

SUSTAINABLE SUGARCANE CHANGING FOR GOOD

**BONSUCRO STRATEGIC PLAN 2021-2026
SUMMARY VERSION**



Bonsucro Strategic Plan 2021-2026
May 2021

Bonsucro is the leading global sustainability standard for sugarcane and its many derivatives.

Our core purpose is to accelerate the sustainable production and uses of sugarcane.

This summary version of our 5-Year Strategic Plan sets out our ambitions and commitments for the evolution of one of the world's most important crops.

You can find the full version here, with more detail on the sugarcane sector and future trends as well as our plans to implement the strategy.

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FOREWORD

STRENGTHENING OUR
COMMITMENT TO
SUSTAINABLE SUGARCANE

This is the strategic plan for Bonsucro for the five years from April 2021 to March 2026. It sets the direction for a critical period in shaping our sector's contribution to the UN Sustainable Development Goals.

Over the past 15 years, our Board, members, Secretariat and partners throughout the world have helped make Bonsucro a global force for sustainability in the sugarcane world and beyond. We have a strong track record both as a voluntary standards system and as a convening organisation to address critical sustainability challenges and opportunities for the sector.

This Strategic Plan sets out our ambitions and commitments and use of resources for one of the world's most important crops.

It reflects our confidence in the future of sustainable sugarcane and in the contribution that Bonsucro will make for the benefit of all our stakeholders.

Sugarcane has an essential and positive role to play in the world's economic and environmental future. Grown in more than 115 countries and essential to the economy of many, the sector generates employment and income for millions of people. While we must address many complex issues, the long-term prospects look positive for sustainably produced sugarcane and derivatives.

GLOBAL COMMUNITY

In this five-year period, we will continue to accelerate change through our global community of more than 260 members in over 50 countries, from all components of the sugarcane supply chain, from farm to end user and civil society organisations.

We recognise the essential role that our certified mills and farms will play in the realisation of this strategy, and we appreciate how much they have already achieved in demonstrating the value and effectiveness of Bonsucro certification.

We also recognise the commitment of end users to create demand and incentivise change along the supply chain.

We have developed this strategy collaboratively, as we do everything in Bonsucro, supported by a Steering Committee drawn from the Board and the executive leadership, and engaging our staff, members and partners around the world.

In working on this plan, we have been mindful that COVID-19 will have a profound effect on our sector through 2021 and beyond.

At the same time, the pandemic has reminded us that all planning is subject to unforeseeable challenges and that any strategy needs to be robust and ambitious, but also agile and adaptable.

SCALE & IMPACT

We will build the scale and impact of our organisation through continued growth in our financial and human resources.

We have set out clear plans to grow our membership, expand our programmes and improve both effectiveness and efficiency.

Our nine-month strategy development process has coincided with our latest revision of the Bonsucro Production Standard (BPS). This is a separate consultative exercise with its own governance, and the revised Production Standard will support delivery of this new strategy.

A POSITIVE FUTURE

We approach this next phase proud of our achievements to date, aware of where we need to be flexible and do more and better, and confident that we have a unique and important part to play in the global drive to sustainable agriculture.



Jean Claude Autrey, Chair
Danielle Morley, Chief Executive

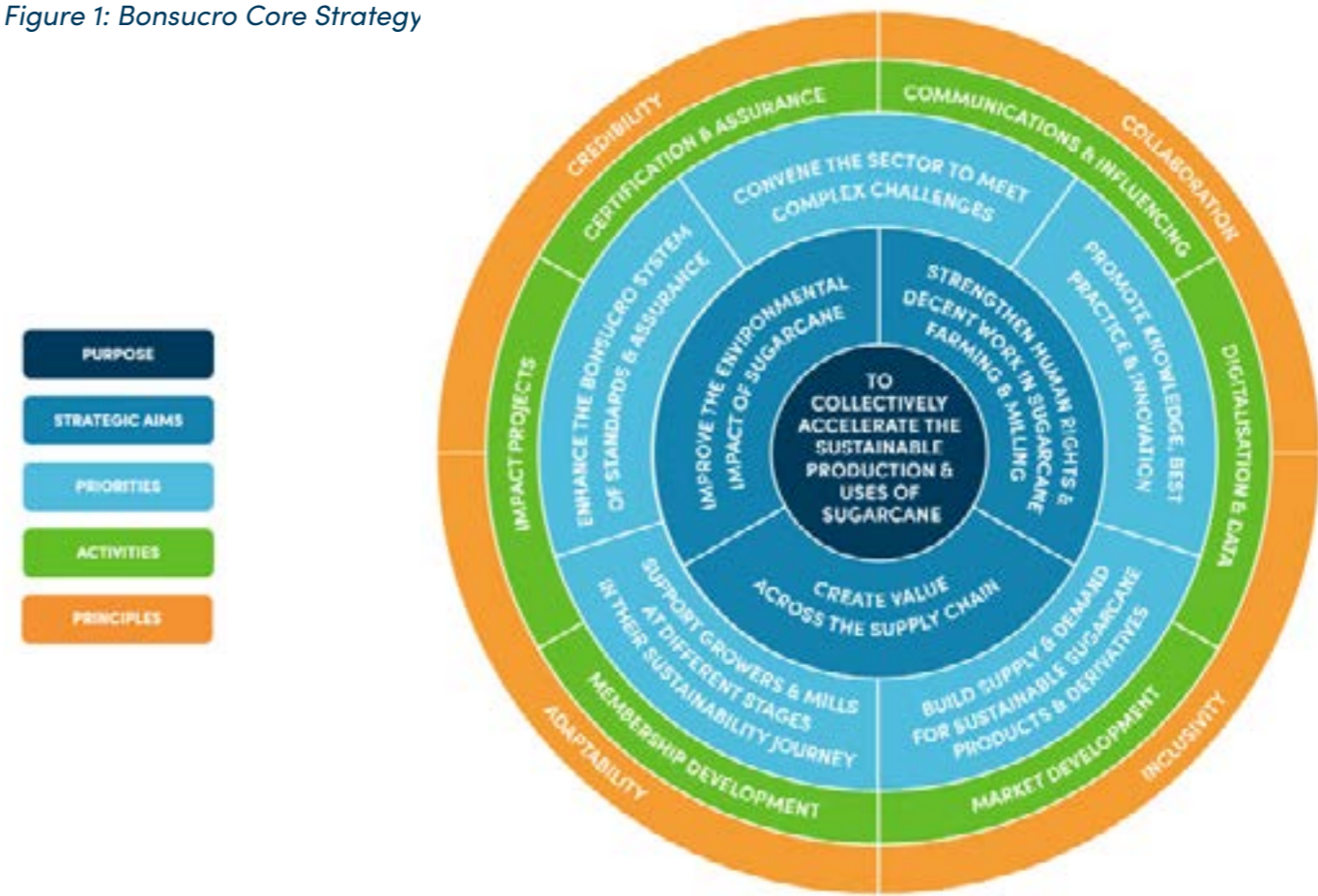


1. STRATEGY ON A PAGE

Our five-year strategy builds on the achievements and progress of recent years, blends experience with new approaches, recognises where we need to do better, and sets an agenda for continuous improvement and greater impact.

The strategy is built around our overriding Purpose – to accelerate the sustainable production and uses of sugarcane – as well as three Strategic Aims against which we will measure progress over time. Implementation of the strategy is designed around five strategic Priorities, delivered by six Activities and guided by our four Core Principles.

Figure 1: Bonsucro Core Strategy



We will build on our position as the leading global sustainability standard for sugarcane and its many derivatives, and we will continue to support, grow and deliver value to our members, whose commitment is vital to our success.

At the same time, we will expand our role as a convening force for the sector with our members and others to drive change beyond certification, including new collective commitments and actions to address critical systemic issues.

We will increase our focus on market development for Bonsucro-certified products and credits, building supply and demand for sustainable sugarcane products and derivatives.

We will expand our reach, capability and impact by developing our Monitoring, Evaluation and Learning capabilities (MEL), and through the digitalisation of our systems, adding new capabilities in areas such as analytics, policy and communications.

