

World Cocoa Foundation Monitoring and Evaluation Guidance

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Introduction

The WCF Monitoring and Evaluation Framework

To support effective implementation of the Pathway to Sustainable Cocoa (image below), WCF has developed a Monitoring and Evaluation (M&E) Framework to measure cocoa sustainability results across the sector.



The WCF M&E Framework has the following objectives:

- **An authoritative source** and clearinghouse for industry-wide cocoa sustainability results, related to the three pillars of prosperous farmers, empowered communities, and healthy planet;
- **Timely and high-quality information** for Board and member company decision making and mid-course correction of WCF programs and initiatives;
- **Fostering learning, knowledge sharing, and innovation** among members and partners, to identify lessons learned and good practices related to relevance, effectiveness, efficiency, sustainability, and impact of industry and partner interventions;
- **Stronger global communication** of industry commitments and results, to support sector transparency and accountability;
- **Driving alignment and reducing duplication** of M&E efforts with other partners (notably GISCO, DISCO, Beyond Chocolate, Swiss Platform, IDH, and ICCO) and Origin Governments; and
- **Facilitating donor fundraising** with accurate industry data on activities and results (notably EU, World Bank, and bilateral partners like Germany, Netherlands, UK).

The M&E Framework is based on the following key principles:

- **Industry-Wide Coverage.** The Framework is designed to track and report industry-wide progress on the key actions set out in the Pathway; it will not be used to monitor individual company-level performance (progress on company commitments is separately monitored in specific partnership programs like CFI).

- **Member Coverage.** The Framework aims to cover the activities of all WCF members, not just the leading companies on the Board; all company members will be asked to report.
- **Geographic Coverage.** Since the Pathway is focused on the priority sustainability challenges in West Africa, the Framework will initially focus on results for West Africa; this will be reviewed after the first year to determine how and when it should be expanded to other important geographies.
- **Scope.** Companies will report on the full range of their sustainability programs and not just focus on the specific commitments made to WCF initiatives.
- **Industry Results vs Joint Results.** Industry results are defined to reflect activities under the direct control of companies, based on data reported by companies. Joint results are defined as results delivered jointly by industry, governments, and other partners, based on ambitions / targets derived typically from government plans and data reported through national/global data systems or collected through special surveys.
- **Baselines.** We will set baseline values to the best of our ability using available data and sources, in consultation with company technical and M&E experts. For some indicators, there is not accurate or consistent baseline data – but membership believes it is not cost-effective to fund additional expensive baseline surveys.
- **Industry Ambitions.** Ambitions are important to communicate the industry’s longer-term goals and monitor progress in achieving the desired outcomes of our strategy. We will set ambitions to the best of our ability to be motivating but achievable, based on an assessment of available data for baselines and expected company effort.
- **Implementation Arrangements.** We know from CocoaAction that it can be costly and difficult to develop aligned data collection and reporting arrangements for industry-wide KPIs. We will aim to develop simple and clear processes to streamline data collection and reporting from companies, with guidance from company technical and M&E experts. We will seek to minimize double-counting and ensure consistent definitions to the extent possible, but we will all need to “live with” some imperfections in the overall data system.

The M&E Framework consists of three major components: (1) Industry KPI’s; (2) Joint KPI’s; and (3) Member Sustainability Indicators. These are:

- **Industry KPI’s**

High-level and strategic KPIs to monitor Pathway implementation and impact under each WCF strategic pillar. Industry results are defined to reflect activities under the direct control of companies under each WCF strategic pillar, based on data reported by companies.

- **Joint KPI’s**

High-level and strategic KPIs to monitor Pathway implementation and impact under each WCF strategic pillar. Joint results delivered by industry, governments, and other partners under each WCF strategic pillar, based on targets derived typically from government plans and data reported through national/global data systems or collected through special surveys.

- **Member Sustainability Indicators**

A limited number of indicators that track the performance of important results from WCF member sustainability programs categorized under each WCF strategic pillar. These are self-reported by companies on an annual basis.

About this Guide

This guide was developed for WCF member Monitoring & Evaluation, technical (livelihoods, community development, environment, etc.), and sustainability staff to understand each KPI and indicator in the WCF M&E Framework and to know what data should be reported for each. The guide can be read from beginning to end, or serve as a quick reference by clicking on a specific indicator in the table of contents and being directed to the relevant page, or function as a glossary for those searching for a specific definition which are listed alphabetically at the end of the manual. The content of the manual is organized by each of the WCF Pathway pillars (Prosperous Farmers, Empowered Communities, and Healthy Planet) into three chapters, and then further subdivided by Industry KPI's, Joint KPI's and Member Sustainability Indicators within these chapters. There is an additional chapter of the document dedicated to Cross-Cutting metrics. Within each of these chapters, each KPI and indicator has a dedicated section with relevant information shared for that metric. This includes:

- **Indicator** wording,
- The related WCF **initiative** (e.g., CFI),
- Information on **counting** that explains what must/can be counted for reporting (see details on counting terminology in the call out box),
- All relevant **definitions** related to an indicator's wording; in some cases, this also clarifies what must/can be counted,
- The **unit** of measurement (e.g., # or %),
- The **type** of indicator (output, outcome, impact),
- What the data being reported should be **disaggregated by** (N/A or sex),
- Original **data sources** where some definitions are taken from.

KPI's also include:

- **Target** values or **Ambitions** for 2025 expected results,
- **Baseline** values, and
- Important **Assumptions** related to baseline setting, target values and data collection.

Defining 'what counts' terminology

Several different words are used in the Counting and Definitions sections that are worth clarifying. Understanding that it is not mandatory for all members to report but that all WCF members are asked to report on all metrics relevant to their full sustainability programming, for those that do report, understanding this terminology is important.

The words are “will / must / should / can / may / and suggested” The definitions for each are:

- Will = required
- Must = required
- Should = recommended
- Can = accepted
- May = accepted
- Suggested = recommended

An example from the counting section for the KPI “# of farmers reached by GAP training programs” with many of these words is shown below to demonstrate this more clearly.

This will be [required] counted annually based on the number of farmers that received training in the current reporting year. It is not cumulative across years. Training should be [recommended] at least a few hours per person covering key topics such as the reason and benefits of all GAP's (5), description of each, practical skills using best practices sufficient for farmers to adopt each, and potential challenges and solutions for adoption. The training can be [accepted] delivered via a group where all individuals are counted.

Coaching and FDP technical advice can be [accepted, only if meet other criteria] counted if all other criteria are met.

1. Prosperous Farmers

Industry Results

PF-IND-01. INDICATOR: Farmers reached by GAP training programs	
AMBITION: 1.2 Million	
RELATED INITIATIVE: CFI	
<p>COUNTING: Member self-reported. This will be counted annually based on the number of farmers in the direct supply chain that received training in the current reporting year. It is not cumulative across years. Training should be at least a few hours per person covering key topics such as the reason and benefits of all GAP's (5), description of each, practical skills using best practices sufficient for farmers to adopt each, and potential challenges and solutions for adoption. The training can be delivered via a group where all individuals are counted.</p> <p>Coaching and FDP technical advice can be counted if all other criteria are met.</p> <p>Without unique farmer ID's, double counting of farmers is difficult to avoid for those who participated in multiple 'events' within a company and between suppliers and brands; member companies should do everything possible to avoid this double counting.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g., processor for branded company) must be clearly distinguished in the table ("# on behalf of clients") and should not be combined with direct investments.</p> <p>% Will be calculated using $\frac{PF-IND-01: \text{farmers reached by GAP}}{CC-06: \text{farmers in the direct supply chain}}$</p>	
<p>DEFINITION: Good Agricultural Practices (GAP's): GAP's are sustainable agricultural methods that include pruning, pest and disease management, weed management, shade management, and harvest management. These practices are promoted to farmers to improve sustainable cocoa production, basic environmental and operational conditions necessary to produce safe, clean and healthy cocoa beans.</p> <p>GAPs may be applied to a wide range of cocoa farming systems and at different scales.</p> <p>Training: informal or nonformal education based on a curriculum and delivered to farmers using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It can be delivered one-on-one or in groups and can be continuous or a one-off. Training delivered on only some of the five GAP's may be counted if training is based on an assessment of a farmers needs (for example via tailored FDP plans).</p>	
<p>ASSUMPTIONS: This indicator assumes that several farmers will be supported by training for multiple years. This could include different levels of training (from beginner to advanced) on the same topic over time, training on different topics to address varying needs over time (e.g., tailored FDP plans), refresher trainings, follow-up coaching, and mentoring.</p> <p>Target numbers have been defined based on estimates shared by WCF members.</p>	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Outcome	BASELINE: CFI 2019 Data – 695,000 (CDI 373,751 & Ghana 320,922)
DATA SOURCE: N/A	

PF-IND-02. INDICATOR: Improved cocoa seedlings distributed in Ghana**AMBITION:** 22M**RELATED INITIATIVE:** CFI**COUNTING:**

Member self-reported. This will be counted annually based on the number of improved cocoa seedlings (seedlings, budwood, or other types of material that ideally has all or several of the following characteristics: high- yielding, early yielding, disease resistant, drought tolerant, heat tolerant) distributed in the current reporting year. Across the years, the count will be aggregated to show the cumulative count compared to the 2025 target by country.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

Improved cocoa seedlings: Hybrid/clonal seedlings, budwood, or other types of material that ideally has all or several of the following characteristics: high- yielding, early yielding, disease resistant, drought tolerance, heat tolerant.

ASSUMPTIONS:

Target numbers for Ghana have been defined based on estimates shared by WCF members. Targets will be set for Cote d’Ivoire when improved cocoa seedling distribution is funded and related agreements between traders and brands negotiated once a ban is lifted. There will also be a lag due to the time between the lifted ban, contracts / funding and implementation of activities on the ground.

UNIT: #	DISAGGREGATE BY: Sex
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TYPE: Output	BASELINE: Zero
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DATA SOURCE:
N/A

PF-IND-03. INDICATOR: Individuals participating in Income Generating Activities (IGA)**AMBITION:** 200,000**RELATED INITIATIVE:** CFI**COUNTING:**

Member self-reported. This will be counted annually based on the number of individuals in the direct supply chain that adopt IGA’s as a result of member support (via self-report) in the current reporting year. Individuals must be counted once they are actively participating in the development and running of a new income generating business in the year of reporting (regardless of success). This KPI is not cumulative across years.

This KPI focuses on the full spectrum of IGA’s; this can include (crop diversification, IGA’s developed through VSLA’s (all VSLA’s include this), and standalone IGA’s). Counting unique farmers across these practices without unique farmer ID’s is difficult to avoid double counting and requires special attention by members to avoid double counting when possible. Only those farmers that have participated in IGA’s as a result of company interventions should be counted. Members of a collective IGA via a VSLA group can be counted if due diligence was conducted to determine if 1) the VSLA does indeed have a collective IGA and 2) it is confirmed that all members are participating and benefiting from the IGA.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

Income Generating Activities (IGAs): any activities undertaken by cocoa sector farmers or individuals (usually small businesses) where non-cocoa crops (including those intercropped with cocoa), livestock, or off-farm products are produced, marketed and sold to generate additional income/revenues that contribute to a household economy for greater financial sustainability and resilience.

ASSUMPTIONS:

The target is based on a) an understanding that what has been reported to date most likely is based on observed or reported crop diversification for consumption or informal markets and not active participation in related IGAs as part of company programs. N.B., as an example, one member shared adjusted values for crop year 19/20 with a focus on active participation in IGAs as part of company programs and the values adjusted downwards to only 3% of the values originally reported for CFI. b) the baseline values would be lower with stronger definitions, c) knowing that only a subset of the overall population will participate in IGA’s, d) knowing that standalone IGA’s outside of crop diversification and VSLA’s are rare, e) future measurement guidelines should minimize double counting, and f) efforts focused on IGA will ramp up in the next couple of years.

UNIT:

#

DISAGGREGATE BY:

Sex

TYPE:

Outcome

BASELINE:

CFI 2019 data: **231,000** [crop diversification] (CDI 165,179 & Ghana 66,535); SDIQ 2015-2019 data: **51,970** [VSLA] (CDI 28,489 & Ghana 23,481).

DATA SOURCE:

N/A

Joint Results

PF-JNT-01. INDICATOR: Work towards measurable progress on achieving Living Income targets, aligned with National Initiatives

AMBITION: N/A

RELATED INITIATIVE: N/A

COUNTING:

Impact data on incomes will be collected by a 3rd party at midline and end line (KIT is proposed) to determine progress. Household surveys that gather information on both cocoa (yield * cocoa farm size [estimated based on GPS farm boundary mapping] * producer price (including farmer sustainability premiums where relevant) – costs) and non-cocoa income minus associated costs. Yield might be measured following the UTZ protocol for yield estimation, triangulated via recall, and include an adjustment factor developed and used to account for variability due to the following factors and possibly others:

- Integrated Pest Management practices used
- Input use (fertilizers and pesticides)
- Sanitary status of the crop (pest and disease incidence and pressure)
- Cropping system (intercropping or monocropping) & density of the cocoa
- Crop maintenance (level of pruning, presence of weeds, irrigation)
- Age of plantation
- Shade grown versus full sun
- Precipitation (rainfall) pattern
- Planting material / variety

There are some limitations to the data available to the public on yields, cocoa production costs, non-cocoa income, and average land size measurements – all important variables to accurately calculate income. Extra attention will be taken to ‘correct’ these issues (as much as possible) for the mid-line and end-line evaluations and potentially to calibrate the baseline. Some possibilities are mentioned above for yields. Looking only at average incomes may be misleading; the range of incomes will also be calculated for internal use to provide a more thorough view of what is happening with all farmers compared to the average.

DEFINITION:

Net household income: The amount of money that a household earns, or gains, each year after costs, taxes, and transfers. It represents the money available to a household for spending on goods or services and savings. This is currently calculated via - Production * producer price (including farmer sustainability premiums where relevant)– costs, plus non-cocoa income minus associated costs.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.

ASSUMPTIONS:

The proposed baseline to compare progress with is based on KIT data from the Demystifying the Cocoa Sector study - for CDI: average yield – 349 kg/ha; average productive land size – 3.5 ha; producer price \$1.66 / kg; total costs \$121; and estimated 34% additional net non-cocoa income. And for Ghana: average yield – 398 kg/ha; average productive land size – 2.7 ha; producer price \$1.73 / kg; total costs

<p>\$376; and estimated 39% additional net non-cocoa income. A baseline will be used based on an assessment of available data and keeping in mind the different caveats listed in the counting section above. WCF will continue to collaborate with members to identify and generate when possible data that improves on identified limitations and considers industry-wide lessons learned.</p>	
<p>UNIT: %</p>	<p>DISAGGREGATE BY: Sex</p>
<p>TYPE: Impact</p>	<p>BASELINE: KIT (2016-2018) – CDI: USD 2900/year; Ghana: USD 2487/year.</p>
<p>DATA SOURCE: KIT’s Demystifying the cocoa sector in Ghana and Côte d’Ivoire: https://www.kit.nl/wp-content/uploads/2018/11/Demystifying-cocoa-sector-chapter10-production-and-yield.pdf (Productivity and Yield) KIT’s Demystifying the cocoa sector in Ghana and Côte d’Ivoire: https://www.kit.nl/wp-content/uploads/2019/01/Demystifying-cocoa-sector-chapter12-household-income-poverty-wealth.pdf (Household income) UTZ methodology for yield estimation: https://www.utz.org/wp-content/uploads/2016/09/Guidance-document-UTZ-%E2%80%93-Certified-Volume.pdf</p>	

PF-JNT-02. INDICATOR: Work towards measurable progress on productivity gains, in consultation with governments and aligned with National Initiatives

AMBITION: N/A

RELATED INITIATIVE: N/A

COUNTING:
Impact data on productivity will be collected by a 3rd party at midline and end line (proposed KIT). To calculate total kilograms / hectare divide total cocoa production (MT) of a household by total area of cocoa production land in hectares [measured via GPS].

Yield might be measured following the UTZ protocol for yield estimation, triangulated via recall, and include an adjustment factor developed and used to account for variability due to the following factors and possibly others:

- Integrated Pest Management practices used
- Input use (fertilizers and pesticides)
- Sanitary status of the crop (pest and disease incidence and pressure)
- Cropping system (intercropping or monocropping) & density of the cocoa
- Crop maintenance (level of pruning, presence of weeds, irrigation)
- Age of plantation
- Shade grown versus full sun
- Precipitation (rainfall) pattern
- Planting material / variety

The differentiation of farmers who receive different interventions (for example training) or implement different practices such as agroforestry, might also be explored in the data analysis. It is challenging to accurately measure yields and land size which is important to determine yield. Extra attention will be taken to ‘correct’ these issues (as much as possible) for the mid-line and end-line evaluations and potentially to calibrate the baseline. Agreement on clear definitions, parameters, and standards for measurement should be made between members, WCF, and the selected research partner before moving forward with data collection to mitigate these challenges where possible.

