

# Template for DISCO action plans

## Subsectors 'Retailers' and 'Smaller Manufacturers'

### 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](mailto:dewaard@idhtrade.org) and Lisa Graepel, [graepel@idhtrade.org](mailto: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

FrieslandCampina  
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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 gaps<sup>1</sup>.

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

FrieslandCampina sources its' cocoa powder from three big suppliers (Resp. Cargill, Barry Callebaut and OFI), it is not sourcing any cacao or cocoa directly from other suppliers or farmers. As FrieslandCampina is a dairy organization, using a relatively small portion of cocoa, it is riding on the different sustainability programs provided by its' suppliers.

The programs FrieslandCampina is riding on (resp. Cocoa Promise, Cocoa Horizons and Atsource) do include living income as a single topic. FrieslandCampina is paying its' suppliers premiums to let them execute the programs on the ground, ensuring living income is respected or working towards closing the living income gaps going forward.

On top, we only source RA certified, which is another premium we pay to ensure living income is covered.

We are continuously evaluating if anything else needs to be implemented on top but as we do ride on the supplier programs, FrieslandCampina expects them to run the living income gap measurements.

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

*Total volumes in MT-BE<sup>2</sup> and % sourced for which a living income gap is measured:*

<b>By the end of 2024</b>	<...> MT-BE sourced	<...> % in supply chain
<b>By the end of 2025</b>	<...> MT-BE sourced	<...> % in supply chain
<b>By the end of 2026</b>	<...> MT-BE sourced	<...> % in supply chain

### Living income strategy implementation

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

- to implement living income strategies (according to the ISCO definition<sup>3</sup>) 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).

See description under section living income gap measurement.

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

*Total volumes in MT-BE and % sourced for which a living income strategy is implemented:*

<b>By the end of 2024</b>	450 MT-BE sourced	100 % in supply chain
<b>By the end of 2025</b>	? MT-BE sourced	100 % in supply chain
<b>By the end of 2026</b>	? MT-BE sourced	100 % in supply chain

### 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 Paper<sup>4</sup> (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.

<sup>2</sup> Metric Ton Bean Equivalent. Methodology to calculate MT-BE in [ISCO Reporting Framework](#), p. 39

<sup>3</sup> See [ISCO Reporting Framework](#), p. 38

<sup>4</sup> See [DISCO Procurement Practices Position Paper](#)

- 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.

FrieslandCampina sources its' cocoa powder from three big suppliers (Resp. Cargill, Barry Callebaut and OFI), it is not sourcing any cacao or cocoa directly from other suppliers or farmers. As FrieslandCampina is a dairy organization, using a relatively small portion of cocoa, it is riding on the different sustainability programs provided by its' suppliers.

Keeping the three agreed principle in mind, this also means that FrieslandCampina is leveraging on the activities done by our three suppliers.

- 1) FrieslandCampina will follow up with its' suppliers securing adequately remuneration. FrieslandCampina is not in the position to check the remuneration farmer per farmer as it sources mainly RA MB
- 2) FrieslandCampina will follow up with its' suppliers securing reliable and promptly payments. FrieslandCampina only sources cocoa powder (mainly RA MB) and is therefore not in the position to check this on farmer level.
- 3) FrieslandCampina has annual contracts with its' suppliers, however volumes are relatively stable. As FrieslandCampina is only a small player in cocoa, also here it is leveraging on the programs of the supplier.

FrieslandCampina is currently evaluating its' sourcing strategy on cocoa. Sustainability is an important aspect, and where possible it will step up in implementing additional measures.

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

*Total volumes in MT-BE and % sourced for which the procurement practices are adapted in line with the principles from the DISCO Procurement Practices Position Paper:*

<b>By the end of 2024</b>	<...> MT-BE sourced	<...> % in supply chain
<b>By the end of 2025</b>	<...> MT-BE sourced	<...> % in supply chain
<b>By the end of 2026</b>	<...> MT-BE sourced	<...> % in supply chain

## 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.

FrieslandCampina sources its' cocoa powder from three big suppliers (Resp. Cargill, Barry Callebaut and OFI), it is not sourcing any cacao or cocoa directly from other suppliers or farmers. As FrieslandCampina is a dairy organization, using a relatively small portion of cocoa, it is riding on the different sustainability programs provided by its' suppliers. On top, all sourced cocoa is covered by the Rainforest Alliance certification.

With EUDR coming up, it becomes more important to understand where our cocoa is coming from. For this reason, FrieslandCampina recently launched its new Responsible Supplier Policy (which links to its' zero deforestation & conversion policy as well), requiring suppliers to disclose specific ESG related information upon request.

