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Annual Progress Report 2023: Marks & Spencer

The Cocoa & Forests Initiative: Collective Action to End Cocoa-Related Deforestation

1) What is the Cocoa & Forests Initiative?

The governments of Côte d'Ivoire and Ghana and 36 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the [Cocoa & Forests Initiative](#) to end deforestation and restore forest areas. Their combined actions play a crucial role in protecting and restoring biodiversity, sequestering carbon stocks in West African forests, and addressing climate change in line with the Paris Climate Agreement. The Cocoa & Forests Initiative delivers on Sustainable Development Goal 13 (Climate Action) and 15 (Life on Land).

The Cocoa & Forests Initiative is a public private partnership based on frameworks for action ([Côte d'Ivoire](#) and [Ghana](#)) and action plans for the private sector ([Côte d'Ivoire](#) and [Ghana](#)) and public sector ([Côte d'Ivoire](#) and [Ghana](#)) that spell out commitments to:

- protect and restore forests,
- promote sustainable cocoa production and farmers' livelihoods,
- engage communities and boost social inclusion.

To learn more, follow #CocoaAndForests on social media, or visit [Cocoa & Forests Initiative](#).

The [World Cocoa Foundation](#) (WCF); [IDH, the Sustainable Trade Initiative](#); and the Governments of Côte d'Ivoire and Ghana **drive the** Cocoa & Forests Initiative. The Prince of Wales (now King Charles III) launched the Initiative in March 2017 and reviewed implementation progress in November 2018.

Deforestation of tropical rainforests is a major issue in Côte d'Ivoire and Ghana, which together produce nearly two-thirds of the world's supply of cocoa, the main ingredient in chocolate. [Côte d'Ivoire](#) and [Ghana](#) respectively lost 26% and 9.3% of their humid primary forest between 2002 and 2020, with a significant portion of deforestation attributable to cocoa farming expansion.

A comprehensive analysis is required to determine the exact contribution of cocoa production to deforestation. WCF, CFI members, and partners are working together on science-based methods to determine the share of cocoa production to overall



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deforestation rates with a high level of accuracy in cocoa producing countries. Data reliability and a good knowledge of the cause and location of deforestation is essential to develop effective and adequate mitigation measures and ensure that WCF members and partners are compliant with regulations such as the EUDR which will come into application in 2025.

Cocoa provides crucial income to communities in rural West Africa, but farmers are too often faced with poverty. Poverty is one of the causes of deforestation. Accelerating a transition to sustainable livelihoods is essential for farmers' economic security and a healthy planet.



2) What are the key commitments of the Cocoa & Forests Initiative?

The first priority is the protection and restoration of forests that have been degraded.

To this end, the governments 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. In 2019, the government of Côte d'Ivoire adopted and published a new forest code which, among other things, put forth policies for the promotion of cocoa agroforestry to restore degraded land, improve forest cover, and promote sustainable livelihoods and agriculture in the classified forests and rural zones. Both governments have shared maps on forest cover and land-use, and continue to update the maps, including socio-economic data on cocoa farmers, to inform private sector investments. Companies have made significant investments in the promotion of cocoa agroforestry and the restoration of degraded forests.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop traceability from farm to the first purchase point for their own purchases of cocoa. They also work with governments to ensure an effective national framework for traceability encompassing all traders in the supply chain and to anticipate forthcoming due diligence legislation. The companies will similarly share information with the national satellite monitoring platforms (in development) to effectively monitor progress on CFI, as well as proactively address threats of new deforestation.



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The next 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 are accelerating 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 are being accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agroforestry systems and shade-grown cocoa.

The final 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 have adopted social and environmental safeguards and are assessing and mitigating the social impacts and risks of any proposed land-use changes on affected communities.

3) Retailer Cocoa Collaboration Update

In 2023-2024 we have continued to work through the Retailer Cocoa Collaboration (RCC) to deliver the commitments of the CFI. The RCC aims to support existing industry efforts to drive improvements in the cocoa sector by working with major physical traders of cocoa to understand and assess their performance across issues which are key points of vulnerability for cocoa: deforestation, child labour, low productivity, poor working conditions and inadequate remuneration. Once performance has been assessed, the RCC is then able, on behalf of Members, to identify challenges within the cocoa supply chain and suggest areas for improvement.

