



# OUTCOME REPORT

2021



Bonsucro Outcome Report 2021  
Version 1.0  
October 2022  
Authors: Laura Ferreira, Norma  
Tregurtha, Liz Foggitt, and Chen-  
Wei Chang for data analysis  
Cover photo: ©Bonsucro

Bonsucro is a company registered  
in England and Wales, company  
number 06798568

**Contact:** [info@Bonsucro.com](mailto:info@Bonsucro.com)  
[www.bonsucro.com](http://www.bonsucro.com)

## CONTENTS

Summary	4
Strategy Update	6
Theory of Change	7
Bonsucro Worldwide	8
Highlights	10
Membership Highlights	12
Case studies	13
Improving the Environmental Impact of Sugarcane	18
Strengthening Human Rights and Decent Work	24
Creating value Across the Sugarcane Supply Chain	28



## SUMMARY

Bonsucro is the leading global sustainability platform for sugarcane. Its purpose is to collectively accelerate the sustainable production and uses of sugarcane. Bonsucro has over 280 members in more than 50 countries.

The Outcome Report provides stakeholders the opportunity to see how Bonsucro and its members are addressing critical challenges in the sugarcane sector. It offers a broad overview of Bonsucro's diverse work and includes case studies, project updates, market uptake data, an overview of changes in membership demographics, and trends shown in certification impacts. The results in the report are possible because of the effort and collective commitment that Bonsucro members make to improve sustainability in sugarcane supply chains.

In 2021, the COVID-19 pandemic still caused turmoil and supply chains faced significant disruption. However, Bonsucro used its convening role within the sugarcane sector to ensure that sustainable practices continue to be adopted.



## EXTENDING OUR MEMBERSHIP REACH

Bonsucro continues to grow at a steady pace. Outside of sugarcane farmers and millers, there was a significant increase in membership from bioplastic, biomaterials, and rum producers. Over the year, new members were welcomed from countries not previously in membership, such as Martinique, Bosnia and Herzegovina, and Jamaica.

## CHANGING FOR GOOD – A NEW STRATEGY

Bonsucro is committed to developing and maintaining the systems and foundations that underpin its purpose. In 2021, the Bonsucro team consulted with members and partners and launched a new strategic plan with clear, ambitious goals.

Work on the new Production Standard progressed to near completion. Across the year, another public consultation was conducted enabling members around the world to have their say. All comments were read and considered by the Production Standard Revision Working Group. The new Production Standard will launch and be rolled out in 2022.

## INCREASING OUR CERTIFICATION FOOTPRINT

In 2021, the number of certified mills rose from 128 to 145 – a bigger increase than in 2020. The above-average increase is because many audits scheduled for 2020 were postponed until 2021 due to the pandemic. For the first time, Bonsucro members in Barbados and Pakistan achieved certification and the first smallholder farmer in Brazil was certified. This increase means that there are now over 1.5 million hectares of land under certification.

## REDUCING THE ENVIRONMENTAL IMPACT OF SUGARCANE

The latest data shows that certification against the Production Standard continues to reduce the environmental impact of sugarcane. For example, no land under certification has been converted from high conservation value areas into farmland. Bonsucro bans the application of harmful chemicals in sugarcane production, which has protected 1,504,302 hectares of land. In addition, certified producers continue to see lower greenhouse gas emissions and water consumption per kilogramme of cane produced.



## PROTECTING HUMAN RIGHTS AND PROMOTING DECENT WORK

People working on certified farms and mills have safer and more reliable working conditions. The Production Standard's core indicators mean that globally, 182,858 workers in sugarcane production and processing have proper contracts, occupational health and safety plans in place, have access to safe drinking water, and are paid more than the national minimum wage. Considering workers' safety remains a key strategic priority for Bonsucro.

## CREATING VALUE IN THE SUPPLY CHAIN

Bonsucro aims to create value for its members by consistently offering access to training and information, and delivering impact projects. In 2021, impact projects resulted in two new mills becoming certified along with a selection of supplying smallholder farmers. In addition, Bonsucro used its international network to develop relationships and form new partnerships with organisations committed to promoting responsibility in supply chains, such as the Nordic Alcohol Monopolies.

## NEXT STEPS

In 2022, Bonsucro will really take its strategy forward. It will expand the team to ensure that members feel supported and new projects can be implemented effectively. The Bonsucro Impact Fund will launch, offering members grants for projects that align with strategic priorities.

# STRATEGY UPDATE

In 2021, Bonsucro launched its new five year strategic plan, Changing for Good. The strategy was developed after thorough engagement with members and stakeholders. It presents how Bonsucro will grow and provide a stronger and more specific focus on climate action and human rights. It also sets out plans to develop an impact fund, support more smallholder farmers, and improve use of data and digitisation. The strategy emphasises the importance of Bonsucro’s convening role in the sugarcane sector and describes the guiding principles that underpin its work.

“Bonsucro is transforming to meet the times.”




– end user, Australia

“I see that Bonsucro's team is always engaged in continuous improvement of the standard”

– Farmer Association, Latin America

# THEORY OF CHANGE

Bonsucro’s Theory of Change closely reflects major elements of the strategy to illustrate how its operational activities combine to generate outcomes and impacts in three key areas:

-  improving the environmental impact of sugarcane
-  strengthening human rights and decent work in sugarcane farming and milling
-  creating value across the sugarcane supply chain

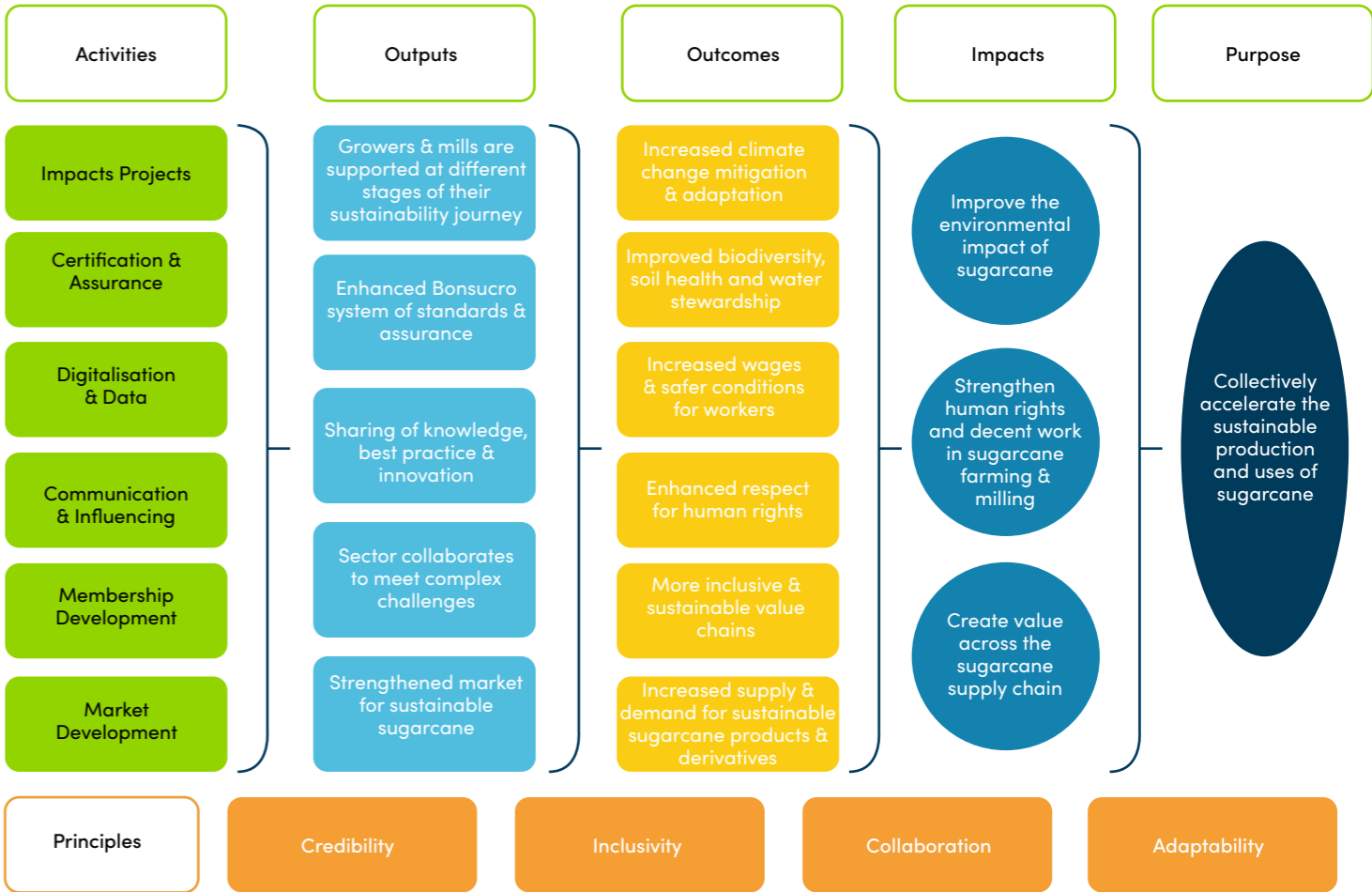
This Outcome Report presents key highlights of the year, as well as a suite of data illustrating the difference made by certification against the Bonsucro Production Standard. Certification and assurance are core components of Bonsucro’s Theory of Change and generate a rich source of verified, measurable evidence via the Bonsucro Calculator.

