

March 30th, 2022

Dear Katowice Committee,

With this letter and document sent via email, Bonsucro Limited is pleased to participate in the call for inputs by the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) regarding the implementation of Activities 5, 9 and 11 of your workplan.

Bonsucro is the leading global sustainability platform and standard for sugarcane, one of the world's most important crops. Our purpose is to collectively accelerate the sustainable production and uses of sugarcane. We convene over 270 member-organizations from more than 50 countries to address critical challenges in the sugarcane sector and drive both performance and impact through our system of sustainability standards. We work across all sugarcane products and derivatives – sugar, ethanol, molasses, and bagasse in traditional and newer market sectors, from sugar and alcohol to biofuels and bioplastics.

Our newly revised [Bonsucro Production Standard](#) was developed based on the [ISEAL Standard Setting Code](#). It requires a multi-stakeholder consultation and decision-making process to ensure clear and auditable conditions in the standard itself. Bonsucro is ISEAL Code Compliant. Our system has been independently evaluated against ISEAL's Codes of Good Practice – a globally-recognised framework for effective, credible sustainability systems. More information is available at www.isealliance.org.


The Bonsucro Production Standard provides a clear pathway towards a low-carbon sugarcane business through its five principles: 1) Assess and manage environmental, social & human rights risks; 2) Respect labour rights & occupational safety and health standards; 3) Actively manage biodiversity and ecosystem services; and 5) Continuously improve other key areas of the business. It also sets metric thresholds for CO2 emissions from the farming and processing of sugarcane as well as the need to ensure that a climate change mitigation and resilience plan is in place and implemented.

In order to become Bonsucro certified, sugarcane producers must adhere to those requirements. Bonsucro monitors compliance with the indicators and quantifies actual GHG emissions avoided over time: <http://www.bonsucro.com/our-impacts/>. We operate a third-party system of certification, and operators are audited against the Bonsucro standards, by accredited certification bodies.

With more than 10 years of experience implementing and certifying sugarcane producers all over the world, we hope that our inputs are valuable to KCI in its efforts to tackle climate change.

Thank you for your attention and consideration, and we remain at your disposal for further clarifications.

Yours sincerely,



Danielle Morley,
Bonsucro CEO

Inputs from Bonsucro to Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI)

Workplan Activity 5: “Build awareness and understanding of Parties and other stakeholders to assess the economic impacts of potential new industries and businesses resulting from the implementation of response measures with a view to maximizing the positive and minimizing the negative impacts of the implementation of response measures”

1. Parties and observers are invited to provide inputs that:

(a) Introduce the new/emerging industries and businesses resulting from mitigation policies and measures;

(b) Describe the social and economic impacts of the new/emerging industries and businesses including short description of the method or tool used for assessment.

2. In making submissions, respondents are requested to kindly structure their submission according to the structure in paragraph 1 above.

3. In addition, link(s) to actual studies may be provided for more information only.

Input from Bonsucro:

- a) Bonsucro works with sugarcane as raw material and with all its derivatives. The most relevant new/ emerging markets arising from sugarcane is the biofuels (mostly cellulosic ethanol and biomethane) and biomaterials (bioplastics) industry. A sugarcane-derived biofuel or bioplastic uses sugarcane-based feedstock to replace the fossil-fuel based materials with a renewable source which is sugarcane, and this contributes for the reduction of its GHG emissions. Bonsucro has been observing an increasing interest in sustainable procurement of sustainable sugarcane derivatives to produce biofuels and bioplastics. The increasing market of biofuels and biomaterials as a whole is justified by the limited fossil resources available on Earth and by their potential to generate high GHG emissions when manufactured. Cellulosic ethanol that is mostly produced with sugarcane bagasse and straw is especially relevant emerging business industry from blending mandates around the world (EU, India, Indonesia, among others).
- b) As long as biofuels and bioplastics producers source from Bonsucro certified suppliers, the social and Human Rights risks of biofuels and bioplastics’ production are mitigated due to the fact that the Bonsucro Production Standard covers the greatest social challenges for the sugarcane sector and provides it with a pathway towards a socially responsible operation. The economic impact of the new biofuels and bioplastics market can be very positive from the perspective of creating new jobs and attracting capital.

