systems.

Forest Protection and Restoration

Community reforestation

We believe community involvement in reforestation projects is crucial for long-term success. In Côte d'Ivoire, we have been working with farmers and our local partners at Agromap to set up sensitization events and aid communities with the reforestation of plots of land of their choosing.

We reforest these lands with a model combining hardwood timber trees with plantain trees. This increases food security for communities and provides a source of additional income, as some of the hardwood trees can later be used for timber, with ongoing reforestation taking place so that forest cover is maintained. Once the trees have been planted, local leaders will ensure that the trees are well taken care of by the community. This year, we reforested 90 hectares of land with over 90 000 multipurpose trees of 8 different endemic species in Côte d'Ivoire on behalf of our clients.

Payment for Ecosystem Services along the Hana River

The Tai National Park in Ivory Coast is home to some of the last remaining areas of primary

rainforest in West Africa. This year, we have continued working with cocoa farmers who live along the Hana River to create a 20-meter barrier of protected forest along the riverbanks.

Forest areas, especially along rivers, promote biodiversity, prevent soil erosion, and maintain soil quality. But for farmers, protecting this forest areas also means having less land to farm. We use a Payment for Ecosystem Services (PES) approach, where farmers receive in-kind compensation in the form of fertilizer to increase the productivity of their remaining farmland. In areas where this land has already been deforested, we also provide shade tree seedlings to allow for reforestation.

Along some parts of the river there are forest remnants along the riverbanks, and farmers can participate by protecting these areas and ensuring that they are not deforested. Farmers continue to be enthusiastic about the project, and hope that it will continue.



Community reforestation project with AGROMAP and the SPAD Daloa cooperative in Ivory Coast



VSLA-CHILD training in Ghana



Improved Cookstoves

Working towards a healthy natural environment requires holistic solutions. Our ProcarBOOH clean cookstoves project in Côte d'Ivoire supports forest conservation and improves livelihoods for farming communities by stimulating the commercial distribution of improved cookstoves.

Our cookstoves reduce the risk of deforestation as they require 45% less biofuel. They also reduce household air pollution by 70%, leading to improvements in health, they help households save money on fuel expenditure, and they reduced time spent collecting firewood, especially in instances of child labour.

In November 2020, our local production partner GreenKer received a new machine, taking their production capacity up to 4,000 cookstoves per month. Increasingly, we are also bundling the clean cookstove initiative with other community development activities such as women's savings groups and child protection schemes. This will not only increase our outreach but will allow us to make the most of the cookstoves' holistic potential as a support mechanism for women and youth.

In 2020-21, we distributed a total of 3,667 improved cookstoves. 3,567 of these were distributed on behalf of our clients.

For more information, read our [Notes from the Field](#) report on this topic.

Sustainable Cocoa Production and Farmers' Livelihoods

Biofertilizer creation as part of "CI:RRRCLES"

Our Kubeko+ initiative, part of the "CI:RRRCLES" project (Côte d'Ivoire: Reducing, Reusing and Recycling to Contribute and Lead in Efficient Sustainable waste management) has been implemented with our local partner LONO this year.

LONO have developed a local composter, the Kubeko, which can produce approximately 100kg of compost per month. Compost is a key agricultural input that allows for waste valorization while fertilizing the soil and sequestering carbon dioxide. Moreover, compost is a more cost-effective fertilizer compared to market alternatives, and can therefore save farmers money. 3 KUBEKO machines have so far been installed as part of this pilot.

We are planning to conduct a baseline soil analysis prior to the start of compost application. The following year, another soil analysis will be done to assess the benefits of the compost.

Agroforestry

Beyond Beans is also active in supporting the establishment of sustainable agroforestry-based production systems in key cocoa landscapes. This included the provision of targeted training and capacity building for the establishment of multipurpose tree nurseries in partnership with key cooperatives and buying centers in our supply chain. In 2020-21, we distributed a total of 163 341 multipurpose trees for on-farm planting in Ivory Coast. Key species were selected to maximize environmental benefits in terms of biodiversity, soil quality and microclimates, as well as to provide farmers with additional benefits in terms of timber, fruits and medicinal plants.

This work has been strengthened this year through the launch of our individual farmer coaching programme, which supports farmers with on-farm coaching. A strong aspect of this is supporting farmers in developing agroforestry systems on their farms. We have seen that the tailored support has been successful in

increasing GAP adoption rates and agroforestry implementation, as well as farmer motivation.

The Cocoa and Forest Initiative recommends a minimum of 16 multipurpose trees per hectare for on-farm planting. Nevertheless, as part of the Climate Smart Cocoa training that Beyond Beans has delivered to over 15,000 farmers, we advise farmers to plant more than 16 multipurpose trees per hectare. We have developed different agroforestry designs, such as demarcation, setting up a protective band from the wind and other environmental stressors or preventing ecosystem fragmentation. Farmers are trained in the value of these designs and how they can help reduce erosion, sequester soil carbon, and maintain ambient humidity in the atmosphere. Furthermore, the multipurpose trees distributed provide an added benefit to the farmers as Beyond Beans primarily distribute fruit and timber trees to ensure that the farmers can diversify their revenues in both the short and long term.





Community Engagement and Social Inclusion

Cocoa Fruit Lab

This year we opened our Cocoa Fruit Lab together with the women-run COVIMA cooperative in Ivory Coast, and our project partners IDH, ROKbar and Kumasi. The initiative is empowering women to become the producers and marketers of their own cocoa products, shifting value-addition processes to origin countries. Bringing together actors from across the cocoa sector, this project has created the first entirely women-owned micro-factory in Ivory Coast to produce sustainable cocoa, specialty chocolate and cocoa juice.

While Ivory Coast is the world's largest cocoa producing country, most cocoa farmers are struggling to reach a living income. This in particular concerns women, who often own smaller farmlands, have less access to trainings and financial inputs, and lack household decision making power compared to their male counterparts.

By increasing women's participation in the sector as cocoa producers, juice collectors and chocolate makers, the Cocoa Fruit Lab promotes female entrepreneurship across the supply chain. It also takes it one step further, creating opportunities for female farmers to improve the quality of their cocoa beans and to access higher-paying specialty markets.

Finally, the project introduces an income-diversification aspect at the farmer level through the collection of cocoa juice. When chocolate is produced, the white pulp that surrounds the cocoa beans is usually lost as a waste product, but collecting it and processing

it into juice can create an additional income stream for minimal additional cost, raising farmers' incomes by up to 30% per kilo of cocoa beans.

VSLA-GALS

Equal involvement of women in leadership and decision-making positively impacts social, economic, and environmental development. In Ivory Coast, we used VSLA-GALS groups to promote women empowerment and shared household decision making within our cocoa communities.

VSLAs are community-based groups made up of 15-30 individuals who come together to collectively savings a small portion of their incomes. Group savings provide access to small loans that members of the group can use to invest in their farms and side businesses, leading to diversified incomes.

Given VSLA groups' potential to create grassroots impact, our adapted version of CARE International's GALS methodology was developed to train both men and women on gender equality as well as financial capacity building through the creation of group and household development plans. GALS trainings emphasize female empowerment and the importance of shared household decision-making, as fostering gender equality is a crucial building block towards tackling child labour. Moreover, the GALS method is highly interactive and exclusively visual, making it accessible to all group members regardless of their level of literacy.

Currently we have 31 VSLA groups with over 1000 members operational in Ivory Coast, mostly on behalf of clients.

