# THE WORST COMPANY WORLD





## FOREWORD: CONGRESSMAN HENRY A. WAXMAN



Cargill is the United States' largest privately held company, bigger even than the notorious Koch Industries. Its footprint extends around the world. But *The Worst Company in the World*? We recognize this is an audacious claim. There are, alas, many companies that could vie for this dubious honor. But this report provides extensive and compelling evidence to back it up.

The people who have been sickened or died from eating contaminated Cargill meat, the child laborers who grow the cocoa Cargill sells for the world's chocolate, the Midwesterners who drink water polluted by Cargill, the Indigenous People displaced by vast deforestation to make way for Cargill's animal feed, and the ordinary consumers

who've paid more to put food on the dinner table because of Cargill's financial malfeasance — all have felt the impact of this agribusiness giant. Their lives are worse for having come into contact with Cargill.

In my 40-year long career in Congress, I took on a range of companies that engaged in abusive practices. I have seen firsthand the harmful impact of businesses that do not bring their ethics with them to work. But Cargill stands out.

In contrast to the oil and tobacco industries, for instance, the bad practices documented here are not inherent to the products Cargill sells, and are, in fact, entirely avoidable. For example, perhaps Cargill's largest negative impact on the natural world is its role in driving the destruction of the world's last remaining intact forests and prairies. There are more than one billion acres of previously degraded land where crops can be grown without further imperiling native ecosystems, at no additional cost. Similarly, other companies grow animal feed at large scale without the same levels of water or climate pollution.

From palm oil in Southeast Asia to agriculture here in the United States, Cargill has sat out industry efforts to improve. To address these gaps, over the last five years, the Mighty Earth team has engaged in extensive, high-level discussions with Cargill. Our team praised the company in 2014 when CEO David MacLennan committed to end deforestation throughout the company by 2020, and later when it committed to stop sourcing cocoa from inside national parks.

In January, we shared a draft of this report with Cargill. Days before its scheduled release, Mr. MacLennan called us to request a few weeks to consider our findings and, more importantly, our recommendations for change. We agreed to give Cargill the chance. Two weeks later, he committed that Cargill would adopt policies to prevent the destruction of native habitat, and that he would personally lobby other CEOs in the industry to do the same.

Unfortunately, these last months have only confirmed the company's inability to respond effectively, and Mr. MacLennan's inability to deliver real change.

Within days of his commitment, Mr. MacLennan's second-in-command publicly questioned the value of strict policies to protect native habitat. It took Cargill months to hold meaningful discussions with other companies that had already adopted strong sustainability policies, or to address relatively simple issues in their palm oil supply chain that other companies had dealt with long ago. Meanwhile, we kept receiving data, outlined in this report, of Cargill's serious ongoing problems with deforestation and child labor.

Despite the challenges, we held off on the campaign for five months in hopes that discussions would give Cargill a chance to change. Unfortunately, David MacLennan's commitments didn't seem to translate into meaningful action by others in the company. We were particularly disappointed when Cargill released a "Soy Action Plan" that permits suppliers to continue deforestation, and more recently when it issued a letter to its suppliers opposing the spread of forest conservation policies to the Brazilian Cerrado. These actions were a direct refutation of Mr. MacLennan's commitments. We've successfully worked to improve the environmental and human rights practices of dozens of companies, but have never encountered a company that has such difficulty translating high-level commitments into action.

While Mr. MacLennan seems to want to do the right thing, he appears unable to decide between those who believe Cargill can do better and those who want to keep the bulldozers running. Unfortunately, because the status quo is deforestation, child labor, and pollution, Cargill's dithering results in a continuing environmental and human rights disaster. And because Cargill's reach is so broad, they drag other companies into aiding and abetting their environmental destruction and human rights abuses too.

Supermarket giant Ahold Delhaize (owner of Giant, Stop & Shop, Hannaford, Food Lion, and other brands) may say it wants to provide responsible meat, but it cannot do so as long as it is in a joint venture with Cargill to supply their store branded meats. The "Science Based Climate Target" trumpeted by McDonald's lacks meaning as long as Cargill, the manufacturer of their Chicken Nuggets and Big Macs, drives climate pollution on a massive scale.

These companies — and more than a hundred others — have repeatedly called on Cargill to change. But Cargill has just as repeatedly defied these calls. If these businesses want to fulfill their environmental and human rights policies, they must go beyond polite encouragement to shifting their purchases to more responsible companies.

Only by holding Cargill and its customers publicly accountable can we force them to change. Concerted action by citizens and consumer companies has driven enormous progress in many parts of the food and agriculture industry. Now it is time for the company that purports to be a leader in that industry to finally act like it.

Henry a. Warmon

Henry Waxman Former Member of Congress Chairman, Mighty Earth



## CARGILL: THE WORST COMPANY IN THE WORLD

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## **ABOUT MIGHTY EARTH:**

Mighty Earth is a global campaign organization that works to protect lands, oceans, and the climate. We aspire to be the most effective environmental organization in the world. We have played a leading role in persuading the world's largest food and agriculture companies to adopt policies to eliminate deforestation and human rights abuse from their supply chains, and driven adoption of multi-billion dollar shifts to clean energy. Whether we're rallying for change internationally or locally, Mighty Earth is building a movement to protect our environment. Mighty Earth is a fiscally sponsored project of the Center for International Policy, a 501(c)3 non-profit organization.

## A PATTERN OF DECEPTION AND DESTRUCTION

Today, one privately-held company just may have more power to single-handedly destroy or protect the world's climate, water, food security, public health, and human rights than any single company in history. And it's not an oil company or a coal company, or any of the usual suspects. It's the Minnesota-based agribusiness giant Cargill.

Cargill is America's largest privately-owned company, surpassing the second place Koch Brothers by billions of dollars in annual revenues. Cargill is the corporate behemoth at the nexus of the global industrial agriculture system, a system that it has designed to convert large swaths of the planet into chemically dependent industrial scale monocultures to produce cheap meat, palm oil, and chocolate.

The political constraints that might have once limited its power have essentially disappeared, thanks to the rise of extremist anti-environment Presidents in both Brazil and the United States. In other parts of the world, like Indonesia and West Africa, Cargill continues to take advantage of fragile or corrupt governments to acquire vast quantities of palm oil, cocoa, and other raw materials without much regard to the manner in which it was produced.

Cargill has demonstrated the ability to do both good and ill on a grand scale. But the environmental protections and climate leadership from governments that may have once held the company's worst instincts in check are now in retreat.







Throughout its history, Cargill has exhibited a disturbing and repetitive pattern of deception and destruction. As this report details, its practices have ranged from violating trade embargoes and price fixing, to ignoring health codes and creating markets for goods produced with child and forced labor. Under pressure, Cargill has reformed its practices in many areas — which shows that it can change when it wants to. But contrary to its view of itself as a leader, it usually comes in dead last. It has remained a laggard across multiple industries, trailing peers like Louis Dreyfus and Wilmar.

