

Strategies for reducing the negative impacts of soy production

Responsible soy production

Introduction

Soy is a raw material for the manufacture of a range of animal feed, food and industrial products. It meets a large proportion of the global market for vegetable oil and protein-rich oil meals, on which the world's intensive animal husbandry industry depends. Global production in 2008 was over 222 million tonnes, making it the world's fourth agricultural commodity after wheat, rice and maize. The largest producers are the USA (33%), Brazil (27%) and Argentina (21 %). Soy production has risen sharply over the past decade. As the global demand for meat and dairy products continues to increase, in turn pushing up demand for animal feed, the market for soy is expected to rise to 300 million tonnes within 15 years.

The expansion of soy cultivation has occurred almost exclusively in South America. Although soy production has generated substantial revenue for producers, traders and national economies, it is also causing severe environmental and social impacts. These include deforestation, erosion and soil degradation, land conflicts and human rights violations, slavery, reduced employment opportunities, food insecurity, and health problems and pollution caused by the use of pesticides.¹

The Netherlands is the second largest importer of soy in the world. In view of the country's importance in the market for soy, various Dutch civil society organizations have joined forces in the Dutch Soy Coalition (DSC) to support and complement the work of their partners in soy producing countries. Our aim is to reduce the negative social and environmental impacts associated with the production, processing and consumption of soy. We are pursuing of this goal in three ways: we are campaigning to reduce the high levels of meat and dairy consumption in the Netherlands, which is the root cause of the problems; we promote more responsible production of soy; and we ask the livestock sector to replace part of the soy in animal feed with alternative feed crops.

This is one of three fact sheets we have prepared to explain why we are pursuing these three goals and provide information on the important initiatives and activities. The fact sheets are: *Responsible soy production*, *Reducing consumption*, and *Replacing soy in animal feed*.

Why should soy production be more responsible?

The Netherlands is the second largest importer of soy, after China, and a central point of distribution within Europe (30% of soybeans and 20% of soybean meal used in Europe enters the continent through the ports of Amsterdam and Rotterdam). This gives it a special responsibility for improving the sustainability of the soy production chain.

As long as consumption and demand keep growing, soy production will increase. Besides cutting back the demand for soy (by reducing consumption of animal proteins and replacing soy in animal feed), it is important that the global soy sector, in collaboration with civil society organizations, develops standards that will make soy production more responsible, and ultimately sustainable.

Currently, there are several initiatives for making the soy production and supply chain more responsible, including a number of schemes for certifying and labeling soy that is produced, traded and processed in a more responsible way. This fact sheet provides an overview of these initiatives.

Responsible soy initiatives – Certification

Basel Soy/ ProTerra

In cooperation with WWF, the Swiss retail chain Coop has developed a set of criteria for sustainable non-GM soy, called the Basel Criteria. The Brazilian soy suppliers IMCOPA, Grupo Maggi, Agrenco and Caramurú supply soy that meets the Basel Criteria. Together these suppliers have an annual capacity of 4.2 million tons. The American certifying agency Cert-ID has adopted the ProTerra certification standard, which fully complies with the Basel criteria and the principles set down in other important international accords on social and environmental responsibility and

¹ For a detailed explanation of these impacts see 'Soy Big Business, Big Responsibility – Addressing the social and environmental impact of the soy value chain' (DSC, 2008).

responsible agricultural management. Another certificate based on the Basel criteria is Grunpass, a private certificate of the Agrenco Group.

Round Table on Responsible Soy (RTRS)

The Round Table on Responsible Soy Association is an international voluntary multi-stakeholder initiative initiated in 2004 to address the social and environmental impacts of soy production. The participating members of the RTRS are represented in the General Assembly in three chambers, with an equal number of votes: Producers; Industry, Trade & Finance; and Civil Society. Government bodies and research agencies, consultants and certification bodies can be observers. The first achievement of the RTRS was the adoption of the temporary Principles and Criteria for Field Testing (P&C) in May 2009. This RTRS standard was developed for the mainstream production and sourcing of soy. A verification mechanism will be set up to guarantee compliance. In 2009–2010 five producer countries (Argentina, Brazil, Paraguay, India and possibly China) will develop National Interpretations to make the P&C work in each country. At the same time, pilots will be carried out to test the Standard. As the P&C are still being tested and the verification system is not yet in place, no RTRS certified soy is available on the market at the moment.