2. BASELINE 2020-21

Our strategy describes how we progress from our current state to where we want to be by 2026. We will measure our impact through this strategy period against Bonsucro’s achievements and challenges in 2020/21.

WHERE WE ARE TODAY

Bonsucro has become established as a global sustainability system and network, with a reputation as the ‘gold standard’ for sustainable sugarcane: robust, credible, balanced, internationally recognised and an ISEAL code compliant member.

We enjoy greater scale and reach in terms of volumes and membership than any other multi-national standard system focused on sugarcane. While we know we must do better, we are proud of our successes to date:

- ✿ We have over 260 active members, in over 50 countries, including certified mills in nine of the ten largest sugarcane-producing countries.
- ✿ Audit data from Bonsucro-certified producers and mills indicate significant year-on-year reductions in Greenhouse Gas (GHG) emissions and water use.
- ✿ Our certified mills can demonstrate no child labour or forced labour, and the absence of discrimination.
- ✿ On average, wages on Bonsucro-certified farms are 21% above the national minimum wage and, after five years of certification, operators achieve significant reductions in accident rates.
- ✿ Bonsucro certification applies to a wide range of sugarcane end products, including bioethanol and bioplastics.
- ✿ Last year, we more than doubled our year-on-year investment in impact projects promoting sustainable production and building capacity with mills and smallholders.
- ✿ We are financially robust, thanks to continued growth in our membership and the introduction of digital credit trading in Bonsucro-certified product.



POSITIONING FOR THE FUTURE

In delivering our strategy, we see significant challenges and opportunities – both strategic and operational – that will shape our success. We must:

- ✿ demonstrate a sharper sense of purpose and intended impact while combining Bonsucro’s dual roles as a recognised standard system and dynamic convening platform for the sector
- ✿ balance our ambition to raise the criteria of the Bonsucro Production Standard (BPS) with making it more accessible to farms and mills
- ✿ develop stronger value propositions for all our members as well as governments, investors and other key stakeholders
- ✿ increase our focus on improving uptake for Bonsucro-certified product – by bringing more traders and end users onboard, improving market access for producers and stimulating demand where possible
- ✿ further demonstrate our relevance to multi-national companies who have an increasing number of options for investing in sustainable sourcing – and can choose from a variety of competing Standards
- ✿ embrace partnerships with other standards and civil society as well as the public and private sectors to share knowledge and expertise, and further our mutual sustainability goals.

This strategic plan seeks to build on Bonsucro’s strong foundations and distinctive advantages – and to enable us to address the challenges and opportunities ahead with agility, determination and confidence.

3. GLOBAL CONTEXT 2021-2026

We have comprehensively considered the external factors that will influence our work, and what they are likely to mean for Bonsucro.



SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals (SDGs) for 2030 present a shared blueprint for peace and prosperity for people and planet, providing a framework for Bonsucro and other global sustainability initiatives.

The Sustainable Development Goals Report 2020 shows that, even before the COVID-19 pandemic, the number of people suffering from food insecurity was rising, the natural environment continued to deteriorate rapidly, and inequality persisted in all regions.



INVESTMENT & REGULATION

The global cross-sector drive for economic, social and environmental sustainability will continue to gather momentum.

Legal and regulatory pressure for the adoption and disclosure of environmental, social and governance factors (ESG) in financial reporting will continue to grow. Meanwhile access to 'green finance' opportunities will increase for businesses that can comply with ESG due diligence requirements.



ENVIRONMENT

The UN SDG Report 2020 confirmed the urgency of global action on climate change¹, with further commitments due at COP26 in November 2021.

GHG emissions will continue to be the primary contributor to climate change, with agriculture accounting for around 14% of total emissions.

We also expect to see a greater focus on water depletion and pollution, which poses another major social and environmental threat in many regions.

Scientific models indicate that global adoption of the Bonsucro Standard would halve GHG emissions and reduce water use by 65% and nutrient loading by 34%².



SOCIAL & LABOUR

Meeting minimum safeguards on human rights and social standards will become increasingly important for the private sector, driven by inter-governmental frameworks (particularly the UN Guiding Principles Business and Human Rights and the OECD Guidelines on Multinational Enterprises) and exacerbated by the fallout from COVID-19.

The human rights-based approach adopted by some international NGOs and development agencies will underpin the work of institutional donors and civil society organisations and increasingly influence the policies and practices of businesses, governments and foundations.

This approach focuses on those who are most marginalised, excluded or discriminated against. This often requires an analysis of gender norms, different forms of discrimination and power imbalances to ensure that interventions reach the most marginalised segments of the population.



TECHNOLOGY

Technology and digitalisation will have positive impacts in sugarcane supply chains, but we must ensure that the benefits are widely accessible.

On the production side, we expect some increases in output due to agricultural mechanisation, precision farming, and mobile technology and data.

Other technologies, such as blockchain and AI, will improve transparency and visibility along supply chains and enable better identification and communication around sustainability and impact.



SUGARCANE SECTOR

Grown in 115 countries, sugarcane is one of the world's most important commercial crops with a vast global market for sugar, ethanol, and other sugarcane derivatives.

Global sugarcane production is predicted to grow by about 1.5% per annum, reaching approximately 202 Mt by 2026. We want to see this growth coming from increased efficiency, rather than land conversion.

The volume of sugarcane produced to voluntary sustainability standards is set to increase, from growth in Bonsucro as well as other systems.

Diversified end-products

Sugarcane has a diverse range of food and non-food derivatives and end uses, fuelling continued market development.

While sugar will continue to account for some 75% of the end usage of sugarcane, we expect considerable growth in its use as a biofuel and in plastics and packaging – as well as other markets such as molasses and animal feed. We want certified sustainable sugarcane to become the norm for these newer markets.

Global **sugar** consumption is projected to grow at around 1.4% per annum, reaching 199 Mt by 2029³, underpinned by population and income growth. There will be considerable variations geographically as health concerns and sugar taxes reduce demand in Europe and the Americas, offset however by increases in Asia and Africa. The average world level of per capita consumption is expected to increase from 22.5 kg to 23.5 kg/person by 2026.

Ethanol will remain the world's principal biofuel through this period, accounting for some 25% of all sugarcane production⁴. Sugarcane is more efficient than other biofuel feedstocks, returning about eight times more energy than used in the process, which is twice as efficient as maize⁵. Global demand for ethanol is forecast to grow from 129 GL in 2020 to 140 GL by 2026.

Ethanol will be increasingly used to produce **bioplastics**⁶, which have the same physical and chemical properties as oil-based plastic and can be fully recycled. Sugarcane is also used to produce biodegradable PLA plastic. Market growth is likely to be supported by investment in research and development in the bioplastics sector by private and public organisations, driven by policy decisions such as that of the EU to reduce the overall production and consumption of single-use plastic products by about 80% by 2022.

Sugar prices

Real sugar prices are predicted to remain flat at close to 2020 levels, with periodic disruptions due to external factors⁷.

World prices for raw and white sugar have been volatile, with the price of raw sugar often dropping below production costs, threatening the economic viability of growers, millers and processors. Prices are affected by multiple factors including government subsidies and import tariffs, oil price movements and export and currency fluctuations.

IMPLICATIONS FOR BONSUCCRO

Taking these factors into account, we have set out the main implications for Bonsucro.

SDGs: Show clearly how we plan to contribute to those SDGs we are best equipped to support.

Climate: Short-term prioritisation of the reduction in GHG emissions in line with COP26 goals, with longer-term ambitions for net zero targets and building climate resilience.

Impact: Provide robust metrics for environmental, economic and social improvements throughout sugarcane value chains.

Value: Demonstrate Bonsucro's unique offer and value to business and to society.

Investment: Improve financial incentives for sustainable production, by demonstrating the business case to financial institutions and other investors.

Demand: Do more to enable the flow of sustainable sugarcane through to the marketplace and respond to demands for greater traceability and transparency.

Data: Digitalise from farm to retail, using new tools, technologies and analytics to strengthen our support for farmers, supply chain mapping and traceability, and impact measurement.

Engagement: Continue to build productive partnerships and communicate more actively and effectively with a wider range of stakeholders to effect sector-wide change.

Flexibility: Ensure that we are responsive and ready to make short-term adjustments as appropriate within our overall strategic direction.

