

Bonsucro Standard Revision Inaugural Meeting Day 1, Thursday 18 July 2019

LAUNCH OF STANDARD REVISION

*Antitrust statement was read.

Danielle Morley presented the mission and vision of Bonsucro and highlighted how the Bonsucro Production Standard linked to the Bonsucro Strategy and the Theory of Change. Danielle particularly highlighted that the Standard is our definition of sustainable sugarcane and is at the heart of what Bonsucro does. It forms the basis of our certification system and our improvement programmes.

WG INTRODUCTIONS

12 Working group members were present:

• Alex Bjork	• Damien Sanfilippo (replacement TAB representative)	• Christina Lopez	• Danielle Lima
• Ilana Weiss	• Luiz Iaquina	• Francois Regis Goebel	• Miguel Tejada
• Nitin Kayande	• Olivia Scholtz	• Robert Quirk	• Ruth Asmon

2 Working Group members were present via teleconference:

• Pat Brenchley	• Marina Carlini
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1 Working Group member was not able to attend, Kendyl Salcito.

From the Bonsucro Staff those participating in the meeting were:

Participating

• Danielle Morley, CEO	• Nicolas Viart, Director Standards & Innovation	• Nahuel Tuñon, Standards Manager
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Observing:

• Jessica Cochrane, Regional Coordinator, SADC	• Livia Ignacio, Regional Coordinator, Brazil	
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STORY OF THE BONSUCRO PRODUCTION STANDARD AND ITS SUCCESS

Nicolas presented the history of the Bonsucro Production Standard, first developed in 2011 and revised in 2014. Since 2011, there has been more than 100 certified mills and more than 4mt of sugar has been certified annually.

In 2018 Bonsucro released the Bonsucro Production Standard for Smallholder farmers which is expected to increase uptake of certified mills in countries with a large supply of cane coming from smallholder farmers in the next few years.

Nicolas also presented the highlights from the latest [Bonsucro Outcome report](#) and lessons from his own experience on what the success of the Bonsucro Standards has been. Particularly,

- Bringing Quality Management procedure (H&S, EIMP) to cane extension teams.
- Introducing a culture of data collection and continuous improvement
- Reduction of use of agrochemicals, GHG emissions and water

There are also areas that the Standard could do well to improve, for example:

- Social indicators are under scrutiny
 - Particularly the provisions for new forms of forced labour, gender inclusion, treatment of migrant labourers and living standards
- The Standard does not provide enough guidance to support implementation of concepts such as FPIC, HCV, etc

Nicolas also presented the future trends in both sugarcane and the field of sustainability, for example:

- Alignment with voluntary guidelines and due diligence frameworks
- ISEAL members are reflecting on rights-based approaches
- Moving out of an operator centric approach to look at issues at a landscape level
- ISEAL are encouraging Standards to move towards an outcome-based standard

- GM sugarcane will start to become commercially available very soon
- Growth of sugarcane by-products (bioplastics, electricity, etc)

Finally, Nicolas also presented findings from an analysis of certified mills non-conformity analysis. The main findings are:

- There are 7 indicators (all non-core) that have less than 80% compliance rate
- Some evidence of mills correcting their non-conformities but other cases of mills having the same non-conformities year on year
- 7 Indicators are (GHG x3, mill efficiency, fields PH samples, vocational training)

PROJECT PLAN

Nahuel Tuñon presented the Project plan for the Standard Revision, including objectives, milestones, deliverables, next steps, roles & responsibilities, governance and resources available.

Particularly noteworthy is that Bonsucro has a Standard Development & Revision Procedure, which is in line with the ISEAL standard setting code. ISEAL verifies our procedure and ensure we follow it. The core tenants of the Standard Revision Procedure are to ensure a representative and informed consultation process and clear and credible decision-making procedures.

The objective of the Standard Revision is to revise not only the Bonsucro Production Standard but also the Guidance document and the Bonsucro calculator. The review of the Standard will look to:

1. **Rectify existing gaps in the current Bonsucro Standard** (for example the R&D indicator is hard to comply with)
2. **Incorporate new indicators that are not covered in the current version.** Examples could be gender, soil carbon capture, etc.
3. **Provide more guidance on how to comply and what constitutes good practice.**
4. **Explore amendments to the structure the Production Standard.** For example, do we want to show continuous improvement, even after certification, do we want to focus on the area outside the unit of certification or do we want to ensure that KEY elements are compiled first.