Further resources:

- [European Plastics Pact](#)
- [New Plastics Economy Global Commitment](#)
- [The Bioplastic Feedstock Alliance](#)
- [Legislation in Europe and U.S.](#)

Analysis of relevant data:

- [Bioplastics facts and figures](#)
- [Key market data \(Europe\)](#)
- [Biobased economy consortium data](#)
- [Global Commitment Progress Report](#)
- [Market report and list of current producers](#) (paid content)

Workplan Activity 9: “Identify and assess the impacts of the implementation of response measures taking into account intergenerational equity, gender considerations and the needs of local communities, indigenous peoples, youth and other people in vulnerable situations”

1. Parties and observers are invited to provide information on:

(a) Description of the policy or measure related to a pathway to holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels;

(b) Socioeconomic impacts of the policy or measure taking into account intergenerational equity, gender considerations and the needs of local communities, indigenous peoples, youth and other people in vulnerable situations, including a short description of tools and methods used to assess the impacts, and primary data and knowledge collection where appropriate.

2. In making submissions, respondents are requested to kindly structure their submission according to the structure in paragraph 1 above.

3. In addition, link(s) to actual studies may be provided for more information only.

Input from Bonsucro:

- a) This [climate factsheet](#) provides Bonsucro’s pathway towards a world below 1.5 °C and its role within the sugarcane sector. In summary, driving climate action in the sugarcane sector is a priority in Bonsucro’s 2021-2026 Strategic Plan and we will do that through two main baseline targets: 1) Facilitate mitigation efforts through certification with the aim that certified producers will reduce their scope 1 and scope 2 emissions by 30% over five years; 2) Convene the sugarcane sector to develop shared sector-wide methodologies, metrics, and commitments to science-based targets for GHG emissions to meet the UNFCCC Paris Agreement 2030 targets.
- b) The [Bonsucro Production Standard](#) has indicators to implement sustainable best practices and measure such socioeconomic impacts in the sugarcane sector. It is guided by the [Implementation Guidance](#) and [Auditing Guidance](#), that contains tools and methods to implement and verify/assess such indicators, respectively. Below we list the main indicators that touch upon the aspects requested by KCI:

Gender considerations

- **Indicator 5.4.1:** The operator promotes gender inclusion in management and skilled positions. Applicable to Mill and Agriculture operations. Applies to all workers on the premises of the mill and farms included in the unit of certification. The operator conducts community-based women’s empowerment training. Recruitment operations increases women’s presence in management and skilled Wpositions across the operation to meet the objectives set in the operation of not less than 15%.

Needs of local communities, indigenous peoples and other people in vulnerable situation

- **Indicator 1.1.1: The operator develops and implements sustainability policies.** Applicable to Mill and Agriculture operations. In line with the scope of application and content of the Bonsucro Production Standard, the operator has policies in place to respect:

- human rights aligned with UNGP
- indigenous peoples' rights, community engagement and land rights
- labour rights,
- occupational health and safety,
- environmental protection / non-conversion of HCVs
- Anti-Corruption/Anti-Bribery/money laundering,
- Ethical conduct

Policies shall be signed by senior management. The operator's commitment is made available to personnel, suppliers, clients, and other stakeholders, with a legitimate interest duly demonstrated. The policies clearly state that respect for these values is an active duty involving ongoing due diligence of actual and potential impacts.

- **Indicator 1.2.1: The operator conducts mapping of internal, external, and vulnerable stakeholders.** Applicable to Mill and Agriculture operations. The operator has an identification, prioritization and engagement plan with interested and affected parties. The plan shall have achievable actions and objectives, monitoring activities, agreed responsibilities, timeframes and allocated resources. The plan reflects continuous improvement and organisation learning principles. The plan is revised at least every 3 years or sooner as per company procedures.
- **Indicator 1.4.2: The operator ensures that there is a mechanism to raise grievances.** Applicable to Mill and Agriculture operations. The operator shall establish an effective grievance mechanism, accessible to all affected parties that may be adversely impacted by their operations. The grievance mechanism shall aim to satisfy the effectiveness criteria of the UN Guiding Principles on Business and Human Rights (UNGPs): Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on engagement and dialogue. The operator resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants when requested, without risk of reprisal or intimidation. Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties. The operators keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. The conflict resolution mechanism shall include the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.
- **Indicator 2.5.1: The operator shall identify legal and/or customary rights in relation to land and water users and any transfer of those rights to the operator is done so on the basis of engagement and consultation.** Applicable to Mill and Agriculture operations. The operator shall demonstrate that it has identified and documented any legal and/or customary rights in relation to land and water use. When rights have been relinquished by Indigenous People or Local Communities to the benefit of the operator, on or after the publication of this standard, or when the operator became first certified (whichever comes last) the operator shall demonstrate that the decision was reached through a process of Free, Prior and Informed Consent in line with national legislation, as a minimum.

