

Template for DISCO action plans

Subsectors 'Traders & Processors' and 'Manufacturers & Brands'

Instructions

To gather more quantitative insights in what individual signatories are contributing to the DISCO goals in the upcoming years and how the partnership is progressing jointly, the Steering Committee agreed that all signatories will develop and publish individual action plans. These action plans show how they are contributing to the DISCO goals in the upcoming 3 years (until end 2026), and:

- are based on the commitments from the [DISCO declaration](#);
- have a strong link with the indicators from the ISCO Reporting Framework;
- explain how the principles on procurement practices as laid down in the DISCO procurement practices position paper, are being implemented by DISCO signatories.

You are asked to fill below template and submit it by **30 June 2024 the latest** to the DISCO Secretariat: Mark de Waard, dewaard@idhtrade.org and Lisa Graepel, graepel@idhtrade.org.

After submission and review by the DISCO Secretariat, all DISCO action plans will be published on the DISCO website. The DISCO Secretariat will analyse and summarise the action plans. The outcomes of this analysis will be shared and discussed during the annual General Assembly at the end of 2024.

For more guidance on defining the actions around the three impact themes, it is recommended to consult the DISCO Roadmaps on [living income](#), [deforestation and forest degradation](#), and [child labour](#). For more information on the quantitative targets, the definitions and usage of the indicators, please consult the [ISCO Reporting Framework](#).

All action plans will cover the period 2024-2026. The quantitative targets track progress cumulatively until the end of 2026, including what's already been achieved. Progressive targets with intermediate milestones could also be included. It is also requested to give a brief qualitative description. Where needed, references to a more comprehensive description of the strategy could be included.

General information

Cargill
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Plans on DISCO ambitions to enable living incomes

Living income gap measurement

Describe in max. 200 words what your organizations' plans are to measure income gaps throughout your supply chain, and describe the methodology, including which living income benchmark will be used for measurement of the income gaps¹.

¹ Recommended methodology: [LICOP's Guidance Manual on Calculating and Visualizing the income gap to a Living Income Benchmark](#)

Cargill has a Living Income Application (LIA) which uses a combination of data collected from field surveys and literature assumptions to measure income gaps in our direct sustainable supply chain.

The model was co-developed with IDH and enables us to see modelled baseline and benchmark figures for ≈54k households from our direct sustainable supply chain in Cote d'Ivoire. The benchmarks used in the model are based on the LICoP CIV from June 2022 and have been adjusted using an OECD coefficient to reflect different household sizes and compositions in our supply chain.

From the 24/25 season onwards, we will be providing living income snapshot metrics for all our Promise Cocoa customers, including those who are members of ISCOs. For the 25/26 season we will be offering more in-depth insights using a sample-based approach and the CHIS Methodology. We are working in collaboration with IDH and New Foresight, as part of our strategic living income collaboration to develop this. Collecting and analysing this data will enable us to a) improve the assumptions in our LIA, strengthening our impact modelling b) enable us and our customers to report more accurately against ISCO metrics.

Substantiate this by setting a quantitative target on the following indicator:

Total # and % of farming households in supply chain for which a living income gap is measured:

Note from Cargill: as outlined above, Cargill plans to develop a sample-based gap measurement strategy – therefore the baseline and benchmarks for the # of farming households will be extrapolated based on that sample-based approach as needed.

By the end of 2024	60k of farming households
By the end of 2025	80k of farming households
By the end of 2026	100k of farming households

Living income strategy implementation

Describe in max. 300 words what your organizations' plans are:

- to implement living income strategies (according to the ISCO definition²) throughout your supply chain;
- what that strategy entails and how the multiple income drivers around land size, yield, price, cost of production and diversified incomes are addressed;
- the expected impact around living income gap closure for households (households that closed the gap and those moving towards closing the gap).

² See [ISCO Reporting Framework](#), p. 38

From CY24/25 Cargill's Promise Cocoa will include Living Income as a cross-cutting theme. This holistic approach means that interventions that have traditionally been viewed solely with an environment or community lens will also be considered for their potential impact on incomes. Our living income priorities within this approach are centered in three key pillars; high quality data collection and analysis, scalable and differentiated customer solutions, and communications and influencing. The scalable solutions pillar is the most relevant for this action plan. From the 25/26 season onwards we will have living income programming solutions available for optional investment by all of our Promise Cocoa customers.

The selection of these programs is driven by our LIA, so that we are prioritising approaches with proven impact on incomes. In addition, the implementation location of these projects will be based on operational, commercial and sustainability insights, such as identifying agronomic priorities in a specific region, or supporting a cooperative that we feel is capable of facilitating a high-complexity farm services model.

