



I. BOLD PUBLIC-PRIVATE ACTION: COCOA & FORESTS INITIATIVE

The governments of Côte d'Ivoire and Ghana and the world's leading cocoa and chocolate companies [signed landmark agreements](#) in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain.

This new public-private partnership – called [the Cocoa & Forests Initiative \(CFI\)](#) – has been organized by the World Cocoa Foundation (WCF), IDH - the Sustainable Trade Initiative, and The Prince of Wales's International Sustainability Unit (ISU). The Prince of Wales [launched CFI](#) in March 2017 in London.

[Thirty-one companies](#), accounting for 85% of global cocoa usage, have now signed the Frameworks for Action for [Côte d'Ivoire](#) and [Ghana](#). These Frameworks define core commitments, verifiable actions, and timebound targets required for a deforestation-free and forest positive supply chain.

Each signatory company agreed to prepare a detailed individual action plan that spells out the specific actions it will take to deliver the commitments set out in the Framework. Each company will decide for itself how to best support the achievement of the Framework commitments, based on their role in the supply chain, their corporate strategic priorities, and their cocoa sustainability goals.

CFI has been supported by several global development partners, including the United Kingdom's Department for International Development, the Dutch Ministry of Foreign Affairs, the German Federal Ministry of Economic Cooperation and Development, the World Bank, the International Finance Corporation, and the Green Commodities Program of the United Nations Development Program.

CFI is coordinated closely with a wide range of global and local environmental organizations, including the Tropical Forest Alliance 2020, the Rainforest Alliance, World Resources Institute, and Mighty Earth.

II. WHAT ARE THE KEY COMMITMENTS IN CFI?

The Frameworks are structured around three critical themes of (1) forest protection and restoration, (2) sustainable production and farmers' livelihoods, and (3) community engagement and social inclusion.

The top priority is the protection and restoration of forests that have been degraded. To this end, the government and companies have pledged no further conversion of forest land for cocoa production, and have committed to the phased elimination of illegal cocoa production and sourcing in protected areas.

Both countries are introducing a differentiated approach for improved management of forest reserves, based on the level of degradation of forests. Up-to-date maps on forest cover and land-use, socio-economic data on cocoa farmers, and detailed operational guidelines covering forest management and land-use are being developed and publicly disclosed.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop verifiable monitoring systems for traceability from farm to the first purchase point for their own purchases of cocoa, and to work with government to ensure an effective national framework for traceability encompassing all traders in the supply chain.

The second critical priority is sustainable agricultural production and increased farmer incomes. These are essential pre-requisites for reducing pressure for agricultural encroachment into forests and strengthening the resilience of cocoa farmers to climate change.

The governments and companies have agreed to accelerate investment in long-term productivity of cocoa in order to grow "more cocoa on less land." Key actions include: provision of improved planting materials, training in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers' organizations. Sustainable livelihoods and income diversification for cocoa farmers will be accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agro-forestry systems and shade-grown cocoa.

The third area of focus is strong community engagement and social inclusion, with a particular focus on women and youth. The governments and companies have committed to full and effective consultation and participation of cocoa farmers in the design and implementation of key actions, and promotion of community-based management models

for forest protection and restoration. The governments will assess and mitigate the social impacts and risks of any proposed land-use changes on affected communities.

The set of public-private actions represent unprecedented commitments on forest protection and restoration, and sustainable cocoa production and farmer livelihoods. These combined actions, which are aligned with the Paris Climate Agreement, will play a crucial role in sequestering carbon stocks and thereby addressing global and local climate change.

III. THE HERSHEY COMPANY'S OVERALL VISION FOR THE COCOA & FORESTS INITIATIVE

The Hershey Company is taking action to protect forests and help restore forest cover in the cocoa growing regions in West Africa. The company has released action plans that are part of the company's commitments as a founding member of the [Cocoa & Forest Initiative](#) (CFI).