DEFINITION: Yield: Total cocoa weight in kilograms produced per hectare for each farmer each year.	
ASSUMPTIONS: The proposed baseline to compare progress with is based on KIT data from the Demystifying the Cocoa Sector study.	
UNIT: %	DISAGGREGATE BY: N/A
TYPE: Outcome	BASELINE: KIT (2016-2018) – CDI: 349 kg; Ghana 398 kg
DATA SOURCE: KIT's Demystifying the cocoa sector in Ghana and Côte d'Ivoire: https://www.kit.nl/wp-content/uploads/2018/11/Demystifying-cocoa-sector-chapter10-production-and-yield.pdf (Productivity and Yield) UTZ methodology for yield estimation: https://www.utz.org/wp-content/uploads/2016/09/Guidance-document-UTZ-%E2%80%93-Certified-Volume.pdf	

Member Sustainability Indicators

PF-01. INDICATOR: # individuals participating in training that promotes IGA's	
RELATED INITIATIVE: N/A	
<p>COUNTING: Member self-reported. This will be counted annually based on the number of farmers in the direct supply chain that received training in the current reporting year. It is not cumulative across years.</p> <p>Training must include at least a few hours per person covering key topics such as: identifying the right product/price/volume, numeracy/literacy, accounting, marketing and sales, technical skills in producing the identified product for sale. The training can be delivered via a group for a collective IGA where all individuals are counted.</p> <p>Without unique farmer ID's, double counting of individuals is difficult to avoid for those who participated in multiple 'events' within a company and between suppliers and brands; member companies should do everything possible to avoid this double counting.</p>	
<p>DEFINITION: Individuals: Any member of a cocoa community / cocoa household targeted by IGA activities.</p> <p>Income Generating Activities (IGAs): any activities undertaken by cocoa sector farmers or individuals (usually small businesses) where non-cocoa crops (including those intercropped with cocoa), livestock, or off-farm products are produced, marketed and sold to generate additional income/revenues that contribute to a household economy for greater financial sustainability and resilience.</p> <p>Training: Informal or nonformal education based on a curriculum and delivered to farmers using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It be delivered one-on-one or in groups and can be continuous or a one-off.</p>	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: N/A	

PF-02. INDICATOR: # of farmers with up to date / valid Farm Development Plans developed and agreed by farmers	
RELATED INITIATIVE: N/A	
<p>COUNTING: Number of active plans in the relevant reporting year; must have been signed or agreed to officially by the farmer and documented and must meet minimum criteria listed in definitions to be counted as an FDP. Once counted upon signature, the plan must not be counted again. Count should only include farmers in the direct supply chain.</p> <p>% Will be calculated using $\frac{PF-02: \text{farmers with up-to-date FDPs}}{CC-06: \text{farmers in the direct supply chain}}$</p>	
<p>DEFINITION: Farm Development Plans (FDPs): Combine individualized coaching with digitally computed, farm-level tactical plans that provide detailed recommendations for how farmers can increase yield. The tool is typically a mobile application that supports data collection and is capable of analyzing that data to generate customized recommendations for farmers. The process involves collecting farm-level data and generating customized plans followed by the ongoing provision of individualized coaching</p>	

around the plan’s implementation. The process also requires the careful involvement of engaged and well-trained company sustainability and IT staff, coaches, and farmers.

Agreed upon standards: FDPs must include:

- **Collection of farm-level quantitative and/or qualitative data** regarding farmer demographics and income as well as plot conditions and farming practices.
- FDP recommendations are **tailored to each farmer and farm plot** based on the data collected at the beginning of the process.
- The FDP should include **training, individual coaching and mentoring** to support the journey of the farmer in adopting good agricultural practices (GAPs) including soil management and farm rehabilitation/renovation based on a farmer’s specific needs and to make targeted farm-level investments.
- The final defining characteristic is the **length of the engagement**. FDP requires a multi-year window of analysis and engagement. This enables the FDP to work on medium to long-term goals such as rehabilitation of trees and establishes a compelling business case for farm investments that take longer to execute but provide a positive return in the long run.

UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: Farm Development Plan Policy Brief: https://worldcocoa.egnyte.com/dl/rpPaeoysSY Farm Development Plan Study: https://worldcocoa.egnyte.com/dl/aGE1RRDETK	

PF-03. INDICATOR: # of 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

RELATED INITIATIVE: N/A

COUNTING:

Will count any individual in the direct supply chain that enrolled in at least one financial product or service in a given reporting year. Does not include individuals who enrolled in the same financial product multiple times and was previously reported or not yet reported but enrolled in the product or service in a previous year. An individual must be counted only once in a year and members should take care to avoid double counting if a individual enrolled in multiple products and services in one given year. Members should report individuals based on the principle of additionality (those individuals that enrolled because of company support and not those who would have enrolled anyways). Ascertaining this via a survey question is sufficient. Suggested best practice is that this data be estimated based on a sample of the target population. Not cumulative or aggregated over years. Does not include cocoa bean pre-financing.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

Formal financial products and services: Products and services developed and delivered to meet the needs of cocoa sector players by financial institutions. This includes products such as credit (including input-for-credit) and savings accounts, or various types of insurance, such as crop, drought, or flood insurance; opening credit accounts for farmers and/or cooperatives; or other innovative products that go beyond traditional debt, credit, or savings accounts/services.

Pre-financing: An arrangement to have production activities paid in advance by a third party and to be repaid at a later date by a farmer based on agreement between the parties involved.	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: N/A	

PF-04. INDICATOR: # of farmer-based organizations (FBO) with a capacity assessment and business management plan completed (No Longer in Use)

RELATED INITIATIVE: N/A
COUNTING: Must be counted when a documented assessment and business management plan are completed based on the criteria listed in the capacity assessment definition and agreed upon by the FBO. Not cumulative.
% Will be calculated using $\frac{PF-04: FBOs\ receiving\ support}{CC-05: FBOs}$

DEFINITION: Farmer-based organizations (FBOs): “Cooperatives”; “other professional groups of farmers”; other groups that are recognized formal or informal institutions with influence on cocoa farming or broader life in the community. A member can be an individual who, for example, pays a membership fee, is formally recognized by the organization as a member, or holds a formal position within the organizations. Capacity assessment: A formal assessment conducted on an FBO’s capacity in the following categories (internal management, operations, sustainability, financial management, supply/production management, assessment of market risks and strategy, assessment of external risks and enabling environment and strategy). The assessment should lead to a business management plan. A business management plan must be developed as a result of a capacity assessment with strengths, weaknesses, opportunities, and threats identified. The plan should include a timeline and resources allocated to strengthen areas that require improvement.
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UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: ScopeInsight: https://scopeinsight.com/get-to-know-us-scopeinsight/scope-methodology/ (an example of an assessment for guidance purposes, but other assessors and approaches are valid)	

PF-05. INDICATOR: # of farmer-based organizations (FBO) receiving capacity building support based on business management plan (No Longer in Use)

RELATED INITIATIVE: N/A
COUNTING: Must be counted when training is delivered based on specific capacity needs identified in a documented assessment and business management plan. Not cumulative.
% Will be calculated using $\frac{PF-05: FBOs\ with\ assessments\ and\ BMPs}{PF-04: FBOs\ receiving\ support}$
DEFINITION:

<p>Farmer based organizations (FBOs): “Cooperatives”; “other professional groups of farmers”; other groups that are recognized formal or informal institutions with a cocoa aggregating and sale role and ideally provide support / technical services to members and influence cocoa farming or broader life in the community. A member can be an individual who, for example, pays a membership fee, is formally recognized by the organization as a member, or holds a formal position within the organizations.</p> <p>Capacity assessment: A formal assessment conducted on an FBO’s capacity in the following categories ((internal management, operations, sustainability, financial management, supply / production management, assessment of market risks and strategy, assessment of external risks and enabling environment and strategy). The assessment should lead to a business management plan.</p> <p>A business management plan must be developed as a result of a capacity assessment with strengths, weaknesses, opportunities, and threats identified. The plan should include a timeline and resources allocated to strengthen areas that require improvement.</p> <p>Training: Informal or nonformal education based on a curriculum and delivered to FBO management staff (and members if relevant) using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It be delivered one on one or in groups and can be continuous or a one off.</p>	
<p>UNIT: #</p>	<p>DISAGGREGATE BY: N/A</p>
<p>TYPE: Output</p>	
<p>DATA SOURCE: N/A</p>	

<p>PF-06. INDICATOR: # of farmers trained on harvest and post-harvest practices that impact flavor and quality (No Longer in Use)</p>	
<p>RELATED INITIATIVE: N/A</p>	
<p>COUNTING: Must be counted when training is delivered on relevant topics. Not cumulative. Count should only include farmers in the direct supply chain.</p> <p>% Will be calculated using $\frac{PF-06: farmers\ trained}{CC-06: farmers\ in\ the\ direct\ supply\ chain}$</p>	
<p>DEFINITION:</p> <p>Training: Informal or nonformal education based on a curriculum and delivered to farmers using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It be delivered one on one or in groups and can be continuous or a one off.</p> <p>Harvest and post-harvest practices that impact flavor and quality: Harvest practices that impact cocoa flavor and quality include time of the harvest, way of breaking the pods, means of fermentation (e.g., heap, box, plastic, mat, etc.), time of drying, and means of storage. Factors impacting the quality of the harvest include ripeness and wounded pods. Factors impacting the quality of beans during pod breaking include wounded beans (e.g., by machete or bush knife), bad separation of beans, or no separation of beans, keeping the placenta during fermentation. Too short, or too long fermentation impacts cocoa flavor and quality at the fermentation phase. Too fast, too hot, with wood fire, and lack of air movement impact flavor and quality at the drying stage. At the storage phase, flavor and quality may be impacted by moisture, insect, and contaminants (e.g., wood fire, smoke, oils, insecticides, cooking smells, mold, etc.)</p>	
<p>UNIT: #</p>	<p>DISAGGREGATE BY: N/A</p>

TYPE: Output
DATA SOURCE: N/A

PF-07. INDICATOR: # of farmers with land tenure agreements/documentation obtained via company support

RELATED INITIATIVE: CFI

COUNTING:
This must be counted for those farmers in the direct supply chain with relevant documentation that is obtained, formalized, and recognized in the relevant reporting year.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

% Will be calculated using $\frac{PF-07: \text{farmers with land tenure agreements}}{CC-06: \text{farmers in the direct supply chain}}$

DEFINITION:
Land tenure agreements/documentation: Formal and legally recognized land certificates and land-use contracts (Cote d’Ivoire) or customary indenture agreements with farm site plans (Ghana); land titles. Such documents strengthen the tenure security of farmers to varying degrees, which can in turn increase farm investments, encourage sustainable agricultural practices, prevent deforestation, encroachment into protected forests, and loss of biodiversity, and mitigate political and social conflicts over land.

UNIT: #	DISAGGREGATE BY: Sex
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TYPE:
Outcome

DATA SOURCE:
N/A

2. Empowered Communities

Industry Results

EC-IND-01. INDICATOR: Households in the direct supply chain covered by effective and sustainable child protection / HRDD systems that assess and address child labor

AMBITION: 100%

RELATED INITIATIVE: N/A

COUNTING:

Member self-reported. This will be counted annually.

The wording of this KPI, targets and definitions are aligned directly with any decisions made under ICI.

% Will be calculated using $\frac{EC-IND-01: households\ covered}{CC-04: households\ in\ the\ direct\ supply\ chain}$

Households: All the occupants of the same dwelling who share meals, without the occupants necessarily being related to each other. In many cases, the occupants are under the responsibility of one member, considered the Head of Household. However, a household may consist of only one member.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

Coverage: A household can be considered "covered" for one of two reasons: (i) they have received an in-person monitoring visit, including an interview with the child; or (ii) the household's risk has been assessed through a systematic analysis of reliable data about household, using a transparent, documented method of risk assessment, and an evidence-based decision has been made either to include or exclude that household from in-person monitoring visits. A child can be considered covered if they live in a household meeting the definition above.

Child protection / HRDD systems are systems that successfully implement the following core activities:

- Raise awareness on child labour and resulting harm amongst farmers, children, and the wider community.
- Identify children in child labor through active, regular, and repeated monitoring, using standardized data collection tools.
- Provide support (prevention and remediation) to children in child labour, and others at risk, and document the support provided
- Follow-up with children identified in child labour and continue to monitor their status on a regular basis until they have stopped engaging in child labour and have satisfactory alternatives

Together, these core activities assess and tackle proximate and root causes of child labour, addressing identified cases of child labour and preventing children from engaging in hazardous work in the future. CLMRS have been shown to reduce children’s participation in child labour by around 50%.

Such systems may be implemented by governments, communities, industry, or civil society actors. They include systems implemented in supply-chains, in communities or across a broader geographic area.

An **effective system** must be able to report on the following core indicators:

- # of households **covered** by a CLMRS
- # of children **covered** by a CLMRS
- # and % of households covered by the system reached by **awareness raising** at household level
- # and % of households **monitored** by a CLMRS
- # and % of children **monitored** by a CLMRS
- # and % of children identified in child labour
- # and % of **children identified** in child labour **who received support**
- # and % of children **not identified** in child labour **received support**
- # and % of children identified in child labour who received **at least one follow-up visit**
- # and % of children identified who reported not engaging in child labour **at last follow-up**

Full definitions for each of the indicators above are available in the Benchmarking Study:

https://cocoainitiative.org/wp-content/uploads/2021/04/ICI_CLMRS_Benchmarking-study.pdf

A **sustainable system** can continue to implement all the core activities above at the level required to address needs for as long as they persist.

Percentage(s) will be calculated using: [indicator] / Total households in direct supply chain (CC-04).

ASSUMPTIONS:

N/A

UNIT:

& %

DISAGGREGATE BY:

N/A

TYPE:

Outcome

BASELINE:

20%

DATA SOURCE:

ICI Strategy & Results Framework: https://cocoainitiative.org/wp-content/uploads/2020/09/ICI-2021-2026-Strategy_EN.pdf

EC-IND-02. INDICATOR: Women in cocoa-growing communities are members of VSLA groups

AMBITION: 70,000

RELATED INITIATIVE: N/A

COUNTING:

Member self-reported. This will be counted annually based on the number of women that are members of VSLA groups in the current reporting year. It is not cumulative across years. The target represents the # of women that should be members of a VSLA group in 2025.

DEFINITION:

<p>Cocoa community: A place where cocoa-growing is the predominant livelihood, but not the sole livelihood. It is made up of an administrative center or village and the inhabitants therein, including cocoa farmers, farm workers and other livelihood groups. From an operational perspective, the extent to which surrounding hamlets or encampments are considered either part of a select cocoa community, or as a community in their own right, will depend on the extent to which their size, location, composition and administrative status allows them to be effectively assisted from that select community.</p>	
<p>VSLA (Village Savings and Loans Association): Village Savings and Loans Association (VSLA) is a type of Accumulating Savings and Credit Association formed as a group of 15-30 people, mainly women, who choose to work together and pool their savings. The money can then be borrowed with interest (5 -10%) by members, over an agreed period. At the end of a predetermined term, the overall fund (which is made up of the savings and the interest payments) is paid out to the group members based on their percent of contribution to the savings pool. At that point members can decide whether to start a new cycle or whether to disband. Crucial activities that benefit VSLA members include (i) creating and maintaining a group dynamic to grow self-esteem and self-confidence, (ii) providing access to basic financial services (savings and credit), (iii) unlocking entrepreneurial potential by learning to identify, create, and manage an income generating activity (iv) providing leadership skills and promoting gender-based dialogue to increase empowerment and participation of women in decision making in their HH and community.</p>	
<p>ASSUMPTIONS: Based on target of 38,000 farmers for USAID VSLA initiative and target of 50,000 farmers for Mars * 80% for women members.</p>	
<p>UNIT: #</p>	<p>DISAGGREGATE BY: N/A</p>
<p>TYPE: Outcome</p>	<p>BASELINE: SDIQ 2015-2019 data: 42,000 (80% of total for women based on total members from CDI 28,489 & Ghana 23,481 = 51,970)</p>
<p>DATA SOURCE: WCF VSLA Business Income Case: https://worldcocoa.egnyte.com/dl/aHWmtQDH1s</p>	

<p>EC-IND-03. INDICATOR: Industry co-financing mobilized for education</p>	
<p>AMBITION: \$25M</p>	
<p>RELATED INITIATIVE: N/A</p>	
<p>COUNTING: This will count the industry contribution to education via CLEF/ELAN and any other company investment in education outside of CLEF/ELAN. In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g., processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.</p>	
<p>DEFINITION: Co-financing: The amount co-funded by industry excluding co-funding from other sources. Education: Any intervention that seeks to improve and expand education opportunities to children and adults (including vocational training interventions). To be classified in this category, an intervention does not need to specifically or explicitly target child labor reduction. Please note: Any intervention that offers or facilitates access to formal and non-formal education (e.g., literacy courses) should be included. The interventions in this category can include:</p>	

- School/classroom building, improvement of infrastructure (classroom/canteen/water/toilet/energy such as provision of benches, tables etc., the drilling of a bore hole, provision of a water pump on school premises, toilet facility, construction of teacher housing, the installation of solar panels for the school etc.)
- Mobile schools, provision of birth certificates, provision of scholastic materials
- School feeding (provision of meals/food/canteens/equipment)
- School nutrition programs (school gardens, nutrition awareness-raising, supplementary feeding)
- School uniform/book, study material
- Improvement of the school environment (playgrounds, etc.)
- Support services to school: capacity of school management committees and teachers, and reinforcing child protection in schools,
- Teachers training
- Actions related to violence in schools
- Conditional cash transfer to students
- Non-formal education (to those who are not enrolled/dropped out)
- Skillful parenting programs
- Bridging classes
- Literacy and numeracy activities.

