



DEFORESTATION

# FREE *Statement*



**JBCOcoa**

# DEFORESTATION FREE SUPPLY CHAINS BY 2025

## POSITION STATEMENT

### Context

After oceans, forests are the largest storehouses of carbon. They are critical for biodiversity conservation, protection of water supplies, mitigation of natural hazards, adaptation to climate change, and the wellbeing of indigenous peoples and local communities. Expansion of commercial agriculture (both large and small scale) and tree plantations are by far the greatest drivers of deforestation. Many smallholder farmers live in and around forests and rely on them for food, shelter and livelihoods.

Cocoa production, often planted in forested or formerly forested areas, rely on 5-6 million smallholders in West Africa, the Americas and South-East Asia, and there is enough reason to come into action.

In West Africa, cocoa has been identified as a major driver of deforestation, which has led to serious soil degradation, water insecurity, crop failures and loss of biodiversity in the region. About three-quarters of the world's cocoa is produced in Côte d'Ivoire and Ghana, where deforestation is driven by cocoa expansion and illegal mining. The forest area in Côte d'Ivoire fell to 3 million hectares in 2018 — more than 80% decline since the 1960s. According to Global Forest Watch, cocoa-growing countries like Ghana and Côte d'Ivoire experienced the highest percentage increase in primary forest loss of any tropical country between 2017 and 2018, at 60% and 26% respectively. One study of Côte d'Ivoire's forests showed that cocoa accounts for 93% of illegally-grown agricultural products in protected forest areas. At least 30% of the Ivorian cocoa harvest is said to come from classified or protected forest areas.

Indonesia is notorious for deforestation for the cultivation of palm oil, timber and paper. Cocoa expansion on the main cocoa-growing island Sulawesi has significantly contributed to deforestation. In Ecuador, agriculture is the main source of deforestation and cocoa production has soared over the last two decades, increasing from 94,000 MT of exports in 2008 to over 328,000 MT in 2020.

Although the main driver of deforestation in our supply chain is related to the sourcing of our cocoa products, this deforestation statement also applies to any current and future company infrastructure expansion e.g., processing factories; warehousing and all non-cocoa raw material sourcing.

### **JB Cocoa's Position**

The majority of JB Cocoa's product sourcing comes from Indonesia, Côte d'Ivoire, Nigeria, and Ecuador, in the form of cocoa beans. Our *No Deforestation* commitment is a key part of JB Cocoa's efforts to meet our science-based target to achieve net zero emission by 2050.

We are committed to end deforestation and forest degradation in our cocoa supply chain by 2025. Our commitment recognises the critical role forests play in ensuring a healthy environment and outlines our approach to eliminating deforestation from our supply chain. It also helps JB Cocoa align with the UN Global Compact's (UNGC) environmental principles on establishing responsible environment performance and taking precautionary measures.

We further communicate and reinforce our commitment to no deforestation in our Supplier Code.

The governments of Côte d'Ivoire, Ghana, and the world's leading cocoa and chocolate companies signed [landmark agreements](#) in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain. The Frameworks for Action for Côte d'Ivoire and Ghana define core commitments, verifiable actions, and timebound targets required for a deforestation-free and forest-positive supply chain. We are signatory to the commitments and have joined the Cocoa & Forests Initiative (CFI) for Côte d'Ivoire since 2020.

Aligned to this, our core commitments include:

1. **No gross deforestation of natural forests or areas of High Conservation Value (HCV)<sup>1</sup> or High Carbon Stock** and promotion of the effective restoration and long-term conservation of protected areas, as well as areas of special environmental interest, including forests and ecosystems within or adjoining the cocoa landscape.
2. **All raw materials are sourced from legal sources.** Ensure cocoa and other raw material production takes place in accordance with the country's environmental land use

---

<sup>1</sup> As defined by HCV Network

planning, assessment of soil aptitude and the delimitation of the agricultural frontier, with a deforestation cut-off date for cocoa of 2018 or the date specified in a credible landscape-level framework such as CFI.

