



Roadmap: Nestlé Deutschland AG

Background

At the 2022 General Meeting of the German Initiative on Sustainable Cocoa (GISCO), it was decided that the preparation of individual roadmaps by each GISCO member and annual public reporting on commitments and milestones included in these roadmaps is a valuable and mandatory contribution to achieve [GISCO's objectives](#).

In addition to the monitoring and based on the [GISCO roadmap](#) which lists the goals, targeted indicators and recommendations for action of the German Initiative on Sustainable Cocoa on the focus topics of certified/independently verified cocoa, traceability, deforestation/agroforestry, child labor and living income, the members of GISCO draw up individual roadmaps on these focus topics, which are published on the GISCO website.

More information on the individual roadmaps can be found in the [background document](#).

Commitments

- [Traceability](#)
- [Certification and independent verification](#)
- [Entwaldung/Agroforstwirtschaft](#)
- [Child Labour](#)
- [Living Income](#)



Traceability

Commitment: Transforming the sourcing of cocoa to achieve full traceability and segregation of our cocoa products from origin to factory.

Milestone: Supply of mix identity preserved cocoa to the German Confectionery factory from Q1 2024. The chocolate used to produce our KITKAT will be fully segregated from mid-2024 at Hamburg factory with mix identity preserved income accelerator cocoa mass and segregated Rainforest Alliance cocoa butter.

Milestone: The income accelerator program is aiming to close the living income gap and reduce child labor risks by encouraging changes in behavior and rewarding positive practices – both within the home and on the farm. The program incentivizes and enables cocoa-farming families to engage in practices in four areas: school enrolment, good agricultural (pruning), agroforestry activities, and diversified incomes. The incentives are delivered directly in the hands of the two heads of the household by our partners via registered 'mobile money' accounts that ensure security and traceability.

1. Pilot-phase: 2020-2021 → 1.000 households in Côte d'Ivoire.
2. Test-phase: 2022-2023 → 10.000 households in Côte d'Ivoire.
3. From 2024 → expanding in Côte d'Ivoire and entering in Ghana
4. In 2030 → aiming to reach 160.000 households

Challenge: structural & political issues

- The process of registering household members to the mobile money cash transfers proved overly complex.
- Some incentive payments were delayed or received without the full awareness of households.
- Cocoa-farming families were initially sceptical of pruning. It took a lot of effort by the on the ground teams to convince the farmers.

See https://www.nestlecocoaplan.com/sites/default/files/2023-08/income-accelerator-program-progress-report-july-2023_4.pdf for more learnings.

Certification and independent verification

Commitment: Worldwide: 100% Cocoa sourced from Nestlé Cocoa Plan which is either Rainforest Alliance Certified or Nestlé Cocoa Plan verified (LATAM) by end 2025.

Milestone: Europe: Reached 100% Cocoa from Nestlé Cocoa Plan and Rainforest Alliance certified by end of 2022.

Milestone: Delivering our cocoa ingredients segregation that requires a full commitment of all our partners and suppliers.

Challenge: Delivering our cocoa ingredients segregation that requires a full commitment of all our partners and suppliers.



Deforestation/Agroforestry

Commitment: Our cocoa Forest positive Strategy: aiming to achieve a deforestation free cocoa supply chain by 2025.

This commitment is embedded within the Nestlé's Forest Positive strategy. This includes activities within the Nestlé Cocoa Plan and the Income Accelerator program but forest protection and restoration projects including projects like Cavally Forest restoration Project, Beki and Bossematie and community forests (Toa Zèò, Zaranou, Nekeide, Tehiri, Tiegbei).

- **Agroforestry:** increase of tree cover and implementation of regenerative agriculture practices, distribution of forest and fruit trees
- **Forest Protection and Restoration:** protection of existing forestland from deforestation and degradation by involving local communities with restoration efforts, protection, and monitoring.

Cavally Forest Restoration Project in western Cote Ivoire initiated in 2020 by the Ivorian Government and Earthworm Foundation and Nestlé. The project is now partnering Swiss federal Administration (SECO) via the Swiss Platform for Sustainable Cocoa (SWISSCO) as well as companies Touton and Cocosource and working together with the Ivorian Ministry of Water and forests. 4 main aims objectives of the project are:

- Prevention of deforestation and improving the ecosystem by stimulating natural regeneration and rehabilitation of degraded areas in close collaboration with local communities
- Improving resilience of small-scale producers by helping them increase productivity, achieve greater income diversification, and gain easier access to financing.
- Helping protecting rights of children of the producers by raising awareness and providing easier access to financing.
- Establishing more transparent supply chain for cocoa and rubber, by improving traceability and exploring innovative solutions (including satellite monitoring) to increase the transparency of prices and payments to producers.