Shortly after incorporating under its present name 80 years ago, Cargill was thrown out of the nation's largest futures and options exchange for trying to corner the market on corn. Decades later, in 2017, Cargill was fined \$10 million by the Commodity Futures Trading Commission for years of deliberately misreporting its trade values — by up to 90% — in order to defraud both the government and its trading partners.¹ As this report was going to press, David Dines, the executive who created and oversaw the department responsible for these violations at Cargill, was promoted to the position of Chief Financial Officer.² In 2018, Cargill was responsible for the distribution of more than 70 tons of contaminated beef to supermarkets.³ In between, the company has plundered the planet and shortchanged its workers and farmers, all while generating enough wealth to create more billionaires than in any other family in the world.⁴

Cargill today has greater influence than even many governments over the fate of our world. Companies like Cargill — and business partners and customers like Ahold Delhaize (Stop & Shop, Giant, Food Lion, and Hannafords), McDonald's, and Sysco that sell their products to consumers — bear significant responsibility for the planet's severe environmental crisis.





## A TIMELINE OF BAD BEHAVIOR<sup>5</sup>

That Cargill would make a grand commitment and then ignore it shouldn't be a big surprise.

From having their membership in the Chicago Board of Trade suspended shortly after incorporating for trying to corner the market on corn and artificially drive up its price, to being responsible for the distribution of more than 150,000 pounds of contaminated beef to supermarkets just last year — Cargill has a long and sordid history of duplicity, deception and destruction. Just the past two de- cades provide dozens of examples.

## 2000

#### **Deadly Listeria Outbreak**

Sliced turkey from a Cargill processing plant in Texas was found to be the source of a 10-state outbreak of Listeria monocytogenes, a pathogenic bacteria. The company recalled 16 million pounds of turkey after reports of infection that eventually included seven deaths and 29 illnesses. Three miscarriages or stillbirths were associated with the contaminated turkey.

#### **Fecal Contamination**

Cargill provided meat to Sizzler restaurants linked to an outbreak of E. coli illnesses that killed a 3-year-old girl and sickened 140 others. The plant had been cited numerous times for fecal contamination of meat.



## 2002

#### 50,000 fish killed

Cargill paid \$1.5 million for illegally dumping hog manure at its facility near Martinsburg, Missouri. Killed more than 50,000 fish. Plant managers were sentenced to five months in prison.



#### Salmonella outbreak

Antibiotic-resistant Salmonella found in Cargill ground beef. The CDC reported one fatality, 47 illnesses and 17 hospitalizations linked to consumption of the ground beef A record 2.8 million pounds of potentially contaminated ground beef are recalled.





"This corporate behemoth is behind almost every aspect of the worldwide agricultural system with no accountability for consumer health, the environment or human rights." —Food & Water Watch Executive Director Wenonah Hauter

### 2001

#### 15 to 50 times the limit

Cargill subsidiary North Star Steel ordered to pay \$7.7 million for misleading officials about emissions from the company's mill near Kingman, Arizona. Actual emissions of pollutants such as carbon monoxide proved to be 15 to 50 times the limit.

## A quarter of a million pounder

After a child from Georgia became ill, Cargill ground beef patties tested positive for E. coli. 254,000 pounds of potentially contaminated ground beef are recalled.



## 2003

#### **Union-Busting**

In 2003 after Ohio
Congressman Dennis Kucinich
provided the National Labor
Relations Board with evidence
that Cargill had hired a replacement worker during a salt
miner's strike and tutored him
on union decertification in violation of federal labor law. The
Cleveland City Council issued
an Emergency Resolution condemning the effort by Cargill to
decertify Teamsters Local 436.

## 2004

## More than 60 million gallons of toxic waste

A Cargill fertilizer plant in Hillsborough, Florida dumped 60 million gallons of toxic waste water into a creek that feeds into Tampa Bay. Commercial fishermen and crabbers in the area said the spill endangered their health and livelihoods.



## A TIMELINE OF BAD BEHAVIOR

### 2004

#### **Corn Syrup Price Fixing**

Cargill agreed to pay \$24 million to settle a lawsuit charging that it conspired with rivals to rig prices for high-fructose corn syrup.



#### 65 million gallons of acid

A Cargill plant spilled 65 million gallons of acidic wastewater into Tampa Bay. It was called one of the worst environmental disasters to strike Tampa Bay in years.



### 2005

#### **Forced child labor**

In July 2005, the International Labor Rights Forum filed suits against Cargill, Nestle and Archer Daniels Midland on behalf of Malian children alleging they were trafficked into Côte d'Ivoire and forced to work 12 to 14 hours a day with no pay, little food and sleep, and frequent beatings on farms producing cocoa beans for Cargill.

## 2005

#### **Uzbeki Slavery**

The Environmental Justice Foundation identified Cargill as a major buyer of Uzbek cotton, which produced uncompensated workers, including children.



## 2006

#### More dead fish

Cargill violated water pollution laws, spilling 218,000 gallons of toxic brine into the marshes along San Francisco Bay near Fremont, California, killing fish and plants in the Don Edwards San Francisco Bay National Wildlife Refuge. This was Cargill's sixth such spill - totaling more than half a million gallons in or around the bay in as many years. Cargill had previously sold 16,500 acres in the area for \$100 million to state and federal agencies to expand wildlife refuges. It was fined \$228,000 for the spill.





## 2005

#### **Systematic Violations**

In a multi-jurisdictional lawsuit, Cargill is sued by the federal government, the states of Alabama, Georgia, Illinois, Indiana, Iowa, Missouri, Nebraska, North Carolina, North Dakota, and Ohio for the systematic violations of the Clean Air Act in 27 plants across 13 states.

Under a settlement agreement, Cargill was required to pay \$130 million, a civil penalty of \$1.6 million and spend \$3.5 million on environmental projects across the country.

#### **Poultry waste**

The Oklahoma Attorney General's office files suit in federal court against Cargill for using phosphorous-laden poultry waste as fertilizer, polluting Oklahoma lakes and streams, drinking water and public health, in violation of state and federal law.



### 2007

## E. Coli Hits 845,000 Pounds of Beef

Forty-six cases of E. coli across 15 states led to the recall of 845,000 pounds of contaminated Cargill ground beef.



## 2009

#### Salmonella in Fifteen States

Beef Packers, Inc. plant in California owned by Cargill, distributed approximately 830,000 pounds of ground beef that was likely contaminated with Salmonella II. The beef was shipped to distribution centers in Arizona, California, Colorado, and Utah where it was repackaged into consumer-sized packages and sold under different retail brand names. Sixty-eight cases were reported across fifteen states. Most of the sick in Colorado had purchased the ground beef at Safeway grocery stores.



## A TIMELINE OF BAD BEHAVIOR



## 20,000 Pounds of Ground Beef Contaminated

Beef Packers, Inc., owned by
Cargill, recalled over 20,000
pounds of ground beef contaminated with a drug-resistant strain
of Salmonella Newport. The
company issued an earlier recall in
August, 2009, due to contamination of ground beef with the same
strain of Salmonella Newport.
This contaminated ground beef
was produced in September and
was distributed to Safeway grocery
stores in Arizona and New Mexico.

#### E. Coli Down Under...

Cargill Australia has its license to export meat to Japan and the United States placed on temporary suspension by the Australian Quarantine and Inspection Service (AQIS) after E. coli was detected in Cargill's products.