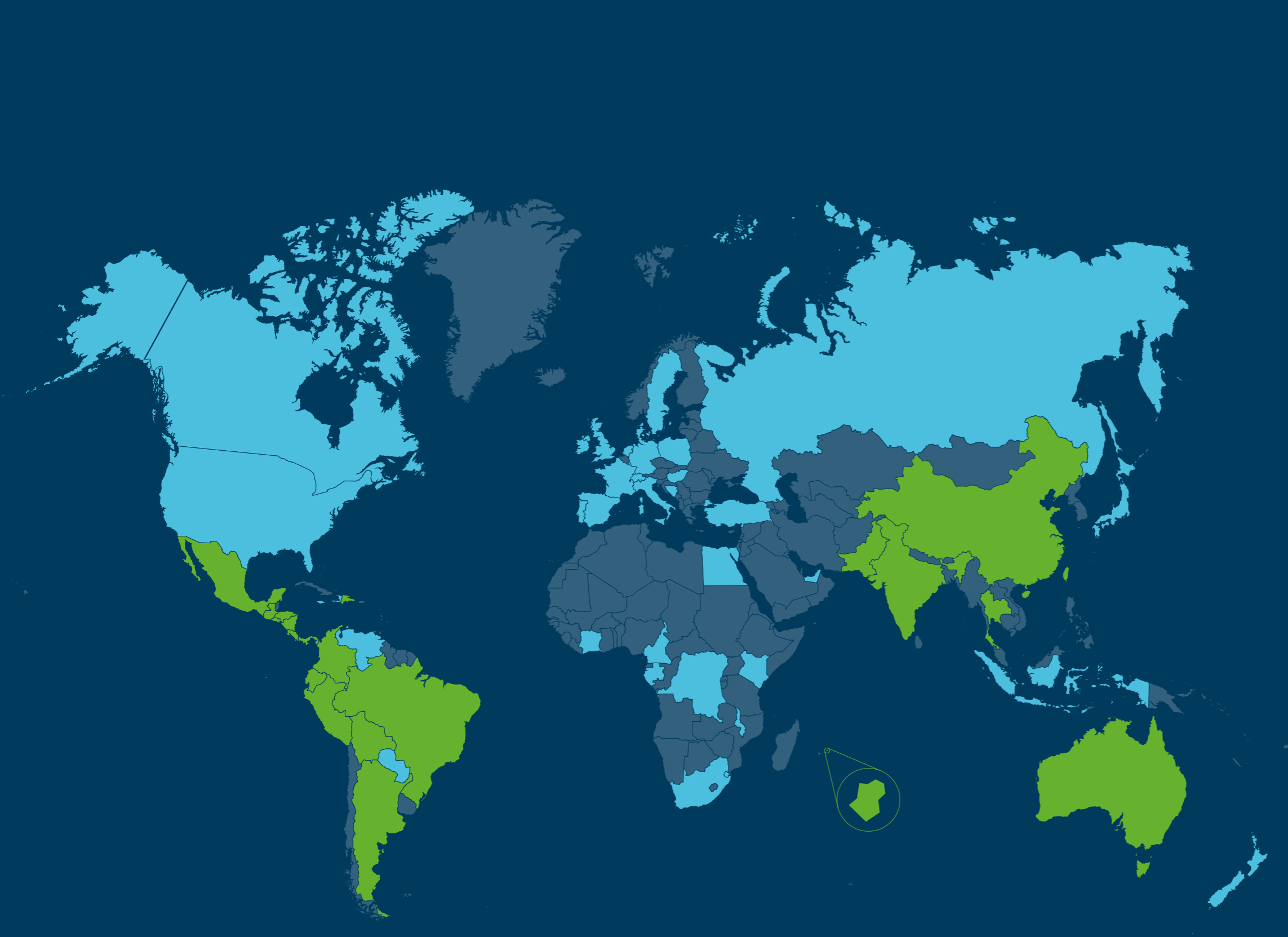
“The calculator is an excellent tool that gives a good dynamic indication of where we are anytime”

– certified mill, Africa.



Theory of Change 7 - Postworkshop draft - July 2022 - 6 Outcomes





Countries with Bonsucro members



Countries with certified mills

## BONSUCRO WORLDWIDE

### ASIA

30 certified mills

65 members

292,000 tonnes of certified sugar

43 organisations with Chain of Custody certificate

### BRAZIL

74 certified mills

55 members

5.77 million tonnes of certified sugar

88 organisations with Chain of Custody

### THE AMERICAS WITHOUT BRAZIL

30 certified mills

86 members

1.79 million tonnes of certified sugar

49 organisations with Chain of Custody certificate

### MIDDLE EAST AND AFRICA

2 certified mills

19 members

19,000 tonnes of certified sugar

8 organisations with Chain of Custody certificate

### PACIFIC

9 certified mills

13 members

332,000 tonnes of certified sugar

12 organisations with Chain of Custody certificate

### EUROPE

43 Members

22 organisations with Chain of Custody certificate

### Report period

Jan-Dec 2021

Certified mills, members, organisations with Chain of Custody certificate, total entities with ChoC certificate (including mills with Production Standard)

### Sugarcane season 2020-21

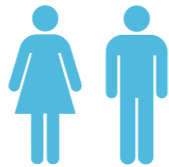
Tonnes of certified sugar produced

HIGHLIGHTS

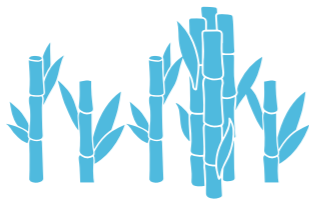


The number of certified mills rose to

145

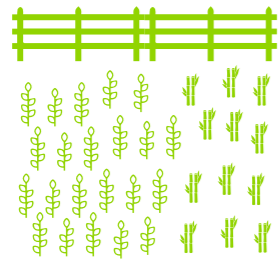


29 NEW MEMBERS JOINED



8.2 MILLION TONNES OF SUGAR

were produced in line with the Bonsucro Production Standard which prohibits the use of harmful chemicals



1,504,302

hectares of land are certified against Bonsucro Standards

The number of smallholder farmers with Bonsucro certification rose to

10,159



Compared to 2019, 390,035 ADDITIONAL HECTARES

of land now have an environmental management plan



54

number of credit trade transactions

ZERO HECTARES

of land under certification were converted from high conservation value land to farmland



Personal protective equipment was provided to more than

110,000

farm workers



71%

of certified mills produced enough energy to export to the national grid

66,781

workers in certified mills had access to sufficient safe drinking water during their shifts



32,371

seasonal workers in sugarcane production and processing have proper contracts and are paid at least the national minimum wage



182,858

workers in sugarcane production and processing worldwide are covered by health and safety plans and have access to first aid



On average, certified producers reduce their water consumption by

53%

after five years of certification



32%

of certified mills were able to report zero lost-time accidents, COMPARED TO 25% IN 2019



In the first year of certification, wages for the lowest paid worker, are on average

19% HIGHER

than the minimum wage at mill level and 15% higher than the minimum wage at farm level

## MEMBERSHIP HIGHLIGHTS

Bonsucro is a membership organisation. It has a global community of over 280 members that commit to change and invest in making the sugarcane sector more sustainable. Bonsucro performs due diligence checks on all new members, and all members are expected to report on their commitments to continuous improvement each year.