4. PURPOSE & STRATEGIC AIMS

We are committed to taking a leadership role in guiding and enabling the sugarcane sector to achieve greater sustainability, with our clearly articulated Purpose and ambitious but achievable Strategic Aims.



PURPOSE

To collectively accelerate the sustainable production and uses of sugarcane.

This statement captures our role as a catalyst for market transformation, driving uptake of sustainable sugarcane across sugar, ethanol, molasses, and bagasse value chains.

It also expresses our position as a global sustainability platform, working collaboratively with farmers, millers, traders, end users, civil society, government and other sustainability initiatives to scale sustainability across the sector and landscapes.

Bonsucro focuses exclusively on sugarcane and all its end-products. It does so on a global basis with strong local presence in the countries that produce, use and consume the most sugarcane and its products.

STRATEGIC AIMS

Underpinning our Purpose are three Strategic Aims, which are of equal importance and interdependent.

- Create value across the supply chain
- Improve the environmental impact of sugarcane
- Strengthen Human Rights and Decent Work in sugarcane farming and milling

These Strategic Aims describe the main objectives for Bonsucro, working together with our members and partners, to fulfil our Purpose.

We have set targets that recognise the different challenges and priorities for sustainable sugarcane across our key regions and countries, and for different types of farming.

5. CORE PRINCIPLES

Our four Core Principles guide our operational choices and decision-making in implementing our Strategic Aims and Priorities.



COLLABORATION

Collaboration is central to our identity as a multi-stakeholder initiative with a global membership drawn from all parts of the sugarcane sector with an interest in sustainability.

Our success as a standard system and as a platform requires us to convene, learn and share with like-minded organisations.



INCLUSIVITY

We need to be inclusive to drive sector transformation, and to scale impact.

This includes: engaging with workers, mills, farmers, and producer communities; enabling sustainability improvements outside of certification; and aligning and co-operating with strategic partners, other sustainability standards systems and government agencies for collective benefit.



CREDIBILITY

Transparency and the credibility of our standards, assurance, MEL and impact reporting are vital to our work.

We adhere fully to the ISEAL Credibility Principles, embraced by other leading sustainability standards systems working to bring about positive social, environmental and economic impacts, while decreasing negative impacts.



ADAPTABILITY

Sugarcane production and uses are highly impacted by landscapes, economies, markets, cultures, and governments. Sustainability is a journey of continuous improvement.

We will adapt our offering and approach to different contexts and, wherever possible, devolve responsibility to our people and partners on the ground. We will strengthen our organisational adaptability and resilience to ensure we can pivot to respond to unforeseen events and crises.

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

Our three Strategic Aims correspond to the three pillars of sustainable development and define how we will contribute to the UN's 2030 Sustainable Development Goals. Our collaborative way of working, and our expanding role as the sustainability platform for sugarcane across its value chains, underpins how we will achieve our Strategic Aims in line with Goal 17 - Partnerships for the Goals.

Table 1: Bonsucro's contribution to the SDGs

Sustainability Pillar	Environmental	Social	Economic
Strategic Aim	Improve the environmental impact of sugarcane	Strengthen Decent Work and respect for human rights in sugarcane farming and milling	Create value across the supply chain
SDG contribution	<div> 6. Ensure availability and sustainable management of water and sanitation for all</div> <div> 13. Take urgent action to combat climate change and its impacts</div> <div> 15. Protect & restore sustainable use of terrestrial ecosystems</div>	<div> 5. Achieve gender equality and empower women & girls</div> <div> 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</div>	<div> 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</div> <div> 12. Ensure sustainable consumption & production patterns</div>

6. CREATE VALUE ACROSS THE SUPPLY CHAIN

We will create value for mills and farms and across the entire sugarcane supply chain including buyers and end users – as well as others with a stake in making the sector more sustainable, such as governments, investors and civil society.

Through a unique combination of certification, convening and collaborative action, Bonsucro offers different Value Propositions for different member and stakeholder groups, aligned to their respective interests, locations and ambitions.

Independent studies in India⁸ and Brazil⁹ have identified how Bonsucro creates value for mills and farms in terms of productivity, employment conditions and environmental impact, as well as through the provision of essential data.

We will continue to enable all actors in the supply chain to reduce risk, build resilience and keep pace with increasing governmental, financial and consumer demands for evidence of best social, labour, climate and environmental impacts.

We will work to increase the uptake of Bonsucro-certified products and derivatives in key consumer food, beverage and alcohol sectors, as well as bioethanol and fast-growing markets such as bioplastics and bio-packaging.

We will continue to promote the sale and purchase of credits through the Bonsucro Credit Platform and develop the Bonsucro Impact Fund to leverage funds from the sale of credits for investment in impact projects.



We cannot intervene in setting prices, which are determined by the market, but we will continue to provide the framework that facilitates compliance with high sustainability standards and therefore enables access to markets.

To increase the amounts that end users source from certified mills, we will provide high-quality information and data for mills to improve their sustainability performance, and we will enable producers to share their sustainability metrics with their customers – if they wish – demonstrating compliance with standards set by multinational enterprises and investors.

We will advocate for a sustainable sugarcane sector by providing clear and consistent evidence of the economic, social and environmental benefits, from independent research and our own data.

Bonsucro certification contributes to improved health and safety, reduced costs and production gains. The nature and extent of the gains will depend on the differing production and market situations across the wide range of national economic, social and legal frameworks within which our members work.

As the platform for sustainable sugarcane, we will enable and support pre-competitive collaboration with our members to connect or align with their peers and with other actors in the value chain.

This will enable mills and farms to improve their performance through access to novel solutions and facilitate collective action on complex sustainability issues.

We will increase our support for independent and smallholder sugarcane farmers and work with the sector to build more inclusive and resilient value chains. This will be achieved through impact projects and new global and national partnerships to support farmers with access to affordable finance, increased productivity, improved working conditions and livelihoods and adaptation to climate change.



Mills, farmers, and all our members will derive value from greater awareness of improvements throughout the sector through our strengthened capacity in MEL. This will facilitate the transfer of best practice and give mills and their associations increased voice and visibility among policy makers and influencers.

All members stand to benefit from our collaboration with other initiatives and standards systems to drive the overall supply and demand for sustainably produced sugarcane, reduce the need for multiple audits and assure compliance with national or regional requirements.

We cannot, however, deliver this value alone. Potential benefits will be maximised through shared responsibility and reciprocity, particularly when buyers and end users recognise producers' investments in sustainability and prioritise purchasing from those entities.

Table 2: Global indicators & targets 2021-2026

Aim: Create value across the supply chain			
Objectives	Indicators	Baseline	Target
Increase supply & demand of certified sustainable sugar, ethanol & derivatives	Hectares of certified sugarcane annually	1.3 million ha ¹⁰	2 million ha ¹¹
	Number of certified mills	130 mills ¹²	210 mills ¹³
	Tonnes certified sugar & m ³ certified ethanol produced (or equivalent)	Sugar: 6.2 million ¹⁴ Ethanol: 2.7 million	Sugar: 9.6 million ¹⁵ Ethanol: 4.3 million
	Number of Bonsucro raw sugar credits (or equivalent) sold annually Tonnes of certified physical products sold ex-mill	Credits: 1.2million ¹⁶ Chain of Custody: 820,000 t ¹⁸	Credits: 2.2 million ¹⁷ Chain of Custody: 1.6 million t ¹⁹
More inclusive & sustainable value chains	Number of independent farmers & smallholders reached* by Bonsucro certification and/or impact projects over 5 years	3,000 farmers ²⁰	15,000 farmers
Convene impact & innovation projects	Total money invested in Bonsucro impact and innovation projects over 5 years ^{21**}	£1.46m	£5.37m
Deliver value to members	Annual membership retention rate	93%	95%

*By "reached" we mean those farmers who have been engaged in information, training, or capacity building programmes where Bonsucro or its members have played a significant role in planning, delivery, or reporting.

**Income from credit impact, grants and partnerships



7. IMPROVE THE ENVIRONMENTAL IMPACT OF SUGARCANE

Environmental issues remain a high priority for our members and partners, many of whom have specific commitments to reducing the negative impacts of their operations on climate and the environment.