ASSUMPTIONS:

N/A

UNIT:

USD

DISAGGREGATE BY:

N/A

TYPE:

Output

BASELINE:

N/A

DATA SOURCE:

ELAN: https://jacobsfoundation.org/app/uploads/2020/04/ELAN_Factsheet_ENG_final-2.pdf

CLEF: <https://treccprogram.org/en/project/clef-child-learning-and-education-facility-2/>

CLEF Concept: <https://worldcocoa.egnyte.com/dl/7ONLiMFXG>

Joint Results

EC-JNT-01. INDICATOR: # and % of adults and children in forced labor incocoa-growing areas (N.B. KPI wording revised to match ICI indicator)	
AMBITION: N/A	
RELATED INITIATIVE: N/A	
COUNTING: This will be reported on via periodic surveys of forced labor by independent researchers when available such as the study conducted by Tulane University & Walk Free Foundation in 2018. The wording of this KPI, targets and data collection will align directly with any decisions made under ICI.	
DEFINITION: Forced labor: According to the ILO, “ <i>forced or compulsory labor</i> shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”. It consists of three elements:	
<ol style="list-style-type: none"> 1. Some type of work or service, including formal and informal work occurring in any activity, industry or sector. 2. Menace of any form of penalty being used to compel someone to work 3. Involuntariness, meaning without the worker’s free and informed consent to the take the job or to leave at any time. <p>A full definition of forced labour, including exceptions, is available here: https://www.ilo.org/global/topics/forced-labour/definition/lang--en/index.htm</p> <ul style="list-style-type: none"> • Cocoa-growing areas refers to the geographic area of Côte d’Ivoire and Ghana where cocoa production takes place. 	
ASSUMPTIONS: N/A	
UNIT: N/A	DISAGGREGATE BY: N/A
TYPE: Impact	BASELINE: Tulane University & Walk Free Foundation, 2018: Ghana: for every 1,000 adult cocoa workers in medium and high cocoa growing areas, an estimated 3.3 were victims of forced labor between 2013 and 2017. For every 1,000 children working in cocoa agriculture in areas of medium and high cocoa production, approximately 1.56 were victims of child forced labor. CDI: for every 1,000 adult cocoa workers, an estimated 4.2 were victims of forced labor. For every 1,000 children working in cocoa agriculture in these areas between 2013 and 2017 1.7 were forced to work.
DATA SOURCE: ILO – Forced Labour Convention: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029 ILO – Worst Forms of Child Labour Convention: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182	

EC-JNT-02. INDICATOR: % of children in child labor in cocoa growing households (N.B. KPI wording revised to match ICI indicator)	
AMBITION: Significant Reduction	
RELATED INITIATIVE: N/A	
COUNTING: Aligned with ICI's 2021-2026 Strategic Results Framework and NORC's data collection approach. Reporting will come directly from ICI's reporting on this KPI.	
DEFINITION: Significant reduction: Statistically significant reduction between baseline and endline. Child Labor: The ILO defines this as “work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.” Child labor specifically refers to work, hazardous or not, that is mentally, physically, socially or morally dangerous and harmful to children, and interferes with their schooling by depriving them of the opportunity to attend school, or obliging them to leave school prematurely, or requiring them to attempt to combine school attendance with excessively long and heavy work.	
Cocoa-growing households: households whose livelihood activities include cultivation of cocoa.	
ASSUMPTIONS: N/A	
UNIT: # and %	DISAGGREGATE BY: N/A
TYPE: Impact	BASELINE: NORC: Children in cocoa household, 5-17 years, engaged in child labor in cocoa production (2018/19 season): CDI: 39% GH: 58%
DATA SOURCE: ICI Strategy & Results Framework: https://cocoainitiative.org/wp-content/uploads/2020/09/ICI-2021-2026-Strategy_EN.pdf	

EC-JNT-03. INDICATOR: Achievement of education and birth registration targets as defined in National Plans	
AMBITION: TBD based on National Plans	
RELATED INITIATIVE: N/A	
COUNTING: This KPI will measure results from contributions to education delivered through partnership via CLEF/ELAN and any other Government and member investments in education outside of CLEF/ELAN. Select CLEF/ELAN measures developed by the Jacobs Foundation and partners might include: <ul style="list-style-type: none"> • Birth registration rate • Enrollment rate in pre-primary (age 3-5) • Enrollment rate (age 6-16) • Learning outcome score 	

DEFINITION:

Education: To realize education’s potential as an effective means of building human capital and combating child labor, it must be of sufficiently high quality to ensure learning. UNICEF defines quality education as the combination of five elements:— Learners who are healthy, well-nourished and ready to participate and learn, and supported in learning by their families and communities;— Environments that are healthy, safe, protective and gender-sensitive, and provide adequate resources and facilities; — Content that is reflected in relevant curricula and materials for the acquisition of basic skills, especially in the areas of literacy, numeracy and skills for life, and knowledge in such areas as gender, health, nutrition, HIV/AIDS prevention and peace.— Processes through which trained teachers use child-centered teaching approaches in well-managed classrooms and schools, and skillful assessment to facilitate learning and reduce disparities.— Outcomes that encompass knowledge, skills and attitudes, and are linked to national goals for education and positive participation in society (UNICEF, 2000).

Birth registration: Official documentation of a birth (i.e. birth certificates). Birth registration provides a statutory protection to children and is often required for them to access basic services. Lack of such documents may prevent access to essential services, including the ability to continue studies beyond primary school, thus increasing child labor risk. This is currently a proxy and indicates the share of schools where more than half of students have a birth certificate and will be updated as data collection progresses.

Enrollment rate: Indicates children with basic access to school by measuring the share of school-age children enrolled in school.

Learning Outcome Score: Indicates quality of education by measuring combined literacy and numeracy scores of 3rd-graders, graded on a scale of 0 to 7 using the ASER test, 6 indicates proficiency.

ASSUMPTIONS:

N/A

UNIT:

#

DISAGGREGATE BY:

N/A

TYPE:

Outcome

BASELINE:

TBD based on National Plans

DATA SOURCE:

N/A

Member Sustainability Indicators

EC-01. INDICATOR: # of communities covered by CNA & CAP for community development activities	
RELATED INITIATIVE: N/A	
<p>COUNTING: Counted once a community needs assessment (based on criteria listed in definitions) and community action plan (based on criteria listed in definitions) are completed, formalized / documented, and agreed upon by the community in general. Each plan must include an estimate on the number of households covered by the plan.</p> <p>% Will be calculated using $\frac{EC-01: \text{communities covered}}{CC-03: \text{cocoa communities in the direct supply chain}}$</p>	
<p>DEFINITION: Community Needs Assessment (CNA): An assessment conducted with the participation of a community to identify and determine the priority short and long-term development needs of that community and includes research to understand community dynamics that are important to develop a relevant and sustainable plan.</p> <p>Community Action Plan (CAP): A plan developed based on a community needs assessment in participation with communities. The plan must include interventions that address important community development needs and align with Government priorities. The plan must include a cost estimate, a resource mobilization plan, and monitoring mechanism to track progress and ensure accountability. The plan implementation must be led by the community with equitable and diverse community representation and with short-term company technical and financial support with a long-term plan to sustainably hand over all responsibility to the community including management and finance. The short-term plan must include the use of participatory tools to build the capacity of community members to act in accordance with the problems, needs, and potential of the community, to implement those plans.</p> <p>Community: The smallest officially recognized and registered jurisdictional unit for each country. Jurisdictional units in Ghana from largest to smallest: Region, District, Community; CDI: Sub-prefecture, Communes, Villages. Link to official administrative units can be found here.</p>	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

EC-02. INDICATOR: # of classrooms built / renovated through member sustainability programs	
RELATED INITIATIVE: N/A	
<p>COUNTING: The number of classrooms built or renovated and are fully functional in a given reporting year must be reported.</p>	
<p>DEFINITION: Classrooms: A room or standalone building that serves as the location for the delivery of formal or non-formal education.</p> <p>Built / renovated: New classrooms constructed (built) from beginning to completion or existing classrooms improved (renovated)</p>	

UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

EC-03. INDICATOR: # school facilities built / renovated through member sustainability programs	
RELATED INITIATIVE: N/A	
COUNTING: The number of school facilities built or renovated and are fully functional in a given reporting year must be reported.	
DEFINITION: School facilities: Non-classroom infrastructure that facilitates access to formal and non-formal education. This could include canteens, lavatories, boreholes, hand washing stations, teacher housing. Built / renovated: New facilities constructed (built) from beginning to completion or existing facilities improved (renovated)	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

EC-04. INDICATOR: # of at-risk households covered by human rights due diligence (HRDD) measures that assess and address forced labor risks	
RELATED INITIATIVE: N/A	
COUNTING: Member self-reported. This will be counted annually.	
DEFINITION: The wording of this indicator, targets and definitions are aligned directly with any decisions made under ICI. Covered: a household can be considered <i>covered by human rights due diligence measures that prevent and address forced labour risks</i> if they live in a community where all of the following are true: <ul style="list-style-type: none"> a) a forced labour policy is in place in any cooperatives sourcing from that community (or alternatively forced labour by-laws exist at community level) b) awareness-raising on forced labour has been conducted in the past 12 months c) a risk-assessment process is in place to identify forced-labour risks and cases d) a grievance mechanism is in place to report forced labour risks and cases e) a response mechanism is in place to respond to forced labour risks and cases reported Forced labour risk: refers to the vulnerability of workers to working involuntarily (i.e. without their free and informed consent to take the job or leave at any time) and under menace of penalty being used to compel someone to work.	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	

<p>DATA SOURCE: HRDD (Ethical Trading Initiative): https://www.ethicaltrade.org/sites/default/files/shared_resources/eti_human_rights_due_diligence_framework.pdf</p> <p>HRDD (ICI): https://worldcocoa.egnyte.com/dl/GBa441GBk6 (references the above resource)</p> <p>ICI Strategy & Results Framework: https://cocoainitiative.org/wp-content/uploads/2020/09/ICI-2021-2026-Strategy_EN.pdf</p> <p>ICI Member reporting protocol (pending publication)</p>
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EC-05. INDICATOR: # of members of VSLA groups in the current year	
RELATED INITIATIVE: CFI	
<p>COUNTING: This will count the number of members active in the given reporting year.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.</p>	
<p>DEFINITION:</p> <p>VSLA (Village Savings and Loans Association): Village Savings and Loans Association (VSLA) is a type of Accumulating Savings and Credit Association formed as a group of 15-30 people, mainly women, who choose to work together and pool their savings. The money can then be borrowed with interest (5 -10%) by members, over an agreed period. At the end of a predetermined term, the overall fund (which is made up of the savings and the interest payments) is paid out to the group members based on their percent of contribution to the savings pool. At that point members can decide whether to start a new cycle or whether to disband. Crucial activities that benefit VSLA members include (i) creating and maintaining a group dynamic to grow self-esteem and self-confidence, (ii) providing access to basic financial services (savings and credit), (iii) unlocking entrepreneurial potential by learning to identify, create, and manage an income generating activity, (iv) providing leadership skills and promoting gender-based dialogues to increase empowerment and participation of women in decision making in their HH and community.</p>	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: N/A	

EC-06. INDICATOR: # of VSLA groups in the current year	
RELATED INITIATIVE: N/A	
<p>COUNTING: This will count the number of active groups in the given reporting year.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.</p>	

DEFINITION: VSLA (Village Savings and Loans Association): Village Savings and Loans Association (VSLA) is a type of Accumulating Savings and Credit Association formed as a group of 15-30 people, mainly women, who choose to work together and pool their savings. The money can then be borrowed with interest (5 -10%) by members, over an agreed period. At the end of a predetermined term, the overall fund (which is made up of the savings and the interest payments) is paid out to the group members based on their percent of contribution to the savings pool. At that point members can decide whether to start a new cycle or whether to disband. Crucial activities that benefit VSLA members include (i) creating and maintaining a group dynamic to grow self-esteem and self-confidence, (ii) providing access to basic financial services (savings and credit), (iii) unlocking entrepreneurial potential by learning to identify, create, and manage an income generating activity, (iv) providing leadership skills and promoting gender-based dialogues to increase empowerment and participation of women in decision making in their HH and community.	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

EC-o7. INDICATOR: # of individuals participating in youth focused projects and activities (age 15-35)

RELATED INITIATIVE: CFI	
COUNTING: This will count the number of individuals participating in activities in the given reporting year; disaggregated by age category and sex. In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.	
DEFINITION: Youth focused projects / activities: This could include projects or activities within a broader initiative or program. Projects and activities must be designed intentionally to increase youth participation and benefits. Youth: Ages 15-35	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: N/A	

EC-o8. INDICATOR: # of individuals participating in women’s empowerment projects and activities

RELATED INITIATIVE: CFI	
COUNTING: This will count the number of individuals participating in activities in the given reporting year and disaggregated by sex.	

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

Women’s empowerment: The combined effect of changes in a women’s own consciousness, knowledge, skills and abilities (agency) and in the power relations and structures (norms, customs, institutions, policies, laws, etc.) that shape her access to rights and resources, choices and opportunities, and ultimately wellbeing. (WCF Gender Integration guidance note, Annex on Gender Principles and definitions)

Women’s empowerment projects and activities: Projects and activities that are relevant to the definition above. Generally, this may include VSLAs, any gender related training, VSLAs, women-focused IGA promotion, literacy, women-focused or women-permitting technical trainings, etc. In CFI, such projects and activities would take into account the gender-specific relationships to natural resource use and management.

UNIT:

#

DISAGGREGATE BY:

Sex

TYPE:

Output

DATA SOURCE:

WCF Gender Integration Guidance Note: <https://worldcocoa.egnyte.com/dl/JJAms8vdRi>

3. Healthy Planet

Industry Results

HP-IND-01. INDICATOR: Cocoa-related deforestation in the direct supply chain (Individual company reporting not required)

AMBITION: Zero

RELATED INITIATIVE: CFI

COUNTING:

To be reported in aggregate for cocoa growing regions in Origin countries by WCF using a satellite imagery analysis. Currently, this will be conducted by Satelligence using the below methodology.

Methodology - Forest and cocoa extent layers input data and processing

Satellite input data used:

Multi-temporal stack of radar and optical imagery (Landsat-7,8,9, Sentinel-1 and Sentinel-2) resampled to 10m pixel size for years 1987 to 2021

Data processing methods applied:

Timeseries approach detecting historical disturbance since 1987. For cocoa, Satelligence database of 500,000 cocoa farm boundaries and a semi unsupervised training data handling approach to prepare classification input data. For classification, multi-feature Random Forest algorithm machine learning (XGboost) applied on cloud and haze corrected. Annual Sentinel-2 and Landsat 10m mosaics preprocessed with FORCE and FMask. Sentinel-1 data preprocessed with ISCE2 and DL speckle filtering developed with WUR. Our globally scalable approach is implemented on Google Compute Platform (GCP).

Forest and cocoa extent accuracy:

Forests > 95% accuracy | Full sun monoculture cocoa > 91% accuracy | Shade cocoa > 80% accuracy.

Methodology - Deforestation input data and processing

Satellite input data used:

Multi-temporal stack of radar and optical imagery (Landsat-7,8,9, Sentinel-1 and Sentinel-2) resampled to 10m pixel size for years 2014 to 2021.

Data processing methods applied:

Probabilistic deforestation monitoring algorithm, processed on Satelligence framework on Google Cloud Platform. All deforestation pixels quantified within the forest baseline classes deriving total deforestation, and within the cocoa extent deriving cocoa-driven deforestation. Deforestation rates: calculated on an annual basis from 2018 onwards. Using forest loss within a year, divided by the remaining total forest cover at the start of 2018. This enables year-to-year comparisons of forest loss rates but will be misleading over a longer timespan due to a simple lack of remaining forest. This method was selected because using annual rates with forest remaining at the start of each year gives less clear insight into the scale of deforestation year-to-year.

Deforestation detection accuracy:

> 95% accuracy

Methodology - Contextual analytics

The following contextual datasets to quantify total and cocoa driven deforestation were used:

- Protected areas - official national datasets
- Administrative boundaries - GADM

Data processing method applied: intersection. Every individual deforestation pixel is overlaid with all datasets mentioned above to retrieve the relevant information on whether forest loss occurred in cocoa

growing areas, whether the deforestation happened in protected area, which designation the forest had and in which administrative region per country.

Future improvements

In the future, we will continue to investigate how to:

- Calculate relative deforestation - is deforestation slowing just because there is no forest remaining?
- Establish the exact planting age when cocoa can be detected with > 90% accuracy, to quantify how much young cocoa is missing from the cocoa extent layers, for the last two years of analysis.
- Integrate more ground data for non-cocoa shrubland to further reduce error margins for identifying cocoa.
- Analyze the full extent of forest including regrowth and differentiate clearance of old cocoa farms from regrowth forest.
- Refine drivers' analysis to identify if cocoa was the primary or secondary driver of deforestation.
- Establish confidence interval for canopy closure for full sun versus agroforestry cocoa.
- Report on the direct / indirect supply chains and individual company reporting using member polygons. Differentiating direct versus indirect supply chain deforestation is currently not possible without farm maps / polygons for all direct supply farms.

DEFINITION:

Cocoa-driven deforestation: For the 2014-2021 analysis, any 2021 cocoa pixels that were primary or disturbed forest pre-2021, as determined by automated overlay analytics in a geographic information system environment. Note: it is estimated that satellites can only detect cocoa 2+ years after being planted, hence 2021 figures were omitted. This also implies that 2020 cocoa-driven figures will be underestimated. The same logic and caveat will need to be applied to the analysis for all future years.

Deforestation: conversion of natural forest to another land use or the long-term reduction of tree canopy cover below the 10% threshold.