Bonsucro membership continues to grow at a steady pace. In 2021, Bonsucro welcomed members from countries such as Jamaica, Martinique, Bosnia and Herzegovina, New Zealand, and Mauritius. In addition, the membership retention rate in the 2020–21 financial year was 93%. Bonsucro's membership satisfaction survey revealed the average satisfaction score was four out of five.

### MEMBERSHIP BY CATEGORY

Membership growth outside of primary production, shows that biomaterials and rum producers account for the biggest proportion of new members. This is in line with the trend to diversify the sugarcane value chain into newer markets. The products available from new members include packaging made from bagasse and hygiene products made from sugarcane fibres.

The membership category that has grown the most is traders and intermediaries. This can be explained by the membership growth in new sectors mentioned above. These newer markets tend to have longer supply chains with more processing and manufacturing than supply chains

for food companies. Furthermore, it also indicates that international trade remains an important avenue for certified material. There is a consistent trend of steady growth in members from sugarcane farms and mills. This is in line with the steady growth in the number of certified mills.

### MEMBERSHIP BY REGION

Latin America was the region with the biggest growth, which is consistent with the previous year. Brazil still accounts for the country with the biggest representation in membership. However, Mexico saw the largest number of new memberships in 2021.

This year, Europe represented the region with the second largest growth. This is because of the increase in the number of end user and civil society members. It is positive to see growth here as Europe is an large area for end user members and is therefore strategically important to Bonsucro to drive uptake for certified products.

In 2021, Asia Pacific members grew by 17%. This is slightly lower than the 23% growth seen in 2020. However, the level of engagement in the region is very high. The number of certified mills in Asia Pacific increased from 21 in 2020 to 30 in 2021.

Although Africa Middle East remains the smallest region for Bonsucro membership, the growth is steady and consistent with last year.

**“Bonsucro is a well structured organisation [with] documents and data readily available on the website.”**

– Mill, Africa

## PRODUCTION STANDARD REVISION

In order to remain relevant and adapt to new challenges, the Bonsucro Production Standard is revised and updated every five years.

As a multi-stakeholder organisation, Bonsucro seeks to engage stakeholders when changes are proposed and made to its Standards.

The revision of the Production Standard continued to progress in 2021. To support the launch of the second draft in June, Bonsucro hosted a series of webinars in English, Spanish and Portuguese to summarise the main comments received during the first consultation and how they have been addressed.

Over 100 stakeholders submitted comments across the second public consultation. Their comments were shared with the Standard Revision Working Group and the Technical Advisory Board, who analysed them to produce the final version of the revised Production Standard. The second draft also went through pilot audits in different regions to test out the audit scope of the revised standard and calculator.

The final version was close to approval by the end of 2021, ready to launch in 2022.



## FIRST PAKISTAN CERTIFICATION

Two sugar mills in Pakistan, Layyah Sugar Mill and Almoiz Sugar Mills Unit II, became the first in the country to become Bonsucro certified. The scope of the certification covers 82 different small-scale farms.

In Pakistan, small-scale farmers account for 64% of cultivation. Supporting them to adopt responsible practices is vital to making the whole industry more sustainable.

Bonsucro worked in partnership with the International Finance Corporation (IFC), and the two mills to boost sustainable farming practices in the country. During the project, Bonsucro and local partners trained and provided resources to key staff and thousands of farmers, which could help them achieve Bonsucro certification in the future.

Little awareness of environmental and social laws, and lack of information and documentation were some of the main barriers facing farmers. The mills have now invested in more capacity building operations and implemented documentation tools, such as farm diaries.

Through their certification, the mills and their smallholders have boosted sustainability in the country and demonstrated to the local sector that certification is possible.

Bonsucro continues to engage with producers and smallholders across Pakistan to help to address sustainability challenges and encourage greater uptake of certified sugarcane.



## ENABLING CERTIFIED MEMBERS ACCESS TO EU ETHANOL MARKET

Biofuel offers an alternative source to fossil fuels and has a lot of potential to help reduce emissions. As a clean, affordable, and low-carbon biofuel, sugarcane ethanol has emerged as a leading renewable fuel for the transportation sector.

Bonsucro certification is recognised by the EU Commission to enable the export of Bonsucro EU certified biofuel to the Union.

After the European Union updated its Renewable Energy Directive (referred to as EU RED II) in November 2020, and required all schemes to update their requirements, Bonsucro worked hard to align with the new directive.

EU RED II is a voluntary add-on to the Bonsucro Production Standard and Chain of Custody Standard that defines how sugarcane millers and their supplying area, as well as supply chain operators, can comply with the requirements in the EU Directive 2018/2001/EC on the promotion of the use of energy from renewable sources.

In 2021, Bonsucro successfully renewed the recognition of its certification by the EU Commission. This means that Bonsucro members certified against the EU RED II add on can continue to export their certified biofuel to the Union.



## COP26 AND CLIMATE ACTION

In November 2021, Bonsucro was in Glasgow for COP26 to meet with partners and discuss the role of sustainable sugarcane in advancing sustainable agriculture and food systems. Bonsucro left the event feeling inspired, with several takeaways on vital solutions.

The launch of the Glasgow Financial Alliance for Net Zero highlighted the potential for further collaboration between finance and sustainability standards.

Climate justice is essential; the primacy of human rights needs to feature more strongly in the solution basket.

Data is fundamental to both the climate mission, and for smart agriculture solutions. An impressive range of cutting-edge digital products were showcased in Glasgow.

Bringing people and organisations together to generate a collective outcome is fundamental. It has reinforced that Bonsucro is the right platform to convene the sugarcane sector on climate action.

The path ahead will be challenging, and Bonsucro is ready to work with more companies to take climate action in sugarcane further.

## SUGAR MAPPING ADVANCES

Sugarcane supply chains are complex and lack transparency. Brands often have little to no visibility on where their raw materials are coming from.

Bonsucro and the technology company, SupplyShift, launched Sugar Mapping, a platform to track and monitor their suppliers' social and environmental practices at mill and farm levels.

The tool can be used for both certified and non-certified sugar from both sugarcane and sugar beet. It is built from a harmonised sector questionnaire, which ensures that suppliers' answers can be shared with multiple buyers, reducing survey fatigue and the time spent answering. At the same time, Sugar Mapping allows questions to be cascaded to different tiers of the supply chain, enabling buyers to achieve more transparency and access data from indirect suppliers.

The Sugar Mapping platform gives Bonsucro end user members:

- crucial insights into their suppliers' environmental and social sustainability policies, practices and certifications
- an analysis of gaps and risks, helping to assess where suppliers might need guidance
- the ability to make more informed choices about sugarcane sourcing
- useful and shareable metrics to inform sustainability strategies, comms and ESG and reporting.

**"The new tool will make sugar mapping and assessment much more efficient, so companies can focus their efforts on addressing the highest priority issues and suppliers in their supply chain."**

– Jamie Barsimantov,  
co-founder and COO  
of SupplyShift

Sugar Mapping is in line with  
the 2021–26 Strategy for better  
data and digitisation.

## GOOD PRACTICE, BETTER FINANCE PROJECT, SOUTH AFRICA

The 'Good practice, Better finance' project in South Africa aims to develop a new methodology to assess the sustainability performance of farmers and examine the landscapes.

It uses existing standards for sustainable sugarcane production (Bonsucro), cotton production (the Better Cotton Initiative) and water management (Alliance for Water Stewardship) as guidance.

The resulting methodology and supporting tools will inform decision makers of financial institutions on the sustainability profiles of their clients, making them better equipped to incentivise sustainable behaviour. The methodology also provides a framework for reporting on contributions towards the Sustainable Development Goals.

After two years of work with ten project participants, in September 2021 Bonsucro organised a field trip and workshop in Wartburg (KwaZulu-Natal) to share the first outcomes with large South African banks, relevant farmers, and sustainability standards organisations.

Bonsucro Board member and farmer, Ant Edmonds, offered a tour of his sugarcane farm to show what farming with nature

instead of against it looks like in practice. The meeting was attended by 23 people from 15 organisations including Nedbank (a participant in the project), Standard Bank and ABSA Bank.

