

Land Use and Forest Sustainability Advisory Panel – October 2019
Meeting held in Minneapolis, Minnesota on 1 October, 2019

Panel Member Attendees	Justin Adams, Tropical Forest Alliance John Buchanan, Conservation International Laura de Santis Prada, Imaflora Maria Giraudo, Global Farmer Network Marcos Sawaya Jank, INSPER Carlos Ortiz, Independent Agribusiness Advisor Anne Rosenbarger, World Resources Institute Nigel Sizer, Rainforest Alliance <i>[Apologies from Roz Naylor, Stanford University]</i>
Cargill Attendees	David MacLennan, Chief Executive Officer [for lunch] Ruth Kimmelshue, Chief Sustainability Officer and Business Operations and Supply Chain Leader Michelle Grogg, Vice President, Corporate Responsibility and Sustainable Development Jill Kolling, Vice President, Global Sustainability John Hartmann, Cargill Ag Supply Chain Sustainability Lead Nick Martell-Bundock, Senior Director, Corporate Responsibility and Sustainable Development
Facilitator	Brendan May, Robertsbridge

SUMMARY OF MEETING NOTES

1. Opening

- Ruth Kimmelshue and Brendan May welcomed the panel members, shared appreciation for their participation and encouraged members to provide challenging and candid feedback as well as recommendations for continued progress.

2. Cargill Progress on Priority Supply Chains

- Cargill shared updates on progress made over the past couple of years including new policies, time-bound action plans, challenges within the supply chains and approaches to supplier engagement.
- Key discussion points among the panel included legal vs. illegal deforestation, the role of customers in Asia, and the balance of social, economic and environmental solutions.
- The panel encouraged Cargill to:
 - Define and share milestones for reaching its 2030 target
 - Report more KPIs (Cargill clarified that reporting on the progress against the South American Soy Action Plan will begin in December as promised in the plan.)
 - More clearly define and articulate the management system and accountability for sustainability across all the company's operations.

- Approach sustainability more holistically across supply chains vs. by commodity, being mindful of local context and local voices in each geography in which it operates.
- Include the farmer perspective and take a balanced approach to social, economic and environment
- Demonstrate more leadership amongst its peer group on aspects such as transparency and target dates and milestones for achieving wider sector transformation especially in high risk commodities such as soy, palm and cocoa.

3. Cargill Overview of South American Soy Supply Chain

- Cargill shared deeper insight into its South American Soy Policy and Action Plan, as well as information regarding its footprint and business model in Brazil.
- The Panel discussed Cargill's current deforestation-free soy product offering and the economics of soy for European customers and the need to better understand the views of different stakeholders in key Asian countries, specially China.
- Nigel Sizer shared a comparison of Cargill's South American Soy Action Plan against the Accountability Framework, highlighting areas of opportunity.

4. Cargill CEO David MacLennan joined for lunch

- The panel shared feedback with MacLennan including:
 - Cargill has an opportunity to be a leader but is not consistently demonstrating leadership.
 - Cargill has been internally focused for the past few years and that leads to the perception that nothing is happening.
 - Cargill has managed to disappoint stakeholder groups across a number of sectors, and at the core of this problem is the desire for greater transparency and the need for more aggressive targets and action on Cargill's part.
 - Farmers want to be part of the solution in a way that makes economic sense for them. Incentives based on technical innovation and best-practice traceability should be prioritized.
 - Cargill should use its voice externally, take action on the ground and approach work more holistically across landscapes.
 - The global food system is doing good work, but climate change, as well as the need to feed almost 10 billion people by 2050, are simultaneous issues for the world and we need a leader. Cargill can't do it alone, but as a major player it can and must demonstrate more visible market leadership and concrete actions.
- MacLennan reaffirmed Cargill's commitment to becoming a leader in sustainability.

5. The Panel discussed ideas for the \$30-million fund Cargill announced in June, which will be used to source and support innovative solutions to eliminate deforestation in ways that are economically viable for farmers.

- Some ideas discussed were:
 - Secure more partners and work to incentivize farmers, based on sustainable production systems with full traceability.
 - Join in a dialogue with the financial sector in Brazil
 - Generate meaningful data about illegal deforestation, and examine projects specifically related to fighting illegal deforestation.
 - Develop a landscape scale development model that could be scalable. It was suggested Cargill build stakeholder engagement into such approaches and actively seek out opportunities to provide incentives for farmers.

- Ensure a scientific process and impact analysis is included at the beginning of any project
 - Use the fund as a tool to leverage greater scale funding
6. **Cargill shared some recent claims by Greenpeace and sought the Panel’s input on how to best approach the situation.**
 - The discussion was general in nature, as Cargill was still seeking further detailed information on the allegations. The Panel advised Cargill to work with a respectable third party to investigate the claims based on the information available, and to be transparent about any such process when it is initiated.
 7. **Minor edits were made to the Terms of Reference, which were approved, and are now available [here](#).**
 8. **The Panel agreed to reconvene in January 2020.** It was agreed that Cargill would work with the panel to develop some leadership activities to ensure momentum in the interim period.

[END]