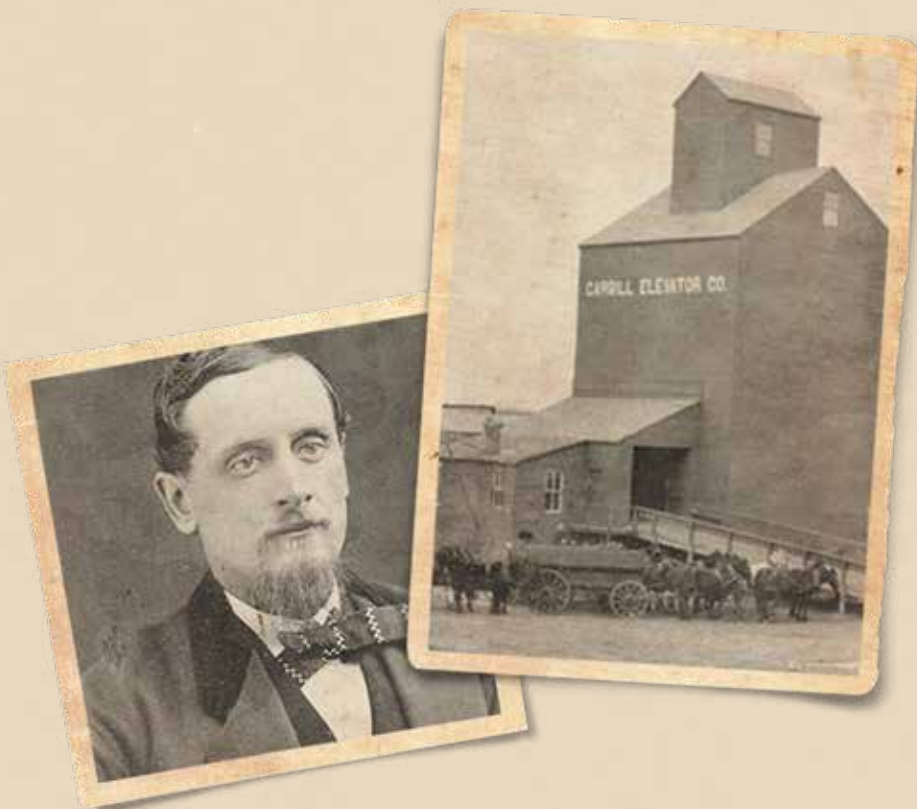
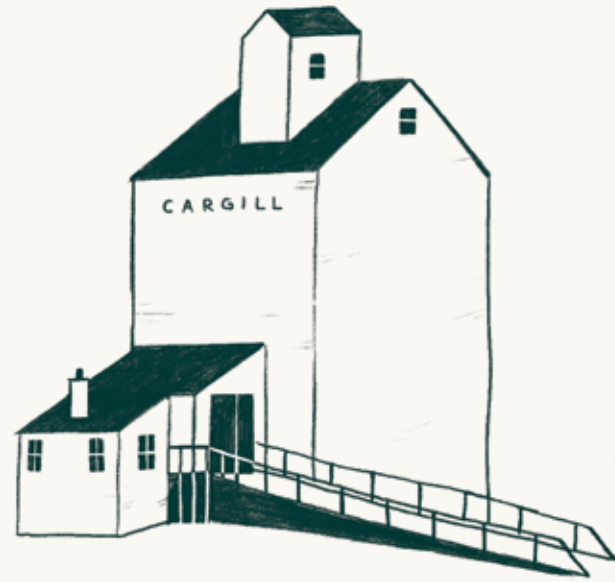


A Grain of Truth

A plea to the Cargill-MacMillan family to show leadership by eliminating human rights abuses and the destruction of nature from Cargill's supply chain.



An Open Letter to the Cargill-MacMillan Family



As a family-owned business, you must be proud of Cargill's 150-year heritage.

