



### Cameroon "Green Cocoa Landscape" Program

Concept Note April 10, 2019

Promote sustainable development of the Cameroonian cocoa sector, contribute to forest protection and create a sustainable livelihood for farmers and their communities through an inclusive landscape approach

### Cocoa and forests in Cameroon – creating a win-win situation

Historically, Cameroon cocoa has been appreciated in the international market due to the red colour of its beans suitable for the "couverture" of chocolate products such as pastries or ice cream. Unfortunately, over the last two decades, the quality of the Cameroon cocoa deteriorated due to a lack of sectorial support. As a result, the cocoa from Cameroon can no longer be sold on the premium market - it is now sold for a discounted price on the international conventional market. These developments have made cocoa farming an unattractive occupation, and younger generations are opting out to seek more lucrative employment elsewhere. To counter this trend, cocoa smallholders need to develop into profitable businesses to ensure that a next generation of farmers will again produce world premium "red cocoa".

However, if not well planned, the promotion of cocoa production may create irresponsible pressure on Cameroon's forests. Since the late 1990s, cocoa has been identified as a main driver of deforestation in the Congo Basin and Cameroon's plan to reach a cocoa production level of 600,000 MT by 2020 is likely to put forests at further risk. Out of tradition, farmers are used to planting cocoa under forest cover which means that over time cocoa production may come at the detriment of the primary forests.

This challenge can however be addressed by embedding support to cocoa production into a holistic landscape approach. Production and protection can become a win-win situation if local stakeholders are engaged and included in the management of natural resources.

### **Production, Protection, Inclusion**

The Program strategy is based on a landscape approach, which implies working together with industry partners (from the cocoa sector as well as other industries), public sector, financiers, CSOs and knowledge partners. Developing land-use plans that take into account the needs of local communities and the absolute necessity to protect the countries' forests will ensure that the cocoa sector and wider local economy can thrive over the long term. This will help build cocoa farming into a more sustainable livelihood option for rural

#### **Facts and trends**

- Today national cocoa production is around 270,000 MT, the nation's ambition is to lift this to 600,000 MT by 2020
- Cocoa yields lie around **350-450kg** of dry cocoa beans per ha
- Cameroon cocoa farmers population is almost 1,000,000 smallholder farmers having the habit of applying agroforestry and a multi-crop system
- About 42% of the total land area is covered in forest which is equivalent to roughly 20 million ha of land
- Deforestation rate is estimated to lie around 0.2% per year but this rate is expected to increase significantly over the coming years
- Considered a high forest cover country, Cameroon is the habitat for over 9,000 plant species, 910 bird species, and 320 mammal species

### entrepreneurial farmers

The Program aims to create a strong link between natural resources protection and production activities, in such a way that agricultural production can actively contribute to environmental protection and community livelihoods. This is what IDH call the Production, Protection and Inclusion (PPI) approach.

Below are examples of what the program could help achieve:

### **Sustainable Production**

The Program could focus on improving technical and financial support to young entrepreneurial cocoa farmers, while enhancing the quality of cocoa beans produced. Support packages could for example be developed and tailored to the capacities and needs of farming communities.

### **Forest Protection**

One of the objectives of the Program is to support the government efforts in forest restoration and the fight against deforestation, as part of its NDC and emission reduction plans (notably REDD+ strategy and the ER-P). The Program could focus on engagement of local cocoa producing communities on deforestation-free cocoa. A series of relevant measures will have to be identified at national and landscape levels to contribute to forest protection goals.



together possible



### **Social Inclusion**

Sustainable cocoa production, if well managed, can provide crucial employment and income to local communities, underpinning social and economic development. The Program could enhance community livelihoods through targeted support to cocoa farming, diversification of farming activities, as well as development of other sources of income.

### **Program high-level objectives**

- Eliminate deforestation from the cocoa supply chain
- Enhance traceability in the value chain
- Incorporate private sector contributions in the Cameroon REDD+ program
- Support the cocoa sector development, cocoa quality, and the next generation of cocoa entrepreneurs

### **Planning overview**

We envision that the work will start with a scoping phase, which will help select priority landscapes, identify opportunities, start mobilizing resources and kick start some on-the ground activities (such as setting up a local governance, developing land use plans etc).