3. **Respect and uphold land tenure rights of individuals, indigenous peoples and local communities.** This includes identifying and mitigating social risks, sequencing the implementation of actions to minimise potential adverse social and economic impact, and guaranteeing that cocoa production leads to increased participation and social inclusion in communities. All forms of land grabbing are prohibited. Free, Prior and Informed Consent (FPIC) is required in all engagements with indigenous peoples and local communities<sup>2</sup>.
4. **Ensure Traceability and Transparency.** Monitor levels of forest cover associated with cocoa plantations as a foundation for decision-making regarding conservation and management. Promote greater transparency in our supply chains by enhancing disclosure of relevant information and sourcing practices for supply chains with a high deforestation risk, as well as proactively conducting environmental due diligence on suppliers to ensure this commitment. Provide effective monitoring and reporting on the progress on commitments and actions to ensure transparency and accountability.
5. **Communicate the concept of zero deforestation cocoa** and raise awareness among different stakeholders in our supply chain on the relevance and impact of zero deforestation in regard to the provision of environmental services, strengthening the quality of life of cocoa producers, increasing the climate resilience of the cocoa sector, and ensuring greater access to markets.
6. **Collaborate for long term impact** we will actively engage and work with governments, industry and civil society stakeholders on collaborative efforts to preserve forests and drive a better regulatory environment for forest protection.

---

<sup>2</sup> In accordance with the United Nations Declaration on the Rights of Indigenous Peoples, FAO Voluntary Guidelines on Tenure and Food Security, Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the HCSA Social Requirements and Implementation Guidance, and AFI (2019) Operational Guidance on Free, Prior and Informed Consent June 2019 and Operational Guidance on Respecting the Rights of Indigenous Peoples and Local Communities June 2019

## OUR ACTIONS

### Direct Cocoa Sourcing

- Detailed plan of action relating to **Forest Protection and Restoration; Sustainable Production and Livelihoods and; Social Inclusion and Community Engagement** for all our high-risk direct sourcing areas where each plan of action will describe how we will meet our ambitions starting with Côte d'Ivoire setting targets for 2022 and 2025, followed by Indonesia and Ecuador.
- Verification and reporting following the relevant KPIs as set by the Cocoa and Forest Initiative.

### Supplier Due Diligence

- Risk assessment of our suppliers based on the types of raw materials they source and the countries of origin
- Compliance with JB Cocoa's Supplier Code
- Engage with our suppliers to increase their knowledge and support them with planning, monitoring and implementation where needed
- Verification and reporting to track supplier progress with regards to planning, monitoring and implementing systems to track the deforestation impact of their sourcing footprint

### Traceable and transparent Supply Chain

- KPIs for transparency and traceability, for example, percentage of directly sourced cocoa traceable from the farm to the first purchase point
- Disclose yearly progress on traceability and transparency

## REFERENCE LEGISLATION

- The 21st conference of the parties to the Framework Convention on the climate changes (COP21/CMP11), from 30th November to 12th December 2015 in Paris (France)
- The Forest Protection (Amendment) Act, 2002 (Act 624)
- The Forest and Wildlife Policy of 2011
- The Cocoa and Forests Initiative Frameworks of Action, 2017

## Additional Reading

**Accountability Framework Home** | Accountability Framework ([accountability-framework.org](http://accountability-framework.org))

- Land management and long-term protection | Accountability Framework ([accountability-framework.org](http://accountability-framework.org))
- Protection of forests and other natural ecosystems | Accountability Framework ([accountability-framework.org](http://accountability-framework.org))
- Land acquisition, land use planning, and site development | Accountability Framework ([accountability-framework.org](http://accountability-framework.org))
- Access to remedy and environmental restoration | Accountability Framework ([accountability-framework.org](http://accountability-framework.org))

**FAO Global Forest Resources Assessment** <http://www.fao.org/forest-resources-assessment/en/>

**FAO Voluntary Guidelines on Tenure** <http://www.fao.org/tenure/voluntary-guidelines/en/>

**International Finance Corporation (IFC) member of the World Bank Group:**

- IFC Performance Standards on Environmental and Social Sustainability - Effective January 1, 2012
- Performance Standard 3 Resource Efficiency ([ifc.org](http://ifc.org))
- Performance Standard 6 Biodiversity ([ifc.org](http://ifc.org))
- Performance Standard 7 Indigenous Peoples ([ifc.org](http://ifc.org))

**CFI Implementation Plan for the Joint Framework of Action 2018-2022 Republic of Côte d'Ivoire**

CFI\_CDI\_EN\_130818\_printversion\_3.pdf ([idhsustainabletrade.com](http://idhsustainabletrade.com))