The timeline of the project is expected to last around 2 years; however, the first draft of the Bonsucro Production Standard should be available by March 2020.



Nahuel also explained the approval process for the Bonsucro Production Standard.

1. The Standard Revision Working Group (SRWG) will develop & approve draft versions of the Standard
2. The Technical Advisory Board (TAB) will review and approve that the Bonsucro Standard Revision Procedure has been followed.
3. The Members Council (MC) will approve the content of the Standard
4. The Board of Directors (BOD) will also approve the final version of the Standard

TRAINING ON BONSUCRO

Nicolas gave a basic training on the Bonsucro Production Standard and the certification system to all members of the Working Group.

There was some discussion on particular indicators between the Working Group members and Bonsucro team.

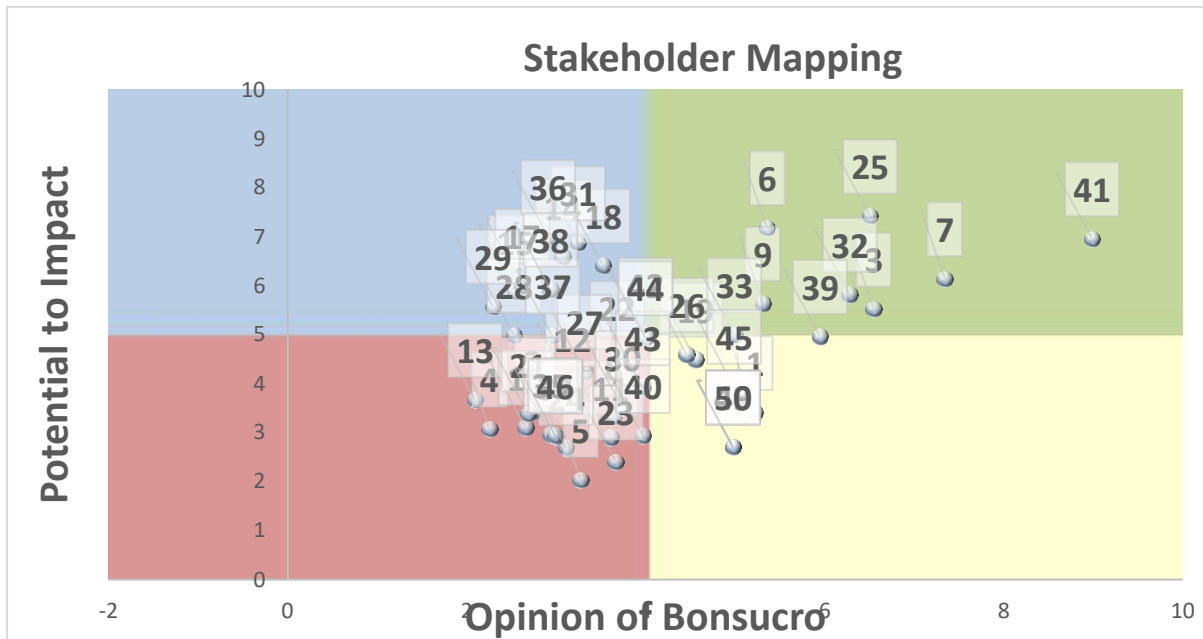
- ***Agrochemical***
- ***Soil***
- ***Drinking water***
- ***Law***
- ***HCV***
- ***Core/non-core***
- ***Working hours***
- ***Stakeholders***
- ***WG***
- ***Burning***

STAKEHOLDER MAPPING

In line with the Standard Development and Revision Procedure, Bonsucro has to develop:

- A list of sectors that have an interest in the standard including key stakeholder groups within those sectors
- Identify under-represented or disadvantaged stakeholders and an engagement plan with them

In order to support these objectives, the WG assisted in the creation of the stakeholder mapping for the Standard revision.



- **Next steps** – need to know/ identify stakeholder (producers, buyers, Civil Society Organisation, Non producing Stakeholders) that are both instrumental to the success of the standard revision and those that will be negatively affected by it. The secretariat will devise consultation targets to ensure that affected stakeholders will have opportunities to comment.