You grew from a modest grain warehouse in 1865 to the largest agriculture company in the world.

But today, your company's practices threaten to tarnish that proud legacy.

In 2001, Cargill publicly acknowledged the problem of forced child labor in the cocoa industry and committed to eliminating it and the other "worst forms" of child labor in the production of chocolate.

In 2014, Cargill acknowledged the agriculture sector's significant role in the destruction of the world's forests and promised to end it.

In 2022, Cargill expanded that commitment to include the protection of critical natural ecosystems other than forests as well.

None of those commitments have been fulfilled.

And the problems have gotten worse.

For years you have delegated the management of the company. You have trusted Cargill's executives to do the right thing and to tell you the truth.

They have done neither.

The time has come for you to engage and lead.

We are not asking the company to make any more commitments. We are asking you to ensure that the company fulfills the commitments it has already made:

Honor the Harkin Engel Protocol

Honor the New York Declaration on Forests

Honor the COP 26 Statement of Purpose

Honor Cargill's commitments to end human rights abuses and the destruction of nature across your entire supply chain.

It's time to work together for a better solution.

Be remembered as the family that made the world a better place, not a worse one.

Leave a legacy of leadership, not a legacy of broken promises.

You can reach us at cargill@stand.earth

We look forward to hearing from you.

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Deforestation and Human Rights Abuses Since 2014

Forests Matter

Nine out of ten Americans are concerned about the loss of tropical rainforests and the extinction of plant and animal species. This is a far greater number than the number of Americans that consider themselves to be Democrats, Republicans, Independents, or, “environmentalists.”¹

Deforestation and the destruction of other critical natural ecosystems are key drivers of climate change, the loss of biodiversity, and the degradation of the Earth’s life-support systems including clean air and water, and the weather systems upon which our food supplies depend. Nevertheless, the loss of the world’s remaining forests and the extinction of species continues at an alarming rate.²

From 2015 to 2020, approximately 193,000 square miles of forest were destroyed by human activity – an area larger than the state of California. In the coming decades it is estimated that approximately 40,000 species will be at risk of extinction.³

According to the Intergovernmental Panel on Climate Change, reducing deforestation would have one of the greatest impacts on reducing climate change of any proposed mitigation option.⁴

¹ <https://news.gallup.com/poll/1615/environment.aspx>
² <https://www.unep.org/explore-topics/forests/why-do-forests-matter>
³ <https://unstats.un.org/sdgs/report/2022/goal-15/>
⁴ https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_SummaryForPolicymakers.pdf





What Drives the Loss of the World's Forests?

Although most people quite reasonably believe that the largest driver of deforestation is logging, according to a recent study published in Science Magazine, more than 90% of tropical deforestation is driven by agriculture.⁵

According to the study:

"Although deforestation is driven by many interrelated processes, expanding agricultural land use—including cropland, pastures, and tree crops—is the primary direct cause of tropical deforestation..."

[T]he overwhelming majority (90 to 99%) of tropical deforestation occurs in landscapes where agriculture is the dominant driver of tree cover loss."

Due largely to its overwhelming role in driving deforestation and the destruction of other critical ecosystems, the Intergovernmental Panel on Climate Change (IPCC) has found that industrial agriculture is nearly as big a driver of climate change as the emissions of all planes, cars, trucks, trains, buses and ships in the world combined.^{6/7}