The project revealed that a huge amount of sustainability related data is already collected and available from farms, sustainability standards, farmer and commodity organisations, research institutes and supply chain operators.

Combining data from the sector and the regional landscape gives more meaning to the data from a farm. To test the methodology, tools were developed using Survey123 and Power BI, to facilitate data collection, analysis and presentation.

Collaboration is critical to the success of the methodology. Therefore, the priority focus area should be on building trust between the organisations and establishing a platform to which they can subscribe.

The last step of the project will be to work with Nedbank on a risk scoring system using the data made available through the methodology. It will then be tested with Nedbank clients.

**'Good practice, Better finance' is funded by SECO through the ISEAL Innovations Fund.**





## IMPROVING THE ENVIRONMENTAL IMPACT OF SUGARCANE

Environmental issues are a high priority for Bonsucro and its members. Bonsucro informs and promotes initiatives that support the sugarcane sector in tackling climate change, identifying solutions and building climate resilience. In addition, certification is critically important to drive environmental sustainability.

This section of the report uses certification data to understand how certified members are collectively making an impact.

**“[Achieving Bonsucro certification] led us to apply important improvements in terms of water use, management and control in the use of agrochemicals, decrease in the burning of sugarcane, increase in the green harvest and implementation of a plan to monitor the flora and fauna as a fundamental part of biodiversity and ecosystem services.”**

– Mill, Latin America

## WATER USE

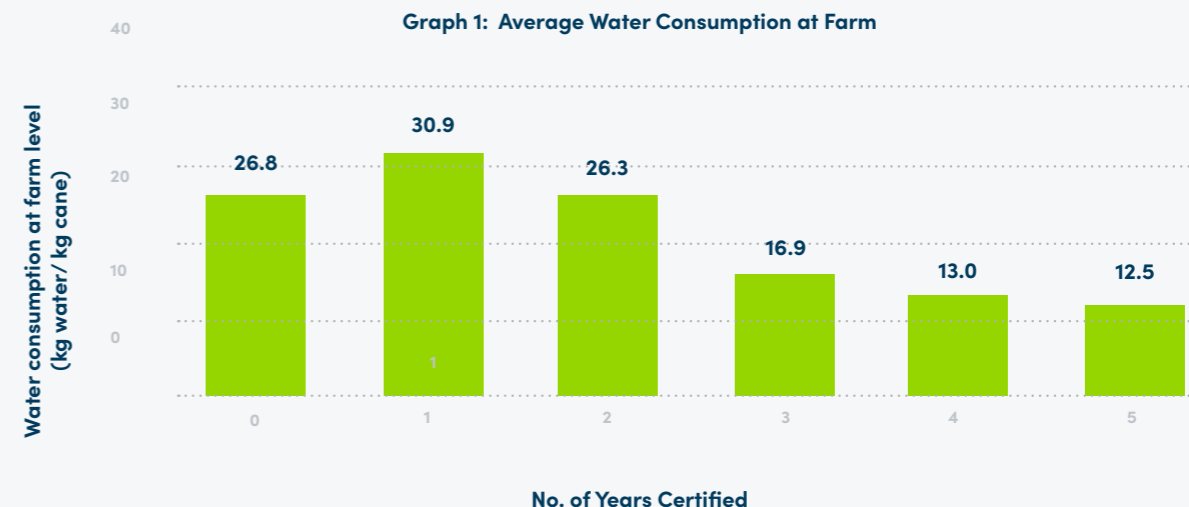
Climate change puts significant pressure on the use of natural resources, including water. Sugarcane production relies on water and if it isn't used carefully, can add a strain to communities in water-stressed regions. For this reason, the Bonsucro Production Standard has metric indicators on water use efficiency.

When considering water metrics, it is important to recognise that there is enormous variation in water consumption worldwide due to regional precipitation patterns and other climatic conditions. Some farms are entirely rain-fed. Others rely completely on highly controlled irrigation, but the majority worldwide involve a mix of the two. Similarly, cane yield is influenced by many factors beyond irrigation, such as cane variety, weed management and fertiliser levels.

However, it is encouraging to see a clear trend of reduced water consumption per kilogram of cane produced over time for certified producers.

Farmers are required to track their water use in order to achieve certification. This means that all certified operators have visibility of their water use. Producers have developed region-specific systems to track their water use including water flow meters and bespoke estimation methodologies.

Data collected from certified farms shows that water use per tonne of cane harvested decreases over consecutive years of certification. Starting from an average of 27 litres of water per kg of cane produced, there is a 53% reduction in average water consumption after just five years of certification.



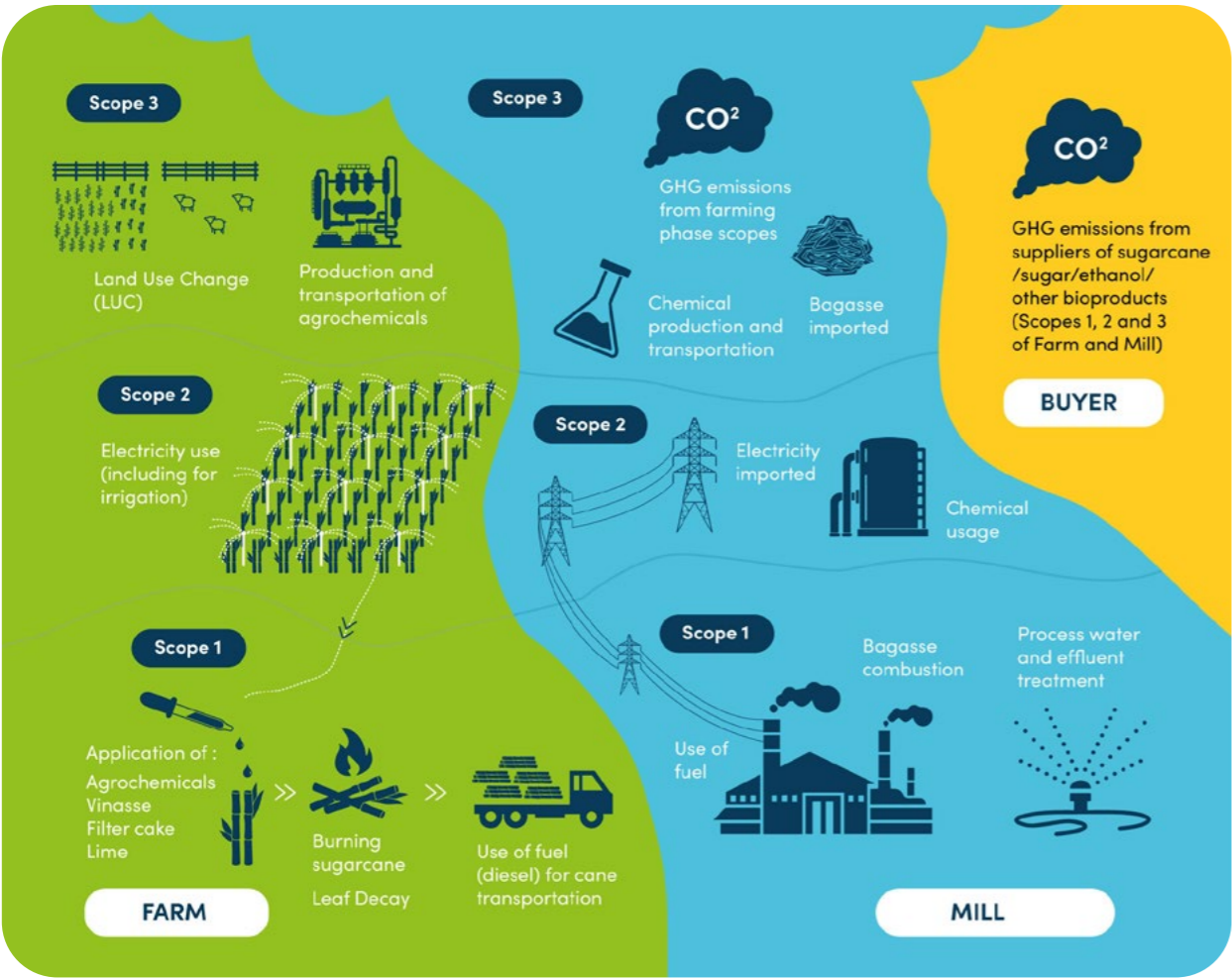
Graph 1 explained: The graphs show years of continuous certification. The “number of years certified” axis represents how many years since a farm or mill first gained Bonsucro certification. Year 0 is the data collected when they were first certified. Year 1 is the data collected one year later, and so on.