PRE CONSULTATION SURVEY

Nahuel presented the findings of the pre-consultation survey, a membership wide survey on attitudes towards potential changes to the Production Standard. The survey has 3 parts:

1. Changes to the structure of the standard
2. Potential new criteria's / indicators
3. Current indicators that need revising

1. Changes to the structure of the standard.

Q – Should the Standard Revision Look at breaking down indicators into separate elements to facilitate phased implementation? (Y/N) For example, producers have 2, 3, 5 years to become compliant on certain indicators. Including the most critical.

Clear Theme from survey comments received: Critical indicators must be applied at initial certification (Law and social). If there is to be phased implementation, it should be clear which indicators an operator is complying with at any given stage (publicly) and must apply to non-core indicators only. This approach can increase the uptake of certification; however, it can also weaken the standard.

Q – Should the Standard Revision look to apply critical indicators in the whole supply area of a certificate holder?

Clear Theme from survey comments received: There would be a clear benefit to this, however, will be very difficult to implement, especially with independent farmers that supply to a mill. There are some indicators in which this could work: Law compliance, deforestation, banned agro-chemicals, forced & child labour, etc.

Q – Should the Standard Revision look at incorporating improvement as a requirement. (Y/N)

Clear Theme from survey comments received: There was some confusion how this indicator would work. In some instances, there are limits to how much can be improved, especially in the agriculture side. This could benefit continuous improvement and demonstration of impact, which is the basis of our Theory of Change.

Q – Should the Standard Revision look to incorporate risk-based application of Standards? (Y/N)

Clear Theme from survey comments received: Risk Based application of standards is important, yet national interpretations are preferred. Questions on how the risk analysis will be done, checked and the ability of the operators to do them correctly.

Q - Should the Standard Revision be aligned with established guidelines?

Clear Theme from survey comments received: Important to make sure there is alignment between the guidelines, local legislation and the requirements of the main buyers.

The second part of the survey focused around new indicators / themes that apply to the whole of the supply area. The top answers were:

Social	Environmental
Forced Labour	Water
Living Conditions for workers / communities	0 deforestation
Living Wage	Climate resilience

The third part of the survey as to identify the indicators which need improving in the current standard, see below the results from the consultation.

Principle	Indicator	Change in content	Change in metric objective
1 – Obey the Law	National law	X	

2 – Social sustainability	Accident frequency	X	X
	% staff trained in Health and Safety	X	
	Working hours lost	X	
	Maximum hours of work	X	
3 – Efficiency of operations	Yield of production	X	
	Net GHG emissions for cane production		X
4 – environmental sustainability	Environmental Plan	X	X
	Ratio of N and P fertilizer	X	X
	Agrochemical applied by hectare	X	X
5 – Continuous improvement	Vocational training		X
	% ground cover with top and leaves after harvest	X	X
	% area mechanically tilled	X	X
	% field with acceptable pH value	X	X
	Investment in research and extension	X	X
	% project involving stakeholders	X	X

CHANGES TO THE STRUCTURE OF THE PRODUCTION STANDARD:

On the first part of the pre-consultation survey, the changes to the structure, Nahuel presented examples of how peer standards use the different elements presented. This analysis looked at 4 peer standards, Fairtrade, RSPO, BCI and Rainforest Alliance.

Applying critical indicators to the whole supply area:

VSSs	Indicators	Suppliers in UoC	UoC's sub-contractors	Suppliers outside UoC
RSPO	legal compliance	X	X	

	all contracts have HR commitments	X	X	X
	mapping of suppliers	X		X
	land right	X		X
	legal source of FFB	X		X
Bonsucro	legal compliance	X		
	ILO rights		X	Alert
	Land right	X		
FSC	legal compliance	X	X	
	all contracts have HR commitments	X	X	
	land right	X	X	
	legal source of wood	X		

Introducing Stepwise to the Standard

	Core requirements	Improvement
Bonsucro	immediate	N/A
Rainforest Alliance	Immediate	Compulsory improvement (for low risk no need to demonstrate improvement) Time bound to move to next level
BCI	Some indicators to be immediately implemented	Link to reward

Introducing improvement within the indicators.

There are currently no schemes using this approach.

Introducing a risk-based approach:

Rainforest Alliance has set that improvement on core indicator in area of low risk doesn't have to be demonstrated



Comment: Units who can demonstrate they are low risks on core indicators can be exempt from those indicators. But then the burden is on the auditors to get sufficiently informed to make a decision about what are risks areas or not.

