

GHANA COCOA BOARD



SUMMARY ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

11TH OCTOBER, 2018

1.0 SUMMARY

Ghana Cocoa Board (COCOBOD) commands the administrative powers to formulate appropriate policies to facilitate the production, processing and marketing of cocoa, coffee and shea in Ghana. The functions of COCOBOD include production, research, extension, internal and external marketing and quality control of cocoa.

The mission of COCOBOD is to encourage and facilitate the production, processing and marketing of good quality cocoa, coffee and sheanut in all forms in the most efficient and cost effective manner, and maintain the best mutual industrial relation with its objectives. However, some of our interventions could have adverse effects on the society and environment. This Environmental and Social Management System (ESMS) has therefore been developed to provide a structured framework for identifying and managing potential environmental, social, health and safety risks, impacts and opportunities of all operations in the cocoa sector. COCOBOD has provided the financial and human resources needed to successfully implement this ESMS.

2.0 INTRODUCTION

Ghana Cocoa Board has developed this Environmental and Social Management System (ESMS) based on AfDB requirements to identify and manage environmental and social risks and opportunities of its operations.

3.0 PURPOSE OF THE ESMS

The purpose of this ESMS is to provide a structured framework for identifying and managing potential environmental, social, health and safety risks, impacts and opportunities of all operations in the cocoa sector. COCOBOD is conscious of the need to carry out its operations in a manner suitable to maintaining the biophysical integrity and socio-cultural conditions to the benefit of all concerned and affected in society. As such, this ESMS outlines the environmental and social risks along the cocoa value chain. It presents management approach to safeguarding the environment, health and safety of individuals and their communities.

4.0 COMMITMENT

COCOBOD acknowledges that our vision ‘to create a modernized, resilient and competitive cocoa environment where all stakeholders strive towards a sustainable cocoa economy in which cocoa farmers and their communities thrive’, hinges on the design and implementation of an Environmental and Social Management System (ESMS). A system that is poised to ensure adherence to environmental and social protocols for a sustainable cocoa economy. It is our vision to ensure that the ESMS forms not only an integral part of our overall business strategy, but it also becomes a core part of the operations of our stakeholders in the cocoa value chain in Ghana.

COCOBOD Management is committed to adhere to this ESMS to ensure environmental and social sustainability within the organization and its operations.

5.0 RISKS ASSESSMENT AND IMPACT IDENTIFICATION

The anticipated benefits that will accrue as a result of COCOBOD's operations include: (i) Increase in direct and indirect employment opportunities and consequently household benefits; (ii) Enhancement of private sector role in Community Service Centres and input delivery to farmers (iii) Potential to increase cocoa productivity and sustain cocoa production; (iv) Enhancement of Climate-Smart Cocoa production to mitigate the effects of climate change (v) Facilitation of the formation of farmer co-operatives (vi) Increased and improved warehousing capacity (vii) Promotion of local consumption and boosting the health of the populace (viii) Improve livelihoods of cocoa farmers and other stakeholders and (ix) Promote trade activities which will further increase access to goods, services, technologies and knowledge.

Key production risks include accidents and staff safety, land tenure issues, pests and diseases, opposition to programmes, use of unapproved chemicals, drought/ dry spell, storms and stormy rains, deforestation, illegal mining, urbanization, bush fires, wild fires and floods and declining soil fertility, child labour issues and labour exodus from cocoa growing areas.

The marketing and economic factor risks include volatility in cocoa pricing, input pricing, counterparty risk, exchange rate risk, interest rate, smuggling / illegal cross border trade and logistics breakdown/ congestion.

The Administrative facilitation risks include equipment, machinery and vehicle risks, misappropriation of funds, operational premises risks, market regulation risks (social, environment, quality, residue levels, etc.) and policy risks (input policy, domestic processing policy, cocoa sourcing policy, land use policy, infrastructure policy, etc.)

Non-compliance risks include risks associated with sub-contractors not complying with COCOBOD's ESMS and applicable national and international requirements.

COCOBOD staff and sub-contractors responsible for project monitoring and visits could be exposed to health and safety hazards, risks and threats from unresolved grievances from communities and persons within the project area.

Risks associated with COCOBOD's pre-harvest activities are falling of pollens into the eyes of pollination workers, falls of branches while pruning, slipping on the ground, side effect of chemicals used, coming into contact with snakes and other dangerous animals, lack of or poor use of personal protective equipment (PPE), improper management of pruners, chainsaw machine and other devices used.

As regards to construction of warehouses, processing factories and boreholes, identified risks include electric shocks, slips, trips and falls from height, fire outbreak, poor security, improper management of heavy equipment and machinery, hand and power tools.

