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# The New Bonsucro Code of Conduct for Members



**April 2020**

## Code of Conduct Revision

- The first and only version of the Bonsucro Code of Conduct was published in 2011 and had never been reviewed.
- Bonsucro has been through a major strategy shift and engagement with members has changed.
- International standards for corporate responsibilities have evolved, particularly in the area of human rights.
- The Code of Conduct is the normative document that sets the basis for expected behaviours of all Bonsucro members.

## Key Objectives of the Revision

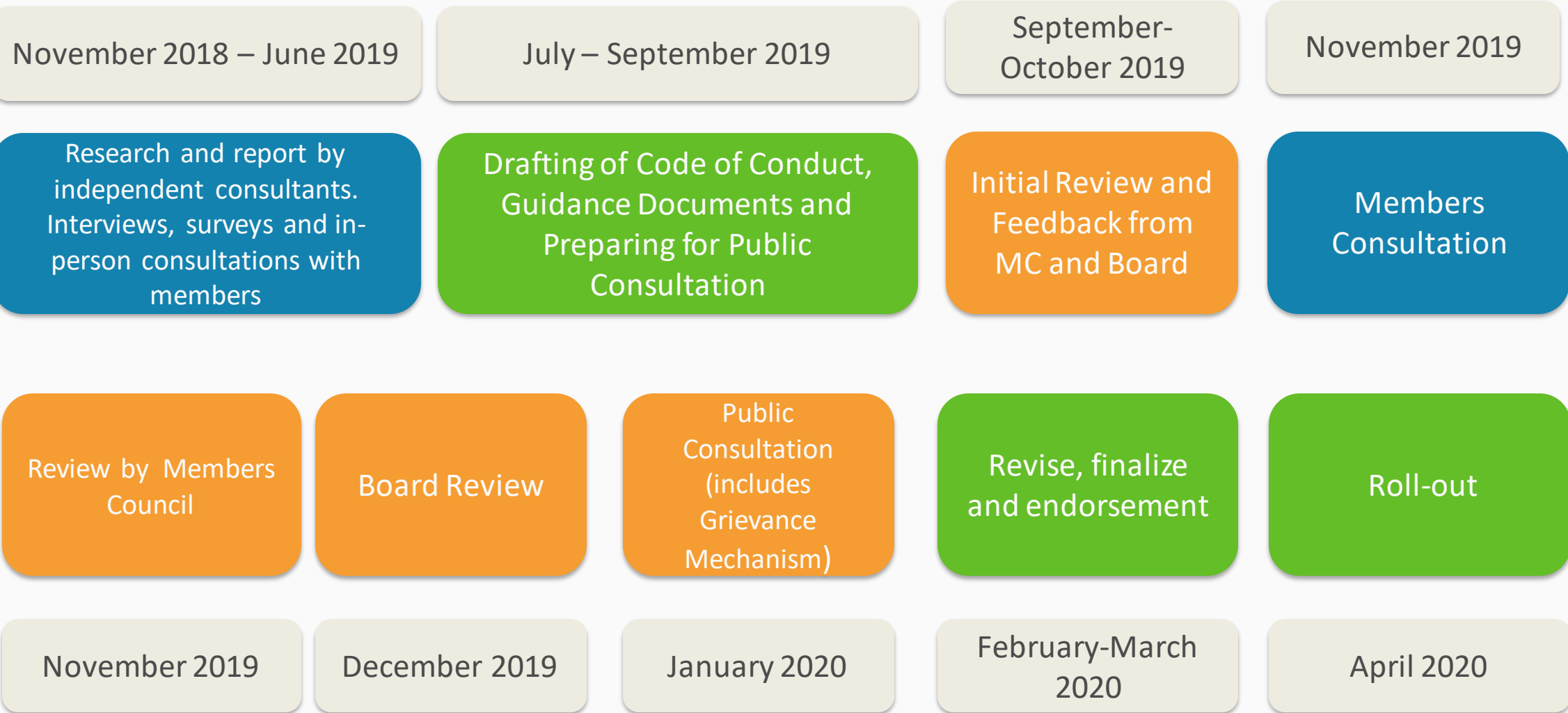
1. Set the spirit and values of Bonsucro
2. Improve commitments and accountability of members
3. Ensure compliance with relevant internationally agreed frameworks
4. Increase transparency
5. Clarify expected behaviours

## Why are changes to the Code of Conduct being made?

The Code has been redrafted to articulate more clearly Members' roles and responsibilities as members of Bonsucro, primarily to support:

- Bonsucro's risk management and effective due diligence
- Convergence with the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises, specifically the OECD-FAO Guidance for Responsible Agricultural Supply Chains.
- As the focus on social and environmental impacts in business activities and supply chains increases, so does accountability and liability for the organisations involved. Bonsucro and its Members must work towards ensuring these issues are addressed and be clear about what they are doing to address them (and also what they are not doing or able to do).