### 2010

#### ...and more E. Coli

A recall of 8,500 pounds of Cargill ground beef is issued when three people developed illnesses caused by rare strain of E. coli O26. The ground beef was produced by Cargill Meat Solutions of Pennsylvania and sold at BJ's Wholesale Clubs. Three cases were reported. Cargill had previously opposed regulations on the rarer strain of E coli.

#### 2011

### Intimidating Villagers in Indonesia

Security forces used by a palm oil supplier to Cargill accused of using violence and intimidation against villagers in Indonesia. On August 10, accusing a villager of stealing palm fruit, the security forces, together with the Indonesian special police brigade "Brimob", entered the village and began demolishing homes with bulldozers. Brimob fired live ammunition, and reports from the scene say that over 100 men, women and children were evicted from their homes.



#### 2012

## 40 Cases of Salmonella in 8 States

Investigators at the CDC traced 40 cases of salmonella across 8 states to Cargill Meat Solutions, prompting a recall of 29,339 pounds of ground beef.





#### 2011

#### 181 Cases of Salmonella Across 37 States

In 2011 local, state, and federal public health and regulatory agencies traced an outbreak of 136 cases of Salmonella Heidelberg across 34 states associated to ground turkey produced by Cargill Meat Solutions. Thirty-seven people were hospitalized. There was one death. Cargill was forced to recall 36 million pounds of contaminated meat.

## Systematic Gender and Racial Discrimination

U.S. Labor Department charged Cargill with systematic gender and racial discrimination at its meatpacking plants in Arkansas, Colorado, and Illinois. Cargill agrees to pay \$2.2 million.



#### **Tax Evasion**

Argentina charged Cargill with illegally evading \$252 million in taxes.



### 2012

#### **OSHA Citation**

US Labor Department's OSHA cited Cargill for willful, repeat and serious violations of worker safety laws.



#### Palm Oil from Child and Slave Labor

Schuster Institute Senior Fellow E. Benjamin Skinner, supported by a team of journalists traced Cargill's purchase of Indonesian palm oil to Kuala Lumpur Kepong (KLK). The report, published by Business Week found extensive evidence of workers, many of whom were children, being defrauded, abused, and held captive by KLK's labor management subcontractor.



## A TIMELINE OF BAD BEHAVIOR

## 2013

#### Illegal Land Grabbing in Colombia

Cargill accused of illegal landgrabbing in Colombia. According to Oxfam International, by setting up a system of 36 subsidiaries, Cargill evaded laws established to limit concentrated land ownership. Cargill acquired more than 52 thousand hectares of land in the province of Vichada. After the purchase of the land, these 36 companies were liquidated.

#### 2014

#### Child Labor, Land Grabbing and Deforestation in Asia and Africa

Report from Rainforest Action Network depicts continued child labor, land grabbing and deforestation by Cargill palm oil supplier Kuala Lumpur Kepong (KLK). According to the report, KLK expanded into the ancestral lands of tribal groups in Papua New Guinea without consent of the local Indigenous communities, used child labor and forced labor on two plantations in Indonesia, and expanded onto traditional farming lands of local communities in Liberia without consent.



#### 2017

#### **Concealing Huge Markups**

The Commodity Futures Trading Commission fined Cargill Inc. \$10 million for violations of the Commodity Exchange Act. According to the CFTC, Cargill concealed "up to ninety percent" of its markup.



## 2018

#### **Child Slavery Lawsuit Moves Forward**

Court ruled that Cargill may be sued in the US by former slaves for aiding and abetting child slavery to get cheap cocoa.

According to reports from the Courthouse News Service, the six plaintiffs "were kidnapped from Mali as children in the 1990s and forced to work on Ivory Coast cocoa plantations for up to 14 hours per day, six days per week. They say they were given only scraps of food to eat and beaten and whipped with tree branches.

Children who tried to escape were forced to drink urine or had their feet cut open and pepper rubbed into the wounds, they say. They also claim Nestle and Cargill representatives visited the farms several times each year and knew the farmers used child slave labor."



#### 2015

#### **Lagoon Breach Fish Kill**

A lagoon breach at the Cargill plant in Beardstown, Illinois spilled 29 million gallons of hog waste. State biologists who arrived 10 days later counted 64,566 dead fish in Muscooten Bay and linked waterways.



#### Price Fixing for Road Salt in Ohio

Cargill paid \$7.7 million to settle charges brought by the State of Ohio for illegally conspiring to fix the price of road salt used to make wintry roads safer for travelers.

"The lawsuit that my office has filed today reflects my commitment to ensuring that Ohioans' tax dollars don't line the pockets of suppliers who conspire with each other to inflate the prices of the products they sell to the state and its municipalities," said Attorney General DeWine. "And when the product involved is vital to the safety of every family that gets into a car when the roads are snowy or icy—like rock salt—my concern is even greater."

## 2018

#### E Coli Outbreak Across Nation

Seventy-eight tons of containminated Cargill beef caused an E. coli O26 outbreak across the nation.



In 1979, Cargill CEO Whitney MacMillan actively lobbied against US Grain Embargo of Soviet Union the country's invasion of Afghanistan, arguing instead to protect their profits.

Stuart Eizenstat, Carter's domestic policy advisor, described MacMillan's attitude as, "repugnant in showing absolutely no interest in the security challenges our country faced from the Soviet invasion." Cargill only agreed to comply after forcing the government to buy all of the grain it had intended to ship to the Soviets.

According to the Family Farm Organizing Resource Centre, large amounts of grain were reclassified by "unnamed companies" as bound for the Soviet Union and thus made eligible for compensation."

## A CLEAR AND PRESENT DANGER

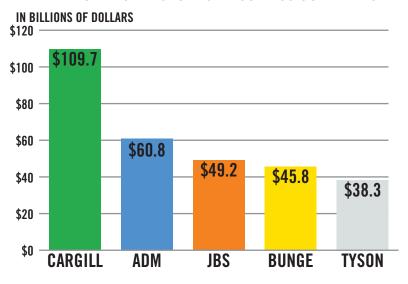
"It's a shame that the
Brazilian cavalry wasn't as
efficient as the Americans,
who exterminated their
Indians,"—Brazilian
President Jair Bolsonaro8

Nowhere is Cargill's pattern of deception and destruction more apparent than in its participation in the destruction of the "the lungs of the planet," the world's forests. Despite repeated and highly publicized promises to the contrary, Cargill has continued to bulldoze ancient ecosystems as it can within the bounds of the law — and, too often, outside of those bounds as well.

With the election of Brazilian President Jair Bolsonaro — who has promised to open Indigenous lands and other protected areas to unrestricted exploitation — Cargill presents a clear and present danger to some of the most vital ecosystems on Earth. Like any other nation, Brazil has the right to the leaders it chooses. But, so too do the customers of Cargill have a right to insist on corporate policies that protect the environment and human rights. Those customers must act decisively and quickly.

If Cargill's top customers — including Ahold Delhaize, McDonalds, WalMart, Sysco and others — are serious about their commitments to sustainability and human rights, they will cut their ties with Cargill, or risk being complicit in one of the greatest environmental and human rights crime sprees in history.

