Press release



# Incentives and framework conditions for forest conservation and climate protection in the cocoa sector

## GISCO highlights priority measures and responsibilities for an enabling environment for forest conservation and climate protection

**Berlin/Cologne, 1 February 2022 –** What is an enabling environment for forest conservation and climate protection and how must it be designed? What approaches and experiences already exist in producing countries and at German and European level? What challenges exist and what further priority measures and incentives are needed? These and other questions were discussed by representatives from politics and industry as well as civil society at the virtual event of the German Initiative on Sustainable Cocoa (GISCO). This took place on the occasion of ISM 2022 on 1 February on the topic of "Enabling Environment: Incentives and Framework Conditions for Forest Conservation and Climate Protection in the Cocoa Sector".

Forest conservation and climate protection are among the greatest challenges in the cocoa sector, especially in West Africa. For example, between 1960 and 2021, the forest cover in Côte d'Ivoire was reduced by about 80 percent, of which 62 % in the last 30 years alone, to almost three million hectares. GISCO is committed to ending cocoa-related deforestation and contributing to forest conservation, biodiversity, and reforestation.

"We also see today's event as the start of our tenth anniversary, in which we want to review our activities to date and look to the future together," said Merit Buama, Chairwoman of the GISCO, welcoming the more than 80 virtual participants. She called on them to discuss concrete recommendations and urged them to be prepared to reflect on their own actions and adapt them if necessary.

The speakers highlighted the important framework conditions for forest conservation and thus for climate protection, such as a functioning traceability system, demanding forest legislation that is also implemented, strict controls of this and necessary sanctions for non-compliance. They highlighted the different responsibilities of the actors and discussed common challenges with the audience.

The EU Commission's legislative proposal on deforestation-free products, published in November 2021, which aims to help avoid the consumption of products from deforestation-related supply chains, poses major challenges for business and producing countries, which were discussed in detail during the event.



Dirk Meyer, Head of Department at the Federal Ministry for Economic Cooperation and Development (BMZ), emphasised in his welcoming speech: "The question of global responsibility is reflected in the supply chains." In view of the EU Commission's legislative proposal on deforestation, the BMZ is already working on support measures for cocoa-producing countries. "GISCO has set the right course. The involvement of all stakeholders is necessary to achieve an enabling environment," Meyer concluded.

In the following, GISCO's members, Andreas Ronken (Alfred Ritter GmbH & Co KG) and Carsten Simon (Mars Wrigley), as well as a representative of the civil society in Côte d'Ivoire, Bakary Traoré (IDEF), showed what changes they would like to see in the political framework conditions and design processes regarding forest conservation and climate protection. To this end, they addressed the political decision-makers directly. The two company representatives called for faster and more stringent implementation of laws and regulations on forest conservation as well as their monitoring. "Clear, simple regulations are also needed to promote investment decisions in West Africa," said Andreas Ronken. Carsten Simon added that holistic and transformative solutions are needed for the entire cocoa sector. "We need to get to the root of the structural problems," Simon said. On the civil society side, Bakary Traoré stressed the importance of education, training, and awareness-raising among rural communities for forest conservation. In his view, there is also a need to ensure that cocoa farmers can live rather than just survive. Cocoa farming families need to earn a better income, which requires a fair pricing system and technical support. He also demanded: "The existing rules must be implemented and independently controlled. We also need strict sanctions, otherwise implementation will fail," said Traoré. Civil society would have to play the role of an additional supervisory body.

Urszula Stepkowska, Deputy Head of Unit in the EU Commission's Directorate General for Trade, referred to the <u>EU Cocoa Talks</u> held last year and gave a deeper insight into the EU Commission's legislative proposal on deforestation-free products. "There will be a transition period during which the necessary adjustments can be made," Stepkowska said. Important elements of implementation, she said, are traceability in the cocoa value chain, standards, sustainable production, but also prices and incomes. "These elements provide the framework for the support we can offer to producing countries and stakeholders to bring deforestation-free products to market," added Regis Meritan, Head of Sector in the EU Commission's Directorate-General for International Partnerships. Cooperation with farmers' organisations and local stakeholders is essential for this.

Roselyn Fosuah Adjei, Director of Climate Change at the Forestry Commission in Ghana, highlighted the causes of cocoa-related deforestation in Ghana and emphasised the long-standing loyalty of Ghana and Côte d'Ivoire to supply cocoa to European countries. "We would like the EU to accept the proposals of the producing countries and incorporate existing national regulatory frameworks into EU legislation considerations while still working on uniformity," Adjei



said. She concluded that all stakeholders need to continue their joint engagement: "But it should not only be about engagement. I think we should go to the next level and really take on all the different stakeholders and their views as a starting point for common goals and progress."

Robert Yapo Assamoi, Technical Advisor at the Ministère des Eaux et Forêts in Côte d'Ivoire, explained the challenges for producer countries arising from the EU regulatory framework. He also stressed the importance of close cooperation between all actors and platforms. "There is hope. The new EU regulation will create the framework conditions to produce sustainable cocoa. However, we need not only sanctions, but also supportive accompaniment for cocoa farmers, for example for those who are currently still in the forests. A moratorium is necessary to enable a smooth transition to deforestation-free cocoa farming," Assamoi said.

In her closing speech, Dr Katharina Böttcher, Head of Department at the Federal Ministry of Food and Agriculture (BMEL), pointed out the importance and responsibility of companies and consumers in the fight for forest conservation and climate protection: "In addition to support and advice for producing countries, I consider accompanying consumer measures to be indispensable to avoid deforestation in connection with the production of agricultural goods for export to the EU. For this reason, Dr Böttcher also welcomed the proposal for a regulation on deforestation-free supply chains, which precisely addresses this issue. "Ensuring the preservation of forests and stopping deforestation is one of the major goals to which GISCO wants to contribute," she concluded and thanked all participants for the successful event.

### **<u>Climate neutral</u>** event of GISCO

### About the German Initiative on Sustainable Cocoa

The ,German Initiative on Sustainable Cocoa' (GISCO) is a joint initiative of the German government, civil society, industry and retail and brings together relevant actors from Germany with those from the producing countries and international initiatives. The aim of GISCO is to improve the living conditions of cocoa farmers, to conserve and preserve natural resources and biodiversity in the producing countries, and to increase the share of sustainably produced cocoa. The German Initiative on Sustainable Cocoa currently has 80 members and is open to other interested parties. In 2022, GISCO celebrates its tenth anniversary.

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