**Mighty Earth (2018)** Your Cocoa, Kissed By Deforestation - Mighty Earth

**The World Bank Group (2017)** Eliminating Deforestation from the cocoa supply chain

**UN Declaration on the Rights of Indigenous Peoples**

<https://www.un.org/development/desa/indigenouspeoples/declaration-on-the-rights-of-indigenous-peoples.html>

**UN Global Compact: The Ten Principles of the Human Global Compact:** <https://www.unglobalcompact.org/what-is-gc/mission/principles>

**UN Guiding Principles on Business and Human Rights:** Guiding Principles for Business and Human Rights:

Implementing the United Nations "Protect, Respect and Remedy" Framework | UN Global Compact

**UN Universal Declaration of Human Rights** <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

**WWF 2020 Deforestation Fronts Drivers and responses in a changing world:**

[https://c402277.ssl.cf1.rackcdn.com/publications/1421/files/original/deforestation\\_fronts\\_\\_\\_drivers\\_and\\_responses\\_in\\_a\\_changing\\_world\\_\\_\\_summary\\_english.pdf?1610400820](https://c402277.ssl.cf1.rackcdn.com/publications/1421/files/original/deforestation_fronts___drivers_and_responses_in_a_changing_world___summary_english.pdf?1610400820)

## DEFINITIONS AND ACRONYMS<sup>3</sup>

*We apply the definitions described in the Accountability Framework.*

**Deforestation:** The loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation. Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.

**Conversion:** The change of a natural ecosystem to another land use or profound change in a natural ecosystem's species composition, structure, or function. Deforestation is one form of conversion (conversion of natural forests). Conversion includes severe degradation or the introduction of management practices that result in substantial and sustained change in the ecosystem's former species composition, structure, or function. Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal.

**Cut-off date:** The date after which deforestation or conversion renders a given area or production unit non-compliant with no-deforestation or no-conversion commitments, respectively. It specifies the permissibility of deforestation or conversion based on the timing of such events on the ground. Clearance of natural forest after the cut-off date renders the affected area or production unit, and the commodity produced there, non-compliant with no-deforestation commitments. Similarly, clearance of any natural ecosystems after the cut-off date renders the affected area or production unit, and the commodity produced there, non-compliant with no-conversion commitments.

**Forest:** Land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or other land use. Forest includes natural forests and tree plantations. For the purpose of implementing no-deforestation supply chain commitments, the focus is on preventing the conversion of natural forests.

**Reforestation:** The reestablishment of forest cover on land that was covered by trees recently.

**No deforestation:** Commodity production, sourcing, or financial investments that do not cause or contribute to deforestation (or conversion).