These add-ons will include interventions focused on price (paying a LIRP); yield and cost of production (Farm Services); and income diversification (various community-based approaches including VSLA's). Projects will come with a common set of reporting KPIs that track their impact on incomes.

We will continue to support our key brand customers to expand and implement highly bespoke living income projects, such as Nestle's Income Accelerator, in their dedicated supply chains.

Substantiate this by setting a quantitative target on the following indicator:

Total # and % of farming households in supply chain for which a living income strategy is implemented:

By the end of 2024	# 15,000 of farming households	<8> % of farming households
By the end of 2025	# 20,000 of farming households	<11> % of farming households
By the end of 2026	# 30,000 of farming households	<16> % of farming households

Procurement practices

Describe in max. 200 words what your organizations' plans are to change procurement practices, based on the three agreed principles in the DISCO Procurement Practices Position Paper³ (please comment on each principle):

- Farmers are adequately remunerated so that sustainable cocoa farming can be profitable and enable them to earn a living income.
- Farmers and farmer groups are reliably and promptly paid for the cocoa beans supplied.
- Farmers and farmer groups have assurances from their off-takers in the form of longer term agreements for the supply of sustainable cocoa in the years to come.

- Through Cargill's Cocoa Promise, farmers are supported with Farm Services to increase and improve their cocoa production and IGAs (including VSLAs) where relevant to increase off-farm income at a household level
- Cargill pays a sustainability premium for its sustainably sourced cocoa, and has mobile money systems established for prompt payment.
- Cargill is working with many cooperatives and/or buying entities for over 5 to 10 years, including establishing long term relationships and agreements.

Substantiate this by setting a quantitative target on the following indicator:

Total # and % of farming households in supply chain for which the procurement practices are adapted in line with the principles from the DISCO Procurement Practices Position Paper:

By the end of 2024	# <...> of farming households	<...> % of farming households
By the end of 2025	# <...> of farming households	<...> % of farming households
By the end of 2026	# <...> of farming households	<...> % of farming households

³ See DISCO [Procurement Practices Position Paper](#)

Plans on DISCO ambitions to end deforestation and forest degradation

Traceability

Describe in max. 200 words what your organizations' plans are to source traceable up to the farm level.

Linked to our responsible sourcing program (and as part of EUDR compliance) all cocoa which eventually will get into the EU as beans or products will be traceable back to farm level.

Below numbers are global numbers as products from WAF and Latam/Asia may flow into the EU as well. Not in all countries cooperatives are common practice and bean buying can go through middleman, LBCs, etc. We use the name cooperative in a broader way therefore.

Substantiate this by setting a quantitative target on the following indicator:

Volume in MT-BE and % sourced per traceability level by the end of 2024.

Origin unknown	<0> MT-BE	<0> %
Country known	<800.000> MT-BE	<100> %
Cooperative known	<340.000> MT-BE	<43> %
Farm known and having at least one coordination per farm (farm mapping) / Farm known, having point coordinates and /or polygons for plots less than 4ha and polygon boundaries of the plots bigger than 4ha.	<300.000> MT-BE	<38> %

Volume in MT-BE and % sourced per traceability level by the end of 2025.

Origin unknown	<0> MT-BE	<0> %
Country known	<800.000> MT-BE	<0> %
Cooperative known	<600.000> MT-BE	<75> %
Farm known and having at least one coordination per farm (farm mapping) / Farm known, having point coordinates and /or polygons for plots less than 4ha and polygon boundaries of the plots bigger than 4ha.	<600.000> MT-BE	<75> %

Volume in MT-BE and % sourced per traceability level by the end of 2026.

Origin unknown	<0> MT-BE	<0> %
Country known	<800.000> MT-BE	<0> %
Cooperative known	<600.000> MT-BE	<75> %
Farm known and having at least one coordination per farm (farm mapping) / Farm known, having point coordinates and /or polygons for plots less than 4ha and polygon boundaries of the plots bigger than 4ha.	<600.000> MT-BE	<75> %

Signing national initiatives aiming to end cocoa related deforestation in sourcing countries

Describe in max. 300 words what your organizations' plans are to sign and adhere to the national initiatives aiming to end cocoa related deforestation (e.g. Cocoa & Forests Initiative) in the countries you source from by indicating:

- Which national initiatives your organization already signed and are planning to sign
- Beyond deforestation free initiatives, what is your organization doing to contribute to protecting forests and restoring natural forests degraded by cocoa production s, especially around:
 - (HCV/HCS) mapping;
 - Monitoring forest remnants;
 - Establishment of cocoa agroforestry systems;
 - Restoration of natural forests that have been degraded by cocoa.

