



SUSTAINABLE SUGARCANE CHANGING FOR GOOD

**BONSUCRO STRATEGIC PLAN 2021–2026
YEAR 2 PROGRESS**



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In April 2021 Bonsucro launched its strategic plan for the five-year period from April 2021 to March 2026. This plan set Bonsucro's direction for shaping the sugarcane sector's contribution to the UN Sustainable Development Goals and described the actions and outcomes we aim to achieve by 2026.

Our strategy is built around three strategic aims and we measure our progress over time by tracking our performance against a set of lead indicators (known as KPIs) linked to key objectives. These objectives align to the outcomes stated in our Theory of Change. We also track a set of complementary organisational indicators, to monitor and manage what the Bonsucro secretariat needs to do to successfully deliver the strategy.

Overall, we are satisfied with our Year 2 progress – our results show we are largely on track. We achieved or exceeded our targets for 75% of the indicators listed in our summary KPI table. The remaining 25% has shown us where to concentrate our efforts. Two areas we have prioritised for improvement include: stimulating the demand for Bonsucro credits; and looking at how Bonsucro can support and encourage real wage growth in the sector.

In the case of credits, Bonsucro is currently undertaking a review of its Credit Trading Platform to evaluate whether the business rules underpinning the platform can be adjusted to encourage sales.

Regarding wage growth in the sector, as a first step Bonsucro has launched a pilot project to test salary benchmarking tools and approaches. The results of this pilot project and its implications, will be discussed as part of the Bonsucro Global Week agenda, scheduled for May 2024.

STRATEGY KEY PERFORMANCE INDICATORS

Summary of Year Two data against the Bonsucro Strategic Plan Global Indicators. In the Year One update we published revised baselines, which are included here. Original baselines can be found in the published strategic plan.

Strategic aim: Create value across the supply chain					
Objectives	Indicators	Baseline	Year 2	Year 5 Target	Notes
Increase supply & demand of certified sustainable sugar, ethanol & derivative	Hectares of certified sugarcane annually*	1.3 million ha	1.91 million ha	2 million ha	Year 2 figure includes some estimate values while audits are finalised.
	Number of certified mills	130 mills	154 mills	210 mills	Baseline 31 March 2021. Year 2 update 31 March 2023.
	Tonnes certified sugar & m ³ certified ethanol produced (or equivalent)	Sugar: 6.2 million	Sugar: 9.1 million	Sugar: 9.6 million	Excellent growth in certified sugar production. Close to target after 2 years. Certified ethanol supply also growing well.
		Ethanol revised baseline: 3.0 million	Ethanol: 3.6 million m ³	Ethanol: 4.3 million m ³	
	Number of Bonsucro raw sugar credits (or equivalent) sold annually [†]	1.2 million credits	1.0 million credits	2.2 million credits	The credit values are based on when trades were initiated. 58 trades in total during 2022/23, including the first trades of molasses credits.
	Tonnes of certified physical products sold ex-mill *	Revised baseline: 1.1 million t	1.98 million t	2 million t	Already close to year 5 target, indicating an acceleration in market uptake (21%).
More inclusive & sustainable value chains	Number of independent farmers & smallholders reached by Bonsucro certification and/or impact projects over 5 years	3,000 farmers (2014-2019)	12,700 farmers (2015-2020)	15,000 farmers (2019-2024)	Significant early achievement on this KPI. Year 3 figures so far show a further significant increase, with new mills certified in India and Pakistan.
Convene impact projects	Total money invested in Bonsucro impact projects over 5 years	Revised baseline: £2.0m (2016-2021)	£3.15m (2017-2022)	£5.37m (2021-2026)	The revised baseline includes actuals that were not available at the time of the original baseline calculations.
Deliver value to members	Annual membership retention rate*	93%	98.3%	95%	This is based on full payment of the membership fee.
Points to note: Year 1 figures for sugar and ethanol volumes are partly based on estimates provided by mills in their latest audit. As actuals figures are verified, total volume figures may change.					