⁵ <https://www.science.org/doi/10.1126/science.abm9267>

⁶ <https://www.ipcc.ch/srccl/chapter/summary-for-policymakers/>

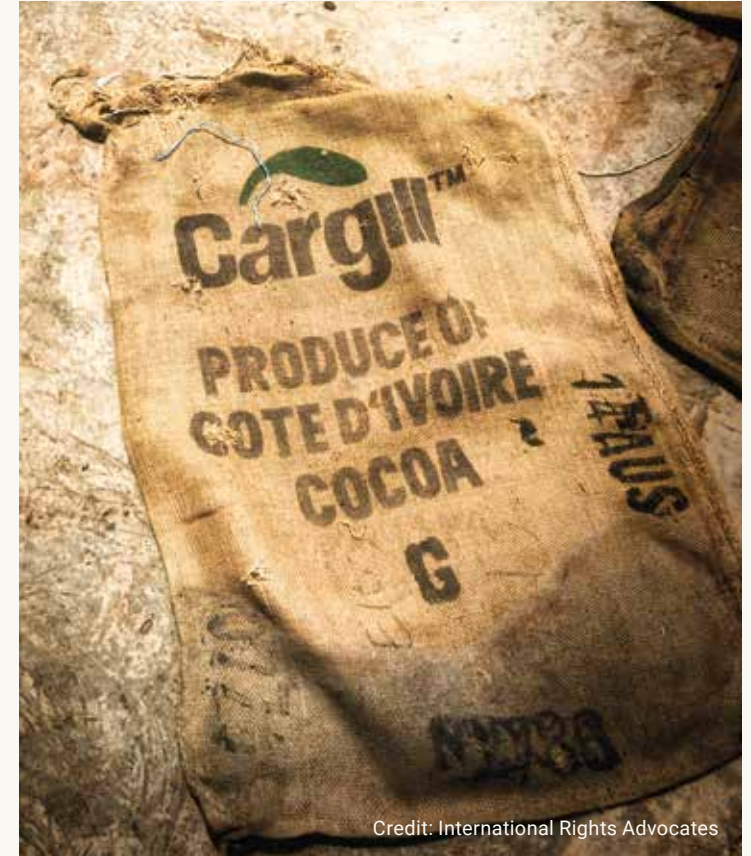
⁷ https://www.un.org/sites/un2.un.org/files/media_gstc/FACT_SHEET_Climate_Change.pdf

Cargill: The Largest Industrial Agriculture Company in the World

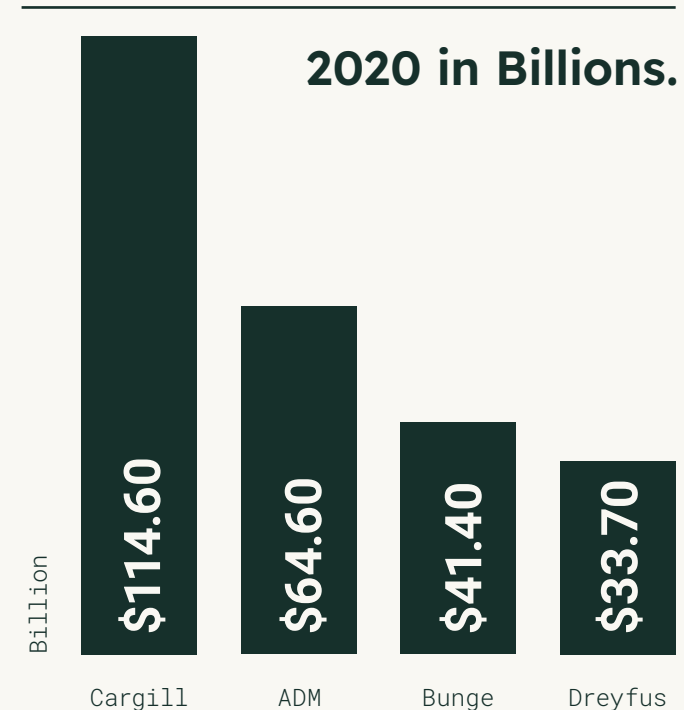
It is estimated that ADM, Bunge, Cargill, and Louis Dreyfus (collectively known as the ABCDs), control 70-90% of the global grain market.⁸

Asian companies, like COFCO, Sinar Mas, Wilmar, and Olam, make up the bulk of the remaining market.