6.0 ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT PROCEDURES

The implementation of Environmental and Social Risk Management Procedures set out COCOBOD's arrangements and processes along the cocoa value chain. This is aimed at supporting the implementation of COCOBOD's ESMS. To ensure that identified and unidentified risks are detected and resolved, a set of environmental and social management procedures have been developed. These procedures are developed through screening for projects against the exclusion list, categorization of sub-projects based on identified risks, environmental and social risk appraisal, control and monitoring.

7.0 SCREENING AND CATEGORIZATION OF RISK

7.1 Screening of risk

Projects are screened against COCOBOD's exclusion list. This is reviewed by the ESMS Manager of COCOBOD.

COCOBOD's exclusion lists as outlined below is in conformity with the laws of Ghana.

- Production or trade in any product or activity deemed illegal under our laws or regulations or international conventions and agreements;
- Disputed properties.
- Production and activities involving harmful or exploitative forms of forced labor and/or child labor as defined by national regulations.
- Trade in radioactive materials, with the exception of medical materials and quality -control equipment where the radioactive source is trivial and adequately shielded;
- Production or trade in or use of unbounded asbestos fibers or other products with bonded asbestos as dominant material;
- Production or trade in pharmaceuticals, chemical compounds and other harmful substances subject to international phase-outs or bans, including pesticides classified as Class Ia (extremely hazardous), Ib (highly hazardous) or II (moderately hazardous);
- Production or trade of ozone-depleting substances subject to international phase-out;
- Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);
- Purchase of logging equipment for use in unmanaged primary tropical rainforests.
- Activities which leads to significant conversion or degradation of sensitive and critical habitat
- Activities which leads to significant alteration, damage, or removal of any critical cultural heritage

7.2 Categorization of risk

All identified risks and their associated impacts in the operational activities of COCOBOD are categorized according to the following criteria:

- **High Risk** – projects that are likely to induce significant and/or irreversible adverse environmental and/or social impacts, or significantly affect environmental or social components that COCOBOD or its development and financial partners deem sensitive.
- **Medium Risk** – projects that are likely to have detrimental site-specific environmental and/or social impacts that are less adverse. Likely impacts shall be few in number, site specific, largely reversible and readily minimized by applying appropriate management and mitigation measures or incorporating internationally recognized design criteria and standards.
- **Low Risk** – projects that are not likely to directly or indirectly affect the environment adversely and are unlikely to induce adverse social impacts.

7.3 Environmental and Social Risk Appraisal Procedures

Environmental and Social Risk Appraisal procedures will include carrying out due diligence on all operations and ensuring that subcontractors are conforming to all the policies of COCOBOD. The procedures will also ensure that all legal and binding documentations such as (deeds; certificates; licenses, permits) from all applicable regulatory agencies in Ghana, AfDB Environmental and Social safeguards requirement standards; International Labour Organisation conventions and other relevant policies of the Global Environment are being adhered to.

As regards to monitoring, verification and reporting, periodic field/site visits and assessment of activities shall be used to review and appraise all risks associated with the projects. This shall be done as follows:

- High risk projects - quarterly
- Medium risk projects - biannually
- Low risk projects - annually.

A technical review will be done with experts from COCOBOD and independent third-parties or both. A checklist of the procedures will be used to assess E & S performance and compliance with applicable requirement standards.

8.0 MONITORING AND SUPERVISION

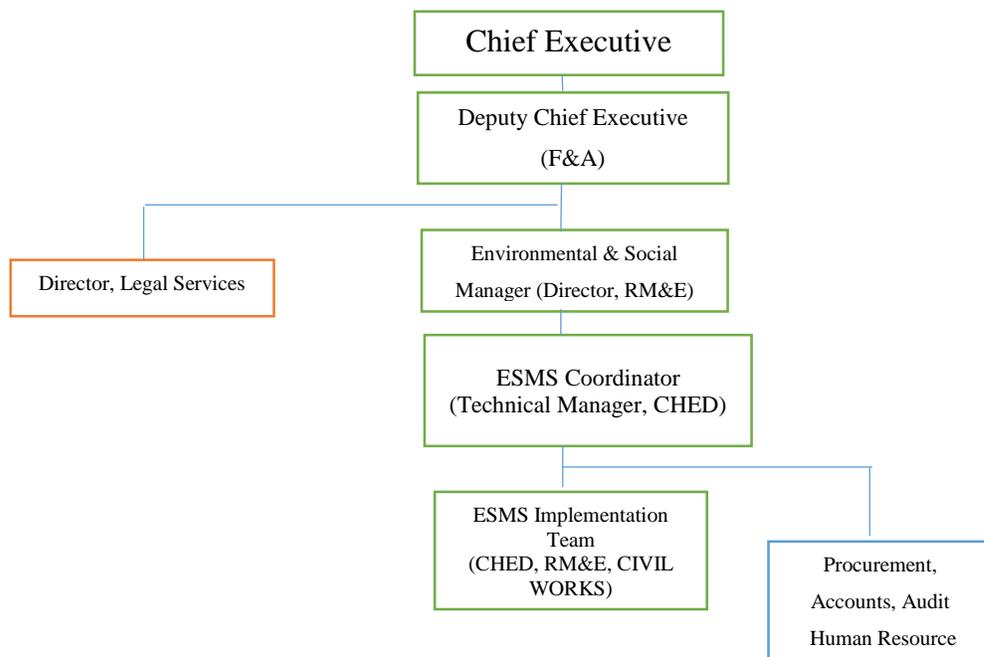
Information flow on the performance of our ESMP and an early warning mechanism is an important aspect of COCOBOD's ESMS. To this end, COCOBOD will put in place an internal environmental and social monitoring system which will ensure effective monitoring, reporting and review of the ESMS. The Environmental and Social monitoring system will be incorporated into COCOBODs existing monitoring and evaluation system. This will ensure that any gaps in the ESMS or its compliance are identified, documented and corrected. The outcome of the monitoring exercise shall form the basis for a review and improvement of the ESMS.

