### **GREEN COMMODITIES PROGRAMME / Ghana**



### ENVIRONMENTAL SUSTAINABILITY AND POLICY FOR COCOA PRODUCTION IN GHANA

Create the institutional systems, tools and policies to conserve forests, and incentivize cocoa farmers to adopt environmentally friendly best practices





# Outcomes

- Strengthened environmental policies and institutions in Ghana's cocoa sector
- Improved
  livelihoods for
  cocoa farmers
  through increased
  productivity and
  sustainable
  management of
  farms
- Demonstrated landscape management approaches in cocoa producing areas
- Environmental sustainability mainstreamed into the cocoa production system

## In Focus

Ghana is the world's second largest cocoa producing country with annual exports in excess of 800'000 tonnes, or approximately 20% of global cocoa supply. Depending on fluctuating market prices, this represents export revenue of more than USD 2 billion, which makes cocoa Ghana's most important foreign income generators. The crop is produced by approximately 720'000 smallholder farmers in the rainforest regions of Ghana. Small farms, over aged cocoa trees and poor and unsustainable production practices keep farmers' yields and incomes low.

In addition, cocoa expansion in the country has happened at the expense of tropical forests, which have been deforested and converted to cocoa farms. Increasingly scarce, the survival of remaining forests depends on sustainable intensification of cocoa production on existing farmland. Throughout the world, cocoa production is usually a highly diverse agroforestry production system that is good for cocoa production while also protecting biodiversity and ecosystems. Cocoa in Ghana, on the other hand, is mainly monoculture that fails to protect soil and water resources and the country's rich ecosystems as well as to provide sustainable livelihoods for farmers.

### Partners

#### **Government:**

- Ghana Cocoa Board (COCOBOD)
- Ghana's Forestry
  Commission
- Cocoa Research Institute of Ghana

#### **Partners:**

- Mondelez Cocoa Life programme
- Cocoa farmers
- Care International
- VSO
- Worldvision

# Our Approach

Over the last decade, cocoa buyers and chocolate manufacturing companies have increasingly taken on a leadership role in confronting sustainability problems in their supply chains. The world's largest chocolate company, Mondelez, through its Cocoa Life programme is working with Ghana Cocoa Board as well as with NGO partners and cocoa traders, to address sustainability problems in hundreds of Ghana's cocoa-growing communities. The engagement of companies in the cocoa supply chain is a welcome complement to the efforts of Ghana Cocoa Board to help improve farmer livelihoods and environmental sustainability in cocoa landscapes. In the Environmental Sustainability and Policy for Cocoa Production project (ESP), UNDP is partnering with Mondelez' Cocoa Life programme to deliver environmentally friendly production practices to thousands of farmers and protect remaining forests against encroachment.



#### Who Owns the Trees?



Ghana's constitution says naturally occurring trees on a farm belong to the state, and not to the farm owner. The trees can potentially be sold and extracted by a third party, with considerable damage to the cocoa plantation. The fact that farmers see only risk and no benefit of tree ownership, has led many farmers to avoid trees on their farms and sometimes damage existing trees.

The ESP project is teaching farmers that they can have ownership of trees they planted themselves, as long as the new trees are properly registered with Ghana's Forest Commission, and it works to make this process as easy as possible. Teaching farmers the benefits of planting and owning shade trees can revolutionize cocoa farming in Ghana.

#### **Highlights**

The ESP project works to mainstream good cocoa production practices in Ghana's cocoa sector. It does this through:

**Strengthening policies and institutional capacity** to encourage farmers to adopt environmentally sustainable practices in the cocoa sector. One policy reform is to make it more attractive for cocoa farmers to plant and own trees on their farms.

**Demonstrating landscape-wide approaches:** while individual farmers can make a difference for themselves and the environment by adopting good practices on their farms, some problems should be solved at the landscape level. The ESP project will demonstrate community-based approaches to biodiversity conservation.

**Good environmental practices on farms** are not only good for wildlife, but will also improve the farms productive capacity and protect soil and water resources for future generations. The ESP project seeks to mainstream these practices into farmer training throughout the Cocoa Life program and in the training programs of Ghana Cocoa Board.

Tree planting on cocoa farms: agro-forests are beneficial for ecosystems and climate change, and the timber and tree crops produced are an important complement to cocoa farmers' income. The project supports farmers planting and conserving shade trees, diversifying farms to make them more resilient to the risk of cocoa pests and diseases.



#### Why UNDP?

The Green Commodities Programme, UNDP's initiative to mainstream sustainability in agricultural commodities supply chains worldwide, benefits from extensive experience in implementing activities in the field as well as building public-private partnerships to ensure efficient implementation of the ESP project in Ghana.



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