



## Roadmap: Cargill

### Background

At the 2022 General Meeting of the German Initiative on Sustainable Cocoa (GISCO), it was decided that the preparation of individual roadmaps by each GISCO member and annual public reporting on commitments and milestones included in these roadmaps is a valuable and mandatory contribution to achieve [GISCO's objectives](#).

In addition to the monitoring and based on the [GISCO roadmap](#) which lists the goals, targeted indicators and recommendations for action of the German Initiative on Sustainable Cocoa on the focus topics of certified/independently verified cocoa, traceability, deforestation/agroforestry, child labor and living income, the members of GISCO draw up individual roadmaps on these focus topics, which are published on the GISCO website.

More information on the individual roadmaps can be found in the [background document](#).

### Commitments

- [Traceability](#)
- [Certification and independent verification](#)
- [Entwaldung/Agroforstwirtschaft](#)
- [Child Labour](#)
- [Living Income](#)



## Traceability

**Commitment:** 100% farmer-to-plant cocoa bean traceability in our direct supply chain and 100% chocolate ingredients sourced in line with our sustainability code of conduct by 2030. 100% polygon mapping of supply chains in the six countries from where we directly source cocoa by 2030.

**Milestone:** by year 2025, Cargill's direct sourced sustainable cocoa will have 100% Approved no-deforestation polygons, and 100% first mile digital traceability system (barcodes) back to farm level.

### **Challenge:**

1. **Technical capabilities for polygon mapping at scale** – we continue to invest in our capabilities with our implementing partners. Any sharing of best-practices by GISCO would be welcome.
2. **Farmer turn-over within cooperatives** – while companies operate sustainability programs, farmers are free to choose their route to the market. There remains ongoing turnover of farmers with specific supply chains. National systems would support ensuring farm locations can be accessed across supply chains.
3. **The pace of polygons on national cocoa traceability systems and database** – Cargill is heavily engaged in pre-competitive dialogue to encourage and share own experiences on traceability systems. Increased and coordinated support from the various ISCOs is needed to ensure a common, interoperable, and credible system is established.

## Certification and independent verification

**Commitment:** Cargill will continue to source third party certified and independently verified sustainable cocoa, according to market demand. Cargill has set internal targets to drive market conversion and uses this to encourage market adoption of more sustainable practices. However, this is ultimately at the market discretion

### **Challenge:**

1. **Consumer demand for sustainable cocoa-containing products is perhaps the single largest level for effecting change in this goal area.** GISCO's work to educate stakeholders in cocoa consuming countries such as public policy makers, civil society, and consumers on both the challenges that exist in the supply chain and how their purchase of sustainable cocoa can support better outcomes will help drive demand for more sustainable products on shelf.
2. **Harmonization of product and service solutions to marketplace.** The many standards, commitments, can make it challenging to operationalize and deliver cost efficient solutions to the marketplace, at scale. It's important to encourage harmonization of commitments and recognize standards across marketplaces.

## Deforestation/Agroforestry

**Commitment:** We commit to transform our agricultural supply chains to be deforestation-free, through prioritized supply chain policies and time-bound action plans.



**Milestone:**

**By 2025** all cocoa coming to the EU will be compliant with the EUDR (cut-off date December 2020). Cargill is committed to transforming our agricultural supply chains to be free of deforestation by 2030. Our Policy on Forests lays out our overarching approach to achieving this target globally across our priority supply chains. It is founded on our belief that farming and forests can and must coexist. We are delivering on our commitment through time-bound policies and action plans in our cocoa, palm, and soy supply chains.

Cargill is a CFI signatory. The CFI is a public-private partnership that unites 36 leading cocoa and chocolate companies, along with the governments of Côte d'Ivoire and Ghana, the World Cocoa Foundation (WCF) and IDH, the Sustainable Trade Initiative to end cocoa-related deforestation and restore valuable forest areas in those countries.