GREENHOUSE GAS EMISSIONS

Climate change is an ever more present challenge for the sugarcane sector. Higher global temperatures and less predictable rainfall can have major implications for sugarcane production, and for the health of workers. Bonsucro members are required to submit a report on their plans for continuous improvement. This year Bonsucro heard that its members are facing climate-related challenges including extreme temperatures, prolonged drought, heavy rainfall, and flooding.

Growing and processing sugarcane generates greenhouse gas (GHG) emissions that exacerbate climate change (see Figure 1) and there is increasing motivation in the sector to monitor, manage and reduce GHG emissions in the sugarcane supply chain. The Bonsucro Calculator provides certified operations with an effective tool to assess and take action on their GHG emissions.

Figure 1: greenhouse gas emissions in the sugarcane value chain



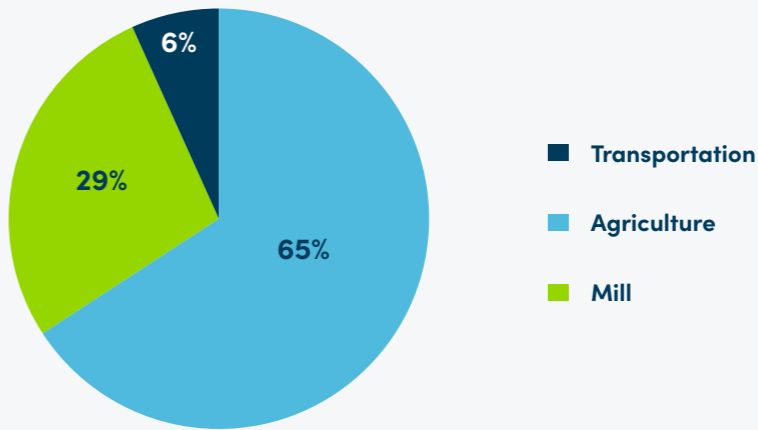
Data collected during the certification process helps Bonsucro understand where GHG emissions come from, quantify them, and identify opportunities to reduce them. The majority of emissions come from the agricultural phase of production, particularly from fertiliser use.

Clear reduction trends are seen in fertiliser use, electricity use and cane burning. On average, certified entities achieve a 6% reduction in GHG emissions in the first year of certification.

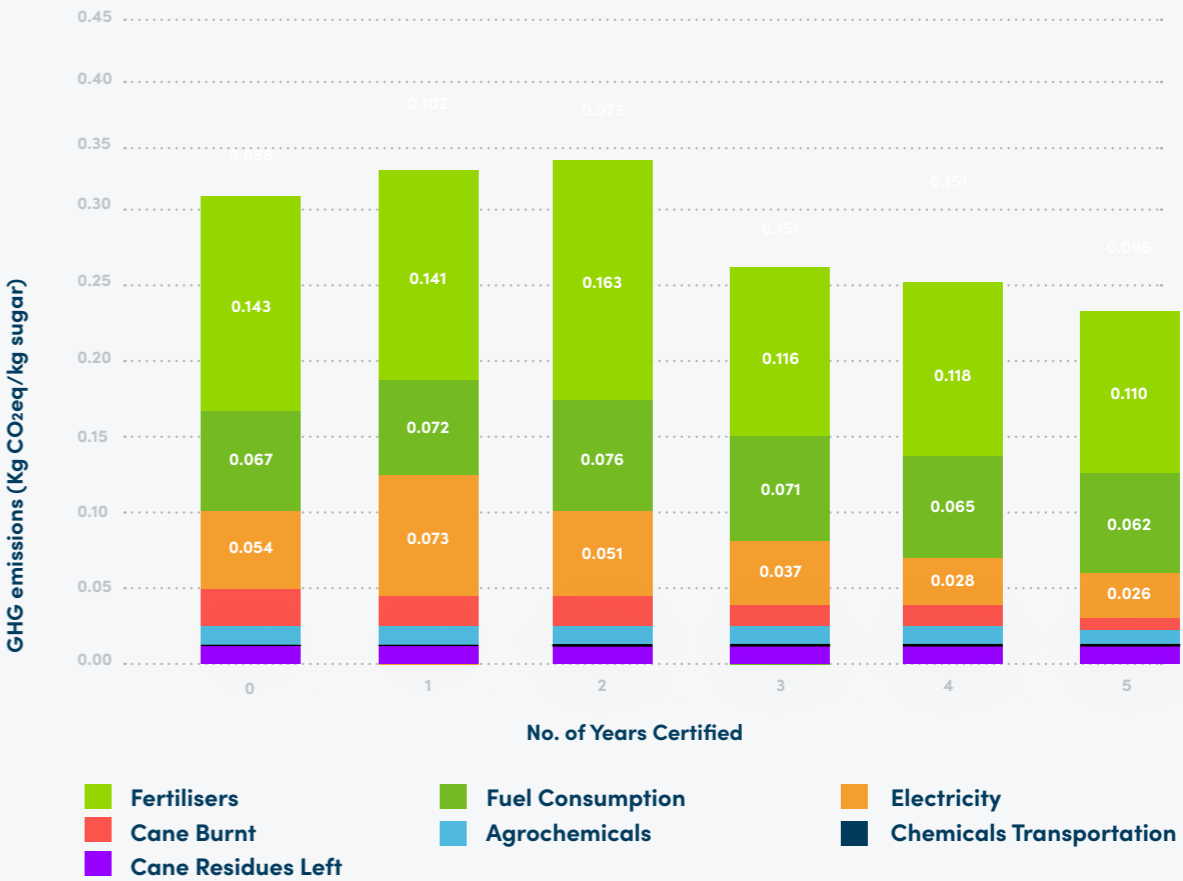
In the 2020-21 season, the average emission factor of certified sugar production was 0.41 kg CO<sub>2</sub> equivalent per kg sugar. This was composed of 0.27 kgCO<sub>2</sub>e/kg sugar from farms, 0.12 kgCO<sub>2</sub>e/kg sugar from mills, and 0.025 kgCO<sub>2</sub>e/kg sugar from transportation.

Land use change is also a significant factor in agricultural emissions. In light of the rollout of Bonsucro’s strategic objectives, and the evolution of the European Union Renewable Energy Directive (EU RED II), Bonsucro is currently reviewing how Land Use Change is factored into Bonsucro GHG reporting and so it is not included within the averages in graph 4.

