

General Mills Launches \$1.1 Million Sustainable Sourcing Program in Peru

As part of the General Mills long term sustainable sourcing program, the company and its Foundation announced today a four-year joint commitment with supplier partner AgroMantaro to provide \$1.1 million to help smallholder artichoke farmers in Peru increase yields and improve profitability.

The new program will reach nearly 100 small-scale artichoke farmers in Peru and will:

- Provide training on crop management and post-harvest practices
- Provide microloans to purchase artichoke shoots and seeds for farmers who lack collateral or a verifiable credit history
- Offer program participants in-depth training on how to form farmer cooperatives
- Provide financial planning education and information on how to formulate business plans

Depending on how much land farmers devote to artichokes, families can increase their income by an average of 36 percent annually. Peru's central region was previously known for cultivating crops such as potatoes and grains, which have lower income potential.

General Mills and its Foundation are partnering with supplier AgroMantaro and global humanitarian organization CARE on this program. Each organization brings unique strengths:

- General Mills will share its extensive supply chain and agronomic knowledge in addition to providing financial assistance;
- AgroMantaro, relying on years of agribusiness experience along the Peruvian Sierra, will provide technical and agronomy engineering support, and financial assistance for seeds and plant shoots;
- CARE will leverage its expertise in facilitating community governance and local connections, provide key training elements, and work side-by-side with farmers and AgroMantaro to meet the project objectives.

General Mills sources its high-quality artichokes for France's top-selling brand, Green Giant, or, *Le Géant Vert*, from farmers in Peru's Sierra region.

[See an associated blog post by Carlos Caballero, "Securing a sustainable artichoke crop," here.](#)

"General Mills celebrates a century-long history of working closely with farmers around the world to promote sustainable agriculture," said Jerry Lynch, vice president and chief sustainability officer at General Mills. "Today, we continue that tradition with an increased focus on improving the environmental, economic and social impacts of sustainable sourcing. We're not going to see dramatic change unless we make investments to help farmers grow more and improve their livelihoods. Working closely with great organizations like CARE and AgroMantaro, we can create positive, long-term changes."

The Central Andes region of Junín, with its ideal climate, rich soil, and consistent water source, is an optimal location to grow premium artichokes. Artichokes grown in this region produce for three years, after which the field has to be re-planted.

Part of the General Mills-AgroMantaro commitment is to help Peruvian farmers obtain microcredits to purchase new seeds or plants.

Historically, Andes farmers have not had reliable funds or enough savings to secure future plantings. This new program centers on the farmer – providing them with technical assistance, knowledge sharing and financial support for seeds and plants.

“By focusing on the farmers, we created a rich business model that fosters world-class value throughout the entire supply chain - for the farmers, our company, our clients and the end consumers,” said Augusto Fernandini, general manager and partner at AgroMantaro. “Our aim is to create a positive blend with farmers sharing their local experience and our company sharing insights on how to build a sustainable and profitable farming business.”

“CARE is thrilled to build on its long-standing partnership with General Mills and the General Mills Foundation,” said Milo Stanojevich, country director for CARE Peru. “Working with the Green Giant brand and their local supplier, CARE will empower marginalized farmers in Junín, Peru to improve the production of artichokes, create an effective and sustainable production chain and ultimately improve the quality of life for their families. This project demonstrates how innovative corporate non-governmental organization partnerships have the ability to create opportunity for the poor while meeting a business need.”

General Mills Grows Commitment to Small Farmers

General Mills has a century-long history of working with farmers around the world to promote sustainable agriculture. Higher yielding crops, reduced pesticide use and disease resistance are among the best practices that General Mills has shared with farmers. From China to Mexico, General Mills has advanced several programs directly benefiting smallholder farmers. Most recently, General Mills, the General Mills Foundation and Häagen-Dazs launched a program in [Madagascar](#) to foster greater economic vitality for smallholder vanilla farmers to ensure the availability of high quality vanilla for future generations.

“This artichoke project in Peru is a great example of organizations with strong global networks coming together with a common goal to improve both sustainability and quality of life,” said Lynch. “Business is better and stronger if the farmers and vendors who supply us are strengthened at the same time. Although it’s just one example, we must continue to be a responsible corporate steward and use our resources to help improve the lives and communities of smallholder farmers in developing countries.”

About General Mills

General Mills is one of the world’s leading food companies, operating in more than 100 countries around the world. Its brands include Cheerios, Fiber One, Häagen-Dazs, Nature Valley, Yoplait, Betty Crocker, Pillsbury, Green Giant, Old El Paso, Wanchai Ferry, Yoki, and more.

Headquartered in Minneapolis, Minn., USA, General Mills had fiscal 2013 worldwide sales of US \$17.8 billion.

About CARE

Founded in 1945 with the creation of the CARE Package, CARE is a leading humanitarian organization fighting global poverty. CARE places special focus on working alongside poor girls and women because, equipped with the proper resources, they have the power to lift whole families and entire communities out of poverty. Last year, CARE worked in 84 countries and reached 122 million people around the world.

About AgroMantaro

Founded in 2005, AgroMantaro is a Peruvian agro-processor of artichokes and jalapeños that sources produce from small-scale farmers throughout Peru. By maintaining long-term relationships with customers such as General Mills and McCain, AgroMantaro co-packages high quality, premium products through its certified facility reaching European and U.S. markets. The company's processing plant, located in the central Peruvian Andes town of Junín, has 1,400 employees and had fiscal 2012 sales of US \$7.5 million.

About the General Mills Foundation

The mission of the General Mills Foundation, celebrating 60 years of giving, is to nourish communities. In fiscal 2013, the Foundation awarded more than \$153 million to communities across the country. Of the total, the Foundation contributed \$27 million in grants in the targeted areas of hunger and nutrition wellness, and K-12 education. In addition, 82 percent of U.S. employees volunteer in the communities where they live and work. More information is available at GeneralMills.com/Foundation.

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