ISSUE SCOPING

The Working Group reflected individually on the changes they would like to amend to the production standard. They did this by writing down on

post-it notes. Later they placed them on a matrix with the axis labelled Impact & complexity. The post-it notes will form the basis of the initial changes to the Production Standard.

END OF DAY ONE

Bonsucro Standard Revision Inaugural Meeting Day 2, Friday 19 July 2019

RECAP OF DAY 1

- Re-capped on day 1. Went very well. Recapped on Bonsucro and the bigger picture/issues – to give context for the standard revision.
- Did a stakeholder mapping to see key influencers and who is affected.
- Did a matrix of “complexity to develop” x “impact” – for new items or amendments to standard, to help identify the key items to prioritise in the revision process. We can then target the easy and high impact items first.
- WG said that must be mindful of the “real world” and that the standard should serve farmers and will work and be useable in practice.
- Desired outcome is to finish the day with a common understanding of definite next steps.

STANDARD REVISION ToR

Nahuel took the working group (WG) through the ToR which included:

- Target outcomes
- Governance rules and guidelines
- Communications policy – publish all minutes unless explicitly asked by the WG not to. Ultimate goal is to make the process transparent.

Discussion ensued around nomination of chair and vice chair. Christina nominated herself as Chair. And Pat as vice chair. The WG endorsed these nominations and the Christina and Pat were duly appointed.

REVISIT PRIORITISATION MATRIX (CONT.)

To begin, there was a preliminary discussion on the issues raised yesterday: their categorisation into broad areas (agro-technical, health and safety, etc.) and brief discussion around which should definitely be high priority items. The WG further refined the “matrix” of changes and grouped the post-it notes by categories. Clear themes or groups emerged (see below with the associated post – it notes)

Agro – Technical	Human Rights
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<ul style="list-style-type: none"> • Fertilizer use and how to reduce the amounts • Sub – surface application of N • Technical agronomic approach • Water management • Improve the yield objective indicator • Water security / access to clean water for local communities • Regeneration of degraded areas • Impact of pesticides on soil / water • Improving soil carbon and soil content • Require soil analysis (PH/ others) • Review use of ripeness (glyphosate and others > indicator / impact • Encourage the reduction of cane burning • Encourage farmers to be climate resilient • How to increase soil PH • Refine pesticide use to include toxicity • Impact measurement / evaluation of pesticides on biodiversity • IPM 	<ul style="list-style-type: none"> • Toilet Facilities available for <u>all</u> workers (gender) • Incorporate Gender into the Standard • Control of disciplinary measures (framework communicated and [sic] • Grievance mechanisms for direct & indirect workers • Working hours & pay according to actual hours • Pay rates in developing countries (when minimum wage is not enough) • Living wage • Payment of workers • Include a policy on human rights • Human rights based on U.N.G.P • Improve forced labour guidance on migratory labour • Worker representation on committees (50%)
<p>Guidance & Calculator</p>	<p>Health & Safety</p>
<ul style="list-style-type: none"> • Law compliance definition and guidance needs to be improved (applicable law types) • Calculator: how to deal with farms that supply to different certified mills • M.P.A Define better • Structure. Management. Importance. • Fix the calculation for R + D indicator • How to comply with contracts indicator • More explicit distinction between workers (eg. Factory, field, tech, management, contractors) • Better explanation for indicator on cane area expansion (ESIA) • More guidance on calculator • Improve guidance overall • Review the waste categories indicator and provide better guidance • Include a principle on Quality Management System <p>Misc</p> <ul style="list-style-type: none"> • Alignment of Renovabio with EU - RED 	<ul style="list-style-type: none"> • Clear criteria for water quality & amount provided to workers • Maximum working time – more clarification • Contingency plans / emergency response / evacuation / fire / first aid • Inclusion of heat as a risk factor in the H&S plan • Mechanism of control of working hours and rests (max 12 hours day / 48 hours week / 60 including over time / 1 weekly rest day) • Water rest shade • Annual training plan (induction training – retraining according to risks, linked to work being carried out • Specific guidelines for manual labourers • Incident reports instead of accident reports.