The RTRS currently has 107 members, most of them in the Trade, Industry and Finance chamber. The other members include approximately 12 NGOs and 15 producers (cooperatives of smallholders, associations of medium-sized farmers and large individual producers). The Dutch Sustainable Trade Initiative (IDH) co-funds the RTRS outreach program to broaden RTRS membership among producers, industry and NGOs.

Soy Producer Support Initiative (SOYPSI)

The Soy Producer Support Initiative is a four-year worldwide program (2009–2012) initiated by Solidaridad, WWF and the RTRS. SOYPSI is a pilot project targeting 25,000 small farmers in Argentina, Bolivia, Brazil, Paraguay and India. The overall goal is to support small-scale farmers and farm workers in the soy sector and prepare them for certification. Most SOYPSI projects are also RTRS field trials and so they must comply with RTRS criteria, but they may also include additional criteria such as non-GM, organic or exclusively derived from family farms. These additional qualities serve to provide added value to family farms that cannot compete in scale or volume with large, mechanized farms. Typically, the criteria applied to SOYPSI farmers are verified under a group certification protocol by an independent third party auditor. The SOYPSI program will establish Commodity Business Support Centers in Brazil and India, which will coordinate regional activities. Local staff in the targeted countries is responsible for on-the-ground business support. The available volume of soy under the SOYPSI program is expected to be around 15,000 tonnes in 2009, increasing to 50,000 to 100,000 tonnes in 2012.

Allianza Internacional de Productores Familiares (AFS)

In 2008 several producer organizations in Bolivia, Brazil and Paraguay (including Probioma, Fetraf, SER, COPEP, CLAES, ACIPACC and ASPANORS) set up an international alliance of family farms growing soy, the Allianza Internacional de Productores Familiares (AFS). Its goal is to streamline the supply and demand of responsible soy by functioning as a producer and trade consortium, certifying and clustering supplies to meet the demand from Europe. Instituto Biodinâmico for Rural Development (IBD) will be one of the certifying entities. Currently, however, most of the AFS soy is sold on the national and regional markets. The AFS system relieves the pressure on small producers to sell their land to large soy farms. In 2009 the available volume of AFS soy will be around 3,000 tonnes. It is expected that this will increase to 10,000–100,000 tonnes in 2010. All AFS soy is non-GM.

Organic soy

The International Federation of Organic Agriculture Movements (IFOAM) is a network of organic agricultural communities in many countries on several continents. Through its Organic Guarantee System (OGS), IFOAM provides a common system of standards, verification, and market identity for organic products, including soy. The International Organic Accreditation Service accredits the certification bodies that certify a product as being organic. The volume certified soy is approximately 50,000 –100,000 tonnes.

EcoSocial

EcoSocial is an organic and fair trade certification system developed by the Instituto Biodinâmico for Rural Development (IBD) in Brazil. It concentrates on auditing companies, farms and smallholder groups according to human, social, environmental and economic development criteria across the whole chain. The certification is based on social norms established by ILO, IFOAM, FLO and SA 8000. The aim of the EcoSocial label is to create a system that matches local contexts and is sensitive to different cultural realities and minorities (in Brazil), in which "continuous

improvement" is fundamental. The EcoSocial certification applies to companies with contracted workers, smallholder groups and traders involved in many countries, and covers a wide range of commercial sectors: agriculture (including soy), industry, textiles, cosmetics, mineral water, and outsourcers. EcoSocial currently hosts 700 projects in Brazil. The certification label is used by brand owner Alpro Soya (see below). The amount available from the 2009 harvest will be 14,300 tonnes. If all IBD registered organic soy farmers turn to Ecosocial, the available amount could rise to 33,000 tonnes.