In February 2018, Hershey publicly committed to no new deforestation in its cocoa supply chain, effective immediately, and to implementing agroforestry tree planting programs. The new CFI forest protection plans for the two largest cocoa-producing countries in West Africa – Ghana and Cote d'Ivoire – step up Hershey's forestry commitments with specific actions to end deforestation and to begin restoring forests.

Hershey's CFI action plans will be delivered through its [Cocoa For Good](#) sustainable cocoa strategy, announced in April 2018. The plans focus on sensitive forest areas and are designed to inhibit encroachment on these protected areas by implementing locally tailored development programs.

IV. THE HERSHEY COMPANY'S ACTION PLAN

The action plan we have developed for Ghana and Cote d'Ivoire (CDI) represent our key areas of interventions over the next five years (2018-2022). This action plan guides us to achieve our commitments to CFI in order to end deforestation and forest degradation in Ghana and CDI.

Under our Cocoa For Good program, we are already doing many of the activities required to meet our commitments under the Cocoa & Forests Initiative. The company's agroforestry programs have already distributed more than 3.5 million cocoa trees and about 320,000 shade trees in West Africa between 2013 and 2017. Hershey will continue to review, expand and improve current programs to meet its CFI 2022 goals.

The Hershey Action Plan consists of existing activities plus some new activities that we have introduced to increase the impact and build upon learnings from previous work.

Hershey's CFI action plans are organized under three strategic pillars:

- Forest Protection and Restoration
- Sustainable Production and Farmers' Livelihood
- Community Engagement and Social Inclusion

Hershey has created specific goals, actions and timebound targets for both Ghana and Cote d'Ivoire under each of the three pillars. The three pillars are designed to work together to ensure a holistic approach to protecting forests while taking into consideration the human impact. This approach ensures that communities are fully engaged in these efforts and the actions benefit both the people and the surrounding ecosystem.

To see Hershey's detailed CFI Action Plans, visit the company's [website](#).

V. PRIMARY ACTIVITIES AND INVESTMENTS

1. Forest Protection and Restoration

- Hershey aims to distribute 900,000 multi-purpose trees to farms in Ghana and Cote d'Ivoire by 2022. This is to increase shade trees planted on cocoa farms to meet standards of 30% recommended tree cover. We will also pilot Agroforestry systems and build best in class models. Promoting cocoa agroforestry systems is a key strategy for forest protection and restoration, improving cocoa productivity and farm level diversification, and income generation. Hershey will also adopt a Hotspot Intervention Area (HIA) in Ghana and prepare for CDI. The approach to be used in the HIA will be the Community Resource Management Areas (CREMA) model
- Satellite mapping of 50,000 farms across Ghana and CDI in the Hershey supply chain by 2019 to support traceability from farmer to first purchase point and start a deforestation alert system.
- 100% No Sourcing from natural parks & reserves

2. Sustainable Production and Farmers' Livelihood

Hershey believes that thriving communities are a sure way toward sustaining the cocoa economy and also protecting the environment. This belief is steeped into Hershey's plan to improve the living conditions of cocoa farmers and their families across our supply chain. A number of actions have been outlined to achieve this goal. They include:

- Distributing more than 2.5 million improved cocoa seedlings to farmers in Ghana and CDI by 2022 to support rehabilitation of cocoa farms and intensify tree

density. This is to ensure that cocoa farmers rehabilitate their farms with the best seedlings and also increase their yields.

- Training 37,000 of farmers in Ghana and CDI in Good Agricultural Practice and applying Climate Smart Cocoa practices and crop diversification. This aims at increasing yields, protecting the environment through modern farming techniques that are climate centered and most importantly, diversifying the income sources of the farmers while improving their incomes and making them more resilient.
- Supporting farmers in acquiring land documentation and tree registration. The aim is to support 1,000 farmers in supply chain with secure land titles.

3. Community Engagement and Social Inclusion

Hershey cannot undertake all these actions and activities in isolation. Hershey believes in engaging with our farmers and communities in all that we do. Hershey will engage communities on local landscape governance as a key to curbing land expansion and deforestation. This will affect 75+ cocoa communities with active forest restoration and protection programs