Graph 2: % GHG emissions by source at Bonsucro certified farms and mills



Graph 3: Greenhouse gas emissions after consecutive years of certification

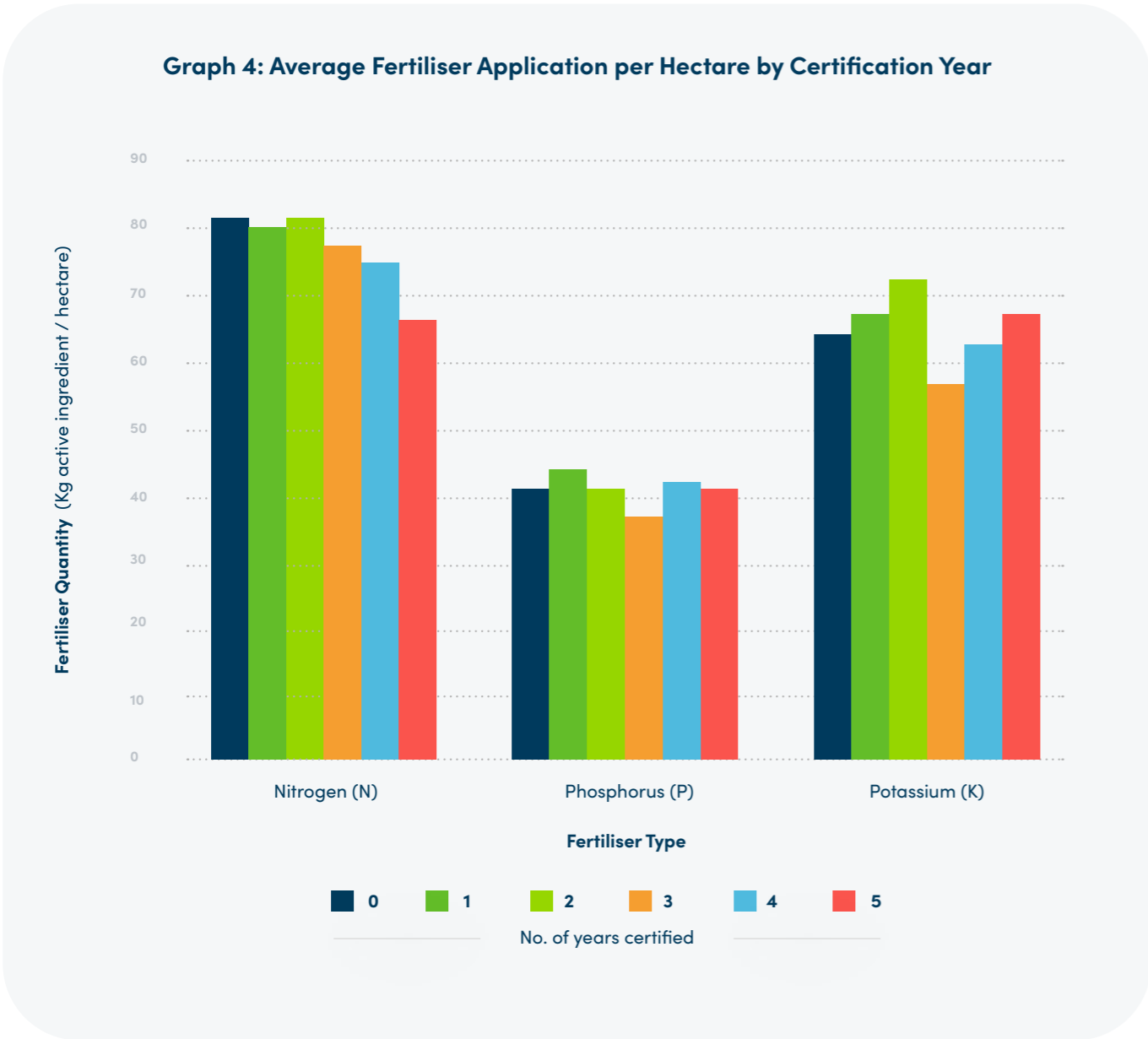


FERTILISERS

The Bonsucro Production Standard stipulates that producers adapt the amount of nitrogen (N), phosphorus (P), and potassium (K) in their fertiliser application to meet the needs of the soil and the sugarcane plants. This is informed by soil or leaf analysis.

Nitrogen is an important factor to support healthy crops, but it is a large contributor to GHG emissions<sup>1</sup>. Through ongoing certification, producers demonstrate the ability to reduce their N fertiliser use from an average of 81 kg N/ha at initial certification to an average of 67 kg N/ha after five years, which is an 18% reduction of nitrogen fertiliser use per hectare.

Of the three fertiliser types, N has the largest contributing factor to GHG emissions per volume. Lowering the amount of nitrogen used reduces the GHG footprint while decreasing expenditure. Lower-impact P and K fertiliser show less consistent variation. On average in 2020, producers applied 75 kg N per hectare (ha) – an increase of 1% from 2019.



<sup>1</sup> <https://climate.mit.edu/explainers/fertilizer-and-climate-change>

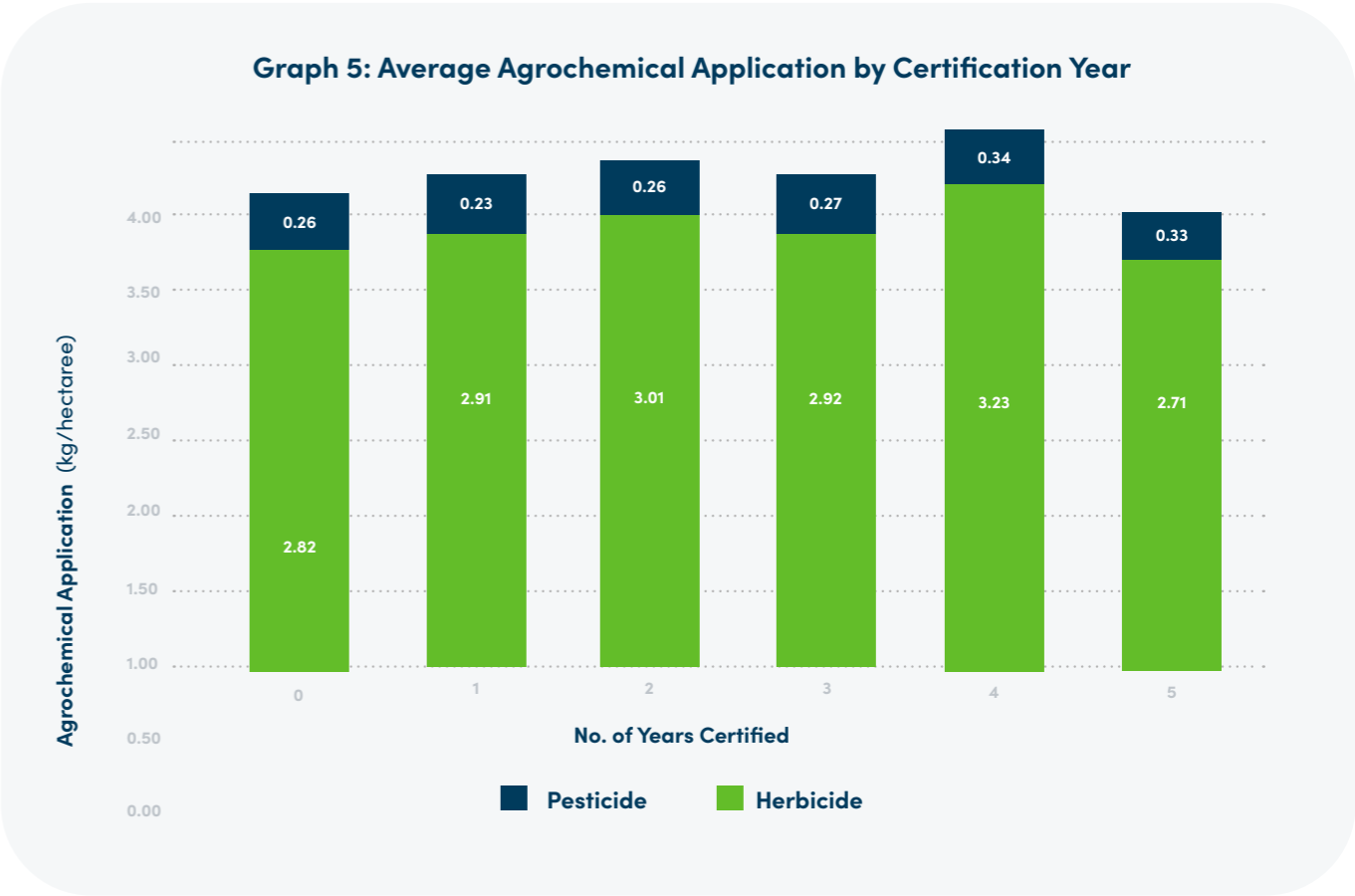
AGROCHEMICALS

Although sugarcane is quite a resistant crop, most production still relies on agrochemicals to optimise yields and help to control pest infestations or weed-contaminated fields. Minimal tillage can aid the suppression of weeds, and biocontrol measures can prove effective against certain insects – practices that are completely chemical free. The Bonsucro Production Standard monitoring requirements mean that the use of agrochemicals is carefully measured and responsive to local needs.

Pest and weed prevalence are strongly linked to natural cycles and weather conditions, meaning that chemical control methods vary year on year. Integrated management approaches, biological controls and promoting soil health are practical ways to reduce agrochemical use.

In 2020, certified producers used an average total of 3.5kg active ingredient/ha for both pesticides and herbicides, which is well within the standard threshold of using less than 5kg active ingredient per hectare.

Pesticide application accounted for 10% of the agrochemical use. Herbicide for weed control is the major contributor to agrochemical use. The average level of herbicide application varies over the first five years of certification. Greater visibility of soil health often results in closer management of herbicide use in response to seasonal changes, and producers are increasingly adopting integrated approaches in conjunction with agrochemical use.