The annual revenue of Cargill, the largest privately held company in America, is nearly equal to the other ABCD companies combined.⁹



Credit: International Rights Advocates



Because agriculture is the predominant driver of deforestation and the destruction of other critical ecosystems, and the sector is dominated by so few corporate giants, **agribusinesses like Cargill present both the greatest opportunity and the greatest obstacle to removing the destruction of nature from the agricultural supply chain.**

Cargill is, by far, the largest and most influential of these traders. If it so chose, it could lead the way to restoring land instead of clearing it, charting a path to a nature-positive food supply and force its competitors to do the same.

In the words of Cargill's former CEO and executive chair, Dave MacLennan, "Cargill is a large company, and on our own, we can drive change."¹⁰

But instead, by consistently dragging its feet and resisting change, making bold commitments, and failing to abide by them, Cargill has become one of the largest parts of the problem.

⁸ <https://www.theguardian.com/environment/2022/aug/23/record-profits-grain-firms-food-crisis-calls-windfall-tax>

⁹ Macrotrends & Fortune.

¹⁰ <https://www.just-food.com/news/cargill-pledges-more-cash-to-fight-deforestation-after-admitting-industry-target-unlikely-to-be-met/>

Cargill: The Largest Privately-Owned Company in America

With \$165 billion in revenues in FY 2022 (a record high)¹¹, Cargill is the largest privately-owned company in America, and the fifth largest in the world. Koch Industries with \$120 billion in revenues is America's number two.¹²

It has been estimated that if Cargill were a public company it would rank in the top 15, just above AT&T.¹³ It operates in 70 nations, on every populated continent, and employs 155,000 people.¹⁴

Cargill is a family-owned company. Approximately 20 people, broken down into two branches of the family, the Cargills and the MacMillans, own about 88% of the company.¹⁵ They are the fourth richest family in America¹⁶, with more billionaires than any other family on Earth.¹⁷

While not necessarily engaged in the day-to-day business of the company, as its owners these individuals have the ultimate say over – and the ultimate responsibility for – Cargill's practices.



Credit: Victor Moriyama / Rainforest Foundation Norway

The Rights of Indigenous Peoples

The destruction of the natural world is tragically bound to the violation of human rights, especially for Indigenous Peoples whose territories contain a disproportionate amount of the world's remaining intact landscapes and biological diversity.¹⁸

Industrial agriculture and logging interests have displaced – often through violence and intimidation Indigenous Peoples from their ancestral land – land they rely upon for food, water, shelter, and cultural survival.¹⁹

Just last year, Cargill was once again found to be sourcing soy from a farm in Brazil linked to land grabbing and violence against the Indigenous people whose territorial forests were taken and cleared to make way for the farm.²⁰



Credit: Jim Wickens / Ecostorm

¹¹ <https://www.bloomberg.com/news/articles/2021-08-06/crop-giant-cargill-reports-biggest-profit-in-156-year-history>

¹² <https://www.forbes.com/lists/largest-private-companies/?sh=15bcc2dbbac4>

¹³ <https://dbpedia.org/page/Cargill>

¹⁴ <https://www.investopedia.com/financial-edge/1112/the-worlds-most-valuable-private-companies.aspx>

¹⁵ <https://www.forbes.com/sites/briansolomon/2011/09/22/the-secretive-cargill-billionaires-and-their-family-tree>

¹⁶ <https://www.forbes.com/sites/kerryadolan/2020/12/17/billion-dollar-dynasties-these-are-the-richest-families-in-america/>

¹⁷ <https://www.sj-r.com/story/business/2015/03/02/the-secretive-cargill-family-has/35078442007/>

¹⁸ <https://www.iisd.org/articles/deep-dive/indigenous-peoples-defending-environment-all>

¹⁹ https://www.iwgia.org/images/publications/0693_fact_sheet_land_grabbing-pr.pdf

²⁰ <https://www.theguardian.com/world/2022/aug/19/leading-grain-traders-sourcing-soy-beans-from-brazilian-farm-linked-to-abuse>

“We’ve been fighting the soy industry for quite some time. But it has been devastating. You cannot keep buying goods from conflict areas — areas that have been taken from Indigenous Peoples through deforestation and legal conflicts. Indigenous people are dying right now as we speak in the Amazon region and in the Cerrado.”