*Baseline calculated for sugarcane season 2019/2020

[†]Baseline calculated for financial year 2020/2021

Aim: Improve the environmental impact of sugarcane					
Objectives	Indicators	Baseline	Year 2	Year 5 Target	Notes
Drive climate action in the sugarcane sector	% Reduction in Scope 1 and 2 emissions of certified mills and farms after 5 years' certification ** (kg CO ₂ equivalent/kg sugar)	22% reduction	30% reduction	>30% reduction	A good improvement on Year 1. Rollout of the climate roadmap has rolled out to enhance work on greenhouse gas emission reductions.
	Number of collective commitments & actions on climate change mitigation and adaptation [†]	0	2	8	Climate Roadmap beginning to be rolled out in 2022.
Improve water security & stewardship	% Increase in water-use efficiency by certified producers after 5 years certification ** (kg per mm per hectare)	Revised baseline: 49% increase in efficiency	31% increase	Original target: >30% increase in efficiency	There is wide variation in Water Use Efficiency values globally, influenced by local climate and conditions. Certification continues to show impact on water use efficiency, but a decrease compared to last year. Original target was determined using a different baseline.
	Number of collective commitments & actions on sustainable water management [†]	0	1	4	Plans in development for collective action on sustainable water management.
Improve biodiversity and soil health	# hectares High Conservation Value Areas (HCVA) protected & maintained	-	-	-	Data will be available from 2024 based on certification data in line with the new Bonsucro Production Standard.
	Percentage of certified producers employing two recommended soil management practices ¹	83%	85%	88%	This indicator is newly introduced to assess progress on soil health.
Points to note:	KPIS reported "after 5 years' certification" are based on the average reported value at the time of certification (Year 0) and the average reported after five years of certification (Year 5). Each year the number of mills with 5 years' certification increases. This may lead to future adjustments on reported figures, and changes in trends. "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.				

¹ Specifically, >30% groundcover with leaves and tops after harvest, and applying filtercake/vinasse to certified cane fields.

Aim: Strengthen human rights & decent work in sugarcane milling & farming

Objectives	Indicators	Baseline	Year 2	Year 5 Target	Notes
Increase wages in sugarcane farming and milling	increase in average % differential between wages paid above legal minimum wage after 5 years of certification **	Revised baseline: Farm: 4% increase Mill: 5% increase	Farm: 4% increase Mill: 3% increase	Original target: Farm: 30% increase Mill: 45% increase	We see a small relative decrease in wages compared to national minimum wage. External economic and political factors are likely to have an influence on this indicator.
	Number of collective commitments & actions on Living Wage [†]	0	1		Year 1 achievement with the establishment of the Living Wage Working Group. No new collaborations in Year 2.
Improve occupational health & safety in farming and milling	% reduction in accidents in certified farms & mills after 5 years' certification **	Revised baseline: Farm: 15% decrease Mill: 12% decrease	Farm: 24% decrease Mill: 17% decrease	Original target: Farm: 43% decrease Mill: 23% decrease	Certification remains effective in motivating change on safety and accident rates. Level of accident reduction similar to last year. To amplify impact in this area requires additional activity beyond certification.
Enhance respect for human rights	Number of collective commitments and actions to promote UN Guiding Principles on Business & Human Rights, & OECD-FAO Guidance for Responsible Agricultural Supply	0	3	4	ISEAL partnership project "Good Practice & Learning in Due Diligence & Grievance Mechanisms" delivered. Two Human Rights grants awarded via BIF for collective action projects in Thailand/India and Brazil.
<p>Points to note:</p> <p>KPIS reported "after 5 years' certification" are based on the average reported value at the time of certification (Year 0) and the average reported after five years of certification (Year 5). Each year the number of mills with 5 years' certification increases. This may lead to future adjustments on reported figures, and changes in trends.</p> <p>"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.</p>					

**Baseline calculated using available data up to and including sugarcane season 2019/2020

[†] Baseline calculated for financial year 2020/2021

OPERATIONAL KEY PERFORMANCE INDICATORS

Organisational targets to monitor and manage what the secretariat needs to do to successfully deliver the strategy.

Objectives	Indicators	Baseline	Year 1	Year 5 Target	Notes
Engage effectively with members	% Members submitting their annual report	46%	65%	80%	
Effective Resource Management	Annual income £	£2,923,000 (FY 20/21)	£3,143,000 (FY 22/23)	£3,720,000 (FY 25/26)	
Demonstrate impact	Outcome Report	2019 report published	2021 report published	Report published annually	
Strengthen capabilities & systems	Data maturity score**	2.9 out of 5 (July 2022)	2021 report published 3.6 out of 5 (May 2022)	3.5 (March 2026)	Data maturity is the journey towards increased capability in using data. Bonsucro’s work on digitalisation is bringing improvements to many of our systems.

** The data maturity score captures a suite of capabilities and systems applications in a single metric

LOOKING FORWARD TO YEAR 3 OF THE STRATEGIC PLAN

When Bonsucro launched its Strategic Plan in 2021, the sector was still dealing with the aftermath of the COVID-19 pandemic. In 2022, this disruption was compounded by several climate-linked natural disasters, and the outbreak of war in Ukraine. In November 2023, we will critically reflect on these changing market conditions and our KPI performance when we undertake an internal mid-strategy review of Bonsucro’s progress. We will use this review to further refine our plans and make key decisions on how we can maximise our impact throughout the second half of the strategy period.