Bonsucro will build on the achievements so far to do more with its members, partners and other stakeholders. Over the next five years, the team will engage the wider sugarcane sector to address the global climate crisis, and water crises and contribute to positive collective action for soil health, nature and ecosystems. The strategic plan outlines clear targets that include a reduction in scope 1 and 2 greenhouse gas emissions and increased water use efficiency.



## STRENGTHENING HUMAN RIGHTS AND DECENT WORK

Bonsucro is committed to improving human rights and labour conditions across the sector. Respecting labour rights forms part of the Bonsucro Production Standard Core Criteria and sets specific requirements for compliance with international labour conventions, safe and healthy workplaces, clear and equitable contracts and minimum wages. All certified mills demonstrate no child labour or forced labour and the absence of discrimination. This section of the report examines the working conditions for farmers and millers that are certified under the Bonsucro Production Standard.

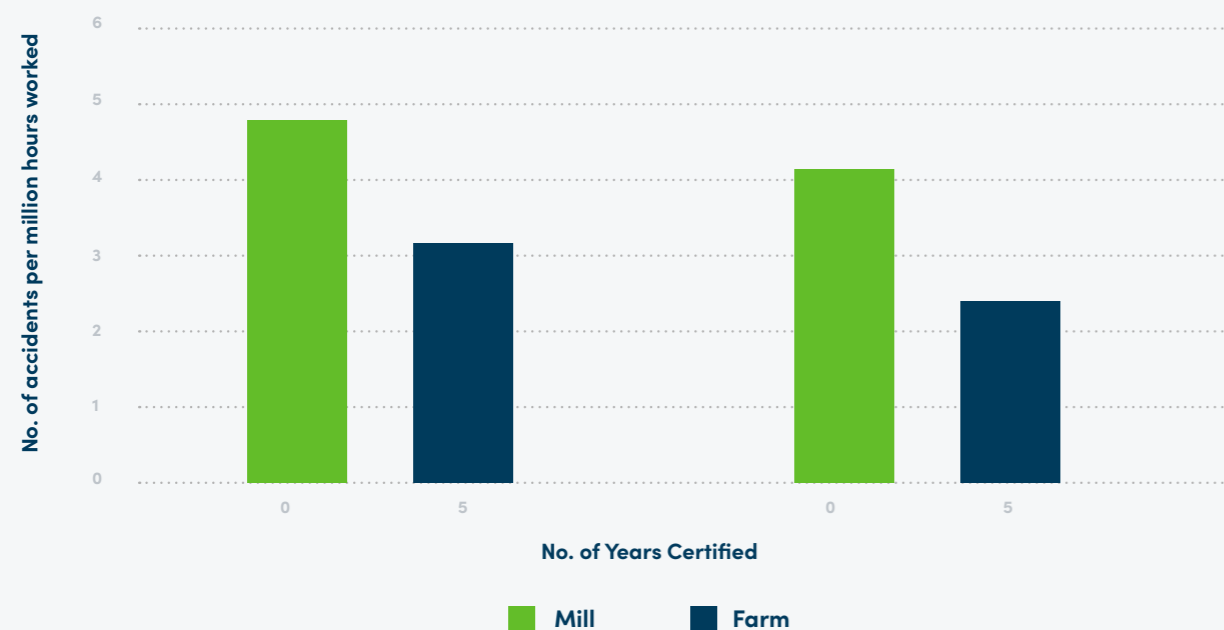
### ACCIDENT RATES

Creating safe work conditions is key for sustainability and is a core requirement of the Bonsucro Production Standard. It is essential that farmers and millers ensure that their staff are properly trained, given the appropriate personal protective equipment for their role, and that health risks are identified and managed with occupational health and safety plans. Producers are also expected to monitor and report on accident rates.

Lost-time accident frequency is the number of accidents that result in time off work. Analysing this data indicates that over years of certification, certified operators and workers experience a significant fall in accidents with average reductions of 16% in mills and 19% in farms over five years of certification. Through investment in health and safety mitigation measures and training, workers are safer and certified entities experience less disruption in their operations.

In 2020, 32% of certified mills were able to report zero lost-time accidents, compared to 25% in 2019.

Graph 6: Average Accident Rates by Certification Year



### WORKING HOURS

In many countries, national legislation sets the maximum number of hours employees can work in a given time period. This includes normal hours, plus overtime. There is a huge disparity among sugarcane producing countries, where maximum working hours can span from 36 hours to over 90 hours per week.

In 2020, the global average of working hours on certified mills was 92% of the legal limit and at certified farms it was 91% of the legal limit. Throughout certification both farms and mills consistently maintain average working hours 5-10% lower than the legal maximum.

Average maximum working hours per week drop by 10% in mills and 9% in farms over five years of certification. For mills, the average working week was 57 hours at the time of certification and drops to 51.5 hours on average after five years. Farms see a very similar trend and have slightly shorter working weeks than mills.

Graph 7: Working Hours Ratio Compared to National Legislation



Graph 8: Average Maximum Working Hours by Certification Year



WAGE RATIO

To achieve Bonsucro certification, producers must pay at least minimum wage as set by their local legislation. The data shows that over time, the level of pay above the national minimum wage increases in both certified farms and certified mills. In the first year of certification, wages for the lowest paid worker, are on average 19% higher than the minimum wage at mill level and 15% higher than the minimum wage at farm level. Wages rise to 23% higher than the minimum at mill level and 20% higher than the minimum at farm level after five years of consecutive certification.

As a global average, Bonsucro-certified producers paid their workers 19% above minimum wage at mill level and 14% above minimum wage at farm level in 2020.

In 2019, 70% of Bonsucro certified farms paid their entry-level workers above minimum wage and 30% were paid the national minimum wage. In 2020, 82% of Bonsucro certified farms paid their entry-level workers above the national minimum wage and 18% were paid at the national minimum.

Graph 9: Average Lowest Entry-Level Wage Ratio compared to National Minimum Wage





## CREATING VALUE ACROSS THE SUGARCANE SUPPLY CHAIN

### MARKET UPTAKE

Bonsucro believes that the uptake of certified products in the market will inspire more producers to adopt sustainable practices. The total volume of traded certified sugar was 2.16 million tonnes, which is almost double the volume in 2018.

Several of Bonsucro's buyer members had previously made commitments to source 100% of their sugar sustainably by 2020. It's likely that those commitments contributed to the significant growth between 2018 and 2019.

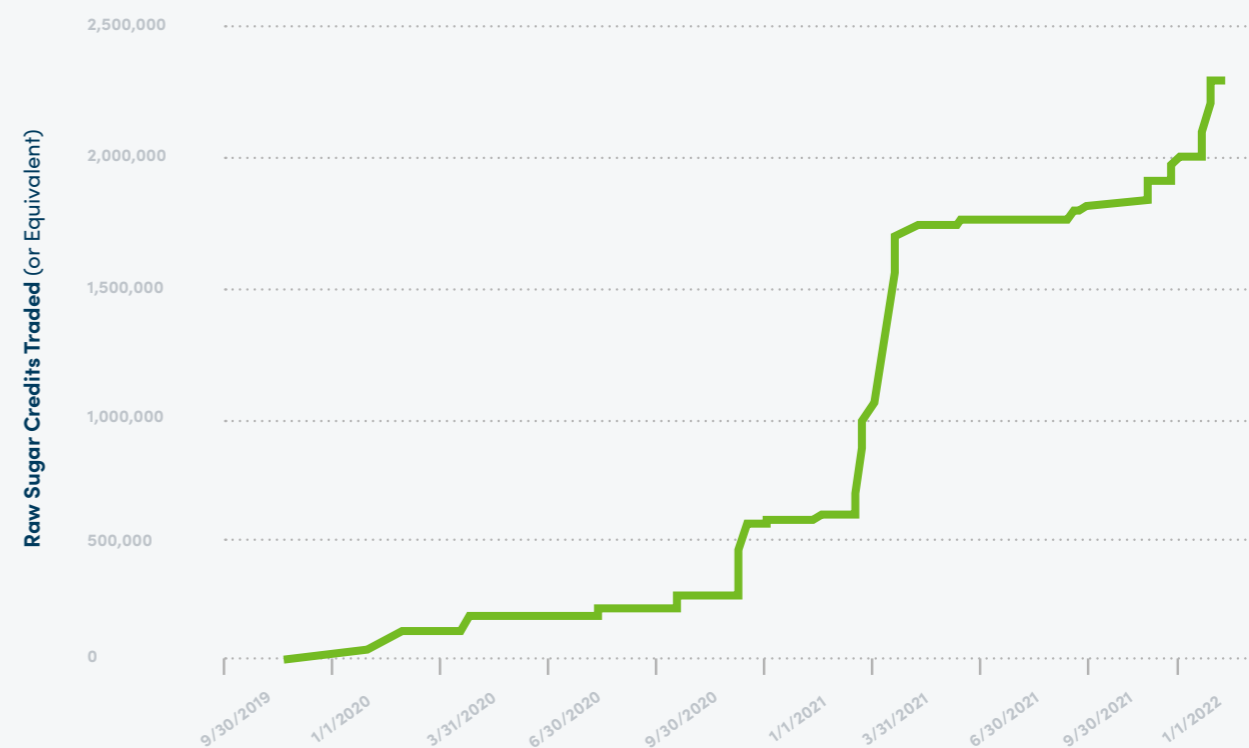
In 2020, there was an increase of 3.4% in the volume of Bonsucro certified sugar sold. This signals that the market remains stable after the significant jump the previous year. The small increase is despite the impact of the pandemic on global supply chains.