-The Articulation of the Indigenous Peoples of Brazil (APIB)



Credit: Victor Moriyama / Rainforest Foundation Norway

A History of Broken Promises

None of these issues are new to Cargill. They have been criticized about them for years. In fact, "**Criticisms of Cargill**" has its own Wikipedia entry.²¹

For years, its policy has been first to drag its feet, then to make bold public commitments to solve the problems, and then, as this report and its appendices demonstrate, fail to carry those commitments out.

According to the peer-reviewed International Journal of Management Studies and Social Science Research, "Cargill continues to adjust its goals for the future based on its inability to obtain its sustainability objectives in a timely manner."²²

Empty Words

"Cargill is a large company, and on our own, we can drive change. Working with others, we can transform our industry. And in doing so, we can create a socially responsible, environmentally sound and economically viable supply chain that works for everyone."

-Cargill CEO, David MacLennan.²⁴

"For us, it's a momentous time in our long history to say we're not just going to be part of the pack; we want to be out in front. Economic growth and economic success is not incompatible with doing something about climate change."

-Cargill CEO, David MacLennan.²⁶

"Without bold and decisive actions by all involved in the production of food, climate change will destabilize the food system. We are determined to innovate, scale and implement solutions together with producers, our customers and governments worldwide. Agriculture is how we will mitigate climate change, regenerate our soils and improve water use, while nourishing the world in a more sustainable way."

-Cargill CEO, David MacLennan.²⁷

"We can all agree, and certainly the science is very clear, the climate is changing and there is an urgent need to take action to end deforestation."

-Cargill's Head of Supply Chain and Chief Sustainability Officer, Ruth Kimmelshue.²³



Credit: Victor Moriyama / Rainforest Foundation Norway

"Cargill is firmly committed to eliminating deforestation from our global supply chains and protecting the rights of Indigenous Peoples and communities. Our commitment to human rights is unwavering – treating people with dignity and respect in the workplace, in our supply chains and in the communities where we do business. And we expect the same of our suppliers."

-Cargill's Senior Director, Land Use, Nick Martell-Bundock.²⁵

²¹ https://en.wikipedia.org/wiki/Criticisms_of_Cargill

²² <https://www.ijmsssr.org/paper/IJMSSSR00590.pdf>

²³ <https://www.startribune.com/cargill-puts-up-30-million-to-end-forest-destruction-in-brazil/511237702/>

²⁴ <https://www.cargill.com/story/together-we-can-protect-forests-and-preserve-land-in-brazil>

²⁵ https://www.greenpeace.org/static/planet4-international-stateless/2020/04/86b5fe06-greenpeace_underfire_artwork_pages.pdf

²⁶ <https://www.bbc.com/news/business-29356202>

²⁷ <https://www.prnewswire.com/news-releases/cargill-expands-climate-change-commitments-300967935.html>

The New York Declaration on Forests

In 2014 at the United Nations Climate Summit, Cargill CEO David MacLennan stood on stage beside UN Secretary General Ban Ki-moon and pledged to eliminate deforestation from Cargill's supply chain by 2020, with the goal of halving the world's rate of deforestation by 2020 and ending it by 2030.²⁸

"We are proud of our track record tackling deforestation. Today, I am here to say that we are going to do more. We understand that this sort of commitment cannot be limited to just select commodities or supply chains. That's why Cargill will take practical measures to protect forests across our agricultural supply chains around the world."²⁹

But as documented in case studies that accompany this report, from the time of the pledge until the deadline of 2020, rampant and even illegal deforestation by Cargill continued.