# Timeline of Revision



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# What's new?

# Code of Conduct

Available in Portuguese, Spanish, Thai and Chinese at: <http://www.bonsucro.com/code-of-conduct/>

## What is it?

The central document where members commit their sugarcane-related businesses to:

- Conduct their operations in compliance with all applicable laws and regulations.
- Supporting Bonsucro's vision of sustainable producer communities and resilient, assured supply chains by the continuous improvement of the environmental and social impacts of your sugarcane production, processing and sourcing activities
- Respect human rights and support the protection of forests and other natural ecosystems
- Comply with Bonsucro's Competition and Anti-Trust Compliance Policy
- Comply with applicable data privacy laws
- Work with a remediation or grievance mechanism, aligned with the UNGP Effectiveness Criteria, to address involvement in adverse environmental and social impacts
- Not make misleading or unsubstantiated claims about Bonsucro and comply with Bonsucro's Claims & Labelling Rules
- Agree to be bound by the terms of Bonsucro's Grievance Mechanism
- Report annually to Bonsucro on Continuous Improvement and how they are achieving commitments
- Pay membership fees

# Code Implementation Guidelines

Available in Portuguese, Spanish, Thai and Chinese at:

<http://www.bonsucro.com/code-of-conduct/>

## What is it?

- Further defines terminology and rules (for example around membership categories and fees)
- Gives examples and suggestions of what commitment to continuous improvement may mean for different stakeholders. It provides guidance to Members on how they may meet their commitments under the Code of Conduct.

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# Code Reporting Guidelines

Available in Portuguese, Spanish, Thai and Chinese at:

<http://www.bonsucro.com/code-of-conduct/>

## What is it?

- Provides guidance on what Members will be required to report on and the process and rules for reporting
- Introduces the ***Code of Conduct Self-Assessment*** (part of new application form) and the ***Continuous Improvement Report***
- Sets the baseline rules on disclosure: “Bonsucro will publish aggregated and anonymised data from Members’ Continuous Improvement Reports but will not disclose individual reports”

# Code Self-Assessment Form

## What is it?

- The Self-Assessment Form (part of the new membership application form) is intended to help members to understand their compliance with the Code of Conduct and to report any relevant issues to Bonsucro.
- It is a fundamental component of Bonsucro's own due diligence on new members to safeguard Bonsucro's reputation and credibility as a global platform.

## When is it due?

The Code of Conduct Self-Assessment is due:

- For current Members: on 31st March 2021 (Bonsucro will be sharing further guidance towards September 2020);
- For candidate members: at the time of membership application. This is to ensure that on joining Candidate Members have assessed their ability to meet their obligations under the Code of Conduct and developed any necessary action plans to bring them into compliance

## How will information be processed?

- Bonsucro will record the information shared and use it to inform its internal due diligence and risk assessment. If needed the member/candidate member will be contacted to provide further information or clarifications.