#### THE WORLD'S LARGEST AGRIBUSINESS COMPANIES







## **BRAZIL: PROUD LEGACY AT RISK**

"Our understanding and our belief is that the government of Brazil shares our commitment to balancing that protection of forests with economic development."

—Ruth Kimmelshue, Cargill's Senior Vice President9

Until now, Brazil has been a leader in the battle against climate change. Since the mid-2000s, the nation has been committed to ambitious programs to curb deforestation in the Amazon. Brazil impressively cut deforestation by two-thirds from its peak, all while doubling its agricultural production by focusing expansion on degraded lands.

But the election of Jair Bolsonaro as President in 2018 could end that worthy legacy. Bolsonaro has called for violence against Brazil's gay and lesbian community, and jailing or banishing all political critics. He has praised the military dictatorship that preceded Brazil's current democracy. And, part and parcel of his extreme agenda, he has promised to promote logging, agriculture, and mining throughout Brazil's rainforests, savannahs, and Indigenous lands.

According to Brazilian researcher Paulo Artaxo, a member of the Intergovernmental Panel on Climate Change (IPCC), "We may face an unprecedented environmental disaster in the next four years." <sup>10</sup>

Bolsonaro has said that Brazil has "too many protected areas" that "stand in the way of development," and that policing of deforestation has gone too far. He has told agribusiness companies that he will roll back existing laws and give industry free rein. 11 He has pledged to eviscerate Brazil's environment agency, Ibama, to remove restrictions on the industrialized clearing of the Amazon, and to pave a highway through the rainforest. 12 He has long supported opening up protected Indigenous areas to agricultural and commercial use, 13 and has promised that as president he would not "give an inch to the Indigenous reservations." 14

Since taking office, Bolsonaro has abolished Brazil's Ministry of Indigenous Affairs, slashed the budget of IBAMA Brazil's environmental protection agency. Not only has the government signaled its intentions to stop enforcing existing environmental laws, it has even created a new agency to review and forgive previous violations. Unsurprisingly, deforestation of the Amazon has risen to its highest level in a decade.







"I think we are headed for a very dark period in the history of Brazil. There is no point sugarcoating it. Bolsonaro is the worst thing that could happen for the environment."

—Paulo Artaxo, the University of Sao Paulo<sup>18</sup>

According to the country's previous environment minister, Edson Duarte, "The increase of deforestation will be immediate. I am afraid of a gold rush to see who arrives first. They will know that, if they occupy illegally, the authorities will be complacent and will grant concordance. They will be certain that nobody will bother them." <sup>16</sup>

Many Brazilians do not support this part of Bolsonaro's agenda. A coalition of more than 180 businesses and civil society organizations called Coalizão Brasil Clima, Florestas e Agricultura has courageously — and successfully — called on the new administration not to leave the Paris Agreement or destroy the Ministry of Environment.

Cargill has stated its support for this coalition.<sup>17</sup> Cargill's customers must ensure that this is not just another one of Cargill's numerous empty promises.





## THE BUSINESS OF DESTROYING THE ENVIRONMENT

In signing *The New York*Declaration on Forests

MacLennan and Cargill

committed to "eliminating

deforestation from the

production of agricultural

commodities such as

palm oil, soy, paper and

beef products by no

later than 2020."19

In 2014 at the United Nations Climate Summit, Cargill CEO David MacLennan stood beside UN Secretary General Ban Ki-moon to pledge action on climate change by eliminating deforestation from its supply chain.

"I am proud to announce today that Cargill will take practical measures to protect forests across our agricultural supply chains around the world," said MacLennan, as he joined 150 countries, businesses, and civil society organizations to announce their support for the *New York Declaration* that sets a goal of dramatically reducing global deforestation.<sup>20</sup>

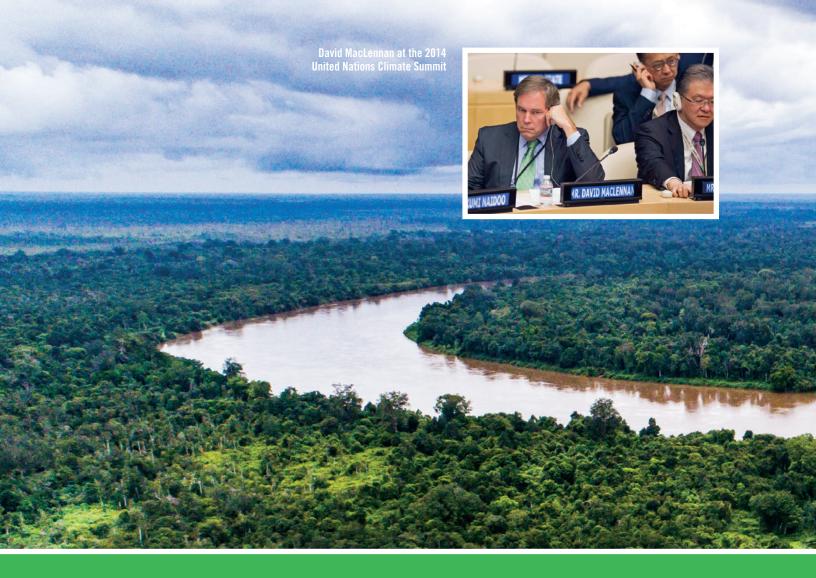
Because of Cargill's size and impact, its signing the pledge was hailed as having the potential to dramatically decrease deforestation, curb climate change, and protect communities around the world.

But after the summit ended and applause died down, Cargill dropped the ball. And then they stomped on it.

Since the signing of the *Declaration*, Cargill has continued to drive the destruction of pristine landscapes, remaining one of the worst actors on the world stage, and one of the greatest threats to native ecosystems across the globe.

For years, Mighty Earth, other conservation organizations, and Cargill's largest customers have tried to hold Cargill accountable for delivering on its promises to reform to no avail. Now, five years after Cargill's pledge, and less than one year left in the timeline to end deforestation in its supply chain, comes the dawning of a potential anti-environment free-for-all in Brazil. It is time for those customers to stop aiding and abetting Cargill by buying and selling their products.





## THE NEW YORK DECLARATION ON FORESTS

"Forests are essential to our future. More than 1.6 billion people depend on them for food, water, fuel, medicines, traditional cultures and livelihoods. Forests also support up to 80% of terrestrial biodiversity and play a vital role in safeguarding the climate by naturally sequestering carbon. Yet, each year an average of 13 million hectares of forest disappear, often with devastating impacts on communities and Indigenous Peoples. The conversion of forests for the production of commodities — such as soy, palm oil, beef, and paper — accounts for roughly half of global deforestation...

Forests represent one of the largest, most cost-effective climate solutions available today. Action to conserve, sustainably manage and restore forests can contribute to economic growth, poverty alleviation, rule of law, food security, climate resilience and biodiversity conservation."





#### CARGILL AND SOY

More than one million square kilometers of the planet have been cleared of their natural vegetation to grow soy, one of the primary ingredients of animal feed used to raise meat. More than three quarters of the world's soy is used to feed livestock.<sup>21</sup>

Deforestation for soy production accelerates climate change through the release of carbon, destroys wildlife habitat, and disrupts hydrological cycles, limiting the availability of water.