We will work with members and partners to agree sector-level commitments to science-based targets for GHG reduction that meet the UNFCCC Paris Agreement by 2030.

We will support our members to meet their GHG targets with access to data and knowledge and by aligning with green financing opportunities to accelerate the transition towards net zero.

We will address the water crisis in key origins, and particularly in Asia.

We will partner with members and others, such as the Alliance for Water Stewardship (AWS), to develop and pilot

Table 3: Global indicators & targets 2021-2026

Aim: Improve the environmental impact of sugarcane			
Objectives	Indicators	Baseline	Target
Drive climate action in the sugarcane sector	% Reduction in Scope 1 and 2 emissions of certified mills and farms after 5 years' certification	18% reduction 0.33 kg CO2e/kg sugar to 0.27 kg CO2e/kg sugar	>30% reduction
	Collective commitments & actions** in line with 1.5° global warming	To be determined through 2021-22	
Improve water security & stewardship	% Increase in water-use efficiency (kg per mm per hectare) by certified producers after 5 years certification	28% increase 105 kg/mm/ha to 135 kg/mm/ha	>30% increase
	Collective commitments and actions** on sustainable water management	To be determined through 2021-22	
Improve biodiversity and soil health	# hectares High Conservation Value Areas (HCVA) protected & maintained in high-risk areas	To be determined through 2021-22	

** "Collective commitments & actions" refers to collaborative research, capacity building, policy commitments or impact projects where Bonsucro acts as lead/convenor with a significant role in planning, financing, delivery or as a knowledge partner.

water stewardship policies and plans to manage water responsibly and equitably within the landscape.

We will continue to provide a continuous improvement framework for water management in sugarcane production through the Standard.

Bonsucro members commit to supporting the protection of forests and natural ecosystems in our Code of Conduct. We will work together to combat deforestation, and for the protection and maintenance of valuable ecosystems.

As a platform we will develop or take part in initiatives to allow members to move beyond reducing environmental impact to restorative systems.

We will extend our impacts through landscape approaches, building on our convening of two flagship projects, Outcome based standards – a landscape approach²² and the 'Good Practice: Better Finance' project in South Africa.

8. STRENGTHEN HUMAN RIGHTS & DECENT WORK IN SUGARCANE FARMING & MILLING

The Bonsucro Code of Conduct calls on all members to respect human rights in their sugarcane supply chains. The Bonsucro Production Standard (BPS) requires respect for human rights and labour standards for certified entities.

We will continue to drive Decent Work and safer working conditions for farmers, farm workers and mill workers – including zero tolerance for forced labour and child labour.

We will work to ensure safe recruitment for migrant workers, reduce discrimination in all its forms and promote gender equality.

We will improve accessibility to our standards for workers, focussing on the Grievance Mechanism we introduced to manage complaints against our members. This is designed around inclusivity and accessibility and facilitates mediation as a means for

Table 4: Global indicators & targets 2021-2026

Aim: Strengthen human rights & Decent Work in sugarcane farming & milling			
Objectives	Indicators	Baseline	Target (disaggregated by gender)
Increase wages in sugarcane farming and milling	% increase in average differential between wages paid above legal minimum wage after 5 years of certification	Farm: +16% to +21% average differential Mills: +18% to +26% average differential	Farm: 30% increase Mill: 45% increase
	Collective commitments & actions** on Living Wage	To be determined through 2021-22	
Improve occupational health & safety in farming and milling	% reduction in accidents in certified farms & mills after 5 years' certification	Farm: 38% decrease Mill: 18% decrease	Farm: 43% decrease Mill: 23% decrease
Enhance respect for human rights	Collective commitments and actions** to promote UN Guiding Principles on Business & Human Rights & OECD-FAO Guidance for Responsible Agricultural Supply	To be determined through 2021-22	

resolution. It aligns fully with the UN Guiding Principles of Business and Human Rights and puts us at the forefront of sustainability standards.

We will promote fairer wages for the most vulnerable people in farming and milling through action on benchmarking and piloting living wages and living incomes in specific origins.

We are in dialogue with other ISEAL code compliant members on this critical issue and plan to join the Global Living Wage Coalition.

The BPS sets specific requirements for compliance with international labour conventions, safe and healthy workplaces, clear and equitable contracts and minimum wages.

We will build on the sound practices of certified producers to promote improvements in social and labour conditions by sharing learning and best practice throughout the supply chain.

Our regional and national programmes will identify and work with partners to remedy the most pressing social and labour issues in each country, taking account of the local situation.

We will also keep our members updated with best practice and information related to COVID-19 and incorporate COVID-19 along with other HSE risks into our training.

9. PRIORITIES

We have identified five global Priorities, each of which contributes to the achievement of one or more of the Strategic Aims.



ENHANCE THE BONSUCRO SYSTEM OF STANDARDS & ASSURANCE

This is an area of core expertise for Bonsucro and for the certification bodies with which we work. We will increase the number of sugarcane farms and mills certified each year, while continuing to update our standards and systems to drive improvements in sustainability.

In our Production Standards, environmental issues cover water usage, soil health, safeguarding sensitive ecosystems and biodiversity hotspots, climate resilience, use of agrochemical and fertilisers. The social priorities relate to labour, workers' safety and living conditions, non-discrimination, wages and more.

Our Chain of Custody Standards ensure the traceability of sustainability claims along the supply chain from farm to end user.

We will deliver on this Priority by:

- Publishing the revised Bonsucro Production Standard in 2021
- Reviewing and updating the Bonsucro Production Standard for Smallholder Farmers
- Updating the Chain of Custody Standards and Claims rules for sugarcane derivatives
- Strengthening our assurance model and social auditing
- Developing partnerships with compatible standards and initiatives to enable scale-up on the production or market side.



CONVENE THE SECTOR TO MEET COMPLEX CHALLENGES

Beyond driving sustainability through standards and certification, we will step up our convening role for the sector, enabling pre-competitive collaboration and cross-sector partnering.

We will focus on critical issues where collective action is needed and where multiple stakeholders have interests in finding viable solutions. We will do this at a global level and locally in key producer countries.

We will develop science-based targets for GHGs to meet the UNFCCC Paris Agreement 2030 targets.

We will test and scale best practice in water stewardship.

We will also work with members and partners to improve social and labour conditions and respect for human rights, with specific attention to working conditions, heat stress, migrant and forced labour, child labour, wages and gender equality.



BUILD SUPPLY & DEMAND FOR SUSTAINABLE SUGARCANE & DERIVATIVES

We will stimulate greater uptake for Bonsucro-certified sugar, ethanol and other derivatives, but without becoming an industry promotional body.

While Bonsucro cannot intervene commercially in the sugarcane supply chain or marketplace, we can influence demand for sustainable sugarcane, particularly Bonsucro-certified product, across diverse end use markets. Key actions will include:

- Identify new markets for Bonsucro certification
- Expand membership in both traditional and emerging end-use markets
- Develop shared responsibility among members, and between producers and end users
- Expand trade in Bonsucro credits
- Seek alignment with market-side standards e.g. sustainable jet-fuel, carbon markets
- Support members' traceability activity.



PROMOTE KNOWLEDGE, BEST PRACTICE & INNOVATION

Sharing knowledge and best practice and championing innovation are central to our role and aspirations as a convening force for the sugarcane sector.

We will:

- Improve MEL and impact reporting
- Unlock new value from Bonsucro data and analytics, including supply chain mapping
- Update Bonsucro members on the latest global research on sugarcane sustainability issues
- Convene and contribute to research to improve the outcomes of sustainability standards
- Share learnings from impact and innovation projects within and beyond the membership
- Provide shareable and practical ESG metrics, including to financial institutions.



SUPPORT GROWERS & MILLS ON THEIR SUSTAINABILITY JOURNEY

In response to stakeholder demand around the 2021 Production Standard Revision, we are testing the inclusion of a stepwise approach to some key indicators within the Standard.

We will also explore the feasibility of a stepwise approach to drive sustainability.

We are considering a move towards a four-step system based on the continuous improvement cycle: plan, do, check & act.