Leadership / Strategy (structure)	Natural Ecosystems
<ul style="list-style-type: none"> • Core indicators – prioritize which can have higher % compliance in whole supply area • Application of methodology of context analysis and identification and stakeholder engagement with prioritization according to impact • Sustainability policy • Increase supply area to unit of certification • Explore a risk-based approach • Consider how to apply the standard outside the reach of the best mills • Incentives to comply with the standard / business case • Certification of organic sugarcane • Certification of GMO-free cane? 	<ul style="list-style-type: none"> • 0 deforestation • Risk based approach to natural ecosystems • Change the scale of applicability to field to landscape • Water stewardship • Landscape climate resilience

The WG emphasised that it is important that we have clarity on what our powerful stakeholders are prioritising and that this is borne in mind during the revision process – and that, if in line with Bonsucro strategy, it is reflected/incorporated into the revised standard.

These broad areas were reformed as sub-working groups and members for each of these subgroups agreed were as follows:

Agro Technical	Health & Safety	Natural Ecosystems	Human Rights	Structure & Management * (TBC)
Regis Luiz Danielle Nitin Robert Quirk Marina Pat Miguel	Ilana Christina Luiz Kendyl Ruth	Olivia Regis Miguel Robert Alex Pat	Ilana Christina Ruth Marina Kendyl	Christina Miguel Ilana Olivia Danielle Nitin Ruth Alex Pat

* General point raised was that the standard needs to be self-consistent and holistic – hence this area listing. And that although not explicitly listed, water and GHG will be important issues to consider and impact on all the broad areas listed above.

It was also question if the Structure & management team should be comprised of WG members or it should be for the Bonsucro Secretariat to lead on only. It was agreed that the secretariat will lead the work on the Structure & Management team for the moment.

The Sub Groups then further refined the post it notes and defined the priorities for each of the sub working groups. These further priorities would each be the title of a “scoping template” a document designed by Bonsucro that will enable the sub – working group to work out a solution to each proposed change. The priorities are defined below.

Agro Technical	Health & Safety	Natural Ecosystems	Human Rights	Structure & Management * (TBC)
IPM	Emergency response	Land Conversion	Land Rights	Quality management principle
GHG	Maximum hours including rest period	Water stewardship	Labour Rights / Policies (UNGP)	link to the strategy of Bonsucro
Soil	training	Climate resilience	Discrimination policies including gender	alignment to accountability frameworks
Water	purchasing / sub-contracting policies	HCV	Pay rates & living wage	Value proposition of Bonsucro
Agri - Recommendations	water rest shade		Living / Working conditions	Link to the Code of Conduct
GM / Organic			Grievance mechanisms	

INTRODUCTION TO THE REVISION SCOPING TEMPLATE

The WG broke into two groups (Agro Technical and Human Rights) to work on completing the templates. The WG then then broke into the other 2 groups (Natural Ecosystems and Health & Safety) to work on completing the templates.

Human Rights notes: key topics discussed included discrimination (including necessity for anti-discrimination policies), labour rights, gender (which it was noted was really cross-cutting, e.g., it finds its way into land rights issues), forced labour (including associated manifestations such as poor working hours, accommodation and retention of wages in certain circumstances), child labour and land rights (upon which some very formative thoughts were advanced on how this could be incorporated into the standard, i.e., a signed affirmation).

Agro-Technical notes: key topics discussed included IPM and agrochemical toxicity, better guidance for IPM implementation, regional diversity in ability to comply the agro-chemical requirements, way to qualify and measure soil health and soil fertility, inclusion of a crop rotation requirement, exchange of information on what a minimum requirement would look like.

Due to time constraints the templates were not able to be completed. The secretariat agreed to complete these templates (1 for each of the priorities defined above) from the information gathered

during the meeting. The sub-working groups would then refine the templates and keep working on them throughout the development phase with the help of Bonsucro.

END OF MEETING

Annex 1 – Objectives and Agenda

Objectives of the meeting

- Form “Group” - foster ownership and leadership for the project and trust amongst the group members
 - Define the TOR of the WG:
 - Outline the goals, objectives, milestones, deliverables, steps, etc
 - Make everyone aware of the Roles of Responsibilities (WG, Secretariat, governance, etc)
 - Outline critical success factors
- Write TOR for Standard Revision
 - Priorities that the WG will focus on
 - Issues that the Standard Rev will tackle
 - Identify resources for each priority identified
- Summarize priorities and initiate work
- A clear road map on how to revise the standard and agreed next steps.