Across the South American frontier, Mighty Earth has tracked Cargill's footprint. Our 2017 report "The Ultimate Mystery Meat" investigated 28 different locations across 3,000 km producing soy in Brazil and Bolivia. It showed that Cargill was one of the two largest customers of industrial scale deforestation.

In addition to their role in creating a market for deforestation-based soy, we found that Cargill finances land-clearing operations deep in virgin forest, building silos and roads, then buying and shipping grain to the US, China, and Europe to feed chickens, pigs, and cows.

After our report was covered in publications around the world, including *The New York Times*, *The Guardian*, CTV, *Le Monde* and others, major consumer companies, investors, and governments urged Cargill to uphold its commitments to end deforestation in Latin America.

Months later, we conducted satellite monitoring of the sites we had originally visited. Given the scrutiny to which Cargill had been exposed, and their commitments to their customers, we assumed that they would launch intensive efforts to stop deforestation at least in these locations.

In contrast, we found that Cargill was still driving deforestation at some of the same sites we had first visited, despite the scrutiny. Between Cargill and their doppelganger Bunge, they had cleared the equivalent of 10,000 foortball fields for soy.

Indigenous Peoples who depend on forests have been forced off of their traditional lands, had their land encroached upon by soy plantations, have experienced sharp increases in cancer, birth defects, miscarriages, and other illnesses linked to pesticides and herbicides used to grow soy.

"The level of destruction was astounding. We documented bulldozers in action clearing large areas of intact forests and grasslands, as well as huge fires billowing smoke into the air."

-Mighty Earth Policy Director Anahita Yousefi





## HUMAN RIGHTS VIOLATIONS AND VIOLENCE AGAINST INDIGENOUS COMMUNITIES

Many indigenous communities live in forests and rely on them for food, water, shelter, and their cultural survival. Soy producers, ranchers, and illegal logging interests have often used violence to displace Indigenous People from their ancestral land.

Mighty Earth's investigative teams have visited Indigenous communities whose traditional territories have been cut down and transformed into soy fields whose crops are exported overseas. Workers on these lands say they sell to Cargill. Cargill denies the allegations.

A village leader described to our team the fear his community experiences when planes fly overhead and spray pesticides for soy just a few hundred meters from the village, and of several children dying from drinking water from a discarded pesticide container brought back from a nearby soy field.

Another Indigenous community was invaded in 2014 by 50 armed security guards from a neighboring plantation intended to force them to leave the area. According to newspapers in accounts corroborated by community testimony, the armed security guards smashed down doors and invaded houses, assaulted the adults and children, and kicked pregnant women — some of whom lost their babies. Thirty-two members of the community were hurt. Three guards and seven Indigenous People were hit by gunshots. One guard was killed.

A community's leader told us that the plantation keeps accusing them of trespassing on their own traditional lands, and that his people live in constant fear that the private security officers will come back. He said their rivers are so polluted by pesticides that the fish they depend upon are dying off, and that opportunities for traditional hunting have nearly disappeared.



There are more than one billion acres of already cleared forest and grasslands — an area equal to half the continental United States — where soy production can be expanded without threatening native ecosystems.

Cargill's own history with soy shows that deforestation is nei- ther necessary nor inevitable. In the one place where Cargill was forced to change, the company managed to both protect ecosystems and grow its businesses.

In 2006, following a major campaign by Greenpeace and others, Cargill and its customer McDonald's agreed to a moratorium on clearing the Brazilian Amazon for soy. In the two years before the agreement, nearly a third of the new soy plantations in the Brazilian Amazon came from forest destruction. After the agreement, that number dropped to around one percent.

Meanwhile, the soy industry still managed to grow at a tremendous pace. Even as deforestation plummeted, the area planted with soy in the Brazilian Amazon more than tripled.

Expansion without deforestation is possible. When forced to, Cargill and others shifted their focus onto previously deforested lands, and more efficient agricultural practices.

If only a small portion of South America's previously deforested land were developed for agriculture, it would provide ample space to achieve both agricultural expansion and ecological restoration.<sup>22</sup>

Many of Cargill's customers, including Unilever, Tesco, McDonald's, Carrefour, Kellogg's, Sainsbury's, Mars, Petcare, Ahold Delhaize, Dunkin' Brands, and Nestle have called for extending this success from the Brazilian Amazon to other ecosystems. <sup>23</sup> Cargill competitors Louis Drefyus, COFCO, and Wilmar have also advocated for this expansion. But Cargill has refused, and instead used its influence with trade associations to block its more responsible competitors from expanding these protections.





## **SPOTLIGHT ON THE CERRADO**

Cargill's successful Moratorium on Deforestation for Soy unfortunately applies only to the portions of the Amazon within Brazil. Outside of the Amazon, Cargill does not protect any rainforest in the eight other Amazonian countries. Nor does it protect other forests and prairies outside Brazil like the Gran Chaco of Argentina, and Paraguay. And finally, it does not protect critical ecological areas within Brazil but outside the Amazon, like the magnificent Brazilian Cerrado.

Brazil's Cerrado is the most biologically rich savanna in the world. Roughly the size of England, France, Germany, Italy, and Spain combined, it is home to one out of every twenty species on Earth, including the giant anteater, giant armadillo, jaguar, maned wolf, and hundreds of bird species — as well as more than 10,000 species of plants, nearly half of which are found nowhere else on Earth.

Known as an "upside-down forest" for its small trees with deep roots, the Cerrado is the source of half of Brazil's water and has enormous carbon storage capacity.

But over the past decade, more than 4,000 square miles per year have been converted to plantations — twice the rate seen in the 1990s.<sup>23</sup> Now, less than half of the Cerrado remains intact, and only 3% is permanently protected.

When tropical forests are cut down and burned, their stored carbon is immediately released into the atmosphere as carbon dioxide, generating one-tenth of all global warming emissions.<sup>24</sup>

There are more than a billion acres of already-degraded land in Latin America that could be used to expand agriculture, and there is no reason other than corporate inertia to continue to destroy these priceless landscapes.<sup>25</sup>

Cargill's largest customers as well as government officials and civil society have asked them and other soy traders to expand the moratorium, protect these critical areas, and focus expansion onto already degraded lands.<sup>26</sup> Cargill refuses.

## THE DESTRUCTION OF THE GRAN CHACO

The Gran Chaco is a 110 million hectare ecosystem spanning Argentina, Bolivia, and Paraguay. It is one of the largest remaining continuous tracts of native vegetation in South America, second in size only to the Amazon rainforest.

These forests are home to vibrant communities of Indigenous Peoples, including the Ayoreo, Chamacoco, Enxet, Guarayo, Maka'a, Manjuy, Mocoví, Nandeva, Nivakle, Toba Qom, and Wichi, who have depended on and coexisted with the Chaco forest for millennia.

Once the impenetrable stronghold of creatures like the screaming hairy armadillo, the jaguar, and the giant anteater, Cargill has infiltrated these frontiers, bulldozing and burning to make way for vast fields of genetically modified soy.