In June 2019, a year after being fined by the Brazilian government for their role in illegal deforestation,³⁰ Cargill publicly abandoned the goal, blaming the industry as a whole.³¹

In the years since the signing of the New York Declaration on Forests, tropical deforestation increased 40% over the same time period prior. (81 million acres v 58 million).

Since the signing of the New York Declaration on Forests an area of 81 million acres of primary tropical forest has been lost – an area about 1.5x the size of Cargill's home state of Minnesota.

(<https://research.wri.org/gfr/latest-analysis-deforestation-trends>)

- ²⁸ https://forestdeclaration.org/wp-content/uploads/2021/08/NYDF_Declaration.pdf
²⁹ <https://www.prnewswire.com/news-releases/cargill-pledges-to-protect-forests-in-all-agricultural-supply-chains-276479761.html>
³⁰ <https://www.reuters.com/article/us-brazil-deforestation-bunge-carg-idUKKCN1IO1NV>
³¹ <https://www.reuters.com/article/us-carg-brazil-environment/cargill-says-food-industry-will-miss-zero-deforestation-goal-idUSKCN1TE345>



Credit: Victor Moriyama / Rainforest Foundation Norway

The COP 26 Statement of Purpose



Credit: Victor Moriyama / Rainforest Foundation Norway

On November 2, 2021, at the UN Climate Change Conference in Glasgow (COP 26), Cargill, along with nine other agricultural companies with a combined annual revenue of almost \$500 billion, once again grabbed headlines by committing to "halting forest loss associated with agricultural commodity production and trade."³²

As a part of the **COP 26 Agricultural Commodity Companies Corporate Statement of Purpose**, Cargill committed to laying out a "Roadmap" by the following year that would eliminate deforestation from its supply chain and bring the sector into consistency with international goals to keep climate change below 1.5 degrees Celsius. Significantly, in the announcement, Cargill specifically expanded its commitment to include the protection of other critical natural ecosystems in addition to forests.

But according to a statement from a group of Cargill's largest customers including Walmart, McDonald's, Unilever, Nestlé, Mars, General Mills, PepsiCo, Procter and Gamble, Colgate-Palmolive and others, the Roadmap published at COP 27 in Egypt was so weak that it would prevent Cargill's customers from meeting their climate and deforestation commitments if they continued to source from Cargill.³³

In a scathing letter calling for government action in the face of the failure of voluntary action, a group of Cargill's largest customers in the grocery sector called the Roadmap "Inadequate, Inconsistent, and Insufficient".³⁴

According to the **Accountability Framework initiative (AFi)**,³⁵ a leading authority on responsible agricultural and forestry supply chains, and the **Intergovernmental Panel on Climate Change (IPCC)**,³⁶ achieving the goal of keeping global warming below 1.5°C requires the elimination of emissions from all land use change associated with commodity production well before 2030. This includes the destruction of forests, wetlands, peatlands, savannas, and natural grasslands. For soy in particular, the destruction of the Cerrado, Chaco, and Pampa make up the majority of these emissions.

³² <https://ukcop26.org/agricultural-commodity-companies-corporate-statement-of-purpose/>

³³ https://www.theconsumergoodsforum.com/press_releases/forest-positive-coalition-of-action-responds-to-cop27-agriculture-sector-roadmap-to-1-5c/

³⁴ <https://www.retailsoygroup.org/wp-content/uploads/2022/12/RSG-response-to-agri-sector-roadmap.pdf>

³⁵ <https://accountability-framework.org/news-events/news/commodity-traders-must-take-action-beyond-the-agriculture-sector-roadmap-to-achieve-a-true-15c-pathway/>

³⁶ <https://www.ipcc.ch/sr15/>

The Harkin Engel Protocol on Child Labor



Credit: International Rights Advocates

The destruction of the natural world may not be the worst of Cargill's crimes or its greatest broken promise.