- This definition pertains to no-deforestation supply chain commitments, which generally focus on preventing the conversion of natural forests.
- Severe degradation constitutes deforestation even if the land is not subsequently used for a non-forest land use.
- Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.
- The Accountability Framework's definition of deforestation signifies "gross deforestation" of natural forest where "gross" is used in the sense of "total; aggregate; without deduction for reforestation or other offset." (Accountability Framework)

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; when relevant, in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

Forest: Land spanning more than 0.5 ha [hectares] with trees higher than 5 meters and a canopy cover of more than 10 %. Further subdivided into a) Primary forest (definitions from the Intact Forest Landscapes dataset) and b) Disturbed forest: logged, but otherwise intact closed forest. Note: Forest regrowth is currently excluded from the analysis.

ASSUMPTIONS: N/A	
UNIT: ha	DISAGGREGATE BY: Total deforestation Cocoa related deforestation Protected areas Geographic area
TYPE: Impact	BASELINE: Total deforestation - 2014 Cocoa related deforestation – 2018
DATA SOURCE: As described in the methodology section	

HP-IND-02. INDICATOR: Directly sourced cocoa traceable from the farm to the first purchase point
AMBITION: 100%
RELATED INITIATIVE: CFI
<p>COUNTING: Member self-reported. This will be reported annually.</p> <p>The number of farmers with polygons and farmer ID’s tracked to the first purchase point.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.</p> <p>% Will be calculated using $\frac{HP-IND-02: \text{directly sourced cocoa that is traceable}}{CC-08: \text{volume of cocoa beans sourced from direct supply chain}}$</p>
<p>DEFINITION: Traceable: Product traceability in the cocoa sector is the “ability to follow the physical movement and/or mass conformity of sustainably produced cocoa through specified stage(s) of production, processing and distribution” (ISO, ARS). In a traceable supply chain, polygons are the standard for all farms with unique farmer ID’s tracked to first purchase point. The beans can be segregated or used in mass balance.</p> <p>A suggested best practice is to include farm information in a Farmer profile such as farm size, current yield, maximum potential yield, deforestation risk (from disaster risk assessment – DRA). It is also suggested that the system be digitized (however this is not required) and track the following information:</p> <ul style="list-style-type: none"> • Farmer ID – all farmers need to have a (digital) unique ID; this needs to be linked to a farmer and farm profile (with unique farm ID) • Farm ID – all farms need a unique ID, linked to Farmer ID/profile

- Coop ID (where relevant) – all cooperatives need a unique ID
- Coop registers (where there are coops) – all cooperatives need to have updated registers of farmers associated to them and for each crop year. These need to be updated at start of the crop.
- Sales ID (linked to CCC or COCOBOD Receipt) - all sales need a unique ID, so that they can be traced back to the farmer. Sales need to include vital information on:
 - Farmer ID
 - Coop ID
 - Volume
 - Price
 - GPS location of the sales

First purchase point: The first transaction point in the cocoa supply chain, where cocoa transfers from the farmer’s control to the control of a subsequent supply chain actor. This is typically also the first point where one farmer’s cocoa is aggregated with cocoa from other farmers (hence, it is commonly referred to as the “first aggregation point”). In the direct supply (see below), it may be a buying station, cooperative section, Purchasing Clerk shed (Ghana), or other type of farmer organization’s cocoa purchasing location. Outside of the direct supply, it may include *traitants* and *pisteurs*, who may purchase cocoa at the community or the farm levels.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.

ASSUMPTIONS:

N/A

UNIT:
%

DISAGGREGATE BY:
N/A

TYPE:
Impact

BASELINE:
TBD

DATA SOURCE:

N/A

HP-IND-03. INDICATOR: Farms mapped within direct supply chain

AMBITION: 100%

RELATED INITIATIVE: CFI

COUNTING:

Member self-reported. The number of cocoa farms reported each year must be those mapped in the given reporting year with polygons. To report results across the years, this indicator is not cumulative. Companies should report the number of farms from their current direct supply chain that have been completely mapped as of the reporting period. For example, if a company has mapped 4000 farms in the current reporting year, but in total they have completely mapped 25,000 farms from their direct supply that they are currently sourcing from, then they should report 25,000 farms. If they have a total of 50,000 farms in their current direct supply, then they have mapped 50% of the total farms in their direct supply chain.

Some marginal allowance should be given below the 100% target to accommodate for the addition and movement of farmers each year. Counting should also consider the time lag that might affect mapping of newly registered farms. This will be weighted based on the number of farmers supplying companies in the direct supply chain; need to avoid skewing of overall achievement by multiple small companies.

Will be used to calculate: *% farms mapped in the direct supply chain: Total #farms / #farmers in direct supply*

The polygon that is collected should represent the entire cocoa growing area for the farmer (e.g. including any area being rehabilitated).

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

% Will be calculated using $\frac{HP-IND-03: farms\ mapped\ within\ direct\ supply\ chain}{CC-06: farmers\ in\ the\ direct\ supply\ chain}$

DEFINITION:

Farm: in many cases is a collection of multiple plots for one farmer. A cocoa farmer may have several plots. If a farmer has multiple plots where cocoa is produced, each one needs to be mapped with polygons and if possible aggregated into one dataset/shapefile, if not possible all polygons should at least contain metadata with a unique farmer identifier. The Farm is counted once the total number of farms/plots for each farmer have been mapped. This can also be considered “farmer mapped”.

- Example: farmer has 4 total plots. Once mapped = 1 farm

Plot (field): is the basic geospatial unit of land use. In cocoa, a farmer may possess one or more plots. A farmer’s combined total number of plots is a “farm”, whether the plots are geographically contiguous or not. In Ghana, a plot may also be called a farm, thus a farm may be made up of smaller “farms”. In this situation extra attention must be paid by members to ensure enumerators measure and count farms mapped according to the correct definition of farm.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.

ASSUMPTIONS:

The data collected and reported will include the farmers with 100% of known plots mapped and there may be cases where not all plots are known / have been divulged. This caveat will be shared in communications when reporting.

UNIT: %	DISAGGREGATE BY: N/A
TYPE: Outcome	BASELINE: 80%
DATA SOURCE: N/A	

HP-IND-04. INDICATOR: Hectares of cocoa agroforestry in development

AMBITION: 500,000 ha

RELATED INITIATIVE: CFI

COUNTING:

Member self-reported. This will be counted annually based on the number of hectares developed in the current reporting year. Across the years, the count will be aggregated to show the cumulative compared to the 2025 target. Developed farms can only be counted once.

A farmer must have **at least 1 ha agroforestry** planted based on their plan (and as per criteria below in definition) to be counted.

Companies should be monitoring the development of the agroforestry system internally and it is recommended that the data be verified in a sample every 2 years by companies themselves. It is recommended but not required that companies also align with any relevant certification bodies criteria.

Developed farms must only be counted once in CFI annual reporting:

- The HA of agroforestry is the result of company investment
- The HA of agroforestry is counted when the **trees are planted** to meet the criteria and in order to achieve the desired benefits when mature and not counted again afterwards (e.g. replanting, replacing harvested trees)
- Mature multi-purpose trees already established can be counted as part of a HA as long as additional trees are planted in order to meet the criteria of an agroforestry system
- Recognizing that an agroforestry system is developed over time, the HA must only be counted once it has met the criteria and not counted again afterwards (e.g. replanting, replacing harvested trees)

Suggested best practice: Every farm has a polygon, if a farmer has multiple plots/farms each needs a polygon and should be included in one dataset/shapefile with unique farmer identifier as per # farms mapped indicator.

The hectareage of agroforestry must be the result of company investment. It is required that agroforestry systems are based on a plan developed with the farmer and considers market opportunities for selected tree products.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

Agroforestry criteria:

1. An assessment was conducted, and a purposeful plan was developed based upon the needs and capabilities of the farmer and market opportunities
2. A minimum of 16 multi-purpose trees are planted per hectare
3. The plan was developed to deliver the 3 benefits (productivity, economic, environmental)
4. The number of trees selected is sufficient to deliver on these 3 benefits
5. Support/technical assistance is provided to ensure trees are planted based on the selected and planned design
6. Includes at least 3 different species (non-cocoa)
7. The plan takes into consideration any National recommendations
8. If a farmer has already achieved the above-mentioned requirements, the plan must demonstrate the additional benefits resulting from further investment in agroforestry
9. The implementation of the plan must be the result of company investment

Agroforestry Plan:

A plan developed in a participatory process and agreed upon with farmers based on an assessment that ensures that the farmers needs are taken into account, they are able to adopt the plan, and that the plan will deliver the 3 benefits (productivity, economic, environmental).

<p>It is recommended that the plan considers and incorporates the following:</p> <ol style="list-style-type: none"> A farmer's production goals, profit targets, interests, ambitions, and abilities regarding adoption of agroforestry. A farms soil, climate, farm size, current cocoa planting density and other crop density, current yields, and net profit. The tree species, planting density/design, timeframe, labor requirements, and financial investment needed to deliver the 3 benefits most effectively. Details on how each farmer will receive the technical support, coaching, inputs, and finance that they need to be successful. Information from a market assessment that identifies the market demand and accessibility for a farmer to sell the agroforestry products identified in the plan. <p>To reiterate, the focus is to develop an agroforestry plan specific to the farmers' needs, interests and abilities.</p> <p>A landscape assessment is acceptable and can be used instead of farm-specific assessments if it is adapted to farmers' needs, interests, and abilities when implemented and includes the required elements listed above.</p>	
<p>ASSUMPTIONS:</p> <p>Based on the CFI 2019 report, 81,000 ha of cocoa agroforestry were established. Understanding that this number is most likely on the high side as what counted as agroforestry was defined more broadly than the current definition. Once learning improves on how to accelerate this activity and uptake by more members increases, the total number reported and counted based on the current definitions should increase, we estimate that 100,000 ha of agroforestry developed per year is feasible.</p> <p>The criteria have been informed by government recommendations on agroforestry development, certification criteria and with the understanding that any agroforestry system will need to be developed based upon individual farmers' needs, interests and abilities. The minimum number of trees per hectare included in the criteria is not based upon scientific evidence in terms of the optimal number needed to achieve the three benefits (productivity, economic, environmental). Rather, this number helps to establish a minimum reference point only.</p> <p>To reiterate, the focus is to develop an agroforestry plan specific to the farmers' needs, interests and abilities.</p> <p>A landscape assessment is acceptable and can be used instead of farm-specific assessments if it is adapted to farmers' needs, interests, and abilities when implemented.</p> <p>In Ghana, the Cocoa Research Institute of Ghana (CRIG) 2010 recommendation of 16-18 shade trees at roughly 24 m x 24 m spacing, with about 30 - 40% shade.</p> <p>In Côte d'Ivoire, in early 2019, the Conseil du Café Cacao released a guidance note calling for all cocoa agroforestry systems to have:</p> <ul style="list-style-type: none"> A cocoa density of no less than 800 trees / ha; 30 – 50% shade; Associated tree species that are compatible with cocoa production; Farmers deciding which species are selected for the system. 	
<p>UNIT: ha</p>	<p>DISAGGREGATE BY: N/A</p>
<p>TYPE: Outcome</p>	<p>BASELINE: CFI 2019 report: CDI 49,119 & Ghana 33,184 = 81,000 ha</p>
<p>DATA SOURCE: N/A</p>	

Joint Results

HP-JNT-01. INDICATOR: Cocoa-related deforestation in the full supply chain aligned with CFI commitments and National Plans

AMBITION: Zero

RELATED INITIATIVE: CFI

COUNTING:

To be reported in aggregate for cocoa growing regions in Origin countries by WCF using a satellite imagery analysis. Currently, this will be conducted by Satelligence using the below methodology.

Methodology - Forest and cocoa extent layers input data and processing

Satellite input data used:

Multi-temporal stack of radar and optical imagery (Landsat-7,8,9, Sentinel-1 and Sentinel-2) resampled to 10m pixel size for years 1987 to 2021

Data processing methods applied:

Timeseries approach detecting historical disturbance since 1987. For cocoa, Satelligence database of 500,000 cocoa farm boundaries and a semi unsupervised training data handling approach to prepare classification input data. For classification, multi-feature Random Forest algorithm machine learning (XGboost) applied on cloud and haze corrected. Annual Sentinel-2 and Landsat 10m mosaics preprocessed with FORCE and FMask. Sentinel-1 data preprocessed with ISCE2 and DL speckle filtering developed with WUR. Our globally scalable approach is implemented on Google Compute Platform (GCP).

Forest and cocoa extent accuracy:

Forests > 95% accuracy | Full sun monoculture cocoa > 91% accuracy | Shade cocoa > 80% accuracy.

Methodology - Deforestation input data and processing

Satellite input data used:

Multi-temporal stack of radar and optical imagery (Landsat-7,8,9, Sentinel-1 and Sentinel-2) resampled to 10m pixel size for years 2014 to 2021.

Data processing methods applied:

Probabilistic deforestation monitoring algorithm, processed on Satelligence framework on Google Cloud Platform. All deforestation pixels quantified within the forest baseline classes deriving total deforestation, and within the cocoa extent deriving cocoa-driven deforestation. Deforestation rates: calculated on an annual basis from 2018 onwards. Using forest loss within a year, divided by the remaining total forest cover at the start of 2018. This enables year-to-year comparisons of forest loss rates but will be misleading over a longer timespan due to a simple lack of remaining forest. This method was selected because using annual rates with forest remaining at the start of each year gives less clear insight into the scale of deforestation year-to-year.

Deforestation detection accuracy:

> 95% accuracy

Methodology - Contextual analytics

The following contextual datasets to quantify total and cocoa driven deforestation were used:

- Protected areas - official national datasets
- Administrative boundaries - GADM

Data processing method applied: intersection. Every individual deforestation pixel is overlaid with all datasets mentioned above to retrieve the relevant information on whether forest loss occurred in cocoa

growing areas, whether the deforestation happened in protected area, which designation the forest had and in which administrative region per country.

Future improvements

In the future, we will continue to investigate how to:

- Calculate relative deforestation - is deforestation slowing just because there is no forest remaining?
- Establish the exact planting age when cocoa can be detected with > 90% accuracy, to quantify how much young cocoa is missing from the cocoa extent layers, for the last two years of analysis.
- Integrate more ground data for non-cocoa shrubland to further reduce error margins for identifying cocoa.
- Analyze the full extent of forest including regrowth and differentiate clearance of old cocoa farms from regrowth forest.
- Refine drivers' analysis to identify if cocoa was the primary or secondary driver of deforestation.
- Establish confidence interval for canopy closure for full sun versus agroforestry cocoa.
- Report on the direct / indirect supply chains and individual company reporting using member polygons. Differentiating direct versus indirect supply chain deforestation is currently not possible without farm maps / polygons for all direct supply farms.

DEFINITION:

Cocoa-driven deforestation: For the 2014-2021 analysis, any 2021 cocoa pixels that were primary or disturbed forest pre-2021, as determined by automated overlay analytics in a geographic information system environment. Note: it is estimated that satellites can only detect cocoa 2+ years after being planted, hence 2021 figures were omitted. This also implies that 2020 cocoa-driven figures will be underestimated. The same logic and caveat will need to be applied to the analysis for all future years.

Deforestation: conversion of natural forest to another land use or the long-term reduction of tree canopy cover below the 10% threshold.

- This definition pertains to no-deforestation supply chain commitments, which generally focus on preventing the conversion of natural forests.
- Severe degradation constitutes deforestation even if the land is not subsequently used for a non-forest land use.
- Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.
- The Accountability Framework's definition of deforestation signifies "gross deforestation" of natural forest where "gross" is used in the sense of "total; aggregate; without deduction for reforestation or other offset." (Accountability Framework)

Forest: Land spanning more than 0.5 ha [hectares] with trees higher than 5 meters and a canopy cover of more than 10 %. Further subdivided into a) Primary forest (definitions from the Intact Forest Landscapes dataset) and b) Disturbed forest: logged, but otherwise intact closed forest. Note: Forest regrowth is currently excluded from the analysis. **Full supply chain:** Including both direct and indirect supplies of cocoa.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

Indirect supply / supplier: All cocoa that does not meet the above definition. This would include all cocoa purchased through independent middlemen (such as traitants and pisteurs in Cote d'Ivoire) as well as cocoa purchased from farmers / producer cooperatives / organizations which operate outside of companies' longer term sustainability related programs or without a positive historical record (at least 1 year) of payments and deliveries.	
ASSUMPTIONS: N/A	
UNIT: ha	DISAGGREGATE BY: Total deforestation Cocoa related deforestation Protected areas Geographic area
TYPE: Impact	BASELINE: Total deforestation - 2014 Cocoa related deforestation – 2018
DATA SOURCE: As described in the methodology section. National Plans: Cote d'Ivoire , Ghana	

HP-JNT-02. INDICATOR: Achievement of national restoration targets for degraded lands and forests set out in National Plans
AMBITION: CDI: restore 20% of forest cover by 2030; Ghana: 25,000 ha / year (being revised and target will be updated accordingly when complete)
RELATED INITIATIVE: CFI
<p>COUNTING: Self-reported by Origin Governments via their National REDD+ Strategies. This data will be reported on annually. It will be verified using satellite imagery via a service provider(s) such as GFW.</p> <p>Requires an assessment, baseline and restoration plan. Best practice is that the plan is published with information shared with government and WCF for joint learning; review and discussion of results can collaboratively be done via the WCF learning agenda. Must be counted only once what is suggested in the plan is achieved.</p> <p>This does not include permanent agroforestry. Transitional agroforestry will count if long term goal is to restore forest to natural forest. In this case, the transitional agroforestry can count for both # hectares restored and # hectares agroforestry planted.</p>
<p>DEFINITION: Degraded lands: Changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem's capacity to supply products, support biodiversity, and/or deliver ecosystem services. Degradation may be considered conversion if it:</p> <ul style="list-style-type: none"> • Is large-scale and progressive or enduring;

- Alters ecosystem composition, structure, and function to the extent that regeneration to a previous state is unlikely; or
- Leads to a change in land use (e.g., to agriculture or other use that is not a natural forest or other natural ecosystem). (Accountability Framework)

Restoration: Replanting and/or regenerating trees across a defined landscape that incorporates native (preferably) and non-native tree species to restore the multiple ecological benefits of forests (with focus on achieving natural forest). (Accountability Framework).

