

Engagement with Overseas Suppliers

Supporting cocoa bean producers for sustainable procurement

Meiji Co., Ltd.
meiji

Building Partnerships through Support for Farmers

Since 2006, Meiji has been working to improve productivity, quality, and living conditions through a program called Meiji Cocoa Support (MCS) to support cocoa farmers, recognizing that supporting producers is important for the stable procurement of cocoa beans.

The program started in early 2000, when the consumption of chocolate in the world continued to increase and it was predicted that cocoa beans, the main ingredient, could be about one million tons short by 2020. On top of climate issues that affect the harvest of crops, the cocoa farmers lacked appropriate knowledge of cultivation techniques and had limited access to seedlings, fertilizers, and agricultural chemicals. As a result, production volumes fluctuated, making the lives of the majority of small-scale farmers unstable. For this reason, Meiji started to support farmers to produce cocoa beans efficiently and stably. Meiji is active in eight countries, including Ghana, which accounts for 70% of the cocoa beans Japan imports, and some Latin American countries.

Meiji places particular importance on listening to local needs in assisting farmers. When it

first started its activities in Ghana, local needs mainly related to developing infrastructure, such as making wells and mosquito nets. After addressing these initial needs, at least to a certain extent, the local community requested Meiji to support them to address issues that would directly lead to an increase in farmers' incomes. Currently, Meiji runs a model farm to provide training on cultivation techniques such as fertilization, pruning, weeding, and using pesticides to enable producers to increase yields. The company also provides training on health, safety, and the environment.

In Latin America, Meiji also provides guidance regarding fermentation to produce the high-quality cocoa beans necessary for Meiji's chocolate production. Through this support, farmers have the possibility to increase their



earnings and the company has secured a supply of high-quality cocoa beans to make its delicious chocolates.

In addition to obtaining information from local exporters and trading companies, it is very important for Meiji to understand what kind of support is really needed through repeated on-site visits and direct dialogue with producers. A Meiji manager has cooperated with local producers for many years, building partnerships with them and earning the trust of the local people in Ghana. He is now called "Chief" by the producers.



Contributing to solving local social issues through collaboration with stakeholders

Since suppliers of Meiji are mostly small-scale farmers and the composition of the group changes from year to year, it is difficult to quantitatively show an increase in production and farmers' income as a result of Meiji's support for local infrastructure and productivity improvements. However, Meiji observes how their lives have improved over the years by visiting their sites continuously. For Meiji, continuing support initiatives, including the provision of cultivation technology

and guidance regarding fermentation, has contributed greatly to the stable procurement of high-quality cocoa beans.

However, it is also true that there is a limit to what a single company can do to solve various problems in cocoa production. Therefore, Meiji has joined the World Cocoa Foundation (WCF) since 2006, in which more than 100 chocolate-related companies around the world participate. WCF's farmer support activities cover Africa, Central and South America and Asia, and it offers various programs to improve farmers' income and living conditions.

For example, the Cocoa Livelihoods Program for cocoa farmers in West Africa, where Meiji also participated, reported that from 2010 to 2013, the production yield of participating farmers increased by 29-55%.

In this way, Meiji has been working on issues related to the production of cocoa beans in various forms. In September 2018, Meiji formulated the Cocoa Procurement Guidelines in order to clearly express its policy of "ensuring an appropriate working environment that respects human rights" and "working to preserve environmentally important areas, including ecosystems and natural forests in cocoa production areas. "Meiji Cocoa Support (MCS)" program is regarded as one of its specific initiatives. In order to fulfill Meiji's responsibilities as a sponsor of the Tokyo Olympic and Paralympic Games, Meiji is committed to deploy the guideline and the MCS program across the Meiji Group, and to work on further collaboration with stakeholders.

NOTE



MNE Declaration
par.11, par.19, par.38



Related SDGs
Goal 2, 8, 17