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## **Partnership Launches to Increase Transparency and Traceability Across Supply Chains and Meet Zero-Deforestation Commitments**

*Partners include Bunge, Cargill, Carrefour, Inter-American Investment Corporation (IIC/IDB), Mars, Mondelēz International, Walmart, World Resources Institute and more*

**DAVOS, SWITZERLAND (January 18, 2017)**—Today at the World Economic Forum, 20 of the world’s largest commodity producers, traders, manufacturers, consultants and retailers launched a new partnership with research institutions and banks to monitor deforestation and manage sustainability from farm to customer. Globally, 366 companies worth \$2.9 trillion have [committed](#) to eliminate deforestation from their supply chains, but they need better information to make good on their commitments.

The partnership will focus on building a global decision-support tool to increase transparency and traceability across supply chains.

Led by the [World Resources Institute](#)’s Global Forest Watch team, partners include Bunge, Cargill, Carrefour, Conservation International, Daemeter, GIZ - Die Deutsche Gesellschaft für Internationale Zusammenarbeit, Envol Vert, IOI Group, Mars, Mondelēz International, IDH—The Sustainable Trade Initiative, the Inter-American Investment Corporation (IIC/IDB), FMO—Dutch Development Bank, National Wildlife Federation, Rainforest Alliance, Proforest, The Nature Conservancy, Transitions and Walmart. It will also contribute to achieving the zero-deforestation goals of the World Economic Forum-convened Tropical Forest Alliance 2020, Consumer Goods Forum, Banking Environmental Initiative, and more.

The tool will build on the technology and methods developed by WRI on the [Global Forest Watch Commodities](#) platform, which currently allows companies to evaluate supply chain risk through high-resolution maps of tree cover loss, near-real-time deforestation and fire alerts, and analysis of individual mills and farms. The new tool will not only be a source of information, but a fully operational management system.

“Walmart aspires to preserve natural resources through conservation and restoration, working with suppliers, industry forums, nonprofit organizations, farmers and governments through business and philanthropic initiatives,” said **Kathleen McLaughlin**, Senior Vice President and Chief Sustainability Officer for Wal-Mart Stores, Inc. “We have committed to sourcing 20 commodities more sustainably and are resolved to achieve zero net deforestation by 2020 in palm, beef, soy and pulp/paper. The development of innovations and technologies like the Global Forest Watch Commodities tool can help us and others achieve such goals.”

Deforestation presents a major risk to businesses, especially those with large agricultural supply chains, and investors are increasingly aware of risks to their portfolios. Agriculture accounts for [more than 70 percent](#) of tropical deforestation as forests are cleared for plantations, pastures



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and farmland. Deforestation can present [legal and reputational risks](#) for companies if they source commodities from protected areas or land with disputed ownership. Companies that effectively protect forests while supporting local communities, however, can benefit from a more secure and sustainable supply of materials while preserving ecosystem functions that underpin productive agriculture.

The new and improved tool will expand GFW Commodities to become the go-to online system to utilize the power of satellite monitoring to track and manage forest-related sustainability performance. It will incorporate functions that allow banks and financial institutions to evaluate deforestation risk in their commodity investments. The new application will enable a company or bank to plot the location of thousands of production mills, farms or municipalities; access alerts and dashboards to track issues such as tree cover loss and fires occurring in those areas; and inform decisions to mitigate or eliminate issues. Key functionality will incorporate agricultural sustainability data and tools into companies' existing platforms, while keeping their proprietary information secure.

Through this new approach, companies and banks will be able to integrate forest monitoring into their core business strategy the same way they track commodity prices or stock markets. The partnership's vision over the long term is to draw on its members' wide-ranging expertise to monitor other areas of sustainability, from water stress to labor and human rights issues. Over the next year, the partners will provide input into the design of the new tool and may test it across their supply chains.

Mars, Unilever, Cargill and Mondelēz are already using GFW Commodities to assess deforestation risks in their palm oil, soy and cocoa supply chains across a collective area of land the size of Mexico.

“Over the last year, Cargill partnered with WRI and GFW to help us establish a baseline for tree cover loss in our supply chains from which to measure our progress forward,” said **Mark Murphy**, Assistant Vice President, Sustainability-Corporate Affairs, Cargill, Inc. “We are proud to join this new initiative to expand GFW’s leading tools and advance a common framework to help all stakeholders better measure and monitor progress to protect forests.”

Delivered through an easy-to-use design, the new platform will allow decision makers to prioritize certain geographic areas to fight deforestation where it is needed most, such as by certifying sustainable operations, partnering up with local communities or buying from producers who are sourcing from areas using sustainable practices. Such technology will also generate business opportunities by, for example, allowing trading companies to identify where their operations are geographically concentrated or enabling financial institutions to create new green credit lines.

“We already understand the need to combat deforestation in order to protect natural capital, curb climate change and sustainably feed the world. The political will is there,” said **Andrew Steer**, President and CEO, World Resources Institute. “Now is the time to use the power of information technology to meet those goals, while also generating sustainable business opportunities. That could really change the world.”