ASSUMPTIONS:

Ability to discern trees planted for restoration, versus cocoa, and other commodities / agricultural practices is a challenge. Not able to monitor without satellite imagery.

UNIT:

Ha

DISAGGREGATE BY:

N/A

TYPE:

Impact

BASELINE:

CDI: Not available. Annual achievements will be reported compared to the target

Ghana: 29,000 ha (2017 & 2018; 2019 to be added when reported)

DATA SOURCE:

Accountability Framework:

https://accountabilityframework.org/definitions/?definition_category=17

National Plans: [Cote d'Ivoire](#), [Ghana](#)

Member Sustainability Indicators

HP-01. INDICATOR: # of cocoa plots (fields) mapped in the direct supply chain	
RELATED INITIATIVE: CFI	
<p>COUNTING: Member self-reported. The number of cocoa plots reported each year must be those mapped in the given reporting year with polygons. To report results across the years, this indicator is not cumulative. Companies should report the number of plots from their current direct supply chain that have been completely mapped as of the reporting period. For example, if a company has mapped 10,000 plots in the current reporting year, but in total they have completely mapped 50,000 plots from their direct supply that they are currently sourcing from, then they should report 50,000 plots. If they have a total of 100,000 plots in their current direct supply, then they have mapped 50% of the total plots in their direct supply chain.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.</p>	
<p>DEFINITION: Plot: is the basic geospatial unit of land use. In cocoa, a farmer may possess one or more plots. A farmer’s combined total number of plots is a “farm”, whether the plots are geographically contiguous or not. In Ghana, a plot may also be called a farm, thus a farm may be made up of smaller “farms”. In this situation extra attention must be paid by members to ensure enumerators measure and count farms mapped according to the correct definition of farm. (See “HP-IND-03”)</p> <p>Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.</p>	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

HP-02. INDICATOR: # of hectares in the direct supply chain with deforestation risk assessments completed	
RELATED INITIATIVE: CFI	
<p>COUNTING: The number of hectares reported annually, must come directly from each assessment completed in the given reporting year.</p> <p>In order to minimize double counting, you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded</p>	

company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.	
DEFINITION: Companies to agree on collective DRA forest map and minimum criteria in Q4 2020 (TBD).	
Deforestation Risk Assessment (DRA): A tool that allows companies to proactively identify and manage deforestation risks in their supply chains. Cocoa supply chains involve thousands of producers, most of which grow cocoa on very small and geographically dispersed plots. To effectively implement their commitments, supply chain companies need tools to identify the areas in their supply base that represent the greatest risks of deforestation. DRAs are distinct from deforestation monitoring, reporting, and verification (MRV) systems. MRV systems provide useful data inputs that allow companies or their providers to carry out DRA. Embedding DRA in broader forest monitoring and traceability systems helps to maximize the utility of DRA from a decision-making perspective.	
Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.	
UNIT: ha	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: Assessing Deforestation Risk (Climate Focus): https://worldcocoa.egnyte.com/dl/sCEx1B46Cd	

HP-03. INDICATOR: # cocoa communities with active forest restoration and protection programs (CBNRM)
RELATED INITIATIVE: CFI
COUNTING: A community must be counted based on the existence of a CBNRM plan developed in the given reporting year. In some cases, a management plan will involve numerous communities. Therefore, the number of communities may exceed the number of plans. If the community program being reported on is a result of multiple WCF companies then an agreement should be made between these partnering companies on who will report the result to avoid double counting. It should only be reported once. In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments. % Will be calculated using $\frac{HP-03: cocoa communities with CBNRM}{CC-03: cocoa communities in direct supply chain}$
DEFINITION: Cocoa community: A place where cocoa-growing is the predominant livelihood, but not the sole livelihood. It is made up of an administrative center or village and the inhabitants therein, including cocoa farmers, farm workers and other livelihood groups. From an operational perspective, the extent

to which surrounding hamlets or encampments are considered either part of a central community, or as a community in their own right, will depend on the extent to which their size, location, composition and administrative status allows them to be effectively assisted from that central community.

CBNRM: The broad term to describe any community-based structure with the decision-making authority over the management of natural resources, in this case forests and land and with the objectives of forest restoration and protection. These can be designed with varying levels of structure, legal recognition, purpose, and authority, but they generally preside over the environmental and economic impacts of natural resource management including benefit-sharing arrangements between community members.

- Involvement requires the community to have an arrangement with the forest service or other relevant local or national authority (this could include formal approval if relevant) for the management of natural resources such as the establishment of the community forest.
- Determination of involvement should be based on an interview with a series of questions to determine the degree of involvement. It should not be a simple Yes/No response.

UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

HP-04. INDICATOR: # hectares under CBNRM

RELATED INITIATIVE: CFI

COUNTING:

The number of hectares is counted based on the number included in each CBNRM plan, established in the given reporting year.

If the community program being reported on is a result of multiple WCF companies then an agreement should be made between these partnering companies on who will report the result to avoid double counting. It should only be reported once.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

DEFINITION:

CBNRM: The broad term to describe any community-based structure with the decision-making authority over the management of natural resources, in this case forests and land and with the objectives of forest restoration and protection. These can be designed with varying levels of structure, legal recognition, purpose, and authority, but they generally preside over the environmental and economic impacts of natural resource management including benefit-sharing arrangements between community members.

- Involvement requires the community to have an arrangement with the forest service or other relevant local or national authority (this could include formal approval if relevant) for the management of natural resources such as the establishment of the community forest.
- Determination of involvement should be based on an interview with a series of questions to determine the degree of involvement. It should not be a simple Yes/No response.

CBNRM Plan: A plan is typically an arrangement between the community and local and/or national authorities (this could include formal approval if relevant) often with the support of an implementing agency.	
UNIT: ha	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

HP-05. INDICATOR: # farmers receiving PES

RELATED INITIATIVE: CFI

COUNTING:
Farmers will be counted if they receive PES in the given reporting year and based on the criteria listed in the definition below. Companies must report both total # of farmers receiving PES and # of new farmers receiving PES in each reporting year. Certification alone does not count as PES. However, there may be cases where farmers under certification qualify for PES (e.g., Farm Development Plan (FDP)). These must be discussed on a case by case basis with WCF.

In order **to minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

% Will be calculated using $\frac{HP-05: \text{farmers receiving PES}}{CC-06: \text{farmers in the supply chain}}$

DEFINITION:

PES: Compensating individuals or communities for the adoption of targeted behaviors that reduce deforestation and / or restore forests. The activities must align with at least one of three core intervention areas: conservation, restoration, and agroforestry. Interventions must also eliminate threats to or enhance the provision of ecosystem services including climate change mitigation, soil restoration, biodiversity, and watershed services. Compensation must offset and ideally exceed the opportunity and transactional costs of all participating individuals for adopting the targeted behavior.

Company must complete an assessment to determine the opportunity and transactional costs for adopting the targeted behavior, the ability of incentives to offset the costs and influence adoption in each given scenario. The assessments should also be used to identify the appropriate mix of incentives (payments versus in-kind), and assess other interventions needed to complement the payments (e.g., knowledge, attitudes or enabling environment). Best practice is to recognize and ensure the “additionality” of the targeted behavior, such that the area targeted would not be conserved or reforested without the incentive, i.e., multi-purpose trees would be planted anyways, and would not be the direct result of the PES. The PES agreement should be targeted towards the conservation and/or restoration of priority areas and should explain how it would do so.

Though not always feasible in this context, best practice for PES implementation includes ensuring that results from a PES initiative are permanent, e.g., the benefits will persist after the payments and initiative end. Another best practice is to plan for PES initiatives to avoid negative externalities that may diminish, or even negate, the benefits of the program (a problem known as leakage or slippage).

Companies should have a formal agreement with the farmer and/or community and put in place a monitoring system for at least 3 years to evaluate achievement of outcome. If the agreement is at the community level, companies should ensure that participating farmers agree to the conditions of any PES agreement. The payment should be contingent upon adoption of behavior.

Incentives can include in-kind, but the assessment should determine whether it will provide the incentive needed to change farmer behavior. In this case, at least part of the incentive should include cash payment.	
UNIT: #	DISAGGREGATE BY: Sex / New & total farmers in reporting year
TYPE: Output	
DATA SOURCE: N/A	

HP-o6. INDICATOR: # farmers applying agroforestry

RELATED INITIATIVE: CFI

COUNTING:
Farmers should be counted if they applied agroforestry in the given reporting year and based on the criteria listed in the definition and based on the criteria below. A farmer must have **at least 1 ha agroforestry** planted to be counted.

- The HA of agroforestry should be the result of company investment
- The HA of agroforestry is counted when the **trees are planted** based on the farmers plan, meet the criteria and achieve the desired benefits when mature
- Mature multi-purpose trees already established can be counted as part of a HA if additional trees are planted in order to meet the criteria of an agroforestry system
- Recognizing that an agroforestry system is developed over time, the HA can only be counted once it has met the criteria and not counted again afterwards (e.g., replanting, replacing harvested trees)

Suggested best practice: Every farm includes a polygon, if a farmer has multiple plots/farms each needs a polygon and should be included in one dataset/shapefile with unique farmer identifier as per # farms mapped indicator.

In order to **minimize double counting**, you should report actions your company is **directly investing** in. Actions carried out on behalf of a CFI signatory client (e.g., processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.

% Will be calculated using $\frac{HP-06: farmers applying agroforestry}{CC-06: farmers in the supply chain}$

DEFINITION:

- Agroforestry criteria:**
1. An assessment was conducted, and a purposeful plan was developed based upon the needs and capabilities of the farmer and market opportunities
 2. A minimum of 16 multi-purpose trees are planted per hectare
 3. The plan was developed to deliver the 3 benefits (productivity, economic, environmental)
 4. The number of trees selected is sufficient to deliver on these 3 benefits
 5. Support/technical assistance is provided to ensure trees are planted based on the selected and planned design
 6. Includes at least 3 different species (non-cocoa)
 7. The plan takes into consideration any National recommendations
 8. If a farmer has already achieved the above-mentioned requirements, the plan must demonstrate the additional benefits resulting from further investment in agroforestry
 9. The implementation of the plan must be the result of company investment

Companies should be monitoring the development of the agroforestry system internally and it is recommended that the data be verified in a sample every 2 years by companies themselves.

It is recommended but not required that companies also align with any relevant certification bodies criteria.

The criteria have been informed by government recommendations on agroforestry development, certification criteria and with the understanding that any agroforestry system will need to be developed based upon individual farmers' needs, interests and abilities. The minimum number of trees per hectare included in the criteria is not based upon scientific evidence in terms of the optimal number needed to achieve the three benefits (productivity, economic, environmental). Rather, this number helps to establish a minimum reference point only.

In Ghana, the Cocoa Research Institute of Ghana (CRIG) 2010 recommendation of 16-18 shade trees at roughly 24 m x 24 m spacing, with about from 30 - 40% shade.

In Côte d'Ivoire, in early 2019, the Conseil du Café Cacao released a guidance note calling for all cocoa agroforestry systems to have:

10. A cocoa density of no less than 800 trees/ha;
11. 30 - 50% shade;
12. Associated tree species that are compatible with cocoa production;
13. Farmers deciding which species are selected for the system.

Agroforestry Plan:

A plan developed in a participatory process and agreed upon with farmers based on an assessment that ensures that the farmers needs are taken into account, they are able to adopt the plan, and that the plan will deliver the 3 benefits (productivity, economic, environmental).

It is recommended that the plan considers and incorporates the following:

- f) A farmer's production goals, profit targets, interests, ambitions, and abilities regarding adoption of agroforestry.
- g) A farms soil, climate, farm size, current cocoa planting density and other crop density, current yields, and net profit.
- h) The tree species, planting density/design, timeframe, labor requirements, and financial investment needed to deliver the 3 benefits most effectively.
- i) Details on how each farmer will receive the technical support, coaching, inputs, and finance that they need to be successful.
- j) Information from a market assessment that identifies the market demand and accessibility for a farmer to sell the agroforestry products identified in the plan.

To reiterate, the focus is to develop an agroforestry plan specific to the farmers' needs, interests and abilities.

A landscape assessment is acceptable and can be used instead of farm-specific assessments if it is adapted to farmers' needs, interests, and abilities when implemented and includes the elements listed above.

UNIT:

#

DISAGGREGATE BY:

Sex

TYPE:

Outcome

DATA SOURCE:

N/A

HP-07. INDICATOR:

hectares of forest restored in Forêts Classées (CDI)

hectares of Category 2 Forest Reserve areas restored (GH)

hectares of forest area restored (in rural zone (CDI) / off-reserve (GH))

RELATED INITIATIVE: CFI

COUNTING:	
Requires an assessment, baseline and restoration plan to be counted. Best practice is that the plan is published with information shared with government and WCF for joint learning; review and discussion of results can collaboratively be done via the WCF learning agenda. Must be counted once the plan is achieved.	
This does not include permanent agroforestry. Transitional agroforestry will count if long term goal is to restore forest to natural forest. In this case, the transitional agroforestry will count for both # hectares restored and # hectares agroforestry planted.	
In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.	
DEFINITION:	
Restoration: Replanting and/or regenerating trees across a defined landscape that incorporates native (preferably) and non-native tree species to restore the multiple ecological benefits of forests (with focus on achieving natural forest).	
Please reference national forest laws for appropriate definitions of Forêts Classées, Category 2 Forest Reserve, and rural zone (CDI) / off-reserve.	
UNIT: ha	DISAGGREGATE BY: N/A
TYPE: Outcome	
DATA SOURCE: Accountability Framework: https://accountabilityframework.org/definitions/?definition_category=17	

HP-o8. INDICATOR: # farmers trained in CSC best practices
RELATED INITIATIVE: CFI
COUNTING:
Member self-reported. This will be counted annually based on the number of farmers that received training in the current reporting year. It is not cumulative across years. Training must be at least a few hours per person covering key topics related to climate mitigation and adaptation as described in CSC best practice guidelines.
In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.
% Will be calculated using $\frac{HP-08: \text{farmers trained in CSC best practices}}{CC-06: \text{farmers in the supply chain}}$

DEFINITION:	
Training: Informal or nonformal education based on a curriculum and delivered to farmers using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It be delivered one-on-one or in groups and can be continuous or a one-off.	
Climate-smart cocoa (CSC): Aims to mitigate carbon emissions from cocoa agriculture and help farmers to adapt to the negative impact of climate change on cocoa production and to adapt agricultural practices, if necessary. CSA is not one action; it is rather an approach consisting of several possible actions. CSA is also not a “one size-fits-all” approach that is the same for every cocoa farmer; it depends on the specific impact of climate change (the identified climate threat) in a certain area and the capacity of the farmer to respond to this and apply suitable CSA practices.	
CSC Best Practices: Practices that will help farmers mitigate and adapt / build resilience to climate change, through improved cocoa agricultural practices on-farm (e.g. farm establishment, planting material and sources, inputs and pest control, weeding, pruning, shade management) and also actions that contribute to forest degradation and deforestation and increase threats to the forest and farming system (e.g. climate change, fires, etc.). Practices that are contrary to a CSC landscape also include — unplanned cocoa farm expansion, illegal cocoa encroachment into forest reserves, removal of mature trees during farm establishment, etc.	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Output	
DATA SOURCE: N/A	

HP-09. INDICATOR: # of trees distributed for off-farm planting	
RELATED INITIATIVE: CFI	
COUNTING: Member self-reported. This will be counted annually based on the number of trees distributed in the current reporting year. It is not cumulative across years. In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.	
DEFINITION: Trees may be native or non-native species. Off-farm: Areas that are not currently under cultivation (e.g. defined buffer areas between cocoa (other) farms, defined sloped areas, uncultivated watershed areas, fallow land). This does not include newly established cocoa agroforestry.	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

HP-10. INDICATOR: # of multi-purpose trees distributed for on-farm planting	
RELATED INITIATIVE: CFI	

COUNTING: Member self-reported. This will be counted annually based on the number of trees distributed in the current reporting year. It is not cumulative across years.	
In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments.	
DEFINITION: Multi-purpose trees: Tree species that are included on cocoa farms for primary purposes beyond providing shade. They may be chosen to provide economical and/or ecological benefits to the farm. This may include tree crops such as fruit, oil palm, medicinal and/or timber trees for later harvest.	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

HP-11. INDICATOR: # farmers informed, trained, consulted on the new Forest Code, law enforcement, forest protection, and restoration (CDI) # farmers informed, trained, consulted on forest policy, law enforcement, forest protection, and restoration (GH)	
RELATED INITIATIVE: CFI	
COUNTING: Member self-reported. This will be counted annually based on the number of farmers that received training in the current reporting year. It is not cumulative across years. Reporting is slightly different for CDI and Ghana. Training must be at least a few hours per person covering key topics related to those listed in the indicators. In order to minimize double counting , you should report actions your company is directly investing in. Actions carried out on behalf of a CFI signatory client (e.g. processor for branded company) must be clearly distinguished in the table (“# on behalf of clients”) and should not be combined with direct investments. % Will be calculated using: $\frac{HP-11: \text{farmers trained}}{CC-06: \text{farmers in the supply chain}}$	
DEFINITION: Informed: Activities designed to deliver awareness and increase understanding about a particular issue. Can be in-person or via different media, such as radio, newspaper, etc. Trained: Where an informal curriculum is developed and delivered to farmers using best practice methods for adult learning focused not only on knowledge but also skills. Can be delivered one-on-one or in groups. Consulted: Consultation sessions are organized events for community members to participate and receive information about plans concerning the Frameworks for Action and the impact and/or benefits for their community.	
UNIT: #	DISAGGREGATE BY: Sex

TYPE: Output
DATA SOURCE: N/A

4. Cross-Cutting Results

CC-01. INDICATOR: # of companies with procurement policies that operationalize sustainable cocoa supply chain commitments and adequately address social and environmental risks in the supply chain

RELATED INITIATIVE: All

COUNTING:

Counted one time when the policy has been developed for all relevant topics in the indicator, adopted and made public.

