FEFAC’s approach towards responsible soy

4th EU workshop Responsible Soy

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Chair of FEFAC Sustainability Committee

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FEFAC in a nutshell

- Created in 1959
- Represents industrial compound feed and premixtures manufacturers
- 33 Members:
  - 24 Member Associations from 23 EU Member States
  - 2 Observer Members (Serbia, Russia)
  - 7 Associate Members (Turkey, Switzerland, Norway (3), EMFEMA, EFFPA)
- 7 Technical Committees to assist the FEFAC Council
  - Animal Nutrition
  - Industrial Compound Feed Production
  - Premix & Mineral Feed
  - Feed Safety Management
  - Fish Feed
  - Milk Replacers
  - Sustainability
EU-28 Livestock sourcing in feedingstuffs - 475 mio. t in 2014

Source: FEFAC / EU Commission

- Forages: 233
- Home-grown cereals: 38
- Purchased straight feedingstuffs: 51
- Industrial compound feed: 153
Sources of protein used for animal feeding
(2011/2012, EU production + imports)

- Soya meal: 61%
- Sunflower + rapeseed meal: 28%
- Fish meals: 2%
- Pulses: 2%
- Dried forages: 3%
- Others: 5%
Soybean consumption (5 year average)

- Average production of compound feed ingredients: 152 million tonnes
- Soybean meal represents on average 16% of the consumption of feed ingredients; i.e. 24 million tonnes
- Average EU imports
  - Soybean: 12,5 million tonnes
  - Soybean meal: 20 million tonnes
  - Total: 30 million tonnes (SBM equivalent)
Key suppliers
(tonnes- 2010-2014 average, source GTIS)
Country developments (*frentrunners*)

- **Belgium**
  - Creation of a platform sustainable feed in 2006 / start 2010
  - Support from dairy industry, retail, government
- **Netherlands**
  - Creation of a national platform on sustainable soy 2010
  - Support from dairy & meat industry, farmers, retail, government
- **Sweden**
  - Development of national soy roundtable including 28 major food chain partners (Dairy industry, meat industry, retailers and food service).
- **UK (market in transition)**
  - Relatively strong commitment towards sustainable soy, focus increased after move away from non-GM two years ago. Interest now on FEFAC guidelines rather than specific retailer requirements.
  - 28% of the soya purchased in the UK is industry certified (mainly FEMAS)
Country developments *(newcomers)*

- **Denmark**
  - 2014: feed industry has developed purchase criteria on responsible soy
  - Interest in further European initiatives / FEFAC guidelines
- **Germany**
  - Non-GM is still the key issue / Driven by retailers & poultry integrations /
    ISCC+ or similar programs (Pro Terra for non-GM)
  - Increased interest in sustainable soy / National Roundtable with Brazil
- **France**
  - 2014: National platform on responsible feed / Focus on European initiatives /
    Avoid market segmentation
  - 2015: Development of common purchase criteria
- **Southern, Central and South-Eastern Europe**
  - No current market interest in supply of sustainable soy
  - RTRS guiding standard in national platform on sustainability
Soy developments suppliers / traders

4th EU workshop on responsible soy - Brussels
FEFAC Roadmap towards responsible soy

Two tier approach for mainstream market transformation towards responsible soy in Europe:

- **Market pull**: Accommodate actual demand for responsible soy (e.g. specific standards such as Proterra, RTRS, ISCC etc.)
- **Market push**: Defining mainstream base level for responsible soy (FEFAC Sourcing Guidelines)
FEFAC Roadmap: Rationale

• Stimulating mainstream market supply, taking into account purchase power and strategic dependency of protein imports
• Acknowledging multinational, trader and producer initiatives
• Bringing more clarity to the market about the different standards and programs for responsible soy
• Defining and increasing base level for responsible soy
• Volume-based commitment to continuous improvement
• Complementary to existing approaches
FEFAC Roadmap: Main program lines

• System development
  – Sustainable sourcing guidelines (Essential & Desirable Criteria, Verification rules)
  – Development ITC benchmark tool
  – Development system verification & region based risk analysis

• Stakeholder dialogue
  – Upstream: Farmers in production countries / traders
  – Public Consultation March 25th – May 15th
  – Downstream: food industry / retail
  – Civil Society: European platforms

25-03-15  4th EU workshop on responsible soy - Brussels
FEFAC’s mandate

• Guidelines are a Professional Recommendation: For competition reasons, FEFAC will not give direct recommendation for a certain certification programs (anti-trust regulations, achievable / transparent, avoid niche approach)

• Decisions to move to purchase of sustainable soy is a decision of individual associations and/or companies and outside the scope of the mandate of FEFAC

• FEFAC facilitates their members by developing practical tools
Process of developing draft guidelines

- Sustainability principles FEFAC roadmap as starting point
- Thorough analysis of existing soy standards and schemes
- RTRS and ISCC as guiding references
- Translation principles into criteria and indicators
- Focus on impact and practical relevance for soybean cultivation (input by certifying bodies, farmer organisations in supplying countries, FEFAC’s experts, traders and crushers)
- Reaching common position within FEFAC (in-depth discussions in FEFAC Soy Drafting group, Sustainability Committee and Council)
The Guidelines are not a new standard but describe a meaningful base level for responsible soy.