Companies interested in previewing or testing the tool can email [gfwcommodities@wri.org](mailto:gfwcommodities@wri.org).



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## **ADDITIONAL QUOTES**

### **Luiz Gabriel Azevedo, Chief, Environment, Social & Governance Division, Inter-American Investment Corporation (IIC/IDB):**

"Biodiversity is one of Latin America's greatest assets and its protection is paramount for the IIC. The Global Forest Watch platform allows us and our clients to monitor forest cover change and better ensure sustainable land management, particularly among the finance and agribusiness sectors. It provides a remarkably powerful risk management tool."

### **Andreas Brede, advisor to Sustainable Value Chains and Standards program, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ):**

"Transparency and traceability are essential aspects to verify deforestation-free commodity production so we welcome the new approach proposed by this partnership. Spatial data provides the foundation on which to understand the influence of sustainability efforts in agricultural production and forestry within a given jurisdiction. We believe that the proposed tool can contribute to ensuring the protection of natural forests and other highly valuable ecosystems, strengthen jurisdictional approaches and provide evidence that forest protection and agricultural supply chain development can go hand in hand."

### **Linda Broekhuizen, Chief Investment Officer, FMO:**

"The new GFW tool enables not only traditional supply chain actors, but also those financing supply chains, to systematically control their exposure to deforestation, and the related risks, from behind a computer screen. This is a game changer; for FMO, nowhere more so than in Paraguay, where we are working with our financial sector clients and partners to understand, control and ideally reduce their deforestation exposure. The tool has also been adopted by one of FMO's clients in the agricultural sector and we are planning to introduce it to banks and supply chain actors in other countries, following the positive experience in Paraguay."

### **David Cleary, Director of Agriculture, The Nature Conservancy:**

"A deforestation commitment immediately raises the question of where agricultural expansion happens after forests are off the table. We see the proposed tool as an important global framework into which our ongoing work on decision-support systems at a more local level in countries like Brazil and Paraguay can fit. This new approach will help ensure that companies can address the root causes of ecosystem degradation and ensure that better protections for forests doesn't lead to higher conversion of other important ecosystems like grasslands."

### **Thibault Gravier, Associate Director, Transitions:**

"The new GFW platform will not only allow corporates to identify and monitor the hotspots of their supply chain in real-time, it will also empower them with the corresponding levers to promote transformation towards sustainable landscapes. Transitions is very supportive of this tool, which contributes to harmonizing complex supply chain and risk management data. We see this as a great step forward to facilitate alignment of all stakeholders on the verification and reporting on no deforestation and sustainable sourcing commitments."

### **David Pendlington, Senior Chocolate Sustainable Sourcing Manager, Mars Chocolate:**

"At Mars we are committed to creating sustainable palm supply chains and transparency is crucial to help achieve this. Global Forest Watch Commodities' risk analysis tool has been instrumental in our supplier engagement and helped bring consistency to our tendering process."



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In addition the redesigned GFW platform will help us to build new collaboration opportunities with our peers and others to co-create solutions using science-based evidence.”

**Paulo Pianez, Sustainability Director, Carrefour Group:**

“Biodiversity protection and climate preservation are part of Carrefour Group’s global sustainability action plan. In this context, the company has committed to zero deforestation by 2020, a 40% reduction in CO2 emissions by 2025 and a 70% reduction by 2050. Carrefour is aware that land use is an important factor in deforestation and CO2 emissions and is fully mobilized with its partners and stakeholders to develop collective solutions combining production, conservation and restoration. Our new partner, GFW, is an efficient monitoring and controlling instrument, that tackles the causes of biodiversity loss, such as deforestation and CO2 emissions, especially in Brazil. Fighting deforestation is a collective challenge that also involves our clients, and traceability is a key tool to leverage those solutions and to achieve real transformation.”

**Nigel Sizer, President, Rainforest Alliance:**

“Rainforest Alliance is proud to be part of this initiative to better harness emerging technology and real-time systems to support corporate supply chain integrity and accountability. This is great for the companies, forests, communities and climate.”

**Daisy Tarrier, President, Envol Vert:**

“Deforestation is a complex issue which leads to biodiversity loss, social impacts and climate change. After years of common concern without concrete results, we realize that we can only address it through collaboration. Agreeing to open-data sharing is just the first mandatory step before collaborative action can take place.”

**Daan Wensing, Global Director, IDH Landscapes Program & Deforestation Commodities:**

“This tool will potentially help banks, investors, companies and organisations around the world make better decisions, be it on making smarter investments, eliminating deforestation or procuring from sustainable sources. At IDH we work with all these private, public and financial sectors to safeguard forests while boosting Green Growth in critical areas. This requires sound data to make impactful investment possible. We believe that GFWC 2.0 will help us and our partners make investment decisions based on the most up-to-date data and monitor progress on public and private impact.”

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***About World Resources Institute***

WRI is a global research organization that spans more than 50 countries, with offices in the United States, Brazil, China, India, Mexico and more. Our more than 550 experts and staff work closely with leaders to turn big ideas into action at the nexus of environment, economic opportunity and human well-being. [www.wri.org](http://www.wri.org)