Fairtrade

The Fairtrade label is awarded to products that guarantee a better deal for producers in developing countries, and can be found on various products, from coffee to bananas. Fairtrade Labeling Organizations International (FLO) develops the standards. The "soybeans and pulses" standard has been available since November 2008. It was developed in collaboration with Max Havelaar Belgium and is only available to small producers. Small farmers can sell their soy at a guaranteed minimum price and receive a premium which they can use to finance projects in the areas of health and education. Fairtrade organic soybeans are also available.

Other responsible soy initiatives

Amazon Moratorium

In July 2006, ABIOVE (Brazilian Vegetable Oil Industry Association), ANEC (Brazilian Grain Exporters Association) and their member companies agreed not to trade in soy that originates from areas within the Amazon Biome that were deforested after the 24 July 2006. They also agreed not to trade in soy produced with the use of labor resembling slave labor. The key players that brought about this change were Greenpeace and several European soybean buyers (including McDonald's, Walmart and Carrefour). A two-year moratorium on this trade came into effect on 24 July 2006 and was extended to July 2009 by the traders involved. During this period an effective mapping and monitoring system will be set up and strategies developed to encourage soy producers to comply with the Brazilian Forest Code, including the dissemination of good agricultural practices and social and environmental management. In addition, the government and relevant economic sectors are cooperating on refining institutional relations and legislation to improve controls over deforestation and the development of soy production in the Amazon Biome (economic-ecological zoning).

Biodiversity and Agricultural Commodities Program (BACP)

The International Finance Corporation (IFC) is leading an initiative to overcome the barriers to adopting Better Management Practices (BMPs). The BACP supports private-sector-led initiatives to mainstream the adoption of BMPs in four target commodity markets, including soy. The BACP offers technical assistance to projects that promote BMPs in various ways: by supporting the testing and adoption of BMPs at the production level; by supporting commodity roundtable work to increase demand for biodiversity-friendly products; by helping financial institutions to adapt their financial services in a way that encourages the adoption of BMPs; and by improving the enabling market environment by working with public institutions on relevant policy issues.

Sustainability initiatives by soy users and buyers

Several companies in the Netherlands have committed themselves to using responsible soy of various kinds.

IDS

The umbrella organization for feed companies NEVEDI and the Dutch companies Friesland Campina, Vion, Gebr. Van Beek Group and Storteboom Group have initiated a joint program for the purchase of soy from South America by the Dutch feed industry, called "Initiatief Duurzame Soja" (Sustainable Soy Initiative) (IDS). This soy does not come from areas deforested after July 2006. Three suppliers are contracted (Cargill, Cefetra and Maggi). The companies aim to buy increasing amounts of certified soy from 50,000 tonnes in 2009 to 150,000 tonnes in 2011.

CBL Action plan

The Dutch Food Retail Association – CBL – has launched the 'CBL-Action plan on Responsible Soy.' With the Action plan Dutch supermarkets aim to contribute to responsible soy production through focusing on four priorities: (1) Commitment to RTRS, (2) Improvement of the position of domestic population, (3) Monitoring and responsible use of pesticides, (4) Protection of the Amazon through support of the Amazon moratorium.

Pork producers

The Dutch NGO Stichting Natuur en Milieu has signed a pact with De Hoeve BV to tackle several sustainability impacts of pork production. De Hoeve BV is a collaborative venture to market pork with an environmental quality label ("Milieukeur Pork" label). Pork that meets certain sustainability criteria receives this label. For pork sold by the Keurslagers (an association of independent butchers that position themselves as butchers with higher quality meat), one of the requirements is to buy certificates that guarantee that farmers comply with Basel and RTRS criteria, for the amount of soy used in the pork chain. The soy farmers (in Brazil) receive a better price for this "sustainable soy" from the Keurslagers and consumers receive information on this soy in the participating butchers shops. Currently about 100 pig farmers and 100 butchers are involved in the project. Also participation in the project are Fransen Mengvoeders (delivers the pig feed), Solidaridad (supports the family farms and controls "book and claim" certificates for sustainable soy from family farms) and three pig slaughters/wholesalers, ensuring that the entire trade chain is involved.