In 2018, a Mighty Earth field team visited soy plantations across the Gran Chaco ecosystem and documented extensive destruction of natural ecosystems, some of it illegal and some under the guise of legality. We tracked the soy from recently cleared forests to the ports where Cargill ships it around the world.

The tragedy of the destruction we documented is that it is entirely avoidable. While meat is inherently resource-intensive to produce, it does not require the destruction of native ecosystems. Latin America contains an area of previously degraded land larger than half the continental United States where soy and cattle can be raised without threatening native ecosystems. Technical experts who successfully designed the system that virtually eliminated deforestation for soy in the Brazilian Amazon estimate that extending forest monitoring to other soy-growing regions in Latin America would cost less than a million dollars a year, a tiny fraction of Cargill's annual profits.







#### CARGILL AND COCOA

Cargill is one of just three companies — along with Olam and Barry Callebaut — that controls more than half of the global trade in cocoa, the raw material for chocolate.<sup>28</sup>

In 2017, Mighty Earth investigations traced cocoa from illegal operations in national parks, through middlemen, to these traders, who then sold it onto Europe and the United States where the world's confectionary companies made it into chocolate.

Ghana and Côte d'Ivoire are the world's two largest cocoa-producing countries, and in both, the market for cocoa has been the primary driver of forest destruction. Chimpanzees and other wildlife populations have been devastated by the conversion of forests to cocoa farms. In Côte d'Ivoire, as few as 400 elephants remain from an original population in the tens of thousands.

Our investigation found that, for years, Cargill helped to drive the destruction of these countries' forests to grow cheap cocoa — buying cocoa grown through the illegal clearing of protected forests and national parks as a standard practice. In Côte d'Ivoire, an estimated 30% of the cocoa came from inside national parks and other protected areas.

In more than twenty of these national parks and protected areas, 90% or more of the land mass has already been converted to cocoa. Between 2001 and 2014, Ghana lost 7,000 square kilometers of forest, or about 10 percent of its entire tree cover, including a quarter of a million acres of protected areas. Approximately one quarter of that deforestation was connected to the chocolate industry.<sup>29</sup>

Cargill chose to buy its cocoa without scrutiny of its origins. They then sold that cocoa to the world's leading chocolate companies, making millions of consumers unknowingly complicit in the destruction of West Africa's parks, forests, elephants, and chimpanzees.

In 2017, Cargill joined other chocolate and cocoa companies and the governments of Côte d'Ivoire and Ghana in the Cocoa and Forests Initiative, committing themselves to immediately end





## CARGILL'S OPEN-AIR SWEATSHOPS

As of 2015, an estimated 2.12 million West African children were still engaged in harvesting.<sup>30</sup> Almost 96% of these child laborers in both Ghana and Côte d'Ivoire were involved in hazardous work. Cargill has kicked the can down the road for two decades. Its current low-ambition pledge is to reduce — not eradicate — the "worst forms" of child labor in cocoa by 70% by 2020.<sup>31</sup>

In July 2005, the International Labor Rights Fund (ILRF) filed suit against Cargill on behalf of Malian children who were trafficked from Mali into Côte d'Ivoire and forced to work twelve to fourteen hours a day with no pay, little food and sleep, and frequent beatings.

According to the ILRF, Cargill "ignored repeated and well-documented warnings over the past several years that the farms they were using to grow cocoa employed child slave laborers."

The lawsuit charges that, for years, Cargill knowingly purchased cocoa harvested by child slaves and provided funds, supplies, training and other assistance to the plantations in Côte d'Ivoire that they knew were using child slaves.

In October 2018, a three-judge panel rejected Cargill and co-defendant Nestle's claims that they could not be charged for the enslaving of children outside of the country. The Court ruled that the case can proceed, as the giant corporations are charged to have aided, abetted, and profited from child slavery from their corporate offices in the United States.

The ILRF legal team will soon be filing additional charges against Cargill and others for knowingly benefitting from the trafficking of children into slavery to harvest cocoa.<sup>32</sup>





sourcing from national parks and protected areas, to restore forests, and to shift to more responsible practices. Mighty Earth hailed the announcement as a positive step that finally provided some hope for the battered wildlife populations of West Africa, and a more sustainable future for the impoverished cocoa farmers who supply Cargill.

But a year later, we went back to investigate, and found that in many places, deforestation had actually increased since Cargill announced its commitment — casting into doubt whether Cargill's pledge was anything more than the latest in a long line of commitments that it makes to great fanfare and then immediately ignores.

#### CARGILL AND PALM OIL

As one of the world's largest importers and exporters of palm oil, Cargill is one of the companies that has helped drive the alarming destruction of tropical rainforest and carbon-rich peatlands, contributing significantly to climate change, the deaths of more than 100,000 orangutans, the loss of Indigenous community lands and livelihoods, and the mistreatment of workers.

Cargill consistently describes itself as a "leader" in the sector — but time and again, all over the world, Cargill keeps coming in last place. It's hard not to see a pattern.

The company has devastated the traditional territories of Indigenous communities<sup>33</sup> and purchased palm oil from rainforest destroyers who illegally burned rainforests and trafficked in slaves and child labor.<sup>34</sup> Executives from one of its suppliers were fined and jailed for causing forest fires<sup>35</sup> — contributing to a toxic haze from fires lit by palm oil and timber companies that have cut short the lives of more than 100,000 people across Southeast Asia.<sup>36</sup>







In 2016, the massive, Malaysian-based palm oil conglomerate IOI was caught illegally laying waste to protected tropical rainforests, draining and digging up carbon-rich peatlands, and exploiting local communities and workers.<sup>37</sup> And they have encroached on Indigenous Sarawak for nearly a decade without consent.<sup>38</sup> As a result, the Roundtable on Sustainable Palm Oil (RSPO) suspended IOI's sustainability certification and 26 companies canceled their contracts with IOI, including Unilever, Kellogg Company, Mars, Hershey's, Colgate-Palmolive, Johnson & Johnson, Procter & Gamble, Yum! Brands, and Nestlé.<sup>39</sup> Only months later, after repeated and growing continued public pressure, did Cargill join the rest of the business community in severing its ties. Cargill has since resumed sourcing from IOI.<sup>40</sup>

Similarly, in 2015, the Guatemalan palm oil company Reforestadora de Palmas del Petén, S.A (REPSA) was identified as likely responsible for massive contamination of one of Guatemala's largest rivers, resulting in a massive fish kill of more than one hundred and fifty tons of fish, devastating over a hundred communities that depend on the river. Following a lawsuit brought by a local community group, a Guatemalan court found REPSA guilty of "ecocide" and ordered them to suspend operations.

After the ruling, Commission spokesperson and Indigenous professor Rigoberto Lima Choc was murdered, three other members of the group were kidnapped, and REPSA forced the ruling to be overturned.

Not until after years of pressure by organizations in the US and Latin America environmental and human rights organizations, and the arrests for bribery and tax fraud of three of REPSA's top executives did Cargill finally suspended their contract.<sup>41</sup>

Cargill still does not have a comprehensive approach to prevent and address the growing intimidation and violence of human rights defenders that is widely prevalent in its supply chains for palm and other commodities.<sup>42</sup>





## FOULING AMERICA'S AIR AND WATER

Producing meat has a larger environmental impact than almost any other human activity.