Critical questions remain to be answered, including the role of assurance and certification, the role of market forces, safeguarding the credibility of claims, and how to incentivise change and progression along the steps.

10. MAKING IT HAPPEN

This section describes the principal Activities through which we will deliver the Strategy.

CERTIFICATION & ASSURANCE

Bonsucro's Production and Chain of Custody standards are core assets that we will continue to evolve along with our certification and assurance protocols and system.

We will explore partnerships with compatible standards within and beyond sugarcane, and along the value chain.

The BPS is at the heart of everything Bonsucro does. It defines what sustainable sugarcane production should look like and provides a comprehensive metric tool for sustainable farming and milling.

In response to member demand the revised BPS, to be launched in 2021, will be more progressive and more applicable to mills and farms at all stages of development.

"The BPS gives peace of mind to our customers, knowing that they are purchasing products from a company that carries out its agro-industrial activities with good practices and in compliance with the rules. It also allows us to give employees greater confidence and security internally."
(End user)



We will also evolve the Bonsucro Production Smallholder Standard (BPSS), which is aligned to the BPS but adapted to the realities of smallholder farming.

In revising our Standards and related guidance we will ensure the integrity of the Chain of Custody and the tracking and authentication of claims.

We will develop and strengthen our third-party assurance model, continuing to be ISEAL Code compliant and to collaborate with ISEAL peers.

IMPACT PROJECTS

We will increase available funding and expertise to drive better outcomes for growers. Impact projects will be funded through credit trading and grant-funded partnerships and projects.

We will develop a **Bonsucro Impact Fund** to invest in initiatives and projects that catalyse or accelerate sustainable sugarcane production in key locations in line with our strategic Aims – irrespective of whether or not beneficiaries are candidates for certification.

The Bonsucro Impact Fund will be designed to fund projects in a variety of ways: through credit trading, direct grants, match-funding, competitive funds or other means. We will learn from other funding organisations and mechanisms and design a best-in-class system.

IMPACT PROJECT EXAMPLES

Mexico: Collaboration to improve sustainable production of small producers in partnership with PepsiCo, Proforest, One Peterson & Mill Tala.

Pakistan: Partnership with IFC to support the introduction and implementation of the Bonsucro Standard and to facilitate its use by a mill group and smallholders.

Our choice of projects will be rigorous, based on needs and focussed on projects that clearly serve our Strategic Aims, deliver measurable impact and contribute to our KPIs.

Partners will include Bonsucro members, international and local non-governmental organisations, other ISEAL code compliant members, international and local businesses, institutional and private donors, and governmental organisations.

IMPROVE GROWERS' ACCESS TO FINANCE

We will work with partners and financial providers to improve access to sustainability-linked finance for Bonsucro-certified members by demonstrating the credibility of our certification and enabling members to disclose relevant data to help attract finance.

We will build on the learnings from the SECO/ISEAL funded programme 'Better Practice, Better Finance' in 2019, where we joined with fellow ISEAL code compliant members and the South African financial sector to better understand how our Standards could expand access to finance for producers.

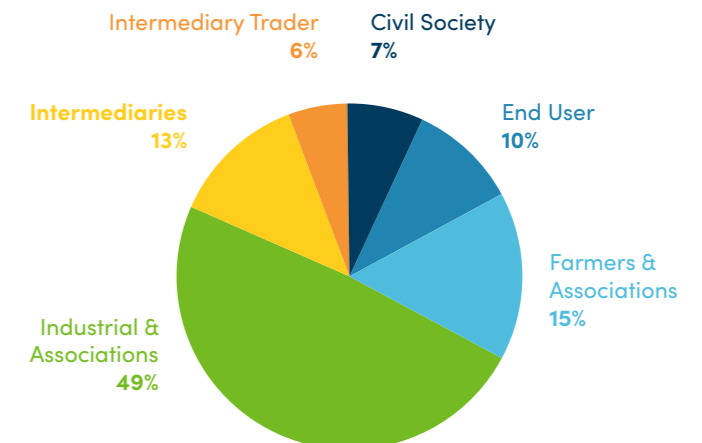
We will look to convene the sugarcane sector around payment for environmental services (PES) – relatively new schemes that seek to offer payment to landowners to implement good agricultural practices and protect the environment.



MEMBERSHIP DEVELOPMENT

Bonsucro will remain a member organisation, representing a wide range of stakeholders and sugarcane interests.

Figure 2: Bonsucro membership 2020-21



Membership engagement will be increasingly devolved to the regions and countries where we operate, with significant investment in the people and resources needed to serve and support members fully.

While supporting and serving existing members is important to us, we plan to grow the number of members from over 260 in 2021 to around 450 by 2026, across all classes and end uses.

Specifically, we will recruit more end users and retailers in consumer markets – enabling them to purchase certified material and/or credits, and we will target new members in the ethanol, animal feed, bio-packaging, and bioplastics sectors.

Members will benefit from shared knowledge and richer data collected through the annual reporting and certification processes, enabling them to better analyse and benchmark their results.

MARKET DEVELOPMENT

We will strive to stimulate and facilitate demand and uptake for Bonsucro traditional and emerging certified products as we respond to growing pressure from end users, consumers and the public sector for sustainable production and consumption.

Bonsucro's digital Credit Trading Platform, launched in late 2019, has the potential to be a game-changer for the sector.

While sugarcane and its derivatives cannot be physically traced through segregated supply chains to sustainable producers, the credit system allows buyers to incentivise and reward the adoption of sustainable practices by purchasing credits for sugarcane or derivatives.

We will drive demand by creating compelling evidence-based narratives around members' sustainability performance.

We will use research and data to demonstrate how Bonsucro-certified product and impact projects are enabling manufacturers to meet their sustainability commitments, and we will identify and engage financial institutions and other influencers to build market pull-through.

DIGITALISATION & DATA

Technology will increasingly touch every aspect of our organisation and our work – including field-level and supply chain innovation, tools for members, and our own knowledge management and analytics capabilities. Digitalisation will drive operational efficiencies and unlock significant value for those we work with.

The methods and outputs of Bonsucro's MEL programme will continue to improve, as we strengthen both our human and systems capabilities.

We will focus on collecting, analysing and reporting credible, longitudinal data on outcomes that track performance against

our 2026 targets as we improve our understanding of the causal relationship between interventions and results, enabling us to strengthen future interventions.

Our data strategy prioritises end-to-end stewardship to maintain confidence in our data security and to enable more sophisticated use and sharing, in compliance with data protection regulation.

Some certification metric data sets and insights are likely to be provided to members, including a dashboard for better visualisation, and we will also enhance the functionality of **Bonsucro Connect**.

COMMUNICATIONS & INFLUENCING

To build the profile, reputation and impact of Bonsucro and to better support our members, we will grow our communications and influencing activities and capabilities globally and regionally.

This will include recruitment in public affairs and influencing, marketing and media relations,

We will progressively complement our centrally-driven communications with more locally generated and adapted content, tailored to local contexts and member priorities.

There will be more production in local languages to enable Bonsucro to get closer to members and to facilitate more effective local dialogue.

Where relevant to our change agenda, we will invest in influencing and communications well beyond our member base, including with government, policymakers and the financial sector.

We will look to leverage the connections of Bonsucro member companies, and to align our policy influencing with other ISEAL code compliant members and like-minded organisations– to improve access and effectiveness.

While Bonsucro will remain essentially a business-focused organisation, we will evolve our claims framework, brand assets and content library to facilitate our members' consumer communications.



11. GLOBAL STRATEGY, LOCAL IMPACT

We are developing specific operational plans for each of our region and country programmes to achieve the Strategic Aims within the Priorities set out in the previous sections. Our work on the ground will be consistent with the global actions but tailored to optimise impact at the local level.

Through regional and country stakeholder workshops, and several years of experience of programme management in some of the largest sugarcane producing countries, our Regional teams have identified ways in which they can deliver each of the Specific Aims.

These are just a few examples. Many more will follow as the regional strategies are elaborated in 2021.

BRAZIL

We will increase certification from the current base of 75 certified mills, engaging up to eight more into membership and the certification program, so they can contribute to strengthening human rights and decent work practices in sugarcane farming and milling.