**Natural Forest:** A forest that is a natural ecosystem.

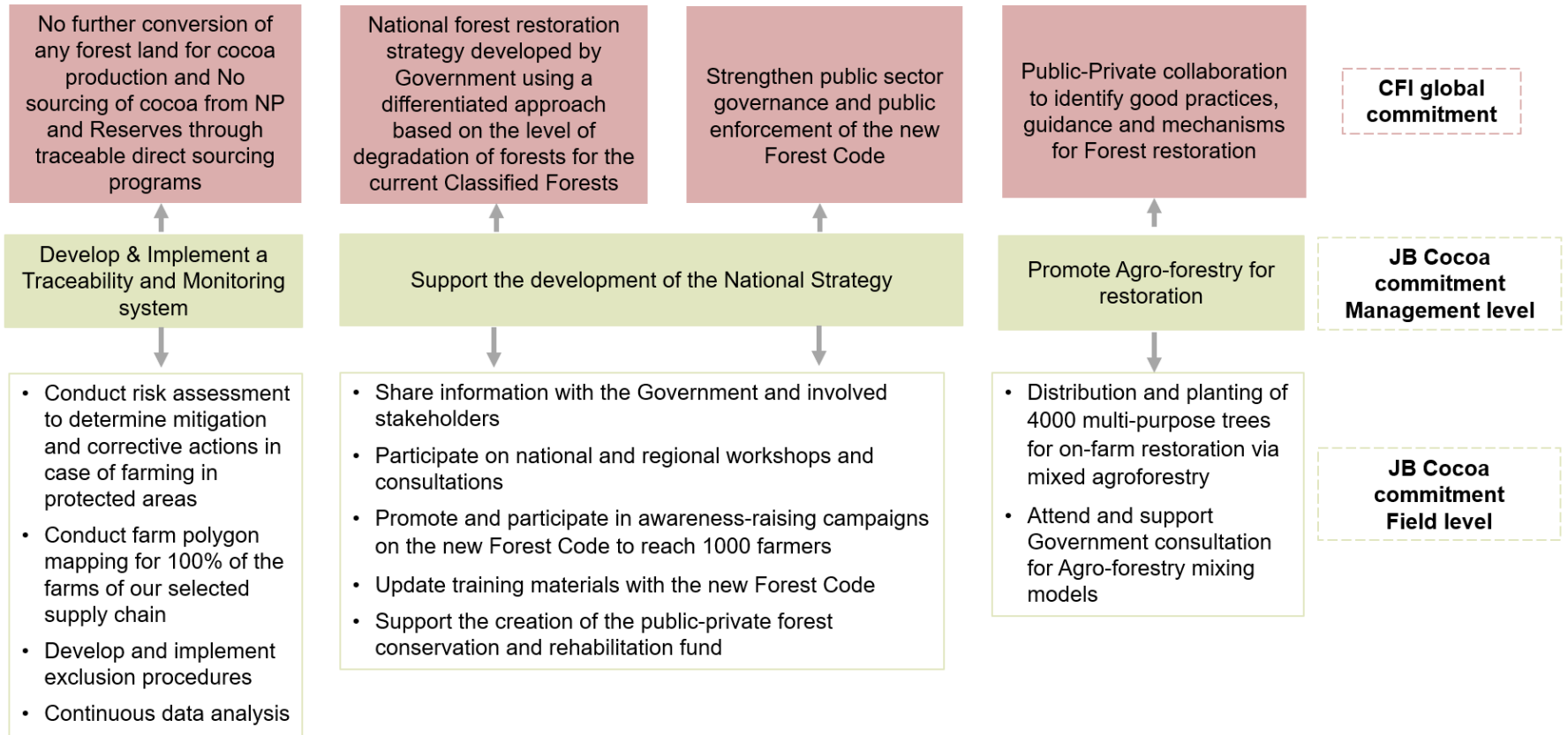
---

<sup>3</sup> Accountability Framework [Home | Accountability Framework \(accountability-framework.org\)](https://accountability-framework.org)