Cargill is the second-largest feed beef processor in North America and the largest supplier of ground beef in the world.<sup>44</sup>

Feeding and raising meat consumes more land and freshwater than any other industry, and the industry's waste byproducts rank among the top sources of pollution around the world. Many of these impacts are concentrated in the United States, where factory farming has its stronghold, but are spreading rapidly to other parts of the world.

The meat industry can dramatically reduce many of these impacts through better farming practices for sourcing feed and raising livestock, such as cover cropping, using rotationally raised small grains in feed, fertilizer management, conservation of native vegetation, feed improvements, and centralized manure processing. Major meat producers like Cargill that have consolidated control over the market have the leverage to dramatically improve their environmental impact. Yet to date they have done little — ignoring public concerns and allowing the environmentally damaging practices for feeding and raising meat to expand largely unchecked.

And for the past three years, ten of Cargill's facilities have been out of compliance with EPA emissions regulations every single quarter.<sup>45</sup> Just as it is trying to take advantage of political roll-backs to environmental enforcement in Brazil, Cargill seems to be trying to take advantage of the Trump administration's efforts to scale back environmental enforcement in the United States.

Runoff pollution from corn and soybeans, of which Cargill is one of the nation's top processors, is responsible for more than half of the nitrogen and a quarter of the phosphorus that finds its way into the Gulf Mexico, causing an annual dead zone from algal blooms which in 2017 grew to the size of New Jersey. While Cargill has adopted policies for reducing the environmental impacts of its commodity crops abroad, it has adopted none for those supply chains in the U.S.



## CARGILL IS ONE OF THE TOP TEN POLLUTERS IN THE US IN THE FOOD INDUSTRY, FOR THE FOLLOWING TOXIC CHEMICALS:

TON THE POLLOWING TOXIO OHEIMIOALS.						
RANK	CHEMICAL	POUNDS PER Year (2000-2017)				
1	PERACETIC ACID	10,461				
1	PROPYLENE OXIDE*	55,658				
1	CHLOROFORM*	69,043				
1	FORMIC ACID	157,793				
1	ASBESTOS (FRIABLE)*	12,856				
1	EPICHLOROHYDRIN*	414				
1	HYDROGEN CYANIDE	2,384				
1	MERCURY	108				
1	BARIUM COMPOUNDS	252,631				
1	ZINC (FUME OR DUST)	1,173				
2	NITRATE COMPOUNDS	9,763,594				
2	ETHYLENE OXIDE*	1,688				
2	FORMALDEHYDE*	59,097				
2	LEAD*	5,171				
2	ZINC COMPOUNDS	144,587				
3	MANGANESE COMPOUNDS	46,955				
3	TOLUENE	5,910				
4	BROMOMETHANE	10,414				
4	BARIUM	9,376				
4	SULFURIC ACID	89,858				
4	COPPER COMPOUNDS	25,106				
4	NICKEL COMPOUNDS	3,151				
4	MANGANESE	733				
5	HYDROGEN SULFIDE	42,726				
5	BENZENE*	181				
8	CHLORINE	2,331				
9	SULFURYL FLUORIDE	3,971				
9	AMMONIA	533,234				

CARGILL IS ONE OF THE TOP TEN POLLUTERS IN THE US, OF ALL COMPANIES, FOR THE FOLLOWING TOXIC CHEMICALS:

RANK	CHEMICAL	POUNDS PER YEAR (2000-2017)
2	PROPIONALDEHYDE	62,365
2	PERACETIC ACID	10,461
2	PROPYLENE OXIDE*	55,658
4	N-HEXANE	2,160,917
4	CHLOROFORM*	69,043
5	FORMIC ACID	157,793
6	ISOBUTYRALDEHYDE	5,855
6	NITRATE COMPOUNDS	9,763,594
10	BROMOMETHANE	10,414

\*KNOWN CARCINOGENS



\*KNOWN CARCINOGENS
SOURCE: US ENVIRONMENTAL PROTECTION AGENCY TOXIC RELEASE INVENTORY



#### **NEGLIGENT, NOT INEVITABLE**

In a 2009 Pulitzer Prize-winning investigation,<sup>46</sup> *The New York Times* found a pattern of negligence and recalcitrance on the part of Cargill that led to a disastrous outbreak of E. coli O157:H7, a particularly virulent strain of bacteria found in animal feces.

Investigators for the *Times* found that Cargill hamburger patties tainted with E. coli had been sold at Sam's Club labeled "American Chef's Selection Angus Beef Patties."

According to the *Times*, the hamburgers, whose ingredients were listed solely as "beef," "were made from a mix of slaughterhouse trimmings and a mash-like product derived from scraps that were ground together at a plant in Wisconsin. The ingredients came from slaughterhouses in Nebraska, Texas and Uruguay, and from a South Dakota company that processes fatty trimmings and treats them with ammonia to kill bacteria."

Using a combination of sources rather than whole cuts of meat saves Cargill about 25 percent in costs, but the low-grade ingredients are cut from areas of the cow that are more likely to have had contact with feces, which carries E. coli.

The *Times* discovered that in the weeks leading up to the 2007 outbreak, federal inspectors had repeatedly found Cargill violating its own safety procedures in handling ground beef.<sup>48</sup>



## LAST PLACE DAVE

Cargill CEO David MacLennan has positioned himself as a thought leader on sustainability.

BUT HE AND CARGILL
ARE CONSISTENTLY
THE LAST TO ADOPT
AND IMPLEMENT
POLICIES TO
PROTECT WORKERS
AND THE ENVIRONMENT.

"People assume big companies are doing bad things. We want people to know that Cargill is a big company that is doing good things."

—David MacLennan

# PARTNERS IN CRIME: CARGILL'S ENABLERS



McDonald's is probably Cargill's largest and most important customer. McDonald's restaurants are essentially storefronts for Cargill. Cargill not only provides chicken and beef to McDonald's, they prepare and freeze the burgers and McNuggets, which McDonald's simply reheats and serves.<sup>49</sup>



Burger King's practice of selling meat linked to Cargill and other forest destroyers has earned the fast food giant a 'zero' on the Union of Concerned Scientists deforestation scorecard.Burger King has asked Cargill to stop destroying forests in their supply chain...by 2030.50



The Dutch company Ahold Delhaize operates 6,500 stores under 21 local brands in 11 countries. They have recently entered into a partnership with Cargill to provide Pelhaize Ahold Delhaize with store-branded beef, ground pork and prepared meats.<sup>51</sup>

AHOLD DELHAIZE BRANDS:











With 55 billion dollars in annual revenue, Sysco Inc. is the world's largest distributor of food products to restaurants, healthcare facilities, universities, hotels and inns. Despite claiming that they will, "protect the planet by advancing sustain- able agriculture practices, reducing our carbon footprint and diverting waste from landfill, in order to protect and preserve the environment for future generations," they have honored Cargill as their most valued supplier of pork and beef.<sup>52</sup>

#### OTHER RETAILERS OF CARGILL MEAT:



















































The Dutch-owned supermarket chain Ahold Delhaize has positioned itself as a leader in sustainability. In the United States, Ahold owns the supermarkets Giant, Stop & Shop, Peapod, Hannaford, and Food Lion.