We will seek to minimise the cost and time pressures of certification for producers, and boost their return on the investment, by developing joint certification protocols with consolidated certification schemes such as RenovaBio.

We aim to deliver on improving environmental impacts, working with our members and stakeholders on climate change mitigation and resilience in line with the UNFCCC Paris Agreement.

We will partner with financial institutions with a view to helping Bonsucro certified operators access sustainability-linked financing.

We also plan to convene the sector around Payment for Environmental Services (PES) to encourage landowners and farmers to implement good agricultural practices and protect the environment. Our goal is to work with partners to implement at least one PES project in this strategy period.

MEXICO

We aim to significantly grow the current base of three certified mills – to accelerate the country's contribution to supporting smallholders, reducing GHGs, improving water stewardship and protecting High Conservation Value Areas (HCVA).

To help achieve this goal we will actively promote best practices from certified mills elsewhere in Latin America.

We will step up collaboration between brands, financial institutions and mills and farmers on market uptake of certified products – including impact projects focused on smallholder farmers to increase certified volume and area.

We will do this in close coordination with mills that are willing to support their sugarcane suppliers.

We will develop or support projects aimed at improving workers' conditions and human and labour rights through a sectoral approach.

We will seek to build on the best practices in the region based on the BPS and the BPSS, and to develop tools and resources to support others to comply with those standards.

CENTRAL AMERICA

We plan to expand our current base of 18 certified mills, engaging up to 10 more mills into membership and the certification programme, to maximise the region's contribution to GHG, water and HCVA metrics.

We will recruit farmers' associations as members and support them through certification to help improve the environmental impact of sugarcane in the region.

We will ensure that there is no sugarcane expansion on HCV land and forests and that all members adhere to the cut-off-date of January 2008 in compliance with EU RED.

We will expand the implementation of the **Water-Rest-Shade protocol**, initially developed to help protect sugarcane cutters in Nicaragua from the risks of working under intense heat.

We will also use the Bonsucro platform to step up collaboration with civil society organisations to drive progress on human rights and Decent Work across the sector.

AFRICA

We will assess the opportunity for growth in sugarcane growing countries across the continent with an initial focus on Southern Africa as well as Côte d'Ivoire, building on the connections and interests with our certified mills and influential stakeholders.

We aim to see two more mills certified in Mauritius, and mills certified in South Africa, eSwatini and Cote'd Ivoire. We will pilot the stepwise approach, including in East Africa.

We will collaborate with partners such as banks, AWS, farmer organisations and governments, to improve water management at farm, mill and landscape level, and we will collaborate with mills and supply areas in Africa to reduce their GHG emissions in line with the Paris Agreement.

We will build on the Good Practice, Better Finance project in South Africa, which aims to help financial institutions offer incentives for sustainable agricultural and business practices.

We will work with partners to increase awareness of modern slavery in the sugarcane sector, to improve human rights and working conditions, and to provide training and guidance for both employers and employees.



Photo Credit: Ed Kashi

ASIA PACIFIC

We will continue to increase new certifications throughout the region, providing support to current and potential members. We will also promote the concept of continuous improvement with partners and stakeholders.

We will drive the development and rollout of a more progressive approach in India and Thailand to enable access to the benefits of certification for many more farmers.

We will continue to grow the number of Bonsucro-certified mills to increase our contribution to protecting the environment. We also plan to convene up to ten impact projects involving up to 5,000 smallholder farmers focused on reducing GHGs and improving water stewardship.

In Australia, we will continue to engage with members, stakeholders and local standards to implement and continuously improve the Bonsucro standard. We aim to deliver on improving environmental impacts, working with stakeholders on climate change mitigation, water stewardship and regenerative agriculture in sugarcane production and milling, through collective actions and knowledge-sharing.

In terms of social and labour priorities, we will convene strategic partnerships in India and Thailand to address some of the most pressing issues including modern slavery and child labour, working with credible and impactful partners. We will collaborate with other ISEAL code compliant members to provide education and training on human rights and Decent Work.

We will monitor compliance among members and ensure zero tolerance for forced labour and child labour, safer working conditions and gender empowerment as part of our 'Promoting Workers and Community Voices' project.

12. GROWING WITH THE STRATEGY

As we execute our strategy, we will enhance Bonsucro’s capabilities in governance, people and systems while exercising high standards of organisational leadership and management. We will ensure and promote diversity and equality throughout our work and our organisation.

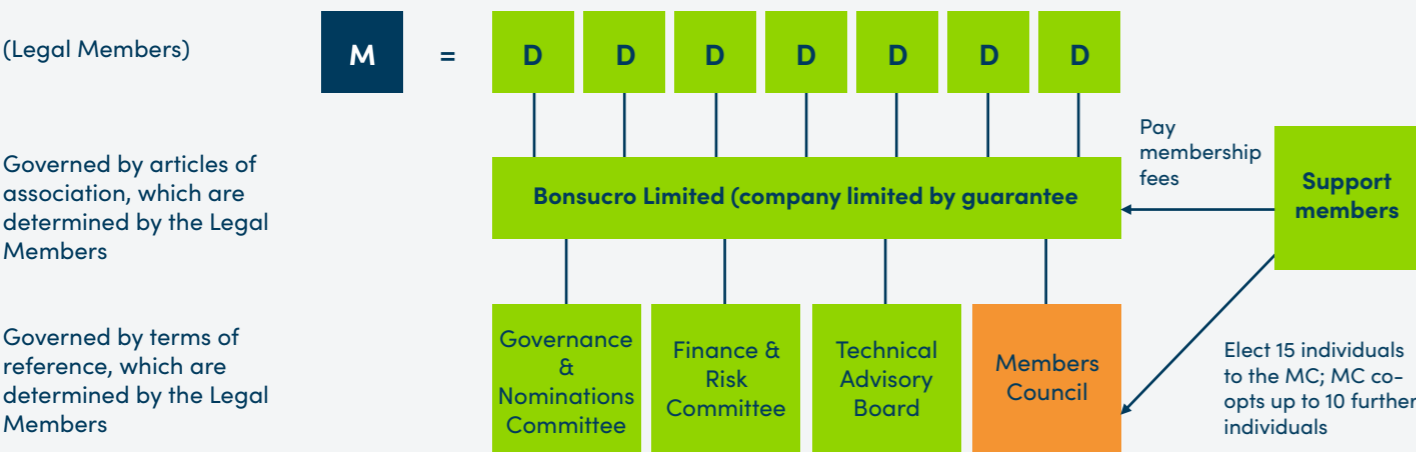
Bonsucro will remain a multi-stakeholder initiative, with broad-based and diverse stakeholder participation in policy, strategy and implementation. We will manage our growth by building capacity at the centre and in the countries where we work, with a more cohesive and effective structure and increased devolution from the centre.

BOARD

The Board is ultimately responsible for Bonsucro’s strategy and direction, while delegating the day-to-day operations and management to the CEO and Secretariat Team.

The Board is supported by the **Members’ Council**, which ensures that our members have a strong voice in developing strategy and policies, and the **Technical Advisory Board**, which advises on the Bonsucro Standards and assurance mechanisms, and on how we should measure impact.

Figure 3: Bonsucro Governance Structure



TEAM

We will remain a relatively lean organization while progressively doubling in size to around 38 full time equivalent staff by 2026 and adding new capabilities to enable us to deliver on our ambitions.

Most of the growth in personnel numbers will be in producer countries. This planned growth allows for:

- The Chief Executive to dedicate more time to external representation to build Bonsucro’s reputation and reach
- Scaling up Bonsucro’s presence in the largest sugarcane-producing countries to drive national acceleration programmes and convene the sector around sustainability in line with national priorities
- Investment in membership support globally and locally
- Strengthening our capability by recruiting experts in policy, monitoring, learning and evaluation, and building our capacity in climate change, human rights, data management, project funding and management and impactful communications.