DEFINITION:

Policies: Sourcing and procurement policies that serve to operationalize the company’s ethical supply chain commitments. At their core, these policies should specify requirements or parameters regarding sourcing (for suppliers) and the suppliers (for brands) with whom the company will do business and the considerations that determine when the company may or must add, suspend, exclude, or adjust purchasing terms with a current or prospective farmer, farmer-based organization, and / or supplier. The policies should adequately address the social and environmental risks in the company’s supply chain and should reflect the company’s degree of influence over its sourcing / suppliers and other issues relevant to the company’s supply chain and business context. Such policies should also consider applicable law as well as expectations related to sectoral or geographical initiatives in which they are involved. Companies should clearly communicate to the farmers, farmer-based organizations, and / or suppliers from whom they source cocoa that only material produced in accordance with the company’s sourcing policies will be accepted. Where purchasing is governed by contracts, it is generally recommended to incorporate requirements of the sourcing policies into contract clauses.

Operationalize: When policies specify requirements or parameters that can be objectively monitored and verified regarding a company’s public sustainable cocoa supply chain commitments (regarding deforestation, child labor, forced labor, HRDD, and income) to suppliers with whom the company will do business and the considerations that determine when the company may or must add, suspend, exclude, or adjust purchasing terms with a current or prospective supplier.

Sustainability commitments: A public statement by a company that specifies the actions that it intends to take or the goals, criteria, or targets that it intends to meet with regard to its management of or performance on environmental, social, and/or governance topics.

- Commitments may also be titled or referred to as policies, pledges, or other terms.
- Commitments may be company-wide (e.g., a company-wide forest policy) or specific to certain commodities, regions, or business units. They may be topic-specific, or they may address multiple environmental, social, and/or governance topics.
- Commitments, as defined here, are distinct from the operational policies or procedures (e.g., sourcing codes, supplier requirements, manuals, and standard operation procedures) by which companies may operationalize their commitments or sustainability initiatives. Commitments are generally broader, more normative or aspirational, and take a multi-year view of company performance, whereas operational policies or procedures tend to focus on specific implementation details, parameters, or requirements.

HRDD (human rights due diligence): HRDD is the action taken by a company to both identify and act upon actual and potential risks for workers in its operations, supply chains and the services it uses.

Adequately address:

An inclusive approach to supply chain management that uses the buyers’ leverage to help address challenges on the ground implies some tolerance of non-compliance, yet with limits and consequences depending on the severity of the non-compliance as well as the supplier’s degree of culpability for it and

the supplier's commitment and capabilities to move towards compliance. Intensity, scale, and persistence together determine the severity of a given non-compliance or related set of non-compliances, which provides a general indication of the likely appropriate course of action.

In some cases, the appropriate response to non-compliance may be the suspension of purchasing from the supplier, termination or non-renewal of purchase contracts, or exclusion of the supplier altogether. In most cases, an important part of the resolution is offering a pathway back to compliance that rewards good faith and effective efforts by suppliers to reform and work towards fulfilling company commitments. The company is expected to have clear policies and procedures for how supplier noncompliance is addressed, including criteria and thresholds for making determinations about the severity of non-compliances and the corresponding course of action. This information should be documented in the company's supplier management system and made known to all suppliers.

Companies may encounter a range of different supplier non-compliance scenarios, and in each case must determine the appropriate course of action. In some cases, this decision may be obvious because the non-compliance is clearly minor (indicating that the supplier should be retained and engaged) or clearly very severe (in which case suspension or exclusion would likely be warranted).

The following terms describe courses of action that a company may take in response to supplier non-compliance:

- **Engage:** The buyer works with the retained or suspended supplier to help resolve the non-compliance(s).
- **Retain:** The buyer continues purchasing product while engaging the supplier to resolve the non-compliance(s).
- **Suspend:** The buyer temporarily pauses purchasing from a supplier but continues to engage the supplier to resolve the non-compliance(s).
- **Exclude:** The buyer ends a purchasing relationship with a supplier (in the case of a prior or ongoing relationship) or avoids purchasing from a supplier (in the case of spot markets or lack of an ongoing purchasing relationship). This course of action implies no subsequent purchasing until the substantive non-compliances and any systemic factors underlying them are fully or largely resolved. As good practice, the buyer should notify the supplier of the exclusion and the reasons for it and encourage the supplier to take steps to resolve the non-compliances and institute any necessary remediation.

UNIT:

Yes/No

DISAGGREGATE BY:

N/A

TYPE:

Output

DATA SOURCE:

Accountability Framework:

https://s30882.pcdn.co/wp-content/uploads/2020/09/OG_Supply_Chain_Management-2020-5.pdf

https://accountabilityframework.org/definitions/?definition_category=17

CC-02. INDICATOR: # of companies that assess their cocoa supply for compliance or risk of non-compliance to sustainability commitments, applicable law, and internationally-recognized agreements.

RELATED INITIATIVE: All

COUNTING:

Counted one time when the assessment has been formalized and integrated as part of a companies' supply management system and conducted for all relevant topics in the indicator; it is recommended that the assessment is updated annually.

DEFINITION:

Risk assessment: A systematic process of evaluating potential risk in a company's current or future operations, supply chains, and investments. This term refers to the assessment of risk of non-compliance with the company commitments or applicable law related to deforestation, child labor, forced labor, and HRDD.,. This is different from the use of the term in a general business context, where it refers to assessment of financial risks and the drivers of such risk (e.g., legal risk, credit risk, reputation risk, and others). Risk of adverse social and environmental impacts, including non-compliance with company commitments, can be an important element of broader business risk.

Non-compliance: The state of not complying with or fulfilling (or only partially complying with or fulfilling) a given law, standard, commitment, or target. In the context of the Accountability Framework, non-fulfillment of voluntary commitments and non-compliance with applicable law are both considered instances of non-compliance.

Sustainability commitments: A public statement by a company that specifies the actions that it intends to take or the goals, criteria, or targets that it intends to meet with regard to its management of or performance on environmental, social, and/or governance topics.

- Commitments may also be titled or referred to as policies, pledges, or other terms.
- Commitments may be company-wide (e.g., a company-wide forest policy) or specific to certain commodities, regions, or business units. They may be topic-specific or they may address multiple environmental, social, and/or governance topics.
- Commitments, as defined here, are distinct from the operational policies or procedures (e.g., sourcing codes, supplier requirements, manuals, and standard operation procedures) by which companies may operationalize their commitments or sustainability initiatives. Commitments are generally broader, more normative or aspirational, and take a multi-year view of company performance, whereas operational policies or procedures tend to focus on specific implementation details, parameters, or requirements.

HRDD (human rights due diligence): HRDD is the action taken by a company to both identify and act upon actual and potential risks for workers in its operations, supply chains and the services it uses.

Social and environmental risks: The probability of a potential adverse social and environmental impact combined with its potential seriousness. In this case special attention to deforestation, child labor, forced labor, and HRDD.

Living income: 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.

UNIT:

#

DISAGGREGATE BY:

N/A

TYPE:

Output

DATA SOURCE:
Accountability Framework:
https://accountabilityframework.org/definitions/?definition_category=17

CC-03. INDICATOR: # cocoa communities in the direct supply chain (No Longer in Use)

RELATED INITIATIVE: All

DEFINITION:

Community: The smallest officially recognized and registered jurisdictional unit for each country. Jurisdictional units in Ghana from largest to smallest: Region, District, Community; CDI: Sub-prefecture, Communes, Villages. Link to official administrative units can be found [here](#).

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

UNIT: #	DISAGGREGATE BY: N/A
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TYPE:
Data point

DATA SOURCE:
N/A

CC-04. INDICATOR: # of households in the direct supply chain

RELATED INITIATIVE: All

DEFINITION:

Households: All the occupants of the same dwelling who share meals, without the occupants necessarily being related to each other. In many cases, the occupants are under the responsibility of one member, considered the Head of Household. However, a household may consist of only one member.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

UNIT: #	DISAGGREGATE BY: N/A
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TYPE:
Data point

DATA SOURCE: N/A

CC-05. INDICATOR: # farmer-based organizations in the direct supply chain (No Longer in Use)	
RELATED INITIATIVE: All	
DEFINITION: <p>Farmer-based organizations (FBOs): “Cooperatives”; “other professional groups of farmers”; other groups that are recognized formal or informal institutions with a cocoa aggregating and sale role and ideally provide support / technical services to members and influence cocoa farming or broader life in the community. A member can be an individual who, for example, pays a membership fee, is formally recognized by the organization as a member, or holds a formal position within the organizations.</p> <p>Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.</p>	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Data point	
DATA SOURCE: N/A	

CC-06. INDICATOR: # farmers in the direct supply chain	
RELATED INITIATIVE: All	
DEFINITION: <p>Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.</p>	
UNIT: #	DISAGGREGATE BY: Sex
TYPE: Data point	
DATA SOURCE: N/A	

CC-o7. INDICATOR: Total # of individuals benefitting from member sustainability programs	
RELATED INITIATIVE: All	
COUNTING: Those individuals that directly benefit from sustainability programs in the current reporting year (disaggregated by sex and age). Companies must report based on their direct investment; suppliers should not report individuals that benefit as a result of brand investment, as done for CFI. Not cumulative.	
DEFINITION: Sustainability programs: Interventions or investments made to support cocoa sustainability related to farmer livelihoods and income, elimination of child labor and forced labor, community development, women and youth empowerment, elimination of deforestation and environmental sustainability.	
UNIT: #	DISAGGREGATE BY: Sex Age
TYPE: Output	
DATA SOURCE: Accountability Framework: https://accountabilityframework.org/definitions/?definition_category=17	

CC-o8. INDICATOR: global volume of cocoa beans equivalent sourced from the direct supply chain	
RELATED INITIATIVE: All	
COUNTING: Weight of cocoa beans sourced from direct supply / total cocoa bean weight sourced. Not cumulative.	
DEFINITION: Global volume: The total number of beans equivalent (cocoa beans, liquor, nibs, butter, powder, and cocoa content in non-pure cocoa) produced from all sources globally in a year. Bean equivalent: Amounts of cocoa liquor, nibs, butter, powder, and cocoa content in non-pure cocoa equivalent to a given # kgs of beans. Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: UTZ Bean Equivalent Calculator: https://utz.org/?attachment_id=4347	

CC-09. INDICATOR: global volume of cocoa beans equivalent sourced from the indirect supply chain	
RELATED INITIATIVE: All	
COUNTING: Weight of cocoa beans sourced from direct supply / total cocoa bean weight sourced. Not cumulative.	
DEFINITION: Global volume: The total number of beans equivalent (cocoa beans, liquor, nibs, butter, powder, and cocoa content in non-pure cocoa) produced from all sources globally in a year. Bean equivalent: Amounts of cocoa liquor, nibs, butter, powder, and cocoa content in non-pure cocoa equivalent to a given # kgs of beans. Indirect supply / supplier: All cocoa that does not meet the above definition. This would include all cocoa purchased through independent middlemen (such as traitants and pisteurs in Cote d'Ivoire) as well as cocoa purchased from farmers / producer cooperatives / organizations which operate outside of companies' longer term sustainability related programs or without a positive historical record (at least 1 year) of payments and deliveries.	
UNIT: #	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: UTZ Bean Equivalent Calculator: https://utz.org/?attachment_id=4347	

CC-10. INDICATOR: % of global volume of cocoa beans equivalent sourced that is verified by a 3rd party	
RELATED INITIATIVE: All	
COUNTING: Weight of cocoa beans sourced that is certified by a globally recognized standard such as RA/UTZ/Flocert. Not cumulative.	
DEFINITION: Global volume: The total number of beans equivalent (cocoa beans, liquor, nibs, butter, powder, and cocoa content in non-pure cocoa) produced from all sources globally in a year. Bean equivalent: Amounts of cocoa liquor, nibs, butter, powder, and cocoa content in non-pure cocoa equivalent to a given # kgs of beans. Verification: Assessment and validation of compliance, performance, and/or actions relative to a stated commitment, standard, or target. Verification processes typically utilize monitoring data but may also include other sources of information and analysis. Related definitions include the following: <ul style="list-style-type: none"> • First-party verification: Verification conducted by the company itself but carried out by personnel not involved in the design or implementation of the operations being verified.^[31] • Second-party verification: Verification conducted by a related entity with an interest in the company or operation being assessed, such as the business customer of a production/processing operation or a contractor that also provides services other than verification. • Third-party verification: Verification conducted by an independent entity that does not provide other services to the company. Standards: Voluntary, usually third party-assessed, norms and standards relating to environmental, social, ethical and safety issues, adopted by companies to demonstrate the performance of their organizations or products in specific areas.	

UNIT: %	DISAGGREGATE BY: N/A
TYPE: Outcome	
DATA SOURCE: N/A	

CC-11. INDICATOR: Total investment by company in sustainability programming with breakdown by category

RELATED INITIATIVE: All

COUNTING:
Investment or financing for direct delivery of sustainability programming in the current reporting year. Investments must be reported as follows:

- **Suppliers** - Direct investments into sustainability programming and 3rd party donor investments. Indirect investments from customers (e.g., brands) must not be reported since this is already reported as a direct investment from these members.
- **Brands** - Direct investments into sustainability programming where relevant and payments to suppliers for investment into sustainability programming on their behalf.

A standard template with cost categories will be used for reporting. Not cumulative.

DEFINITION:
Investment may include:

Programmatic Spending: Investment or financing for new or ongoing programs, initiatives, pilots, etc. run by the company or via a company’s suppliers or other 3rd party that contribute directly to achieving the company’s sustainability objectives. Operational and management costs of sustainability programming should also be counted.

In-kind contributions – These include non-monetary contributions and/or investments into program or project budgets. This can include physical goods, external paid labor, or other services that are disbursed or performed on farm for a reduced or free rate (CFI Company Action Plan Toolkit).

Investment can include any costs related to managing /oversight of sustainability program delivery.

Companies that pay premiums and include those premiums as a contribution to their sustainability efforts, can report the portion that supports activity implementation. For example, based upon conversations with companies and technical experts, on average this would represent approximately 30% of the total premium that goes towards program investment – this covers all costs related to implementation of all projects with farmers, farmer organizations and communities.

Donor investments: Investment from 3rd parties such as bilateral and multilateral donors, foundations, etc. can be counted if the funds are additional and raised directly through efforts of the reporting member (would not have been invested otherwise) and are officially invested on their behalf or on the behalf of a consortium that includes that member. If investments are made via a consortium then only the representative proportion of the reporting member should be counted.

Categories: Prosperous Farmers, Empowered Communities, Healthy Planet, Cross-Cutting

UNIT: USD	DISAGGREGATE BY: N/A
TYPE: Output	
DATA SOURCE: N/A	

5. Alphabetical List of Definitions

Agreed upon standards: See “Farm Development Plans (FDPs)”

Agroforestry: A farmer must have **at least 1 ha agroforestry** planted (as per criteria below) to be counted. Agroforestry criteria:

1. An assessment was conducted, and a purposeful plan was developed based upon the needs and capabilities of the farmer and market opportunities
2. A minimum of 16 multi-purpose trees are planted per hectare
3. The plan was developed to deliver the 3 benefits (productivity, economic, environmental)
4. The number of trees selected is sufficient to deliver on these 3 benefits
5. Support/technical assistance is provided to ensure trees are planted based on the selected and planned design
6. Includes at least 3 different species (non-cocoa)
7. The plan takes into consideration any National recommendations
8. If a farmer has already achieved the above-mentioned requirements, the plan must demonstrate the additional benefits resulting from further investment in agroforestry
9. The implementation of the plan must be the result of company investment

Companies should be monitoring the development of the agroforestry system internally and it is recommended that the data be verified in a sample every 2 years by companies themselves. It is recommended but not required that companies also align with any relevant certification bodies criteria.

The criteria have been informed by government recommendations on agroforestry development, certification criteria and with the understanding that any agroforestry system will need to be developed based upon individual farmers’ needs, interests and abilities. The minimum number of trees per hectare included in the criteria is not based upon scientific evidence in terms of the optimal number needed to achieve the three benefits (productivity, economic, environmental). Rather, this number helps to establish a minimum reference point only.