It will be followed by project implementation – the exact activities are to be defined, but could involve the following:

- Development and investments in multi-stakeholder agreements at landscape level ("Production, Protection Inclusion Compacts").
- Rehabilitation and regeneration of cocoa plantations into diversified cocoa production systems;
- Land and forest restoration activities;
- Forest conservation activities;
- Forest law enforcement based on innovative and participative forest management approaches;
- Etc.

### **Program Scoping**

So as to further refine the GCLP plans, a two-phased scoping study is being carried out, to help select priority landscape(s) and define the detailed plans for the years to come.

# Phase 1 – Identification of priority landscapes and development of opportunity maps per landscape

This includes the identification of a maximum of 3 priority landscapes, where a more in-depth analysis of the main challenges that relate to sustainable production, environmental protection and social inclusion will be carried out. This will lead to the identification of possible strategies for these landscapes.

The steps will include:

- Definition of the municipality selection criteria;

- Organization of calls with key stakeholders to collect feedback and expression of interests on the municipality selection criteria;
- Organization of a meeting to run the analysis against agreed criteria and select the municipalities which will be the target of the fieldwork;
- Focussed preliminary analysis, interviews, and scoping in priority pilot municipalities;
- Development of an opportunity map and specific recommendations identified in the form of a Project Idea Note;
- Engagement of potential donors/investors;
- Organization of multi-stakeholder workshop to present the findings of the work and decide on the plans for Phase 2

### Landscape boundaries

The landscape boundaries will be based on jurisdictional units. Municipalities have been identified as the most relevant jurisdictional units, as they have an elected Mayor and councilors can engage with their constituents, plan and budget for local development, receive and account for public finance.

## Phase 2 – Full appraisal of potential Green Cocoa Landscape Program in the municipalities

Once a clear expression of interest has been secured from potential investors in the GCLP at the end of phase 1, more indepth plans will be developed, to support fundraising and future project implementation. This could include the following activities:

- A full appraisal of the GCLP initiative, including a theory of change / business plan and detailed descriptions of technical interventions, public-private financing arrangements across the various sectors that drive deforestation in the pilot municipality / jurisdiction.
- Development of local land use plans for each target municipality – including areas to maintain as forest, and areas for investment in sustainable intensification of agricultural production. This will require in-depth consultations with local communities to agree tentative future land uses.
- Design of a business model and investment framework, including performance-based incentive / private sector financing mechanism and innovative approaches to finance business transition to sustainability.
- A clear description of institutional arrangements in place for a long term GCLP initiative, and negotiation of a set of memoranda of understanding (MoUs) between the state, private sector, civil society and local government partners.



### Link to the Roadmap to Deforestation-Free Cocoa

In parallel, IDH is establishing a public-private partnership at national level through the roadmap to Deforestation-free Cocoa (DFC). The two programs are complementary:

- At national level: the Roadmap to Deforestation-Free Cocoa is a public-private-civil society partnership that aims to address cocoa-related deforestation and forest degradation in Cameroon, through the design and implementation of new policy instruments, guidelines and action plans.
- At landscape level: the Green Cocoa Landscape Program (GCLP), developed in collaboration with WWF, will support the creation of multi-stakeholder platforms at municipality level, that will define and coordinate implementation of action plans to foster sustainable cocoa production, protect and restore forests, and enhance community livelihoods. The municipalities selected for the GCLP will also be the preferred landscapes to pilot the policy reforms and actions designed through the Roadmap.

### A cooperation between IDH and WWF Cameroon

IDH, the Sustainable Trade Initiative, and WWF Cameroon are committed to collaborating on the program.

At first, they will jointly work on the scoping study, with IDH as lead convener and expert on the cocoa industry and WWF Cameroon as expert on forest, climate and biodiversity conservation. The roles and responsibilities of the two organizations will be further detailed based on the recommendations of the scoping study.

### Steps achieved

- Inception Workshop of confirmation of commitments (Sept 2018)
- ➤ LoI signed by Advans Cameroon, Barry Callebaut, Cargill/Telcar, Chocolaterie Alexandre, CICC, IDH, IITA, IRAD, Olam, REDD+, SNV, WWF (Sept 2018)
- ToR for scoping study published (Nov 2018)
- Consultancy selected (Early Jan 2019)
- Briefing calls on landscape selection criteria (Jan 2019)
- Field missions to potential areas (Mar-Apr 2019)

### **Next steps**

- Workshop to discuss findings phase 1 (2 May 2019)
- Fundraising (from May 2019 onwards)
- Project set up (Jul-Aug 2019)
- ➤ Implementation phase (2019-2021)

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