Ahold is very active in calling for responsible food policies. They joined other companies as signatories of The New York Declaration on Forests calling for all companies to end deforestation in their supply chains by 2020. They are a part of "Protein Challenge 2040," a coalition of international retailers, food manufacturers and non-governmental organizations with the stated goal of working toward the sustainable production and consumption of protein.<sup>53</sup> They were one of the original signatories to the 2018 Statement of Support for the Cerrado Manifesto, a document that calls on Cargill and other companies to cease the destruction of this biodiversity hotspot. And they have a target in place for 2020 that requires the certification of all of the South American soy in the supply chain of its store-branded meat products. In addition, they have called for standards on human rights consistent with the UN Global Compact, and support the Consumer Good's Forum's resolution opposing forced labor.<sup>54</sup>

In meetings and conversations with Mighty Earth going back years, Ahold Delhaize staff have acknowledged the issues with Cargill meat and animal feed, and repeatedly pledged to act. But despite all this rhetoric, and their deep knowledge of Cargill's environmental and social offences, Ahold Delhaize announced in May of 2018 that rather than moving away from Cargill, they were going to draw even closer.

They launched a major joint venture with Cargill for a new 200,000-square-foot "Infinity Meat Solutions" packaging plant to provide Ahold Delhaize's US stores with beef, ground beef, pork and "creative prepared meats for meal solutions". In clear contrast with its words, Ahold Delhaize is rewarding Cargill with a massive market, making Giant, Stop & Shop, Hannaford, and Food Lion's customers unknowingly and unnecessarily complicit in Cargill's misdeeds.





## AHOLD DELHAIZE'S INTERNATIONAL BRANDS

#### **UNITED STATES**

Food Lion Hannaford Giant Food Peapod Stop & Shop

#### **BELGIUM**

Delhaize
Proxy Delhaize
AD Delhaize
Delhaize Shop & Go
Albert Heijn
ah.be
bol.com

#### **CZECH REPUBLIC**

**Albert** 

#### **GERMANY**

Albert Heijn to go

#### **GREECE**

AB Vassilopoulos AB City AB Food Market AB Shop & Go ENA

#### **NETHERLANDS**

Albert Heijn ah.nl AH to go Bol.com Etos Gall & Gall

#### **PORTUGAL**

Pingo Doce

#### **ROMANIA**

Mega Image - Shop & Go

#### **SERBIA**

Etos: drug stores Maxi: supermarkets Tempo: hypermarkets Shop & Go: convenience stores





Cargill's competitors have shown the world that a different path is possible. The Louis Dreyfus Company, one of the four largest traders in soy from Latin America, has recognized the urgent need to protect native ecosystems and communities. In a new policy, the company announced that it would no longer buy soy from producers who destroyed native ecosystems or grabbed land from Indigenous communities. Given the widespread availability of already degraded lands, Louis Dreyfus recognized that it could continue to grow without





destruction.<sup>56</sup> Wilmar International, Asia's leading agribusiness and one of the world's leading soy buyers has supported similar change, and in January 2019, COFCO, the largest food processor, market- er and trader in China, said it was an "ethical imperative" to immediately move soy production off of intact forests.<sup>57</sup> Meanwhile, Cargill has kept the bulldozers running. Louis Dreyfus' policy gives companies like Ahold Delhaize and other Cargill enablers an alternative for their soy purchases.

## **CONCLUSION**

2018 brought a drumbeat of troubling news, with the United Nations and the US Government reporting foreboding warnings for the earth's climate and its inhabitants.

First, the Intergovernmental Panel on Climate Change said that we need "rapid and far-reaching transitions in energy, land, urban and infrastructure (including transport and buildings), and industrial systems" to avoid catastrophic impacts from global warming. A few weeks later, the U.S. government's Fourth National Climate Assessment in November of 2018 said that, "without substantial and sustained global mitigation and regional adaptation efforts, climate change is expected to cause growing losses to American infrastructure and property and impede the rate of economic growth over this century."

We still have a choice about the future we want, but we may be the last generation that does. A better world is possible, but only with immediate and substantive action.

While both the reports and the media focus primarily on the role of government, for the most part it is not governments that do the polluting or deforesting — it is large industrial and multinational companies like Cargill.

Whether or not governments do their job doesn't mean the job can't be done. Some of the world's greatest environmental successes have been achieved by companies, acting either from their own sense of responsibility, or spurred by customers, investors, and society more broadly. Cargill itself and other soy traders have demonstrated this by protecting part of the Amazon because their customers demanded that they to do so.

But Cargill refuses to expand these protections to other landscapes, even going as far as to publicly announce its opposition to a moratorium on the destruction of Brazil's priceless and threatened Cerrado, supported by more than seventy consumer goods companies. This is a slap in the face to Ahold Delhaize, McDonald's, and others that have repeatedly called on Cargill to build on the extraordinary success of the Amazon Soy Moratorium. If these companies are serious about their own sustainability commitments, they've got to go beyond polite calls and shift their purchases to more responsible suppliers.



### A CALL TO CARGILL'S CUSTOMERS

In June 2019, Cargill announced that they would "fall short" of their 2020 commitment to eliminate deforestation from their supply chains.<sup>58</sup>

Their reasoning? "If Cargill alone takes action, the same practices that exist today will continue."59

But Cargill is acting alone — not to protect forests, but to obstruct the scores of others working towards that goal.

More than 70 consumer goods companies — including Ahold Delhaize, Tesco, Marks & Spencer, McDonald's, Unilever, Walmart and the Consumer Goods Forum — have joined together in support of an international effort to protect the Brazilian Cerrado, the world's most biodiverse savannah.<sup>60</sup>

As supporters of The Cerrado Manifesto, these companies are calling on those that purchase soy and meat from within the Cerrado to take "immediate action," and adopt "effective policies and commitments to eliminate deforestation and conversion of native vegetation and disassociate their supply chains from recently converted areas."

On June 24, Cargill formally announced its opposition to a moratorium on deforestation and the conversion of native vegetation in the Cerrado.<sup>62</sup> This is but the most recent example not only of Cargill's refusal to address the environmental implications of its business practices, but also its obstruction of the efforts of others.

But Cargill can only continue the destructive and reckless practices detailed in this report if restaurant chains and supermarkets continue to buy products from them and sell them to the public.

### IT'S TIME FOR THAT TO END.

We are calling on Ahold Delhaize, Tesco, Marks & Spencer, McDonald's, Unilever, Walmart, Consumer Goods Forum, and other companies serious about climate change to move past polite requests.

These companies must stop buying from Cargill until Cargill stops destroying native ecosystems, exploiting people and communities, and polluting public waterways. Cargill must adopt sustainable farming practices, comprehensive greenhouse gas reduction targets, full transparency for sourcing and supply chains, and respect the rights of Indigenous Peoples. Only then, when Cargill is no longer The Worst Company in the World, can these companies resume their purchases of Cargill products in good conscience.

## **ENDNOTES AND CREDITS**

#### **ENDNOTES**

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