Egg producers

The Dutch NGO Fairfood lobbies egg and poultry brand owners to switch to more responsible soy for their poultry feed. So far, three main players on the Dutch egg market have made this switch: Kwetters (2 brands), Guliker & Roodbol (1 brand) and Natuurfarm De Boed (6 brands). At least 90% of the soy needed by all three companies to produce their eggs is now Basel soy; Kwetters and Guliker & Roodbol promised to use 100% Basel soy in 2009. The expectation is that these three companies will be responsible for ordering more than 900 tonnes of Basel soy in 2009.

Dairy producers

Campina, one of the brands of Royal FrieslandCampina, is the largest dairy brand in the Netherlands. Since 2006, Campina has been sourcing increasing amounts of soy that meets the Basel Criteria, the first European dairy company to make such a commitment. For logistical reasons, this soy was fed into the mainstream feed production and so not segregated until the dairy farms. In 2007-2008 Campina bought 37,000 tonnes of Proterra (Basel) soy.

To ensure that a larger share of the premium paid by FrieslandCampina goes to family farmers, Campina started participating in family farming projects in the SOYPSI program (see above) in 2009 and 2010. It intends to buy soy certificates that guarantee compliance with the Basel and RTRS criteria, for an amount corresponding to the amount of soy used in the chain of dairy produce sold under the Campina brand (around 40.000 tonnes in 2009 / 2010). To develop this initiative the company cooperates with Solidaridad, Stichting Natuur en Milieu and WWF. By 2011, all the soy used for FrieslandCampina brands (including cheese, butter and other dairy products) should meet sustainability criteria. The final goal is to import 150,000 tonnes of responsible soy from 2011 onwards.

In 2009, CONO and Ben & Jerry's (Unilever) launched a sustainable soy programme. For 1,800 tonnes of soy, the amount of soy used in the chains for CONO's Beemster cheese and Ben & Jerry's ice cream, certificates will be bought from farmers in Madhya Pradesh (India). These farmers will produce soy under requirements corresponding to Basel and RTRS criteria.

Alpro Soya

Alpro Soya sells soy for human consumption. On its website the company explains that it does not use GM soy and that this is guaranteed by control of the production process by the independent certification company Cert-ID. The organic soybeans used by Alpro Soya use the Ecosocial certificate issued by IBD. Also, Alpro Soja maintains long-term relationships with its soy farmers and does not buy soybeans on the commodity market. The farmers use crop rotation to avoid soil depletion and crop diseases. Only a small proportion of the beans are sourced from Brazil, and never from deforested rain forests. Greenpeace says this about Alpro Soya and its activities in Brazil: "*They have a very small-scale operation but they have more control on the traceability of their products and they are streets ahead of the rest of the trade in working with farmers and funding schools and other projects. It's not 'greenwash', they practice what they preach.*"

The Dutch Soy Coalition

The Dutch Soy Coalition brings together Dutch civil society organizations working in the fields of nature, environment and development. The coalition was founded in response to alerts by partner organizations in South America about the negative impacts of soy production and expansion. The Netherlands plays a central role in the soy sector as the second largest importer from South America and central distribution point for Western Europe. Therefore, the members of the Coalition see it as their responsibility to raise awareness with consumers and the media, and ask our government and companies to take steps to reduce the negative impacts of soy production and trade. Concrete suggestions of steps to be taken by companies and the government can be found in our publication "Big business, big responsibility: Addressing the social and environmental impact of the soy value chain" and our mission statement, which is available through our website in English, Dutch, Spanish and Portuguese.

The factsheet and case study series has been developed to stress the urgency of the problems and the need to take action. They feature specific cases of social or environmental problems in particular soy producing countries. Should you wish to get in touch with the Dutch Soy Coalition or receive more background information on the issues, please contact the secretariat of the DSC at nsc@bothends.org or refer to our website www.sojacoalitie.nl. An overview of the sources used for this factsheet is available on the DSC website ('[Links and Documents](#)' section).