# OUR PLAN OF ACTION FOR OUR DIRECT SUPPLY CHAIN IN CÔTE D'IVOIRE (2022)

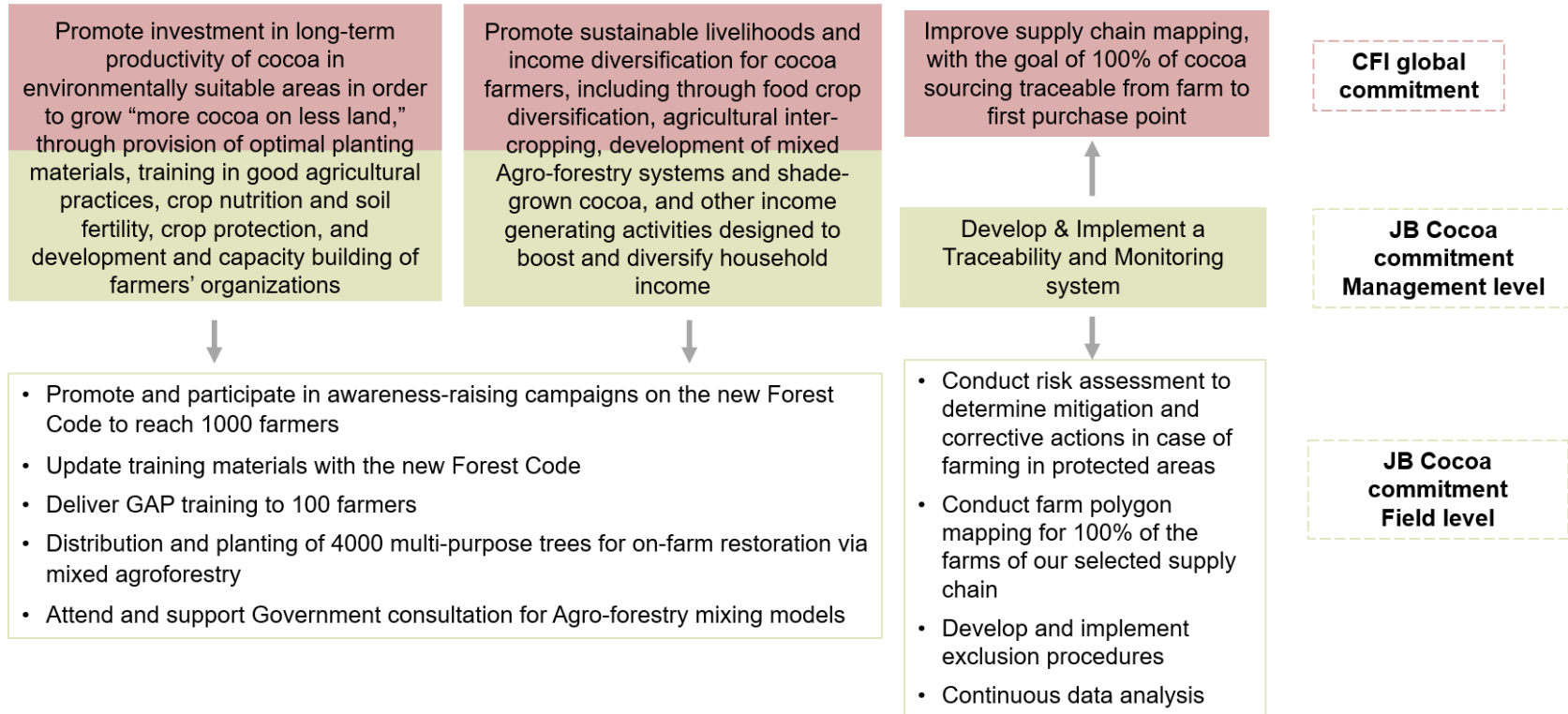


## Forest Protection and Restoration

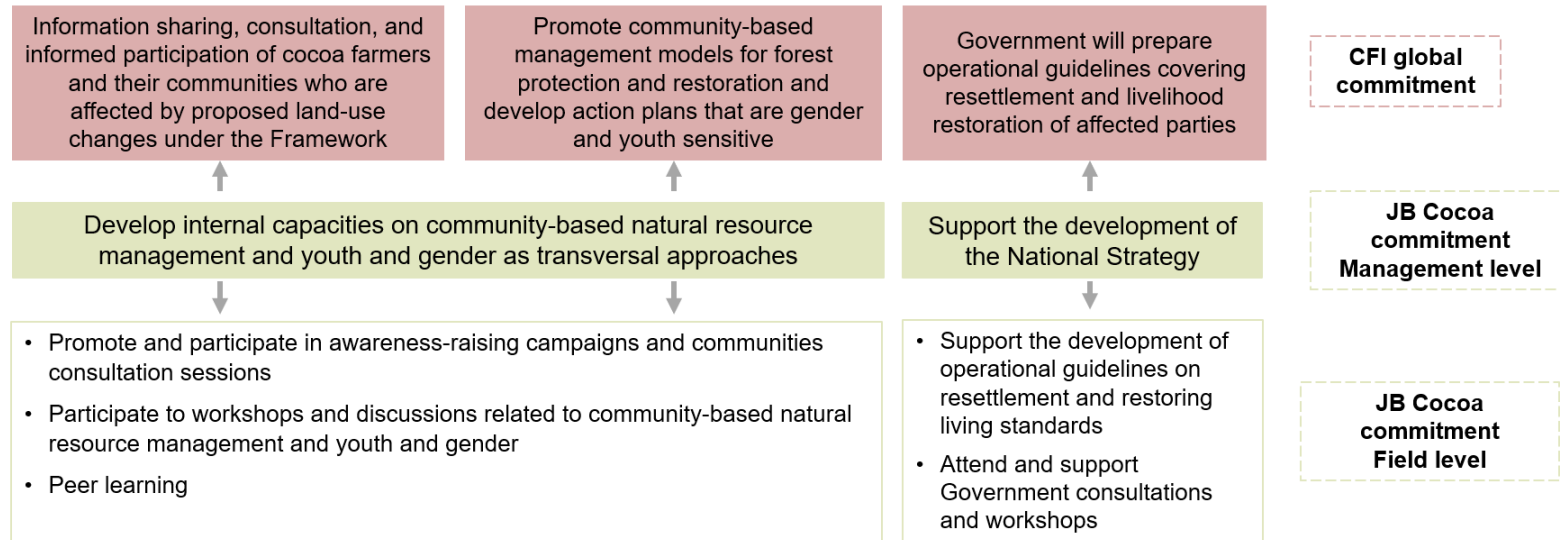




## Sustainable Production and Livelihoods



## Community Engagement and Social Inclusion



Commitment	Actions	Indicator	# through direct investment (2022 target)	# on behalf of clients (2022 target)	Implement directly (mark with X)	Implement via partner (mark with X)	Partners
<b>Forest Protection and Restoration</b>							
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies) for cocoa production.	1.1 Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	<i># of cocoa plots mapped in direct supply chain</i>	1400			X	TBD
		<i># and % of farms mapped in direct supply chain</i>	1000			X	TBD

	1.2 Conduct deforestation risk assessments in all direct sourcing areas	<i># of hectares in the direct supply chain with deforestation risk assessments completed</i>	4,400			X	TBD
2. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programmes.	2.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	<i>% of directly sourced cocoa traceable from the farm to the first purchase point</i>	100			X	TBD
3. A differentiated approach based on the level of degradation of forests for classified	3.1 Support the restoration of Classified Forests by working with cocoa farmers, the government and the forestry industry to	<i># hectares restored in Classified Forests</i>					

Forests will be developed and translated into a national forest restoration strategy	implement contracts for mixed agroforestry as a restoration and livelihoods intervention						
4. Legal protection and management status for the remaining forests of Côte d'Ivoire in the Rural Domain	4.1 Support farmers with tree registration	<i># trees registered</i>					
	4.2 Support cocoa farmers to acquire land (tenure) documentation	<i># and % of farmers with land tenure agreements/documentation etc. obtained via company support (M/F)</i>					
5. Public enforcement of the new Forest Code and its subsequent	5.1 Promote and participate in awareness-raising campaigns to educate	<i># farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration</i>	1000			X	TBD

guidelines, and public sector governance will be strengthened	farmers on the new Forest Code						
6. Public-private collaboration to mobilise resources for forest protection and restoration	6.1 Mobilize finance for forest protection and restoration	<i># Farmers receiving PES (M/F)</i>					