In 2001, Cargill publicly acknowledged the problem of forced child labor in the cocoa industry and committed to eliminating it and the other "worst forms" of child labor in the production of chocolate.³⁷

As a part of the "Harkin Engel Protocol," Cargill agreed to a "comprehensive, six-point problem-solving approach along with a time-bound process for credibly eliminating the use of abusive child labor in cocoa growing."³⁸

In 2010 the ambition was dramatically lowered to a reduction of "the worst forms of child labor" in Côte d'Ivoire and Ghana by 70 percent.³⁹

But even that low bar was not met. According to a U.S. Department of Labor-funded study, the number of children harvesting cocoa in Côte d'Ivoire and Ghana has increased since the commitment, not decreased.

According to the study, since the setting of that goal, "in Côte d'Ivoire and Ghana, the prevalence of child labor in cocoa production among all agricultural households increased 14 percentage points and prevalence of hazardous child labor increased 13 percentage points."⁴⁰

By the most recent counts there are more than 1.5 million children harvesting cocoa in these two countries with 95% of them performing hazardous work. Since 2010, exposure to agro-chemicals by children increased by 17 percentage points, land clearing by 8 percentage points and sharp tool use by 7 percentage points.⁴¹

Côte d'Ivoire and Ghana together account for 65% of global cocoa production. Cargill is the largest exporter of cocoa from Côte d'Ivoire and the second largest exporter from Ghana.⁴²



Credit: International Rights Advocates

According to a 2019 article in The Washington Post, where Cargill is described as one of the "leading cocoa suppliers for the chocolate industry," most chocolate today continues to be harvested using child labor.⁴³

In July 2005, the International Labor Rights Forum filed suit against Cargill and Nestlé on behalf of six Malian children who were trafficked into Côte d'Ivoire and forced to work twelve to fourteen hours a day with no pay, little food and sleep, and frequent beatings. The lawsuit charged that, for years, Cargill knowingly purchased cocoa harvested by child slaves and provided funds, supplies, training and other assistance to plantations in Côte d'Ivoire that they knew were using child slaves.

In June 2021 the Supreme Court dismissed the case, siding with attorneys from Cargill and Nestlé who argues that US courts lacked jurisdiction to charge American companies for complicity in enslaving children outside of the country.⁴⁴

³⁷ https://www.cocoainitiative.org/sites/default/files/resources/Harkin_Engel_Protocol.pdf

³⁸ *ibid*

³⁹ https://www.cocoainitiative.org/sites/default/files/resources/Cocoa_Framework_of_Action_9-12-10_Final-1-1.pdf

⁴⁰ https://www.norc.org/content/dam/norc-org/documents/standard-projects-pdf/NORC2028_CocoaBrief_10.pdf

⁴¹ https://www.cocoainitiative.org/sites/default/files/resources/NORC%202020%20Cocoa%20Report_English.pdf

⁴² https://explore.trase.earth/explore/GHANA/COCOA/volume?includes_domestic=false&year=2019

⁴³ <https://www.washingtonpost.com/graphics/2019/business/hershey-nestle-mars-chocolate-child-labor-west-africa/>

⁴⁴ https://www.supremecourt.gov/opinions/20pdf/19-416_i4dj.pdf



Credit: Victor Moriyama / Rainforest Foundation Norway

Cargill's Plans for the Future

Cargill wasn't done with deforestation when they signed their pledge to end it in 2014, or in 2022, and they aren't done now.

In fact, Cargill is in the process of dramatically increasing infrastructure in high-risk areas of South America, often to the detriment of American farmers.

According to Bloomberg News, billions spent by Cargill and other traders in exporting ports in the Amazon and Cerrado are boosting Brazil's lead over the U.S., a strategy which will "pummel" rival soybean growers in the U.S.