To reiterate, the focus is to develop an agroforestry plan specific to the farmers’ needs, interests and abilities.

A landscape assessment is acceptable and can be used instead of farm-specific assessments if it is adapted to farmers’ needs, interests, and abilities when implemented.

HP-06. INDICATOR: # farmers applying agroforestry: Companies should be monitoring the development of the agroforestry system internally and it is recommended that the data be verified in a sample every 2 years by companies themselves.

It is recommended but not required that companies also align with any relevant certification bodies criteria.

In Ghana, the Cocoa Research Institute of Ghana (CRIG) 2010 recommendation of 16-18 shade trees at roughly 24 m x 24 m spacing, with about from 30 - 40% shade.

In Côte d’Ivoire, in early 2019, the Conseil du Café Cacao released a guidance note calling for all cocoa agroforestry systems to have:

- A cocoa density of no less than 800 trees/ha;
- 30 – 50% shade;
- Associated tree species that are compatible with cocoa production;
- Farmers deciding which species are selected for the system.]

Agroforestry Plan: A plan developed in a participatory process and agreed upon with farmers based on an assessment that ensures that the farmers needs are taken into account, they are able to adopt the plan, and that the plan will deliver the 3 benefits (productivity, economic, environmental).

It is recommended that the plan considers and incorporates the following:

- a. A farmer’s production goals, profit targets, interests, ambitions, and abilities regarding adoption of agroforestry.
- b. A farms soil, climate, farm size, current cocoa planting density and other crop density, current yields, and

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- c. net profit.
- c. The tree species, planting density/design, timeframe, labor requirements, and financial investment needed to deliver the 3 benefits most effectively.
- d. Details on how each farmer will receive the technical support, coaching, inputs, and finance that they need to be successful.
- e. Information from a market assessment that identifies the market demand and accessibility for a farmer to sell the agroforestry products identified in the plan.

To reiterate, the focus is to develop an agroforestry plan specific to the farmers' needs, interests and abilities.

A landscape assessment is acceptable and can be used instead of farm-specific assessments if it is adapted to farmers' needs, interests, and abilities when implemented and includes the elements listed above.

Applicable law: National and ratified international laws that apply in a given context or situation.

- National laws include the laws and regulations of all jurisdictions within a nation (local, regional, and national).
- International laws to which nations have acceded are also considered as applicable law.

At-risk / Forced labor risk: Communities / households in an area considered *at higher risk* of forced labor, following risk assessment.

Bean equivalent: Amounts of cocoa liquor, nibs, butter, powder, and cocoa content in non-pure cocoa equivalent to a given # kgs of beans.

Birth registration: Official documentation of a birth (i.e. birth certificates). Birth registration provides a statutory protection to children and is often required for them to access basic services. Lack of such documents may prevent access to essential services, including the ability to continue studies beyond primary school, thus increasing child labor risk. This is currently a proxy and indicates the share of schools where more than half of students have a birth certificate and will be updated as data collection progresses.

Built / renovated: New facilities constructed (built) from beginning to completion or existing facilities improved (renovated). (See *EC-03. INDICATOR: # school facilities built / renovated through member sustainability programs*)

Business management plan: Should be developed as a result of a capacity assessment with strengths, weaknesses, opportunities, and threats identified. The plan should include a timeline and resources allocated to strengthen areas that require improvement.

Capacity assessment: A formal assessment conducted on an FBO's capacity in the following categories (internal management operations, sustainability, financial management, production base, market risks and strategy, external risks, and enabling environment). The assessment should lead to a business management plan.

Categories: Prosperous Farmers, Empowered Communities, Healthy Planet, Cross-Cutting. (See *CC-07: Total investment by company in sustainability programming with breakdown by category*)

CBNRM: The broad term to describe any community-based structure with the decision-making authority over the management of natural resources, in this case forests and land and with the objectives of forest restoration and protection. These can be designed with varying levels of structure, legal recognition, purpose, and authority, but they generally preside over the environmental and economic impacts of natural resource management including benefit-sharing arrangements between community members.

- Involvement requires the community to have an arrangement with the forest service or other relevant local or national authority (this could include formal approval if relevant) for the management of natural resources such as in the establishment of the community forest.
- Determination of involvement should be based on an interview with a series of questions to determine the degree of involvement. It should not be a simple Yes/No response.

Child Labor: The ILO defines this as “work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.” Child labor specifically refers to work, hazardous or not, that is mentally, physically, socially or morally dangerous and harmful to children, and interferes with their schooling by depriving them of the opportunity to attend school, or obliging them to leave school prematurely, or requiring them to attempt to combine school attendance with excessively long and heavy work.

Child protection systems can include supply-chain CLMRS, community-based systems, and enhanced government systems (with the ambition of aligning public and private systems for maximum coverage and impact). “Effective systems” should enable and support companies to conduct their due diligence in relation to child labor and to meet all regulatory obligations for HRDD. “Effective systems” should at least allow companies to report on (a) the extent of child labor risk in their supply-chain, (b) the number of farming households covered by the systems, (c) the number of child labor cases identified, (d) the proportion of those cases assisted, and (e) the proportion of assisted cases improved or out of child labor. “Effective systems” will also embrace a “do no harm” philosophy, operating in the best interest of the child and staying vigilant to unintended consequences. “Sustainable systems” offer protection that can be maintained at the level required to address the needs for as long as they persist. (ICI)

Classrooms: A room or standalone building that serves as the location for the delivery of formal or non-formal education.

Climate-smart cocoa (CSC): Aims to mitigate carbon emissions from cocoa agriculture and help farmers to adapt to the negative impact of climate change on cocoa production and to adapt agricultural practices, if necessary. CSA is not one action; it is rather an approach consisting of several possible actions. CSA is also not a “one size-fits-all” approach that is the same for every cocoa farmer; it depends on the specific impact of climate change (the identified climate threat) in a certain area and the capacity of the farmer to respond to this and apply suitable CSA practices.

Co-financing: The amount co-funded by industry excluding co-funding from other sources.

Cocoa community / Community: The smallest officially recognized and registered jurisdictional unit for each country. Jurisdictional units in Ghana from largest to smallest: Region, District, Community; CDI: Sub-prefecture, Communes, Villages. Link to official administrative units can be found [here](#).

Cocoa-driven deforestation: For the 2014-2021 analysis, any 2021 cocoa pixels that were primary or disturbed forest pre-2021, as determined by automated overlay analytics in a geographic information system environment. Note: it is estimated that satellites can only detect cocoa 2+ years after being planted, hence 2021 figures were omitted. This also implies that 2020 cocoa-driven figures will be underestimated. The same logic and caveat will need to be applied to the analysis for all future years.

Forest: Land spanning more than 0.5 ha [hectares] with trees higher than 5 meters and a canopy cover of more than 10 %. Further subdivided into a) Primary forest (definitions from the Intact Forest Landscapes dataset) and b) Disturbed forest: logged, but otherwise intact closed forest. Note: Forest regrowth is currently excluded from the analysis. **Community Action Plan (CAP):** A plan developed based on a community needs assessment in participation with communities. The plan should include interventions that address important community development needs. The plan implementation should be led by the community with equitable and diverse community representation and with short-term company technical and financial support with a long-term plan to sustainably hand over all responsibility to the community including management and finance. The short-term plan should include the use of participatory tools to build the capacity of community members to act in accordance with the problems, needs, and potential of the community, to implement those plans.

Community Needs Assessment (CNA): An assessment conducted with the participation of a community to identify and determine the priority short and long-term development needs of that community and includes research to understand community dynamics that are important to develop a relevant and sustainable plan.

Consulted: Consultation sessions are organized events for community members to participate and receive information about plans concerning the Frameworks for Action and the impact and/or benefits for their community. (See “Informed” and “Trained”)

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Coverage: A community / household can be considered “covered” when,

- An assessment of child labor (risk) has taken place (either through household- or community-level needs assessment, a prevalence survey, or visits through a CLMRs) AND
- Measures are in place to prevent and address cases of child labor

CSC Best Practices: Practices that will help farmers mitigate and adapt / build resilience to climate change, through improved cocoa agricultural practices on-farm (e.g., farm establishment, planting material and sources, inputs and pest control, weeding, pruning, shade management) and also actions that contribute to forest degradation and deforestation and increase threats to the forest and farming system (e.g., climate change, fires, etc.). Practices that are contrary to a CSC landscape also include —unplanned cocoa farm expansion, illegal cocoa encroachment into forest reserves, removal of mature trees during farm establishment, etc.

Deforestation: conversion of natural forest to another land use or the long-term reduction of tree canopy cover below the 10% threshold.

- This definition pertains to no-deforestation supply chain commitments, which generally focus on preventing the conversion of natural forests.
- Severe degradation constitutes deforestation even if the land is not subsequently used for a non-forest land use.
- Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.
- The Accountability Framework’s definition of deforestation signifies “gross deforestation” of natural forest where “gross” is used in the sense of “total; aggregate; without deduction for reforestation or other offset.” (Accountability Framework)

Deforestation Risk Assessment (DRA): A tool that allows companies to proactively identify and manage deforestation risks in their supply chains. Cocoa supply chains involve thousands of producers, most of which grow cocoa on very small and geographically dispersed plots. To effectively implement their commitments, supply chain companies need tools to identify the areas in their supply base that represent the greatest risks of deforestation. DRAs are distinct from deforestation monitoring, reporting, and verification (MRV) systems. MRV systems provide useful data inputs that allow companies or their providers to carry out DRA. Embedding DRA in broader forest monitoring and traceability systems helps to maximize the utility of DRA from a decision-making perspective.

Degraded lands: Changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem’s capacity to supply products, support biodiversity, and/or deliver ecosystem services. Degradation may be considered conversion if it:

- Is large-scale and progressive or enduring;
- Alters ecosystem composition, structure, and function to the extent that regeneration to a previous state is unlikely; or
- Leads to a change in land use (e.g., to agriculture or other use that is not a natural forest or other natural ecosystem). (Accountability Framework)

Direct supply / supplier: Recognizing that “membership” of farmer organizations is dynamic and not controlled by the upstream purchaser, “direct suppliers” are those farmers / producer cooperatives / organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is encouraged that such direct supply chain relationships include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered “direct”.

Education: To realize education’s potential as an effective means of building human capital and combating child labor, it must be of sufficiently high quality to ensure learning. UNICEF defines quality education as the

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combination of five elements:— Learners who are healthy, well-nourished and ready to participate and learn, and supported in learning by their families and communities;— Environments that are healthy, safe, protective and gender-sensitive, and provide adequate resources and facilities; — Content that is reflected in relevant curricula and materials for the acquisition of basic skills, especially in the areas of literacy, numeracy and skills for life, and knowledge in such areas as gender, health, nutrition, HIV/AIDS prevention and peace.— Processes through which trained teachers use child-centered teaching approaches in well-managed classrooms and schools, and skillful assessment to facilitate learning and reduce disparities.— Outcomes that encompass knowledge, skills and attitudes, and are linked to national goals for education and positive participation in society (UNICEF, 2000).

Education (intervention) (See EC-IND-03. INDICATOR: Industry co-financing mobilized for education): Any intervention that seeks to improve and expand education opportunities to children and adults (including vocational training interventions). To be classified in this category, an intervention does not need to specifically or explicitly target child labor reduction. **Please note:** Any intervention that offers or facilitates access to formal and non-formal education (e.g., literacy courses) should be included. The interventions in this category can include:

- School/classroom building, improvement of infrastructure (classroom/canteen/ water/toilet/energy such as provision of benches, tables etc., the drilling of a bore hole, provision of a water pump on school premises, toilet facility, construction of teacher housing, the installation of solar panels for the school etc.)
- Mobile schools, provision of birth certificates, provision of scholastic materials
- School feeding (provision of meals/food/canteens/equipment)
- School nutrition programs (school gardens, nutrition awareness-raising, supplementary feeding)
- School uniform/book, study material
- Improvement of the school environment (playgrounds, etc.)
- Support services to school: capacity of school management committees and teachers, and reinforcing child protection in schools,
- Teachers training
- Actions related to violence in schools
- Conditional cash transfer to students
- Non-formal education (to those who are not enrolled/dropped out)
- Skillful parenting programs
- Bridging classes
- Literacy and numeracy activities.

Effective and sustainable (See EC-IND-01. INDICATOR: Coverage of communities/households in the direct cocoa supply chain by effective & sustainable child protection / HRDD systems that assess and address child labor): Clear benchmarks of an “effective and sustainable” child protection system will be defined by ICI’s CLMRS Effectiveness Review study, as well as a related piece of work with the Swiss, German, and Dutch Cocoa Platforms. Key elements will include that the system is capable of:

- Identifying child labor cases
- Capable of providing support to identified cases
- Capable of reducing children’s exposure to hazardous work
- Be sufficiently integrated into a community / supply chain that it has the resources (financial and staff) to operate into the future

Enrollment rate: Indicates children with basic access to school by measuring the share of school-age children enrolled in school.

Farm: in many cases is a collection of multiple plots for one farmer. A cocoa farmer may have several plots. If a farmer has multiple plots where cocoa is produced, each one needs to be mapped with polygons and if possible aggregated into one dataset/shapefile, if not possible all polygons should at least contain metadata with a unique farmer identifier. The Farm is counted once the total number of farms/plots for each farmer have been mapped. This can also be considered “farmer mapped”.

- Example: farmer has 4 total plots. Once mapped = 1 farm

Farm Development Plans (FDPs): Combine individualized coaching with digitally computed, farm-level tactical plans that provide detailed recommendations for how farmers can increase yield. The tool is typically a mobile application that supports data collection and is capable of analyzing that data to generate customized recommendations for farmers. The process involves collecting farm-level data and generating customized plans followed by the ongoing provision of individualized coaching around the plan's implementation. The process also requires the careful involvement of engaged and well-trained company sustainability and IT staff, coaches, and farmers. **Agreed upon standards:** FDPs should include:

- **Collection of farm-level quantitative and/or qualitative data** regarding farmer demographics and income as well as plot conditions and farming practices.
- FDP recommendations are **tailored to each farmer and farm plot** based on the data collected at the beginning of the process.
- The FDP should include **training, individual coaching and mentoring** to support the journey of the farmer in adopting good agricultural practices (GAPs) and making farm-level investments.
- The final defining characteristic is the **length of the engagement**. FDP requires a multi-year window of analysis and engagement. This enables the FDP to work on medium to long-term goals such as rehabilitation of trees and establishes a compelling business case for farm investments that take longer to execute but provide a positive return in the long run.

Farmer-based organizations (FBOs): “Cooperatives”; “other professional groups of farmers”; other groups that are recognized formal or informal institutions with a cocoa aggregating and sale role and ideally provide support / technical services to members and influence cocoa farming or broader life in the community.

A member can be an individual who, for example, pays a membership fee, is formally recognized by the organization as a member, or holds a formal position within the organizations.

First purchase point: The first transaction point in the cocoa supply chain, where cocoa transfers from the farmer's control to the control of a subsequent supply chain actor. This is typically also the first point where one farmer's cocoa is aggregated with cocoa from other farmers (hence, it is commonly referred to as the “first aggregation point”). In the direct supply (see below), it may be a buying station, cooperative section, Purchasing Clerk shed (Ghana), or other type of farmer organization's cocoa purchasing location. Outside of the direct supply, it may include *traitants* and *pisteurs*, who may purchase cocoa at the community or the farm levels.

Forced labor: According to the ILO, “*forced or compulsory labor* shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”, not including

- (a) any work or service exacted in virtue of compulsory military service laws for work of a purely military character;
- (b) any work or service which forms part of the normal civic obligations of the citizens of a fully self-governing country;
- (c) any work or service exacted from any person as a consequence of a conviction in a court of law, provided that the said work or service is carried out under the supervision and control of a public authority and that the said person is not hired to or placed at the disposal of private individuals, companies or associations;
- (d) any work or service exacted in cases of emergency, that is to say, in the event of war or of a calamity or threatened calamity, such as fire, flood, famine, earthquake, violent epidemic or epizootic diseases, invasion by animal, insect or vegetable pests, and in general any circumstance that would endanger the existence or the well-being of the whole or part of the population;
- (e) minor communal services of a kind which, being performed by the members of the community in the direct interest of the said community, can therefore be considered as normal civic obligations incumbent upon the members of the community, provided that the members of the community or their direct representatives shall have the right to be consulted in regard to the need for such services.

[EC-JNT-01. INDICATOR: *Elimination of any forced labor in the full supply chain* adds:

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Furthermore, ILO's Convention on the Worst Forms of Child Labour, which both Cote d'Ivoire and Ghana have adopted, states that the term **the worst forms of child labor** comprises:

- (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
- (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
- (c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
- (d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. This type of WFCL is already captured in the indicator on Child Protection systems and will not be considered under this indicator to avoid double counting]

Forest: Land spanning more than 0.5 ha [hectares] with trees higher than 5 meters and a canopy cover of more than 10 %. Further subdivided into a) Primary forest (definitions from the Intact Forest Landscapes dataset) and b) Disturbed forest: logged, but otherwise intact closed forest. Note: Forest regrowth is currently excluded from the analysis.

Formal financial products and services: Products and services developed and delivered to meet the needs of cocoa sector players by financial institutions. This includes products such as credit (including input-for-credit) and savings accounts, or various types of insurance, such as crop, drought, or flood insurance; opening credit accounts for farmers and/or cooperatives; or other innovative products that go beyond traditional debt, credit, or savings accounts/services.