Time	Agenda Item	Responsibility
09:00 – 09:15	Launch of Standard Revision – Highlight the mission and vision of Bonsucro, TOC, link to strategy, what we want to achieve, our expectation from the WG members Expectations	Danielle Morley – NT to discuss with DM if any slides or preparation is needed.
09:15 – 09:35	WG member Introductions	
09:35 – 10:00	Story of the standard and its successes – <i>setting the scene</i>	Nicolas Viart
10:00 – 10:45	Project Plan – presentation of the objectives, milestones, deliverables, next steps, R&R, Governance, tools & resources at their disposition	Nahuel Tunon – <i>Presentation</i> <i>Note taking: James Jones</i>
10:45 – 11:00	Tea Break	
11:00 – 11:45	Refresher Training – Ensure all participants are fully aware of the Bonsucro Certification System	Nicolas Viart – <i>Presentation</i>
11:45 – 12:30	Stakeholder Mapping – under represented stakeholders, unintended consequences, groups affected by the SR, High level. Have template prepared.	DM – <i>Facilitation</i> <i>Note taking: James Jones</i>
12:30 – 13:30	Lunch (re-cap after lunch)	

13:30 – 14:30	Pre-Consultation Survey – Present the findings from the pre-consultation surveys and some of the things we want to work on	Nahuel Tunon – <i>Presentation</i> <i>Note Taking: Alan Ward</i>
14:30 – 15:00	Changes to the Structure of the Standard – discussion on potential structural changes to the Standard. <ol style="list-style-type: none"> 1. Applying critical indicators to the whole supply area 2. Introducing Improvement to the Standard 3. Step-wise approach to indicators 4. Risk Based approach 5. Jurisdiction Approach? <i>Prepare presentation on these five items and comparison with RSPO, FSC, RA, BCI</i>	Nicolas Viart – Presentation & discussion <i>Note taking: Alan Ward</i>
15:00 – 15:15	Tea Break	
15:15 – 15:45 (more time)	Identification of interests of the WG – Blitz (10 minutes) Discuss in groups of 3 (20 minutes) & stick on board	<i>Idea generation session - Nahuel prepares topics that may not be covered</i>
15:45 – 17:15 (more time)	Revision Prioritization Matrix – discuss the matrix of changes in order to start to discard, group or assign WG expertise to the major topics	Nahuel Tunon – Facilitation <i>Note taking: Alan Ward</i>
17:15 – 17:30	Summary of Day 1	Danielle Morley or Nicolas Viart
19:00 – 21:00	Group + Team social dinner – details TBC	
09:00 – 09:15	Recap of Day 1	Nicolas Viart or DM
09:15 – 09:45	Standard Revision Terms of Reference Go through the Standard Revision TOR and discuss the points where we need input from WG (Chair, Vice chair, attendance, replacement, etc)	Nahuel Tunon – Presentation Note taking: RS
09:45 – 10:30	Revisit prioritization matrix – discuss the matrix of changes in order to start to discard, group or assign WG expertise to the major topics	Nicolas Viart – Facilitation <i>Note taking: CW</i>
10:30 – 10:45	Tea Break	
10:45 – 11:15	Introduction to the revision scoping template – Go through the revision template and explain how it will be used	Nahuel Tunon – demonstration <i>Note taking: CW</i>

11:15 – 11 - 45	Resource identification – as a group discuss identify different resources (avenues, consultations, thoughts) on how to achieve our goals	Nahuel Tunon – presentation & discussion <i>Note taking: RS</i>
11:45 – 13:00	Issue scoping – In sub groups, discuss the different topics and start scoping out the work ahead	Group work – Facilitation 4 facilitators NT,NV,RS,DM
13:00 – 14:00	Lunch (recap after lunch)	
14:00 – 16:00	Issue scoping – In sub groups, discuss the different topics and start scoping out the work ahead	Group Work – Facilitation 4 facilitators NT,NV,RS,DM
16:00 – 16:30	Bring it all together – summarize the issues we want to focus on, the resources we will use and the avenues to achieve the changes. Here we should have the TOR and the roadmap for the Standard Revision	Nicolas Viart – summary Note taking RS
16:30 – 17:00	Next steps – define the next steps, roles and responsibilities and communication with the wider stakeholdership. Expectations	Nicolas Viart – summary Note taking: RS
17:00	END of meeting	