“By having more people in the regions, we can be in close contact and provide better customer service to our members. We need to strengthen our technical, communications and market capacities regionally.”
(Bonsucro staff member)

SYSTEMS

We will invest in strengthening our operating systems to improve efficiency and effectiveness, focussing on priorities including:

- Strengthening our data collection and management with a focus on generating evidence of impact
- Developing Bonsucro Connect, our online tool that enables users to monitor and demonstrate sustainability in their supply chains
- Continually renewing the Public Quality Management System Library to improve access to key reference documents supporting the Bonsucro Assurance System
- Assessing Bonsucro certification requirements against other sustainability initiatives



Photo Credit: Raízen

13. FINANCE & FUNDING

Bonsucro's financial position at the start of this strategy period is sound. We have a strong profit & loss statement, healthy financial reserves, good currency management and a good level of unrestricted funding to finance our core operations.

We have robust financial controls that we will further adapt and strengthen as we devolve more decision-making and activity to the regions. Our ambition to roughly double the size of our team by 2026 will require a broadly similar growth in income.

MEMBERSHIP FEES

Overall, we expect to maintain our historic revenue growth rate in membership fees at around 10% per year, subject to further investment in the resources needed – especially regionally – to service and recruit members.

We anticipate maintaining the price of membership at current levels, while improving value delivery.

Our penetration of relevant large international companies is already high, so growth in membership numbers will come from small to medium traders and buyers, and from producers and mills in the key origins where sugarcane is produced (mainly Brazil, India, Mexico, Thailand and China).

CONSULTANCY, DATA & ANALYTICS

We will invest significantly in data, analytics and knowledge management.

This will enable us to add value to members, and to monetise new data products or services either in their own right or as the basis for consultancy work.

By the third year of the Strategy, we anticipate growth in overall consulting revenues from a relatively low base. As we expand our activities, we expect to use a mix of in-house staff and third-party consultants and contractors.

EVENTS & TRAINING

We foresee annual growth in events and training, with more emphasis on remote and virtual participation.

We will move to a mix of physical and virtual events, with more activity devolved to key producer countries.

Our main event will continue to be Bonsucro Global Week, a major stakeholder forum, held annually but postponed in 2020 due to COVID-19.

Our online academy delivers technical training for certification bodies and training providers as well as members and potential members.

We also offer private bespoke training events to members and expect training revenue to grow in line with market demand for certification, with more emphasis on local languages and tailoring with local knowledge.

CREDIT TRADING

We believe in the long-term potential of credit trading and plan to strengthen both its value proposition and promotion to potential buyers.

Since we introduced credit trading, some of our Brand members have already made it an integral part of their sugar sustainability strategy. Participating mills and farms also understand its value to them. However, the model remains unproven for many others.

Income from credit trading helps fund impact projects – typically capacity building and other sustainability initiatives focused on selected smallholder farmers and mills. Credit trading will become increasingly important in funding our organisational growth, while amplifying our field-level impact in sugarcane producing areas.

PARTNERSHIPS & GRANTS

Our strategic priority to convene the sugarcane sector around critical challenges (such as climate change, water and human rights) provides a clear focus for proactive fundraising by Bonsucro – as well as opening up more inbound and reactive opportunities from partners.

Project partners will include end users, producer members, other ISEAL code compliant organisations and academic and research institutions.

ALTERNATIVE REVENUE STREAMS

We believe that we can fund our ambitious growth targets for 2021-26 without changing our business model in the medium term.

Longer term, however, we will also look at the feasibility of adopting other approaches, such as volume-based fees, that work successfully for comparable organisations.

Volume-based fees, levied on production and paid by end users, could help reduce financial dependency on a few large end users and could fairly incentivise uptake, for example by offsetting against membership fees.



14. CONCLUSION

This Strategic Plan is ambitious but achievable. We have defined our Purpose and Strategic Aims and set out challenging targets that shape what success will look like, along with the priorities and actions that will be needed to deliver on our objectives.

We have been asked what changes in this strategy. This plan builds on our extensive learning from more than a decade of experience and sets out our intention to do things better and smarter, rather than radically changing direction.

WE WILL CONTINUE TO

- Support our members
- Work exclusively in sugarcane & its value chains
- Contribute to the SDGs
- Maintain global good governance
- Adhere to the ISEAL Codes of Conduct

There are many issues we would like to address but, for these five years, we will concentrate our resources in those areas which are most important to achieving our Purpose and in which our members want us to excel.

We will continue to do all those things which are clearly working well strategically and operationally, while strengthening our capabilities and investment in key areas.

We will continue to act as an effective multistakeholder organisation, maintaining our high standards of credibility, integrity and good governance. We will enhance the value we deliver to our members and other stakeholders and partners, supporting their contributions to the Sustainable Development Goals and on climate change.

We will expand and deepen our role as the convening platform for the whole sector, determined to play a more proactive role in addressing urgent and systemic challenges with a specific focus on climate change, water and biodiversity.

We will bring members and stakeholders together to advance human rights and Decent Work in sugarcane farming and milling.

In our work with producers, we will be more inclusive of smallholder farmers and facilitate continuous improvement both within and outside our standards and certification. We will expand our impact project work with partners including capacity building and access to affordable finance.

On the market side, we will work with buyers and end users to grow demand and uptake for Bonsucro-certified product and credits, expanding our membership and reach in both traditional and developing markets.

WE WILL STRENGTHEN

- Focus on climate change, water & biodiversity
- Contribution to Human Rights & Decent Work
- Support for smallholders
- Investment & partnerships
- Market development for Bonsucro product & credits
- Digitalisation & MEL
- Influencing & communications

We have planned significant increases in both resources and revenue to meet our ambitious but attainable goals for 2021-26 and are confident that we have the organisational agility and resilience to respond rapidly and effectively to unforeseen challenges along the way.

We commend this Strategic Plan to all those who share our ambition to accelerate the transition of the sugarcane sector to a more sustainable future.



ANNEX 1: GLOSSARY

AWS	Alliance for Water Stewardship	Global network that promotes responsible use of freshwater
BCI	Better Cotton Initiative	World’s largest sustainable cotton programme
BPS	Bonsucro Production Standard	Standard which helps farmers and millers to measure their productivity alongside their social and environmental impacts
BPSS	Bonsucro Production Standard for Smallholder Farmers	Provides environmental, social, and economic sustainability with performance-based indicators specifically designed for application to sugarcane production
CEO	Chief Executive Officer	
CO₂	Carbon dioxide	Chemical compound composed of one carbon and two oxygen atoms; present in the Earth’s atmosphere at a low concentration and acts as a greenhouse gas
CO₂e/t	Carbon dioxide equivalent per metric tonne	Equivalence metric for greenhouse gas emissions
ESG	Environmental Social & Corporate Governance	Criteria used by socially conscious investors and shareholders to screen investments and assess a company’s impact on the world
EU	European Union	
EU-RED	European Union Renewable Energy Directive	Directive on the promotion of the use of energy from renewable sources
FAO	Food & Agriculture Organization	United Nations agency that leads international efforts to defeat hunger and improve nutrition and food security
GHG	Greenhouse gases	Gas that absorbs and emits radiant energy within the thermal infrared range, causing the greenhouse effect
GL	Gigalitre	1 million litres
GM	Genetically modified	Process of altering the genes of a living thing
ha	Hectare(s)	Unit of area equal to 10,000m ² or approx. 2.47 acres
HCVA	High conservation value area	An area in which there are biological, ecological, social or cultural values considered outstandingly significant
IFC	International Finance Corporation	Member of the World Bank Group and largest global development institution focused exclusively on the private sector in developing countries

ISEAL	ISEAL Alliance	Global membership organisation for ambitious, collaborative and transparent sustainability systems
ISO	International Sugar Organization	Intergovernmental body devoted to improving conditions on the world’s sugar market
MC	Members’ Council	Representative body of the membership of Bonsucro which acts as a reference and sounding board for the Board of Directors, allowing members to have a say on the issues that matter to them
MEL	Monitoring, evaluation & learning	Systems to track, assess and learn from the results of an organisation’s interventions
Mt	Megatonne	Million tonnes
NGO	Non-governmental organisation	Non-profit organisations which are independent of government involvement which serve a social or political goal such as humanitarian causes or the environment
OECD	Organisation for Economic Co-operation & Development	Intergovernmental economic organisation with 37 member countries, founded in 1961 to stimulate economic progress and world trade
PES	Payment for environmental services	Payments to farmers or landowners who have agreed to take certain actions to manage their land or watersheds to provide ecological service
RSPO	Roundtable for Sustainable Palm Oil	Multi-stakeholder organisation to promote the growth and use of sustainable oil palm products.
SDG	United Nations Sustainable Development Goals	Global agenda to end poverty, protect the planet, and ensure all people enjoy peace and prosperity
TAB	Technical Advisory Board	Bonsucro body that provides the Board of Directors with advice and recommendations regarding the standards, assurance mechanisms, and measurement of impact
t	Tonne	1,000 kilograms; metric equivalent to approx. 1.102 US tons
UK	United Kingdom	
UN	United Nations	Intergovernmental organisation that aims to maintain international peace & security, and achieve international cooperation
UNCTAD	United Nations Conference on Trade and Development	The organisation within the United Nations Secretariat which deals with trade, investment, and development issues
US\$	US dollars	

ANNEX 2: VALUE PROPOSITIONS

FARMERS

Bonsucro provides sugarcane farmers with a robust performance framework to progressively improve their farming practices and impact on the land, water and ecosystems.