The environmental and social monitoring system shall be used to ensure that sub-contractors and service providers are complying with the provisions of COCOBOD’s Environmental and Social Policy, exclusion list and applicable requirements as stipulated in the ESMS and national regulations. Where there is non-compliance, corrective measures and remedial actions shall be put in place and these shall include ESAP to ensure conformance.

The ESMS team will be responsible for managing the environmental and social monitoring system. COCOBOD may solicit the services of Technical Experts/Consultants where necessary. The monitoring exercise will be carried out through field and site visits, interviews and meetings depending on risk categorization.

9.0 ESMS IMPLEMENTATION CAPACITY

The ESMS management structure is guided by the organizational structure of COCOBOD. The ESMS organizational structure is presented below;



In achieving the aims of the ESMS, COCOBOD will make use of its vast human resource. COCOBOD will promote and devote resources towards the development of required institutional capacity through the effective training and development of staff to facilitate the implementation of the Environmental and Social policy as well as the Risk Management procedures. COCOBOD will also engage the services of stakeholders and consultants where need be to bolster institutional capacity and technical support.

10.0 STAKEHOLDER ENGAGEMENT PLAN AND GRIEVANCE MECHANISM

10.1 Stakeholder Engagement Plan

COCOBOD's long standing relationship with its stakeholders which has been achieved through continuous dialogue is further enhanced with the development of a Stakeholder Engagement Plan.

Stakeholder identification has been carried out to identify the relevant stakeholders. This is aimed at communicating with them to know their concerns for the purpose of meeting their needs, addressing issues, resolving conflicts and achieving project objectives.

COCOBOD shall hold meetings with all stakeholders identified. This shall include roundtable meetings with specific stakeholders such as processing factories, agro-input suppliers, LBCs, NGOs, civil society organisations, development partners, and traditional authorities to get their buy-in and build consensus. Cocoa farmers and affected communities shall also be consulted through farmer durbars/rallies, town hall meetings, radio phone-in programmes to solicit their views and inputs from the design phase through to implementation.

COCOBOD will put in place an open channel of communication which will enable it to provide information about the projects and its potential impacts to the communities, as well as, receive their concerns.

The ESMS Manager may be contacted at all times on environmental and social issues pertaining to the implementation of COCOBOD programmes.

- In person (Room 112, Cocoa House, 41 Kwame Nkrumah Avenue, Accra)
- Telephone (0302-678-979)
- By post (P. O. Box 933, Accra)
- Email (research.department@cocobod.gh)

10.2 Grievance and Redress Mechanism

A grievance and redress mechanism will be established to provide a means for affected individuals and communities to raise environmental and social concerns related to the projects to be implemented by COCOBOD and receive response in a timely manner.

The grievance mechanism will be a four level process starting from Society level, District level, and Regional level through to the Head office at the National level.

This mechanism will be publicized and will apply to all projects covered under the scope of the ESMS. A complaint can be submitted at the society level in several ways;

- In person (CEA)
- A dedicated telephone (0302-678-979)
- By post (P. O. Box 933, Accra)
- Email (research.department@cocobod.gh)

All formal complaints can also be sent to the ESMS Coordinator by email (esmscoordinator@cocobod.gh).

Feedback on reported grievances shall be channelled through face-to-face interactions, leaflets, radio, durbars/rallies, farmer business schools, emails, phone calls and letters.

11.0 DISCLOSURE

COCOBOD will disclose its Environmental and Social Policy on its website (www.cocobod.gh) for access by the general public.

11.0 CONCLUSION

COCOBOD is committed to ensuring the adherence to environmental and social protocols for a sustainable cocoa economy. The ESMS has been put in place to provide a structured framework for identifying and managing potential environmental, social, health and safety risks, impacts and opportunities of all operations in the cocoa sector. COCOBOD will ensure that all projects undergo proper environmental and social management procedures to avoid and mitigate any environmental and social risks that may come up.