- **6 principles covering all key sustainability items**
  - Legal compliance
  - Responsible working conditions
  - Environmental responsibility
  - Good agricultural practices
  - Land rights
  - Protection of community relations
- **Essential and desired criteria**
  - Applicable across the globe
The guidelines further explained

- Distinction between essential and desired criteria (level of obligation)
  - Essential criteria: cover all items that are generally regarded as essential in all major sustainability standards. All 32 essential criteria have to be met.
  - Desired criteria: additional more advanced sustainability items, allowing for flexibility (as schemes can have a different focus) 5 of the 22 desired criteria have to be met.

- Volume based commitment to continuous improvement
  - Increase the number of desired criteria that have to be met
  - Transform desired criteria into essential criteria
• Specification of the degree of criticality
  - Time period that is allowed to meet a specific requirement
    (immediately, within one year etc.)

• Preliminary assessments learned:
  - FEFAC Guidelines cover the vast majority of RTRS / ISCC sustainability items
  - FEFAC Guidelines have less administrative requirements
    (procedures, plan making, monitoring etc.)
  - FEFAC Guidelines focus on preventing illegal deforestation
Examples

**Principle 3: Environmental responsibility**

<table>
<thead>
<tr>
<th>Criterion 3.1: The expansion of soy cultivation is responsible</th>
<th>Degree of criticality</th>
</tr>
</thead>
<tbody>
<tr>
<td>25. The farmer complies with the legislation relevant for land use.</td>
<td>Immediately</td>
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<tr>
<td>26. Areas that are assigned as legal reserve, conservation area or otherwise secured by law have to be protected. These areas must be restored to its former state if any alteration has taken place or legally approved compensating actions have to be taken.</td>
<td>Immediately</td>
</tr>
<tr>
<td>27. No soy is produced on land that was illegally deforested after a certain cut-off date mentioned in national legislation (e.g. 2008 in Brazil, 2008 in USA etc.)</td>
<td>Immediately</td>
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<tr>
<td>28. On-farm biodiversity is maintained and safeguarded through the preservation of native vegetation. There is a map of the farm which shows the native vegetation. There is a plan, which is being implemented, to ensure that the native vegetation is being maintained.</td>
<td>Immediately</td>
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## Examples

### Principle 4: Good agricultural practices

<table>
<thead>
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<th>Criterion 4.3: Agrochemicals listed in the Stockholm and Rotterdam Convention are not used and all application of agrochemicals is in accordance with best practices.</th>
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<tbody>
<tr>
<td>40. There is no use of agrochemicals listed in the Stockholm and Rotterdam Conventions.</td>
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<td>41. The application of agrochemicals (crop protection and fertilizers) is documented. All handling, storage, collection and disposal of agrochemical waste and empty agrochemical containers, is monitored. Use, storage and waste disposal of agrochemicals is in line with the professional recommendations and applicable legislation</td>
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<tr>
<td>42. There is no application of pesticides within 30 meters of any populated area or water body and all necessary precautions are taken to avoid people entering into recently sprayed areas.</td>
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<tr>
<td>43. Agrochemicals shall be applied using methods that minimize harm to human health, wildlife, plant biodiversity, and water and air quality.</td>
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<td>44. Aerial application of pesticides is carried out in such a way that it does not have an impact on populated areas. All aerial application is preceded by advance notification to residents within 500 m of the planned application. There is no aerial application of pesticides in WHO Class Ia, Ib and II within 500 m of populated areas or water bodies.</td>
</tr>
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**Examples**

**Principle 5: Respect for legal use of land / land rights**

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<th>Criterion 5.1: Legal use rights to the land are clearly defined and demonstrable</th>
<th>Level of criticality</th>
</tr>
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<tr>
<td>47. There is documented evidence of rights to use the land (e.g. ownership document, rental agreement, court order etc.)</td>
<td>Immediately</td>
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<th>Criterion 5.2: In areas with traditional land users, conflicting land uses are avoided or resolved</th>
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<td>48. Where rights have been relinquished by traditional land users there is documented evidence that the affected communities are compensated subject to their free, prior, informed and documented consent</td>
<td>Immediately</td>
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<tr>
<td>49. There is no conversion of land where there is an unresolved land use claim by traditional land users under litigation, without the agreement of both parties</td>
<td>Immediately</td>
</tr>
<tr>
<td>50. In the case of disputed use rights, a comprehensive, participatory and documented community rights assessment is carried out</td>
<td>Within one year</td>
</tr>
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FEFAC guidelines: Verification requirements

- **Verification requirements:**
  - Leading principles:
    
    *Effectiveness, efficiency, impartiality, transparency and risk based*

- **Two options:**
  - Verification at farm level by an accredited third party
  - Allowing for self-assessment and second party audits, accredited third party checks the robustness of the verification system
Our cooperation with ITC

- Subsidiary organisation of UN and WTO
- Trade for Sustainable Development program including standards map project
- 160 schemes included in the standards map
- Framework standards map developed via multistakeholder process including NGO’s, International institutions and business community.
- ITC is generally recognized as the main expert in the field of comparing and benchmarking sustainability schemes
ITC standards map

IDENTIFY
Identify voluntary sustainability standards which apply to your specific needs.

QUICK-SCAN
Quickly review selected standards at a glance.

COMPARE
Compare different standards more in-depth, based on all the criteria available.
ITC- benchmarking system

• ITC will:
  - Create a customized online platform
  - Build in a self-assessment against the FEFAC Sourcing Guidelines
  - Create a benchmark model with simple decision rules (filter)
FEFAC calendar

- January – March 2015: 1st and 2nd round closed loop consultation on draft guidelines and verification principles
- May – June: Review process public consultation input
- End of June 2015: Final publication FEFAC guidelines
- July 2015: Open access to ITC benchmarking system for all interested responsible soy programmes
Thank you for your attention