In working pre-competitively in this way with other Members the RCC allows us to make common ‘asks’ of the cocoa traders in our supply chain – this is achieved through understanding trader performance against the criteria in the Trader Assessment. In addition to this, the RCC Trader Assessment encourages accountability and transparency of cocoa trader activity in relation to those issues which are endemic in the cocoa supply chain.

The collation, review and analysis of the trader responses to the Assessment is undertaken by 3Keel, who are on hand to support with the completion of questions, and who then finally verify and score responses.



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The RCC also supports reporting requirements for those Members who are signatories to the Cocoa and Forests Initiative.

a) 2023-4 Trader Assessment

In early 2024 the RCC carried out its fifth annual cocoa Trader Assessment – the 2023 Assessment, for the cocoa harvest year concluding in September 2023. The same nine traders were assessed as in the last 2 years to allow comparability of results. The topics assessed included deforestation, climate, labour practices and income, child and forced labour), but the RCC has undertaken considerable amounts of work to review and refresh the questions to ensure that they remain relevant and, where possible, aligned with the questionnaires for the Palm Oil Transparency Coalition, the Soy Transparency Coalition, and VOICE Chocolate Scorecard. Expert input was obtained from Mighty Earth and VOICE network to define the ‘critical issue’ questions to focus attention on when engaging with traders.

b) 2023-24 Trader Assessment public webinar and report

In May 2024 the RCC will host a public facing webinar to coincide with the publication of its first public facing Report. The intention with this work was:

- i) To share publicly findings on the broad trends and issues within cocoa sector
- ii) to hold the RCC accountable to retailers and traders for the assessment that it is making, and
- iii) to demonstrate the robustness and goals of the Trader Assessment process.

c) Looking to 2023 and beyond

Key areas of development for the RCC in 2024 and beyond is:

- i) Greater public engagement, building on already direct communication between traders and Members to increase transparency and information sharing
- ii) Facilitation of NGO upskilling sessions with relevant cocoa and advisory NGOs (VOICE Network and Mighty Earth specifically)
- iii) Assessment of trader proprietary schemes
- iv) The continuing alignment of the RCC Trader Assessment questionnaire with other industry questionnaires (eg. the Chocolate Scorecard) to streamline processes



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4) Marks & Spencer specific actions

As one of the most trusted brands on the UK high street, we have a responsibility to reassure our customers and key stakeholders that our products are sourced sustainably, with integrity. To do this, we must look beyond our operations to the wider supply chain, where the biggest impacts occur. Our comprehensive policies, codes of practice, and guidelines set out our minimum requirements for suppliers to adhere to, so that we can meet our commitment to customers to deliver products that are safe, legal, high quality and produced with integrity, while respecting planetary boundaries and the need for social equity.

Our goal is to ensure that 100% of our cocoa (by volume) continues to be sourced through sustainability schemes - a goal we first met in 2017.

We work with recognised schemes, such as Fairtrade, the Rainforest Alliance and Cocoa Horizons in order to achieve this goal. Through these schemes, we support the promotion of sustainable farming practices, improved productivity and community development. Our aim is to invest in schemes that help improve the livelihoods of cocoa farmers and their communities.

As part of our ongoing work to maintain our sustainable sourcing commitments for key raw materials, we are reviewing our approach to cocoa sourcing to ensure it remains relevant and reflective of best practice.

Our Sustainable Cocoa Commitment is as follows:

- We will source 100% of the cocoa (by volume) we use in M&S brand products from verified sustainability schemes by March 2017 (**Achieved**)
- We will engage in industry efforts to improve the sustainability of the cocoa sector through memberships such as the World Cocoa Foundation (WCF) and the International Cocoa Initiative (ICI) (**Ongoing**)
- In 2018, we also signed up to the WCF Cocoa & Forest Initiative (**Ongoing**)
- We will help encourage the engagement and action of cocoa traders through our work with the Retailer Cocoa Coalition (**Ongoing**)
- We will invest in programmes which enhance the lives of people in cocoa growing communities (**Ongoing**)