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

Cargill is a RDFC signatory. The Roadmap to Deforestation-free Cocoa is a public, private, civil society partnership that aims to end cocoa-related deforestation in Cameroon.

Cargill has established our signature sustainability program, Cargill cocoa promise in Côte d'Ivoire, Ghana and Cameroon, but also in Brazil, Indonesia and Ecuador. We use digital GPS devices to collect information about farm boundaries and create polygon maps of the farms from which we source cocoa. To assess deforestation, we use geospatial data based on satellite imagery to determine where forests remain and where forest loss has taken place. Our approach is built on geographic information systems (GIS) software tools, as well as geospatial data and the analytical methods made available by the World Resources Institute (WRI) in its Global Forest Watch platform. By overlaying farm polygon maps with geospatial satellite data, our teams can detect forest cover changes on our cocoa suppliers' farms, as well as in nearby forests and protected areas. The data also tells us which farms are closest to remaining forests and protected areas boundaries, and thus present higher future deforestation risks

We continue to work with partners on a multitude of agroforestry/reforestation initiatives at the landscape and community levels. We expanded our holistic agroforestry programs with PUR, IMPACTUM, FOA S.A.R.L. and Agromap to support on-farm restoration and forest protection in the buffer zones of important conservation areas by raising awareness, promoting agricultural best practices and engaging communities. We promote cocoa agroforestry practices and in 2024 we plan to distribute 1,1 million trees for on-farm planting.

Substantiate this by setting a quantitative target on the following indicator:

National initiatives aiming to end cocoa related deforestation signed.

	Sourcing from Ghana and signed CFI Côte d'Ivoire	Sourcing from Ghana and signed CFI Ghana	Sourcing from Cameroon and signed RDFC Cameroon	Sourcing from Colombia and signed CB&P Colombia
By the end of 2024	Signed	Signed	Signed	N/a
By the end of 2025	Signed	Signed	Signed	N/a
By the end of 2026	Signed	Signed	Signed	N/a

Deforestation-free sourcing

Describe in max. 200 words what your organizations' plans are to source deforestation-free⁴.

⁴ See [ISCO Reporting Framework](#), p. 37

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

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

Cargill will continue to source third party certified and independently verified sustainable cocoa with no deforestation criteria such as Rainforest Alliance, according to market demand. Cargill has set internal targets to drive market conversion and uses this to encourage market adoption of more sustainable practices.

Please see the Cargill Policy on Forests at <https://www.cargill.com/doc/1432136544290/cargill-policy-on-forests.pdf>

Substantiate this by setting a quantitative target on the following indicator:

Volumes in MT-BE and % sourced that can be claimed as deforestation-free differentiated per cut-off date (please indicate the latest date).

By the end of 2024	<...> MT-BE sourced claimed deforestation-free per <YEAR>	49 % sourced claimed deforestation-free per 2014
By the end of 2025	<...> MT-BE sourced claimed deforestation-free per <YEAR>	49 % sourced claimed deforestation-free per 2014 40 % sourced claimed deforestation-free per 2020
By the end of 2026	<...> MT-BE sourced claimed deforestation-free per <YEAR>	49 % sourced claimed deforestation-free per 2014 40 % sourced claimed deforestation-free per 2020

Plans on DISCO ambitions to end child labour

Child labour Monitoring and Remediation System (CLMRS) or equivalent system roll out

Describe in max. 200 words what your organizations' plans are to roll out Child labour Monitoring and Remediation System (CLMRS) or equivalent system throughout your supply chain.

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

Please see our commitment to human rights here:

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

By 2025 100% of our direct sourced sustainable cocoa will be covered by a CLMRS (Child Labor Monitoring and Remediation System) in relevant geographies (as defined by ICI). In West Africa we deploy a risk-based CLMRS in CDI and a standard CLMRS in Ghana and Cameroon. This includes a household survey for case identification, child support, and household/community support. In non-WAF we tailor the local interventions based upon context and results of our HRA.

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

Substantiate this by setting a quantitative target on the following indicator:

Total # and % of farming households in supply chain that are covered by a Child Labour Monitoring and Remediation System (CLMRS) or equivalent system:

By the end of 2024	# <...> of farming households	<...> % of farming households
By the end of 2025		100% of our direct sourced sustainable cocoa in WAF will be covered by a CLMRS
By the end of 2026		100% of our direct sourced sustainable cocoa in WAF will be covered by a CLMRS