According to the July 15, 2019 article, potential plans by Cargill include investing \$240 million by 2030 in a new terminal in Abaetetuba, Brazil, nearly doubling the existing export capacity of 9.5 million tons in northern Brazil.⁴⁵

They have also expressed interest in the construction of a soy railway⁴⁶ through the heart of the Amazon rainforest along the Tapajós River over the objections of Indigenous communities.⁴⁷

Bloomberg Headline:

Brazil's Soybean Lead Over the U.S. Gets Boost From Amazon Ports

Billions spent by trading giants smooth logistics in the north. 'Huge conquest' in transportation helps pummel rival U.S.

⁴⁵ <https://www.bnnbloomberg.ca/brazil-s-soybean-lead-over-the-u-s-gets-boost-from-amazon-ports-1.1287231>

⁴⁶ https://m.europages.com/filestore/gallery/53/27/17079346_1d65a6ef.pdf

⁴⁷ https://www.inesc.org.br/wp-content/uploads/2021/08/InformativoFerrograo_V02-EN.pdf

Destruction is Not Inevitable

Cargill hasn't always been on the wrong side of the equation. In fact, they were involved in one of the greatest examples of success. In 2006, after years of campaigning by Greenpeace, Rainforest Action Network, and others, Cargill joined Bunge, Amaggi, and other soy producers in a moratorium on soy production in the Amazon of Brazil.

In the two years before the agreement, nearly a third of the new soy plantations in the Brazilian Amazon were the result of deforestation. After the agreement, that number dropped to around one percent.⁴⁸



Credit: Victor Moriyama / Rainforest Foundation Norway



Credit: Jim Wickens / Ecostorm

But since that time Cargill has actively opposed similar efforts, including a widely supported⁴⁹ moratorium in the endangered Brazilian Cerrado.⁵⁰

It has been demonstrated time and again that there are enough already degraded and deforested lands—more than 1.5 billion acres (about 2/3 the size of the entire United States including Alaska)—in Latin America to dramatically expand agricultural production without destroying forests or other intact ecosystems.^{51/52}

⁴⁸ 21 Gibbs, H. K., Rausch, L., Munger, J., Schelly, I., Morton, D.C., Noojipady, P., Soares-Filho, B., Barreto, P., Micol, L., Walker N. F. (2015) Brazil's Soy Moratorium, Science, Vol. 347, Issue 6220, 347-377, January 23, 2015

⁴⁹ <https://www.theconsumergoodsforum.com/environmental-sustainability/business-for-the-cerrado/>

⁵⁰ <https://grist.org/article/cargill-promised-to-end-deforestation-its-telling-farmers-something-else/>

⁵¹ Vergara, Walter et al., The Economic Case for Landscape Restoration in Latin America, World Resources Institute, October, 2016.

⁵² Lomeli, Luciana Gallardo and James Anderson. "Restoring Degraded Land in Latin America Can Bring Billions in Economic Benefits," World Resources Institute, October 2016, <https://www.wri.org/insights/restoring-degraded-land-latin-america-can-bring-billions-economic-benefit>

Conclusion

Over the years covered by this report, Cargill's profits have steadily increased, to a record \$6.68 billion last year, the second consecutive year of record profits in the entire 158-year history of the company.⁴³

Cargill is well-situated to be a leader on these issues rather than a laggard.

But as this report demonstrates, left to its own devices, the company will not follow through on its public commitments to do so.

**It is time to take these matters
into your hands and steer
the company into the future.**

We are not asking for anything the company has not already promised. We seek implementation, not new commitments.

It's time for Cargill to live up to its purpose of being "the global leader in nourishing people."

It's time for you to step up and show leadership:

**Honor the Harkin
Engel Protocol**

**Honor the New York
Declaration on Forests**

**Honor the COP 26
Statement of Purpose**

**Honor Cargill's
commitments to end
human rights abuses
and the destruction
of nature throughout
its entire supply chain**



Credit: Victor Moriyama / Rainforest Foundation Norway

A Grain of Truth

burninglegacy.org

A Grain Of Truth and burninglegacy.org are projects of **STAND**.earth

For questions, email cargill@stand.earth