Our data demonstrates that, globally, certified farmers produce significantly more sugarcane per hectare than conventional farmers.

Bonsucro certified farms experience lower accident rates, while farm workers benefit from safer working conditions and can earn significantly more than the national minimum wage, depending on location.

Certified farmers benefit from access to certified mills, the ability to sell sugarcane credits on our trading platform and opportunities to connect and exchange with peers.

As a convening platform, we give farmers and farming associations greater visibility and voice than they would otherwise have in sustainability discussions and initiatives, globally and locally.

We will increase our support for smallholder sugarcane farmers in particular – including those not yet certified. Specifically, we will expand the number and scope of our impact projects, unlock more investment in capacity building and facilitate access to affordable finance.

MILLS

Although Bonsucro certification does not necessarily carry a premium, we will do everything within our power to ensure that mills' investment in sustainability is recognised by the market.

Our credit trading system rewards sustainable production by enabling buyers to purchase directly from Bonsucro certified mills. There is growing evidence that end users prefer to buy from certified mills, including non-certified product.

Independent business case studies demonstrate that Bonsucro certification drives a range of operational benefits and cost reductions for mills – including reduced application of agrichemicals, lower GHG emissions, improved water usage, and lower rates of absenteeism and accidents.

Critically, certification helps to safeguard business and mitigate commercial risk by giving mills the credibility they need to respond to growing customer demand and regulatory pressure for sustainable sugarcane and derivatives. It can also reduce amounts paid in fines by strengthening legal compliance.

We provide member mills with technical and communications support to improve their sustainability performance, including best practice information and data – as well as valuable supply-chain connections through local and international pre-competitive convening activity.

We are looking to add value to mills by creating access to new and innovative lines of finance, such as carbon credits and green bonds, and by providing additional support to their farmers through access to finance for capacity building.

TRADERS

Traders play a vital role in connecting supply and demand, supporting their customers' sustainability and ESG commitments through more sustainable sourcing.

As leading corporations themselves, many are subject to the same stakeholder demands and expectations as their customers. Buying Bonsucro certified product helps all parties to manage and mitigate commercial, legal and reputational risk.

As we develop our data and analytics capabilities, Bonsucro will provide traders with improved metrics and evidence of impact on the ground. We also connect them with other supply chain actors and stakeholder groups to develop shared responses to critical sectoral challenges, such as water usage, deforestation and human rights.

END USERS

Our end user members represent both traditional consumer food, beverage and alcohol sectors and other derivatives, such as bioethanol, bioplastics and biopackaging.

Sourcing from Bonsucro certified mills (including purchase of Bonsucro credits) is vital for end users to achieve their sustainable procurement targets.

Sustainable sourcing helps them to demonstrate sustainability performance to stakeholders and investors (including delivery against the SDGs) and to mitigate risk, especially as regulatory requirements become more stringent.

End users value the peer-to-peer and supply chain connections that we create, plus access to knowledge and insights – particularly intelligence on projects in development by mills and farmer groups to achieve certification and deliver improvements.

They welcome the individual support that we provide through training, advice on developing their sustainability strategy and roadmaps and more data-driven decision-making, including increased transparency on supply chain mapping.

Bonsucro provides a pre-competitive platform to bring like-minded companies together to advance sustainability across the sugarcane sector globally.

CIVIL SOCIETY

As the world's leading sustainability initiative for sugarcane, and as a Code Compliant member of ISEAL, Bonsucro is the go-to organisation for NGOs with a direct or indirect interest in sugarcane.

We actively engage and partner with civil society at every level – from global policy and research to local field-level projects and programmes – often in collaboration with other interested parties such as farmer and mill associations, donors and government extension services.

Our work already spans environmental sustainability (for example on GHG emissions, soil health, biodiversity), poverty alleviation and better working conditions and human rights protections for workers.

Civil society members have privileged access to mills, buyers and end users. We provide multi-stakeholder engagement through committees and advisory groups, networking, events and knowledge sharing.

Through Bonsucro, NGOs can play an active role to achieve their own mission and desired impact by participating in the design and delivery of field-level projects.

DONORS & FUNDERS

Bonsucro is a credible and trusted partner for donor-funded projects and programmes.

We are the leading authority on sustainability in sugarcane, our work is data-driven and evidence-based, and we have a proven track record of project management, reporting and delivery.

Since we generate a significant amount of impact investment funding from our credit trading system, we view our own funding through a similar lens.

Thanks to our critical mass and reach in sugarcane, we are uniquely placed to advise donors on hotspots for potential investment, to help them to channel funding to where it will best meet their objectives, criteria and desired outcomes, and to connect them to current and potential project partners.

We provide access to some of the biggest commercial operators in the sector for larger projects looking to drive change at scale. Alternatively, we can facilitate funding for more targeted and localised projects – including capacity building, innovation, and access to finance – and especially for smallholder farmers and less advanced mills.

GOVERNMENTS

Bonsucro is a valuable resource for governmental organisations both globally and locally.

We are a source of data and insights for the public good, an influential convenor for multi-stakeholder dialogue and consensus, and a trusted advisor and delivery partner for development assistance projects.

Our expertise in sustainability complements the work of the ISO. Above all, we provide a vital bridge between governments in producer and consumer countries.

In producer countries, Bonsucro's metric-based standards can provide a proxy for regulation and raise the bar for farms and mills beyond national minimum requirements. We enable national governments to compare their approach with other producer countries and to share best practice.

For governments in consumer countries, Bonsucro provides comprehensive, authoritative guidance on the local contexts in producer countries – from national environmental and social and labour regulation to the very real challenges for improving sustainability on the ground.

¹ Sustainable Goals Development Report, 2020

² Smith WK et al, Voluntary sustainability standards: Proceedings of the National Academy of Sciences of the United States of America, February 2019,

³ OECD-FAO, Agricultural Outlook 2020-2029

⁴ ibid

⁵ Biofuel UK, "Biofuel Organisms – Sugarcane", <http://biofuel.org.uk/sugar-cane.html>

⁶ The European Bioplastics Association defines bioplastics as being biobased, biodegradable or both.

⁷ OECD-FAO, Agricultural Outlook 2020-2029

⁸ Deloitte, Business Case Study of Bonsucro Certification in India, Feb 2021

⁹ Agroicone, Bonsucro Business Case, 11 September 2020

¹⁰ Sugarcane season 2019/20

¹¹ Sugarcane season 2024/25

¹² Financial year 2020/21

¹³ Financial year 2025/26

¹⁴ Sugarcane season 2019/20

¹⁵ Sugarcane season 2024/25

¹⁶ Financial year 20/21

¹⁷ Sugarcane season 19/20

¹⁸ Financial year 25/26

¹⁹ Sugarcane season 25/26

²⁰ Sugarcane season 19/20 and financial year

²¹ Financial years

²² 'Outcome based standards – a landscape approach' is a research project managed by Bonsucro, funded by a consortium of donors and the ISEAL Innovations Fund, which is supported by the Swiss State Secretariat for Economic Affairs (SECO) with research led by the University of Minnesota.





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