Please see the Cargill Policy on Forests at

<https://www.cargill.com/doc/1432136544290/cargill-policy-on-forests.pdf>

**Challenge:**

1. **Deforestation differentiation by supply chain difficult.** Need to continue working towards a national traceability system and deforestation risk assessment protocol. Increased and coordinated support from the various ISCOs is needed to ensure a common and high-performing system is established.
2. **Illegal deforestation by timber companies in certain regions, and unclear land tenure, makes farmers reluctant to plant trees for fear of their parcel being damaged or land being compromised.** On-going support to tackle root causes of deforestation through community education and national legislation for land rights should be prioritized by inter-company bodies and their technical assistance to origin governments.
3. **Clarity from origin governments on forested area definitions** – specifically around classified forest delineation (including clear datasets of forested areas), and definitions of agroforestry in forested areas.
4. **Harmonized risk monitoring systems are needed to ensure effective forest protection.** Per point 3, there is a need to continue to drive clearer definition of forest delineation and translate that into more harmonized risk monitoring systems. This will ensure that the industry has a consistent picture, but also that all contributing industries can have the same baseline.

## Child Labour

**Commitment:**

At Cargill we work to eradicate child labor from our operations and supply chains. We implement appropriately designed due diligence systems that are intended to identify, prevent and remediate child labor. We will not hire individuals under the legal working age or the mandatory age of schooling.

Human rights are fundamental at Cargill and our actions are driven by our values and our culture of putting people first, championing action and embracing our responsibility to protect people and planet. We are committed to respecting the human rights of all Cargill employees and all those whose lives and livelihoods we touch. Cargill complies with local laws and respects internationally recognized human rights throughout our own operations, supply chains and the communities where we do business.

Please see our commitment to human rights here:

<https://www.cargill.com/doc/1432136529974/cargill-commitment-on-human-rights.pdf>



**Milestone:**

**By 2025** 100% of our direct sourced sustainable cocoa will be covered by a CLMRS (Child Labor Monitoring and Remediation System) in relevant geographies (as defined by ICI).

Across the Cargill Cocoa Promise network, we work with partners to implement concrete measures to support communities related to addressing systemic root causes such as healthcare and nutrition, quality education, addressing child labor, and improving access to economic opportunities for women and youth.

**Challenge:**

1. **Producing country government capacity and access for social services can be strengthened.** Coordinated support from the ISCO community could support more capacity building for local government authorities to provide direct remediation where possible at a community level.
2. **Harmonized reporting requirements.** While progress has been made by ICI and other partners on harmonizing definitions, ongoing work is needed to support better harmonization in reporting requirements across the industry.
3. **Support on landscape approaches.** As companies explore ways to deliver services more effectively through landscape approaches, support from the ISCO community on creating conducive environments for discussion and pre-competitive collaboration will help accelerate this shift in delivery models.



## Living Income

**Note:** 2023, an examination under German cartel law took place on the question of whether individual roadmaps on living income may be drawn up and published. The Bundeskartellamt did not see the need for a detailed examination under cartel law on this issue. Based on the Bundeskartellamt's feedback, it was decided at the special General meeting on 17 June that members of member groups B and C would submit a roadmap on the topic of living income by 31 December 2024. Until then, commitments on living income can be submitted voluntarily.

### Commitment:

Cargill implements a series of holistic programs designed to sustainably increase the incomes of cocoa farming households, on behalf of or in collaboration with key customers. Examples include the Nestle Living Income Accelerator Program, and the Awale rural entrepreneurship program, funded by Cargill and our gourmet chocolate brand, Veliche. Cargill will continue to explore and grow its portfolio of programs to support farmer livelihoods and incomes.

Cargill's bespoke Farm Economic Model uses farm-level data collected during our farmer coaching survey, alongside literature-based assumptions to build our understanding of the income of households in the CCP, against benchmarks. We are planning to deepen this analytical capability, expanding the model to include producer segmentation and impact modelling, and investment recommendations, in partnership with IDH and our customers.

Cargill is an active member and funder of the Living Income Community of Practice and its Living Income benchmark research. The benchmarks are integrated into our internal analytical and reporting frameworks.

### Challenge:

1. **Harmonized understanding of Living Income.** There continue to be different conversations about the calculation of living income – the more the definition and approach can be standardized, with the support of the ISCOs, the more focus can be given to the development of programs and policies to support raising farmer income.
2. **Strengthening rural economic environments** – cocoa farming households will need to generate revenue from multiple sources. Technical capability building, access to market and other productive resources will be necessary. It will be important there are clear rural action plans to strengthen economic activity across a variety of areas.
3. **Appreciating the need for holistic solutions** - Living income is a household concept, taking into consideration the contribution made by all members of the household, both on and off the farm. In this way we can engage around multiple inter-related factors that play a role in improving livelihoods – not just questions of price and productivity.