Full supply chain: Including both direct and indirect supplies of cocoa.

Direct supply / supplier: Recognizing that "membership" of farmer organizations is dynamic and not controlled by the upstream purchaser, "direct suppliers" are those farmers / producer cooperatives/ organizations which operate at the point where their cocoa is collected / aggregated for onward sale. The buyer at first purchase point serves as the source of financing for the direct purchase of that cocoa from the farmer; in which companies are implementing longer term sustainability related programs; and in which there is a positive historical record (at least 1 year) of payments and deliveries with each cooperative or organization included in the count. It is recommended that direct supply chain relationships should include the documentation of and sharing of records of farmer members, including GPS farm locations, polygon boundary mapping, and basic household information. In cases where intermediaries are involved in purchasing, the above criteria apply in order to be considered "direct".

- **Indirect supply / supplier:** All cocoa that does not meet the above definition. This would include all cocoa purchased through independent middlemen (such as traitants and pisteurs in Cote d'Ivoire) as well as cocoa purchased from farmers / producer cooperatives / organizations which operate outside of companies' longer term sustainability related programs or without a positive historical record (at least 1 year) of payments and deliveries.

Global volume: The total number of beans equivalent (cocoa beans, liquor, nibs, butter, powder, and cocoa content in non-pure cocoa) produced from all sources globally in a year.

Good Agricultural Practices (GAP's): GAP's are sustainable agricultural methods that include pruning, pest and disease management, weed management, shade management, and harvest management. These practices are promoted to farmers to improve sustainable cocoa production, basic environmental and operational conditions necessary to produce safe, clean and healthy cocoa beans.

GAPs may be applied to a wide range of cocoa farming systems and at different scales.

Harvest and post-harvest practices that impact flavor and quality: Harvest practices that impact cocoa flavor and quality include time of the harvest, way of breaking the pods, means of fermentation (e.g., heap, box, plastic, mat, etc.), time of drying, and means of storage. Factors impacting the quality of the harvest

include ripeness and wounded pods. Factors impacting the quality of beans during pod breaking include wounded beans (e.g., by machete or bush knife), bad separation of beans, or no separation of beans, keeping the placenta during fermentation. Too short, or too long fermentation impacts cocoa flavor and quality at the fermentation phase. Too fast, too hot, with wood fire, and lack of air movement impact flavor and quality at the drying stage. At the storage phase, flavor and quality may be impacted by moisture, insect, and contaminants (e.g., wood fire, smoke, oils, insecticides, cooking smells, mold, etc.)

Households: Refers to all the occupants of the same dwelling who share meals, without the occupants necessarily being related to each other. In many cases, the occupants are under the responsibility of one of member, considered the Head of Household. However, a household may consist of only one member.

HRDD (human rights due diligence):

[EC-IND-01. INDICATOR: Coverage of communities/households in the direct cocoa supply chain by effective & sustainable child protection / HRDD systems that assess and address child labor and EC-04. INDICATOR: # and % of at-risk communities / households in CDI and GH covered by human rights due diligence (HRDD) measures that prevent and address forced labor risks (ICI):

HRDD is the action taken by a company to both identify and act upon actual and potential risks for workers in its operations, supply chains and the services it uses. Human rights due diligence [...] should include assessing actual and potential human rights impacts. The process should: a) Draw on internal and/or independent external human rights expertise; and b) involve meaningful consultation with [...] relevant stakeholders” (UN Guiding Principle No 18).]

[CC-01. INDICATOR: # of companies with procurement policies that operationalize sustainable cocoa supply chain commitments (related to deforestation, child labor, Human Rights Due Diligence (HRDD), and Living Income [Direct supply only]) and adequately address social and environmental risks in the supply chain (per the Accountability Framework and differentiated based on role in supply chain):

HRDD is the action taken by a company to both identify and act upon actual and potential risks for workers in its operations, supply chains and the services it uses.]

Improved cocoa seedlings: Hybrid/clonal seedlings, budwood, or other types of material that ideally has all or several of the following characteristics: high- yielding, early yielding, disease resistant, drought tolerance, heat tolerant.

Income Generating Activities (IGAs): any activities undertaken by cocoa sector farmers or individuals (usually small businesses) where non-cocoa crops (including those intercropped with cocoa), livestock, or off-farm products are produced, marketed and sold to generate additional income/revenues that contribute to a household economy for greater financial sustainability and resilience.

Individuals: Any member of a cocoa community / cocoa household targeted by IGA activities (See “Income Generating Activities (IGAs)”)

Informed: Activities designed to deliver awareness and increase understanding about a particular issue. Can be in-person or via different media, such as radio, newspaper, etc. (See “Trained” and “Consulted”)

Investment:

- **Programmatic Spending:** Investment or financing for new or ongoing programs, initiatives, pilots, etc. run by the company or via a company’s suppliers or other 3rd party that contribute directly to achieving the company’s sustainability objectives. Operational and management costs of sustainability programming should also be counted.

In-kind contributions – These include non-monetary contributions and/or investments into program or project budgets. This can include physical goods, external paid labor, or other services that are

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disbursed or performed on farm for a reduced or free rate (CFI Company Action Plan Toolkit).

Investment can include any costs related to managing /oversight of sustainability program delivery.

Companies that pay premiums and include those premiums as a contribution to their sustainability efforts, can report the portion that supports activity implementation. For example, based upon conversations with companies and technical experts, on average this would represent approximately 30% of the total premium that goes towards program investment – this covers all costs related to implementation of all projects with farmers, farmer organizations and communities.

- **Donor investments:** Investment from 3rd parties such as bilateral and multilateral donors, foundations, etc. can be counted if the funds are additional and raised directly through efforts of the reporting member (would not have been invested otherwise) and are officially invested on their behalf or on the behalf of a consortium that includes that member. If investments are made via a consortium then only the representative proportion of the reporting member should be counted.

Land tenure agreements/documentation: Formal and legally recognized land certificates and land-use contracts (Cote d'Ivoire) or customary indenture agreements with farm site plans (Ghana); land titles. Such documents strengthen the tenure security of farmers to varying degrees, which can in turn increase farm investments, encourage sustainable agricultural practices, prevent deforestation, encroachment into protected forests, and loss of biodiversity, and mitigate political and social conflicts over land.

Learning Outcome Score: Indicates quality of education by measuring combined literacy and numeracy scores of 3rd-graders, graded on a scale of 0 to 7 using the ASER test, 6 indicates proficiency.

Living income: 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.

Multi-purpose trees: Tree species that are included on cocoa farms for primary purposes beyond providing shade. They may be chosen to provide economical and/or ecological benefits to the farm. This may include tree crops such as fruit, oil palm, medicinal and/or timber trees for later harvest.

Net household income: The amount of money that a household earns, or gains, each year after costs, taxes, and transfers. It represents the money available to a household for spending on goods or services and savings. This is currently calculated via - Production * producer price (including farmer sustainability premiums where relevant)– costs, plus non-cocoa income minus associated costs.

Non-compliance: The state of not complying with or fulfilling (or only partially complying with or fulfilling) a given law, standard, commitment, or target. In the context of the Accountability Framework, non-fulfillment of voluntary commitments, non-compliance with applicable law, and adverse impacts to internationally recognized human rights are all considered instances of non-compliance.

Off-farm: Areas that are not currently under cultivation (e.g., defined buffer areas between cocoa (other) farms, defined sloped areas, uncultivated watershed areas, fallow land). This does not include newly established cocoa agroforestry.

PES: Compensating individuals or communities for the adoption of targeted behaviors that reduce deforestation and / or restore forests. The activities must align with at least one of three core intervention areas: conservation, restoration, and agroforestry. Interventions should also eliminate threats to or enhance the provision of ecosystem services including climate change mitigation, soil restoration, biodiversity, and watershed services. Compensation should offset and ideally exceed the opportunity and transactional costs of all participating individuals for adopting the targeted behavior.

Company should complete an assessment to determine the opportunity and transactional costs for adopting the targeted behavior, the ability of incentives to offset the costs and influence adoption in each given scenario. The assessments should also be used to identify the appropriate mix of incentives (payments versus in-kind), and assess other interventions needed to complement the payments (e.g., knowledge, attitudes or enabling

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environment). Best practice is to recognize and ensure the “additionality” of the targeted behavior, such that the area targeted would not be conserved or reforested without the incentive, i.e., multi-purpose trees would be planted anyways, and would not be the direct result of the PES. The PES agreement should be targeted towards the conservation and/or restoration of priority areas and should explain how it would do so.

Though not always feasible in this context, best practice for PES implementation includes ensuring that results from a PES initiative are permanent, e.g., the benefits will persist after the payments and initiative end. Another best practice is to plan for PES initiatives to avoid negative externalities that may diminish, or even negate, the benefits of the program (a problem known as leakage or slippage).

Companies should have a formal agreement with the farmer and/or community and put in place a monitoring system for at least 3 years to evaluate achievement of outcome. If the agreement is at the community level, companies should ensure that participating farmers agree to the conditions of the PES agreement. The payment should be contingent upon adoption of behavior.

Incentives can include in-kind, but the assessment should determine whether it will provide the incentive needed to change farmer behavior. In this case, at least part of the incentive should include cash payment.

Plot: is the basic geospatial unit of land use. In cocoa, a farmer may possess one or more plots. A farmer’s combined total number of plots is a “farm”, whether the plots are geographically contiguous or not. In Ghana, a plot may also be called a farm, thus a farm may be made up of smaller “farms”. In this situation extra attention must be paid by members to ensure enumerators measure and count farms mapped according to the correct definition of farm.

Policies: Sourcing and procurement policies that serve to operationalize the company’s ethical supply chain commitments. At their core, these policies should specify requirements or parameters regarding the suppliers with whom the company will do business and the considerations that determine when the company may or must add, suspend, exclude, or adjust purchasing terms with a current or prospective supplier. The policies should adequately address the social and environmental risks in the company’s supply chain and should reflect the company’s degree of influence over its suppliers and other issues relevant to the company’s supply chain and business context. Such policies should also consider applicable law as well as expectations related to sectoral or geographical initiatives in which they are involved. Companies should clearly communicate to their suppliers that only material produced in accordance with the company’s sourcing policies will be accepted. Where purchasing is governed by contracts, it is generally recommended to incorporate requirements of the sourcing policies into contract clauses.

Pre-financing: An arrangement to have production activities paid in advance by a third party and to be repaid at a later date by a farmer based on agreement between the parties involved.

Restoration:

[HP-JNT-02. INDICATOR: Achievement of national restoration targets for degraded lands and forests set out in national plans:

Replanting and/or regenerating trees across a defined landscape that incorporates native (preferably) and non-native tree species to restore the multiple ecological benefits of forests (with focus on achieving natural forest). (Accountability Framework)

Requires an assessment, baseline and restoration plan. Best practice is that the plan is published with information shared with government and WCF for joint learning; review and discussion of results can collaboratively be done via the WCF learning agenda. Can be counted once what is suggested in the plan is achieved.

This does not include permanent agroforestry. Transitional agroforestry will count if long term goal is to restore forest to natural forest. In this case, the transitional agroforestry can count for both # hectares restored and # hectares agroforestry planted.]

[HP-07. INDICATOR:

hectares of forest restored in Forêts Classées (CDI)

hectares of Category 2 Forest Reserve areas restored (GH)
hectares of forest area restored (in rural zone (CDI) / off-reserve (GH)):

Replanting and/or regenerating trees across a defined landscape that incorporates native (preferably) and non-native tree species to restore the multiple ecological benefits of forests (with focus on achieving natural forest).

Please reference national forest laws for appropriate definitions of Forêts Classées, Category 2 Forest Reserve, and rural zone (CDI) / off-reserve.]

Risk assessment: A systematic process of evaluating potential risk in a company’s current or future operations, supply chains, and investments. In the context of the Accountability Framework, this term refers to the assessment of risk of non-compliance with the company commitments or applicable law related to the Accountability Framework scope, as well as adverse impacts to internationally recognized human rights. This is different from the use of the term in a general business context, where it refers to assessment of financial risks and the drivers of such risk (e.g., legal risk, credit risk, reputation risk, and others). Risk of adverse social and environmental impacts, including non-compliance with company commitments, can be an important element of broader business risk.

School facilities: Non-classroom infrastructure that facilitates access to formal and non-formal education. This could include canteens, lavatories, boreholes, hand washing stations, teacher housing.

Significant reduction: Statistically significant reduction between baseline and endline. (See *EC-JNT-02. INDICATOR: Reduction in # and % of children in child labor in cocoa growing households*)

Social and environmental risks: The probability of a potential adverse social and environmental impact combined with its potential seriousness.

Standards: Voluntary, usually third party-assessed, norms and standards relating to environmental, social, ethical and safety issues, adopted by companies to demonstrate the performance of their organizations or products in specific areas.

Sustainability commitments: A public statement by a company that specifies the actions that it intends to take or the goals, criteria, or targets that it intends to meet with regard to its management of or performance on environmental, social, and/or governance topics.

- Commitments may also be titled or referred to as policies, pledges, or other terms.
- Commitments may be company-wide (e.g., a company-wide forest policy) or specific to certain commodities, regions, or business units. They may be topic-specific, or they may address multiple environmental, social, and/or governance topics.
- Commitments, as defined here, are distinct from the operational policies or procedures (e.g., sourcing codes, supplier requirements, manuals, and standard operation procedures) by which companies may operationalize their commitments or sustainability initiatives. Commitments are generally broader, more normative or aspirational, and take a multi-year view of company performance, whereas operational policies or procedures tend to focus on specific implementation details, parameters, or requirements.

Sustainability programs: Interventions or investments made to support cocoa sustainability related to farmer livelihoods and income, elimination of child labor and forced labor, community development, women and youth empowerment, elimination of deforestation and environmental sustainability.

Traceable: Product traceability in the cocoa sector is the “ability to follow the physical movement and/or mass conformity of sustainably produced cocoa through specified stage(s) of production, processing and distribution” (ISO, ARS). In a traceable supply chain, polygons are the standard for all farms with unique farmer ID’s tracked to first purchase point. The beans can be segregated or used in mass balance.

A suggested best practice is to include farm information in a Farmer profile such as farm size, current yield, maximum potential yield, deforestation risk (from disaster risk assessment – DRA). It is also suggested that

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the system be digitized (however this is not required) and track the following information:

- Farmer ID – all farmers need to have a (digital) unique ID; this needs to be linked to a farmer and farm profile (with unique farm ID)
- Farm ID – all farms need a unique ID, linked to Farmer ID/profile
- Coop ID (where relevant) – all cooperatives need a unique ID
- Coop registers (where there are coops) – all cooperatives need to have updated registers of farmers associated to them and for each crop year. These need to be updated at start of the crop.
- Sales ID (linked to CCC or COCOBOD Receipt) - all sales need a unique ID, so that they can be traced back to the farmer. Sales need to include vital information on:
 - Farmer ID
 - Coop ID
 - Volume
 - Price
 - GPS location of the sales

Trained: Where an informal curriculum is developed and delivered to farmers using best practice methods for adult learning focused not only on knowledge but also skills. Can be delivered one-on-one or in groups. (See “Informed” and “Consulted”)

Training: Informal or nonformal education based on a curriculum and delivered to farmers using best practice methods for adult learning. It is focused on increasing knowledge, understanding, and skills. It is delivered one-on-one or in groups and can be continuous or a one-off.

Trees may be native or non-native species.

Verification: Assessment and validation of compliance, performance, and/or actions relative to a stated commitment, standard, or target. Verification processes typically utilize monitoring data but may also include other sources of information and analysis. Related definitions include the following:

- **First-party verification:** Verification conducted by the company itself but carried out by personnel not involved in the design or implementation of the operations being verified.^[31]
- **Second-party verification:** Verification conducted by a related entity with an interest in the company or operation being assessed, such as the business customer of a production/processing operation or a contractor that also provides services other than verification.
- **Third-party verification:** Verification conducted by an independent entity that does not provide other services to the company.

VSLA (Village Savings and Loans Association): Village Savings and Loans Association (VSLA) is a type of Accumulating Savings and Credit Association formed as a group of 15-30 people, mainly women, who choose to work together and pool their savings. The money can then be borrowed with interest (5 -10%) by members, over an agreed period. At the end of a predetermined term, the overall fund (which is made up of the savings and the interest payments) is paid out to the group members based on their percent of contribution to the savings pool. At that point members can decide whether to start a new cycle or whether to disband. Crucial activities that benefit VSLA members include (i) creating and maintaining a group dynamic to grow self-esteem and self-confidence, (ii) providing access to basic financial services (savings and credit), (iii) unlocking entrepreneurial potential by learning to identify, create, and manage an income generating activity, (iv) providing leadership skills and promoting gender-based dialogues to increase empowerment and participation of women in decision making in their HH and community.

Women’s empowerment: The combined effect of changes in a women’s own consciousness, knowledge, skills and abilities (agency) and in the power relations and structures (norms, customs, institutions, policies, laws, etc.) that shape her access to rights and resources, choices and opportunities, and ultimately wellbeing. (WCF Gender Integration guidance note, Annex on Gender Principles and definitions)

Women’s empowerment projects and activities: Projects and activities that are relevant to the definition above. Generally, this may include VSLAs, any gender related training, VSLAs, women-focused IGA

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promotion, literacy, women-focused or women-permitting technical trainings, etc. In CFI, such projects and activities would take into account the gender-specific relationships to natural resource use and management.

Yield: Total cocoa weight in kilograms produced per hectare for each farmer in a given year.