Milestone:

Agroforestry: 1,1 Million forest and fruit trees distributed in 2022

Forest Protection and Restoration: 634ha in Cavally in 2022 5 smaller scale community level forest protection and restoration projects

Milestone: Achievement until 2023:

Cavally Forest:

Agroforestry: 290.000 native forest and fruit trees planted.

Forest protection and restoration: of 7000 hectares and Reforestation of 1500 hectares, significant reduction of deforestation

economic and social resilience within the local communities 1400 people benefiting financially
Nestlé's investment: 2,5 mio CHF.

Beki and Bossematie Forests and community forests (Toa Zèò, Zaranou, Nekeide, Tehiri, Tiegbei)

Agroforestry: 8600 boundary trees planted in Toa Zèò.

Forest Protection and Restoration: across 78,5 ha in smaller scale community level forest projects and 105ha restored in Beki and Bossematie Forests

Child Labour



Commitment: Introduction of a comprehensive Child Labor Monitoring and Remediation System (CLMRS) in 2012 launched by Nestlé in collaboration with ICI. This is today an industry standard. Through the Child Labor Monitoring and Remediation Systems (CLMRS) Nestlé is targeting prevention, mitigation and remediation assistance to children involved in or at risk of child labor, as well as to their families and communities. Today we are covering 100% of the cocoa-farming families in Côte d'Ivoire and Ghana through the CLMRS.

Launch of the Income Accelerator Program in 2022: the program aims to tackle child labor risks by incentivizing and supporting change in the cocoa farming households and to help them closing the gap towards a living income. It does this through a cash incentive and support across four areas: cocoa farm productivity, child education, agroforestry, and additional incomes. Women and gender equality is a key focus. The incentives will be paid via mobile payment to household (half to spouse). Enrolling children from 6-16 years old into school is one of the four pillars in the program and enables families to earn up to €100 incentive, paid in two installments: 1) 50% on 'promise to enroll'; and 2) 50% on 'confirmation of enrolment'. The school enrolment incentive helps to cover the associated costs of schooling – like uniform, bags, stationery, and pens. By ensuring women receive the school enrolment incentive, we are empowering them to take an active role in family finances and invest the funds where it matters most.

Milestone: Germany: 100% Cocoa from Nestlé Cocoa Plan, Rainforest Alliance certified. 100% of the cocoa-farming families in Côte d'Ivoire and Ghana through the CLMRS. Income accelerator reaching 10 000 cocoa-farming families and expanding

Milestone: The income accelerator program is aiming to close the living income gap and reduce child labor risks by encouraging changes in behavior and rewarding positive practices – both within the home and on the farm. The program incentivizes and enables cocoa-farming families to engage in practices in four areas: school enrolment, good agricultural (pruning), agroforestry activities, and diversified incomes. The incentives are delivered directly in the hands of the two heads of the household by our partners via registered 'mobile money' accounts that ensure security and traceability. Pilot-phase: 2020-2021 → 1.000 households in Côte d'Ivoire. Test-phase: 2022-2023 → 10.000 households in Côte d'Ivoire. From 2024 → expanding in Côte d'Ivoire and entering in Ghana In 2030 → aiming to reach 160.000 households.



Living Income

Note: 2023, an examination under German cartel law took place on the question of whether individual roadmaps on living income may be drawn up and published. The Bundeskartellamt did not see the need for a detailed examination under cartel law on this issue. Based on the Bundeskartellamt's feedback, it was decided at the special General meeting on 17 June that members of member groups B and C would submit a roadmap on the topic of living income by 31 December 2024. Until then, commitments on living income can be submitted voluntarily.

Commitment: The income accelerator program is aiming to help close the living income gap and tackle child labor risks. The ambition of the program is, to reach 160.000 cocoa farmers and their families by 2030. (Income Accelerator program details above)

Milestone: Test at scale with 10.000 cocoa farmers and their families until 2022 and expanding from 2024.

Milestone: Scale up phase in Côte d'Ivoire until 2028 with extension to Ghana. with the aim to reach an estimated 160 000 cocoa-farming families in our supply chain by 2030.

Challenge: operational issues to deliver at scale such an innovative program.