7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for	7.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	<i># farmers applying agroforestry (M/F)</i>	300			X	TBD
		<i># multi-purpose trees distributed for on-farm planting</i>	4000			X	TBD
		<i># hectares cocoa agroforestry in development</i>					

forest restoration and agro-forestry	7.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	<i># of trees distributed for off-farm planting</i>					
		<i># ha of forest area restored in rural zone</i>					
	7.3 Train farmers in CSC production including cocoa agroforestry systems	<i># farmers trained in CSC best practices (M/F)</i>					
8. Government creation, in collaboration with all stakeholders, of a public-private fund to support financing of protection and restoration of	8.1 Support the creation of the public-private forest conservation and rehabilitation fund	<i>\$ contributed to fund</i>					

HCV forest areas.							
<b>Sustainable Production and Farmers' Livelihoods</b>							
9. Promote investment in long-term productivity of cocoa in environmentally suitable areas in order to grow "more cocoa on less land"	9.1 Distribute improved cocoa planting material	<i># improved cocoa seedlings distributed to farmers</i>					
	9.3 Train farmers in Good Agriculture Practices (GAPs)	<i># of farmers reached by GAP training programmes (M/F)</i>	1000			X	TBD
10. Promote sustainable livelihoods and income diversification for cocoa farmers	10.1 Promote farm-level crop diversification	<i># individuals participating in additional Income Generating Activities (IGA's) (M/F)</i>					
	10.2 Support distribution and planting of multi-	<i># multi-purpose trees distributed for on-farm planting</i>	Already reported 7.1				



	purpose trees for on-farm restoration via agroforestry						
11 Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation	11.1 Offer financial products to farmers and promote farmer savings	<i># and % individuals in the current reporting year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bank/mobile]) with support from companies (excluding cocoa bean pre-financing) (M/F)</i>					
		<i># of members of VSLA groups in the current year (M/F)</i>					
		<i># of VSLA groups in the current year</i>					
12. Improve supply chain	12.1 Conduct farm mapping within direct	<i># of cocoa plots mapped in direct supply chain</i>	<i>Already reported 1.1</i>				