As FrieslandCampina sources mainly RA MB, it will request its' suppliers to disclose traceability to Cooperative level (or where possible farm). However, as it is RA MB, FrieslandCampina is heavily depending on its' supplier's willingness to share these sorts of info.

FrieslandCampina is investigating whether third party auditors could support in lifting this traceability level. Exact roadmap to be defined.

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

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

Origin unknown	<...> MT-BE	<...> %
Country known	<...> MT-BE	<...> %
Cooperative known	<...> MT-BE	<...> %
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.	<...> MT-BE	<...> %

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

Origin unknown	<...> MT-BE	<...> %
Country known	<...> MT-BE	<...> %
Cooperative known	<...> MT-BE	<...> %
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.	<...> MT-BE	<...> %

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

Origin unknown	<...> MT-BE	<...> %
Country known	<...> MT-BE	<...> %
Cooperative known	<...> MT-BE	<...> %
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.	<...> MT-BE	<...> %

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

Describe in max. 200 words what your organizations' plans are to source from suppliers that have signed and adhered to the national initiatives aiming to end cocoa related deforestation (e.g. Cocoa & Forests Initiative) in the countries you source from.

FrieslandCampina has its' own zero deforestation & conversion policy, and it requires suppliers to sign this policy instead of a national initiative. This policy has been launched some years ago and is currently undergoing a revision including cocoa specific elements.

On top, EUDR will help FrieslandCampina a whole lot ensuring its suppliers to only supply deforestation free cocoa to FrieslandCampina. FrieslandCampina is currently preparing itself to for EUDR compliancy by 30st of December 2024, but as FrieslandCampina is not putting as first party any cocoa to EU market, it is mostly leveraging on its' suppliers.

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

Volumes in MT-BE and % sourced from a supplier that signed all national initiatives aiming to end cocoa related deforestation that the supplier sources from.

By the end of 2024	<...> MT-BE sourced	<...> % in supply chain
By the end of 2025	<...> MT-BE sourced	<...> % in supply chain

<b>By the end of 2026</b>	<...> MT-BE sourced	<...> % in supply chain
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### Deforestation-free sourcing

Describe in max. 200 words what your organizations' plans are to source deforestation-free<sup>5</sup>.

FrieslandCampina has a zero deforestation & conversion policy in place. At this moment (June '24), this policy is undergoing a revision and cocoa will be specifically highlighted whereas this is not the case in the current version.

The zero deforestation & conversion policy is a global policy, applicable to all suppliers of FrieslandCampina. This policy is an integral part of the newly designed Responsible Supplier Policy, which all cocoa suppliers of FrieslandCampina need to have signed by the end of 2024.

For EU markets, FrieslandCampina will leverage on EUDR and will leverage on suppliers to ensure all cocoa is deforestation free. On top, FrieslandCampina is currently investigating whether it is needed to select and implement an independent third party auditing our suppliers going forward.

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).*

<b>By the end of 2024</b>	450 MT-BE sourced claimed deforestation-free per <YEAR>	100 % sourced claimed deforestation-free per 2014 (based on cut-off date rainforest alliance certification)
<b>By the end of 2025</b>	? MT-BE sourced claimed deforestation-free per <YEAR>	100 % sourced claimed deforestation-free per 2014 (based on cut-off date rainforest alliance certification)
<b>By the end of 2026</b>	? MT-BE sourced claimed deforestation-free per <YEAR>	100 % sourced claimed deforestation-free per 2014 (based on cut-off date rainforest alliance certification)

### 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.

FrieslandCampina sources its' cocoa powder from three big suppliers (Resp. Cargill, Barry Callebaut and OFI), it is not sourcing any cacao or cocoa directly from other suppliers or farmers. As FrieslandCampina is a dairy organization, using a relatively small portion of cocoa, it is riding on the different sustainability programs provided by its' suppliers.

The programs FrieslandCampina is riding on (resp. Cocoa Promise, Cocoa Horizons and Atsource) do include CLMRS. FrieslandCampina is paying its' suppliers premiums to let them execute the programs on the ground. On top, we only source RA certified, which is another premium FrieslandCampina is paying to ensure CLMRS is covered.

Besides riding on the supplier programs, FrieslandCampina is requiring its supply base to adhere to its' Responsible Supplier Policy, which includes a human rights policy (incl. no child labour).

Lastly, FrieslandCampina is continuously evaluating if anything else needs to be implemented on top of the existing measures.

<sup>5</sup> See [ISCO Reporting Framework](#), p. 27

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

*Total volumes in MT-BE and % sourced that are covered by a Child Labour Monitoring and Remediation System (CLMRS) or equivalent system:*

<b>By the end of 2024</b>	450 MT-BE	100 %
<b>By the end of 2025</b>	? MT-BE	100 %
<b>By the end of 2026</b>	? MT-BE	100 %