Workplan Activity 11: “Facilitate, exchange and share experiences and best practices on the assessment of the environmental, social and economic co-benefits of climate change policies and actions informed by the best available science, including the use of existing tools and methodologies”

1. Parties and observers are invited to provide information related to following guiding questions:

(a) Guiding question 1: Which climate change policy(ies) and actions, informed by the best available science, were assessed for environmental, social and economic co-benefits and what were the co-benefits identified from your assessment?

(b) Guiding question 2: How such assessment was conducted? Were there any standards used? What are challenges and opportunities, and lessons learnt from these assessments?

(c) Guiding question 3: What actions were/are/will be taken based on the co-benefit assessment and what specific measures taken to maximize the co-benefits if any?

2. In making submissions, respondents are requested to limit their response to the guiding questions in paragraph 1 above.

3. In addition, link(s) to actual studies may be provided for more information only.

Input from Bonsucro:

a) Answer to Guiding question 1:

Bonsucro has been assessing the positive impact driven through certification against the [Bonsucro Production Standard](#) within the sugarcane sector since 2011 when the first certification took place. Since then, we have been able to collect data related to the environmental and social performances of sugarcane mills and farms, from which we could identify the following certification environmental and social co-benefits as described in our latest [Outcome Report](#):

- Certified operators reduced their water use by 50% after six years of certification (from 35.32 m3 of water per tonne of cane to 16.81 m3 per tonne of cane)
- On average, certified farms reduce CO2 emissions by 18% after five years of certification and 55% after eight years of certification
- After 9 years of certification, producers reduce use of nitrogen fertilizers by 28%
- On average, wages are 19% higher than the national minimum of Bonsucro certified farms

b) Answer to Guiding question 2:

As per Methodology section at page 21 of our latest [Outcome Report](#), unless otherwise stated, all figures and results presented were based on audit data collected and verified by accredited certification bodies, up to 31 December 2020 and extracted from Bonsucro’s database. Where appropriate and relevant to the analysis, the data has been presented in either calendar year, or in years of certification (number of years since the first year of certification, identified as year 0). Data is averaged by either calendar year or certification year and presented in a graph.

Due to the reporting timeframe, the sales data is reported a year in arrears, therefore trade data in this report is from 2019. Total production values reported for each year are based on the updated production volume data for each certified entity in each year, even if the reporting period for this production volume falls partially outside of the corresponding calendar year. As such, volume figures should be treated as approximate. Data and results are likely to change year on year due to the fact that data is reported across the year and integrated into the database when it comes in.

Bonsucro is also [ISEAL](#) Code Compliant. Bonsucro's system has been independently evaluated against [ISEAL's Codes of Good Practice](#) – a globally-recognised framework for effective, credible sustainability systems.

There have been significant learnings throughout Bonsucro's more than 10 years of journey certifying the sugarcane sector with its set of sustainable best practices. All the lessons and learnings are summarized in our [2021-2026 Strategic Plan](#) under the section 2.2 Core Strengths & Key Challenges.

c) Answer to Guiding question 3:

Sections 4 (Strategic Intent), 5 (Indicators & Targets), 6 (Priorities) and 7 (Making it Happen) of Bonsucro's [2021-2026 Strategic Plan](#) comprise a detailed description of the actions that Bonsucro will be doing in the coming years in order to consolidate its strengths, address the key challenges identified and maximize the co-benefits of certification that have been identified over its existence.