The reduction in credit trades for 2020, and the increase in physically traded sugar should be seen together. In 2020 more certified sugar became available, end-users who previously bought credits were able to buy these volumes as physical sugar. Presenting the data on credit trades on a calendar year basis, as seen in graph 10 does not present a full picture of how this market segment has evolved since the launch of Bonsucro's credit trading platform in 2019. Instead, graph 11 shows the cumulative credit trades to date, showing a steady upward trend.

Graph 10: Certified Sugar - Trade Volumes



Graph 11: Cumulative Trades Over Time



Bonsucro is pleased that the market that physical trade and credit trades together are still growing. However, to really drive impact at scale, uptake of certified products needs to substantially increase. Bonsucro will continue to support existing buyer members to meet their procurement targets, and engage with new buyers in both traditional and newer markets to ensure that the volume of certified products sold continues to grow.



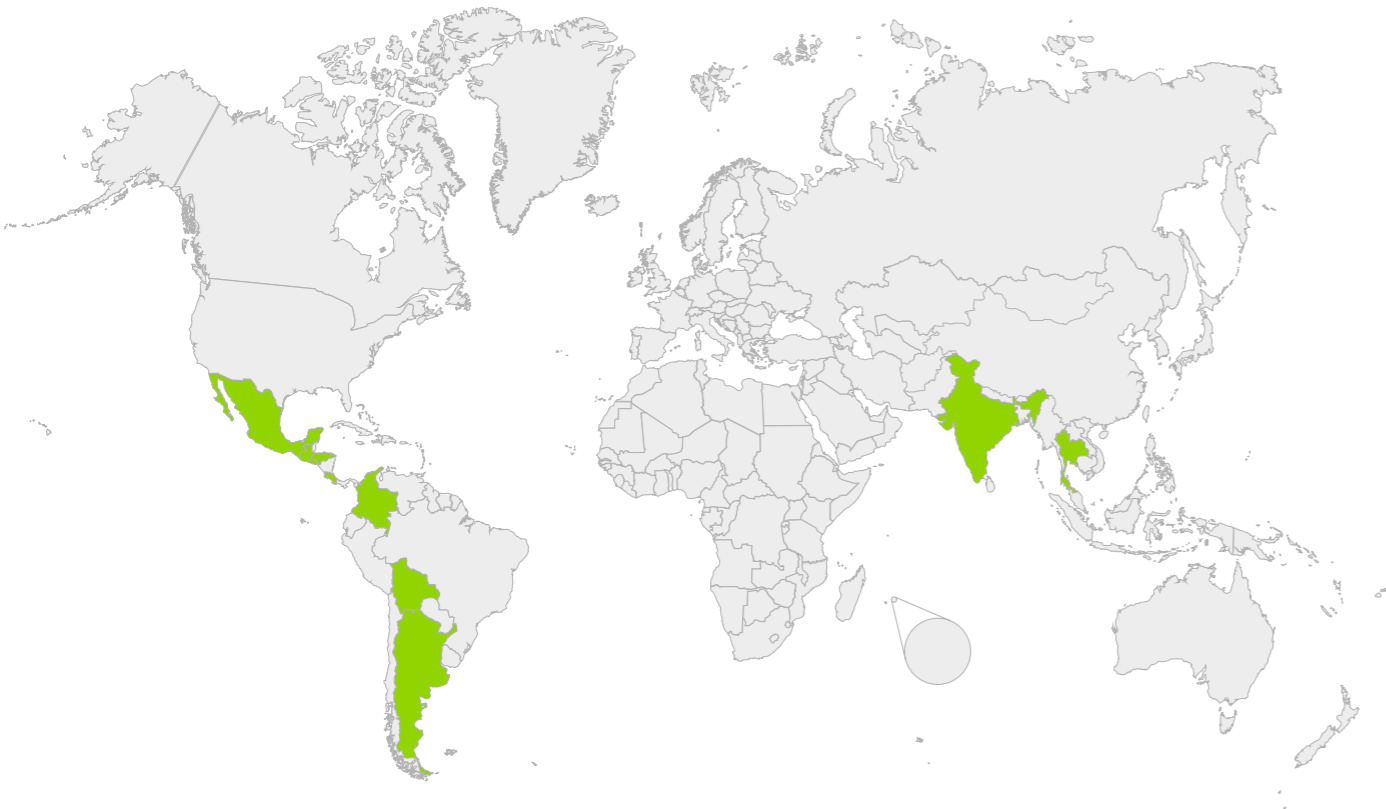
SMALLHOLDER FARMER INCLUSION

Some of the world’s biggest sugarcane producing countries rely on smallholder farmers for most of their volumes including Mexico, Thailand, India and Pakistan. The definition of what counts as a smallholder farmer varies across the world, but for Bonsucro, it’s a farmer with less than 25 hectares of land.

Some smallholders own much less land – in Mexico the average is 4.3 hectares, and in India the average is less than 1.5 hectares. On the other hand, other parts of Latin America can average more than 12 hectares.

To widen access to certification, Bonsucro launched the Production Standard for Smallholder Farmers in 2018. It’s based on the Production Standard but was adapted to facilitate collecting data on a much smaller scale to ensure the cost for implementation is lower and therefore more inclusive.

Figure 2: Smallholders reached by Bonsucro certification



10,159      Smallholder Farms  
27,758      Hectares of smallholder land

Bonsucro is committed to supporting smallholder sugarcane farmers on their sustainability journey through training materials, advice, and impact projects.

DATA NOTES

All data used in this report has been submitted by certified entities via the Bonsucro Calculator throughout their certification journey. The data has been verified by third-party auditors and curated by Bonsucro.

Unless otherwise stated, all figures and results presented in this report are based on audit data submitted up to 19 July 2022 and extracted from Bonsucro’s database. Volume figures should be treated as approximate because the 12-month reporting period of any given certified entity may not coincide exactly with a calendar year. Volumes are allocated to the calendar year at the beginning of the reporting period.

Due to the reporting timeframe and audit cycle for data verification, trade and calculator data is reported a year in arrears. As such, trade volumes are for 2020, and certification data is correct up to the 2020-21 sugarcane season.

CERTIFICATION YEAR

Where appropriate and relevant to the analysis, data has been presented by either calendar year, or in years of certification:

- Year 0 represents the data collected when a producer is first certified.
- Year 1 represents data collected by a producer one year after certification, and so on.

Average figures of each year group are likely to change in annual summaries. This is due to year-round audit reporting which adds to the dataset each month.

Each year as businesses become certified for the first time (year 0) or achieve another year of certification, the amount of data for that year category grows. Certification years above year 7 are excluded from this report due to small sample sizes (<30).





Twitter @Bonsucro  
LinkedIn: [www.linkedin.com/bonsucro](http://www.linkedin.com/bonsucro)  
[www.Bonsucro.com](http://www.Bonsucro.com)  
Email: [info@bonsucro.com](mailto:info@bonsucro.com)