## Code Self-Assessment Form

Virtual example: <http://www.bonsucro.com/join-the-network-2/>

# Application process – Due Diligence & Decisions

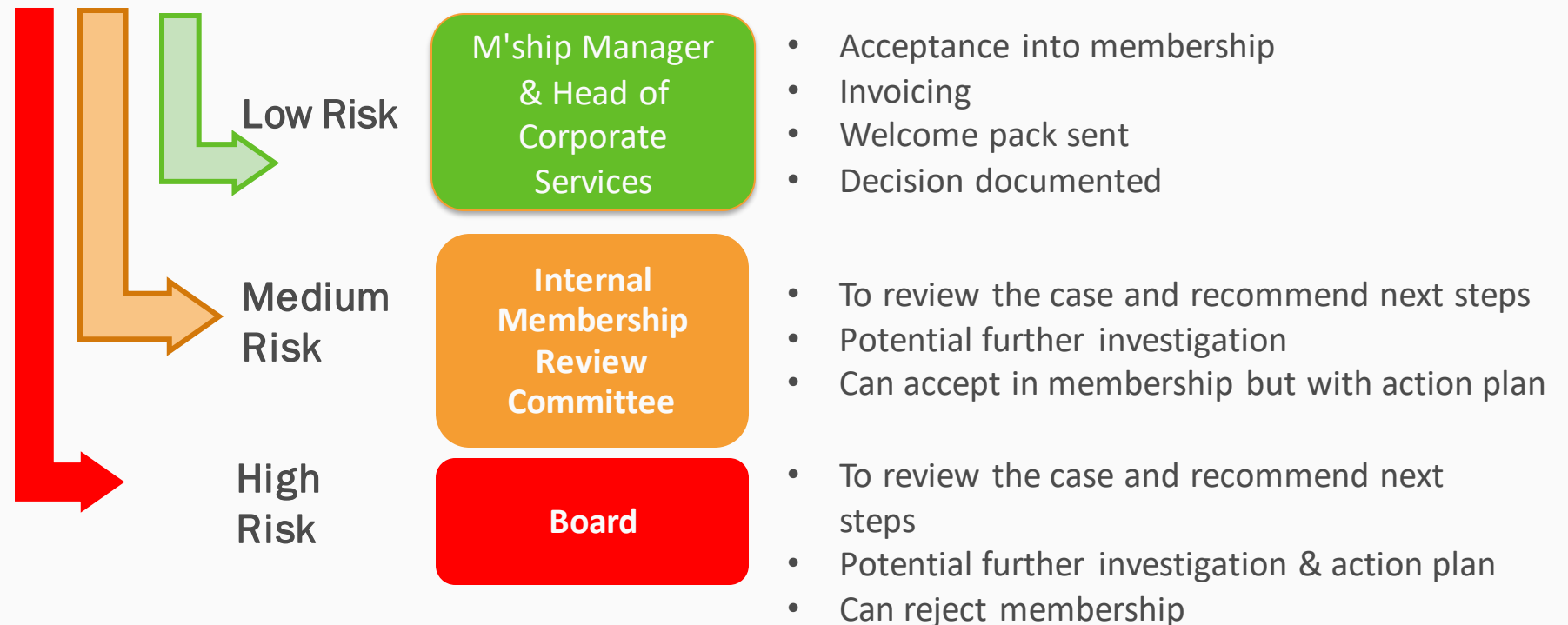


Application from interested organisations

- Application through website form
- Applicant fills in Due Diligence self-assessment form

30-day Candidacy Period

- Candidacy period open for comments from external parties
- Bonsucro reviews self-assessment form
- Bonsucro scores application against risk-assessment framework
- Bonsucro reaches out to applicant with any clarification questions and request for information to perform initial checks



## Internal Membership Review Committee

- Only for medium risk applications
- CEO, Head of CS, Membership Manager, Assurance Manager
- Plus relevant RD or coordinator

## Bonsucro Grievance Mechanism

- Allegations against applicant members are handled as "comments" part of the application process.
- GM only applies to complaints against Bonsucro members: as soon as Bonsucro has approved a membership, any party can decide to submit a complaint against the new member via the GM (the complaint might be a reiteration of a comment received during the application process).
- GM will be managed by the Centre for Effective Dispute Resolution (CEDR):
  - receive complaints / assess if in scope,
  - liaise with the Certification Bodies as appropriate,
  - communicate with the complainant and respondent to offer mediation,
  - see the process through till the end when the complaint is closed, and a recommendation made to Bonsucro (Bonsucro retains decision on membership).

*The new Grievance Mechanism (GM) will be published in May 2020.*

# Code Continuous Improvement Report

## What is it?

- A framework for reporting that will drive learning across members, celebrate/communicate members' achievements, and demonstrate continuous improvement towards companies' targets in line with Bonsucro's Code of Conduct.
- In practice: a set (7-8) of simple questions on members' commitments and progress in relation to their sugarcane business and Bonsucro.

## When is it due?

The Continuous Improvement Report is due:

- For current Members: not before 31<sup>st</sup> March 2021 or later date to be decided by Bonsucro;
- For candidate members: Not applicable until the reporting year after they have become members. For example, a Candidate Member that joins in 1<sup>st</sup> of June 2020, will only be required to report in the reporting cycle after 1<sup>st</sup> of June 2021.

## New Documents – Code Continuous Improvement Report

### Virtual Example:

[https://bonsucro.sharepoint.com/:w:/r/\\_layouts/15/Doc.aspx?sourcedoc=%7B4763E417-150C-4929-8D2A-40F3C95257ED%7D&file=Annual%20Continuous%20improvement%20report%20-%20DRAFT%20-%20Committee%20Discussion.docx&action=default&mobileredirect=true](https://bonsucro.sharepoint.com/:w:/r/_layouts/15/Doc.aspx?sourcedoc=%7B4763E417-150C-4929-8D2A-40F3C95257ED%7D&file=Annual%20Continuous%20improvement%20report%20-%20DRAFT%20-%20Committee%20Discussion.docx&action=default&mobileredirect=true)



## Code of Conduct – Next Steps

- Webinars with members (22 and 23 April 2020)
- Reviewing new applications based on new due diligence requirements (from 1<sup>st</sup> April 2020)
- Publication of Grievance Mechanism in May
- Finalising Continuous Improvement Report framework
- Defining process for annual reporting and supporting members (towards September 2020)



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