<p>mapping, with the goal of 100% of cocoa sourcing traceable from farm to first purchase point. An action plan will be</p>	<p>supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests</p>		
<p>developed for traceability, which will be implemented step-by-step to achieve full traceability and verification, applicable to all by end-2019.</p>	<p>12.2 Implement traceability system to farm level in direct supply chain</p>	<p><i>% of direct sourced cocoa traceable from individual farms to first purchase point</i></p>	<p><i>Already reported 2.1</i></p>

Social Inclusion and Community Engagement							
13. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	13.1 Organise cocoa community consultations on the implementation of the Frameworks for Action	<i># farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration</i>	<i>Already reported 5.1</i>				
14. Promote community-based management models for	14.1 Establish and/or support community-based natural resource management	<i># of cocoa communities with active forest restoration and protection program</i>	<i>TBD</i>			<i>X</i>	<i>TBD</i>
		<i># hectares under CBNRM</i>					

forest protection and restoration	programmes for forest restoration/protection						
15. Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	15.1 Develop forest protection & restoration and agriculture intensification action plans that are gender and youth sensitive	<i># of individuals participating in women's empowerment projects and activities (M/F)</i>	TBD			X	TBD
		<i># of individuals participating in youth focused projects and activities (age 15-35) (M/F)</i>	TBD			X	TBD

# Farmers in direct supply/ member sustainability programmes	1000
--	------

## OUR PLAN OF ACTION FOR INDONESIA (2025)

Commitment	Action	Indicator	Status 20/21	2025 Target
<b>Forest Protection and Restoration</b>				
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV methodologies) for cocoa production	1.1 Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	# of cocoa plots mapped in direct supply chain	4869	
		# and % of farms mapped in direct supply chain		
	1.2 Conduct deforestation risk assessments in all direct sourcing areas	# of hectares in the direct supply chain with deforestation risk assessments completed		
2. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programmes	2.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	% of directly sourced cocoa traceable from the farm to the first purchase point	2600 MT	

3. No sourcing of cocoa from National Parks and Reserves through traceable direct sourcing programmes, including farmer organisations and cooperatives.	3.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	100% of direct sourced cocoa is traceable to farmer group-level	100%	100%
4. Legal protection and management status for the remaining forests of Côte d'Ivoire in the Rural Domain	4.2 Support cocoa farmers to acquire land (tenure) documentation	# and % of farmers with land tenure agreements/ documentation etc. obtained via company support		
5. Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened	5.1 Promote and participate in awareness-raising campaigns to educate farmers on the new Forest Code	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration (Also part of the 'Social inclusion and community engagement' pillar)		
6. Public-private collaboration to mobilise resources for forest protection and restoration	6.1 Mobilize finance for forest protection and restoration	# Individuals receiving PES: New		
		# Individuals receiving PES: Total Active		
		# farmers applying agroforestry		

7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest restoration and agroforestry	7.1 Support distribution and planting of multi-purpose trees for on-farm restoration via agroforestry	# multi-purpose trees distributed for on-farm planting		
		# hectares cocoa agroforestry in development		

Commitment	Action	Indicator	Status 20/21	2022 Target
<b>Sustainable production and farmers' livelihoods</b>				
9.Promote investment in long-term productivity of cocoa in environmentally suitable areas in order to grow "more cocoa on less land"	9.3 Train farmers in Good Agriculture Practices (GAPs)	# of farmers reached by GAP training programs		
10. Promote sustainable livelihoods and income diversification for cocoa farmers	10.1 Promote farm-level crop diversification	# individuals participating in additional Income Generating Activities (IGA's)		
		# and % individuals in the current reporting		

		year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bank/mobile]) with support from companies (excluding cocoa bean pre-financing)		
		# of members of VSLA groups in the current year		
		# of VSLA groups in the current year		
<b>Social Inclusion and Community Engagement</b>				
14. Promote community-based management models for forest protection and restoration	14.1 Establish and/or support community-based natural resource management programs for forest restoration/protection	# of cocoa communities with active forest restoration and protection program		
<b># Farmers in direct supply/ member sustainability programmes</b>				3500