

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 2009 was about 212 million tonnes, making it the world's fifth agricultural commodity after sugar cane, maize, rice and wheat. The largest producers are the USA (38%), Brazil (27%) and Argentina (15%). 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 yearly 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. The DSC aims to reduce the negative social and environmental impacts associated with the production, processing and consumption of soy. The DSC is pursuing this goal in three ways: by campaigning to reduce the high levels of meat and dairy consumption in the Netherlands, which is the root cause of the problems; by promoting more responsible production of soy; and by asking the livestock sector to replace part of the soy in animal feed with alternative feed crops.

This is one of three fact sheets prepared by the DSC to explain why the coalition is pursuing these goals and to provide information on 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 initiated a set of criteria for sustainable non-GM soy, called the Basel Criteria. The criteria focus mainly on deforestation and land rights. 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 responsible agricultural management.

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).

Another certificate based on the Basel criteria is Grunpass, a private certificate of the Agreco 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. In June 2010, the final version of the RTRS Principles and Criteria was adopted, developed for mainstream production and sourcing of soy. Basic requirements for certification include legal compliance and good business practices, responsible labor conditions and community relations, environmental responsibility and good agriculture practices. At the beginning of 2011, the global market will be able to buy RTRS certified soy.

The RTRS currently has over 150 members, most of them in the Trade, Industry and Finance chamber. The other members include about 15 NGOs and 30 producers (cooperatives of smallholders, associations of medium-sized farmers and large individual producers).

Soy Plus

In April 2010, several representatives of large soy producers left the RTRS. As a response ABIOVE (the Brazilian Vegetable Oil Industries Association), APROSOJA (Mato Grosso State Soybean Producers Association), ANEC (the National Grain Exporters Association) and ARES (Responsible Agribusiness Institute) launched a new socio-environmental management programme for rural properties, called Soja Plus. The objective of the programme is the socio-environmental management of properties based on the Seal of Certification issued by the Program and other existing initiatives. The criteria of the program are less comprehensive than the RTRS.

Organic soy

Organic soybean growers rely on the regulations for organic farming provided by the International Federation of Organic Agriculture Movements (IFOAM). Regulations mainly focus on environmental issues and prohibit the use chemical pesticides, fertilizers or genetically modified organisms. 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 (IOAS) accredits the certification bodies that certify a product as being organic. China and the US and are the main producers of organic soy. Chinese organic production has grown substantially in the last years. Industry insiders estimate that about 50% of organic soy beans consumed in the US and Europe are imported from China. South American counties, mainly Brazil, are also producing organic soy, though to a limited extent. The production volume of certified organic soy is estimated at 0.1% of world production of soy, so no more than 200,000 tonnes in 2009.

EcoSocial

EcoSocial is a certification system developed by the Instituto Biodinamico for Rural Development (IBD) in Brazil. Besides criteria for organic production, the system is based on social norms established by ILO, IFOAM, FLO and SA 8000, in addition to principles established by international agreements related to social & environmental management. EcoSocial certified soy is used by brand owner Alpro Soya (see below). Most soy is produced in Brazil and China. 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

In 2008, Fairtrade Labelling (FTL)/Fairtrade Labelling Organizations (FLO) issued the standards for Fairtrade labeled soybeans, including a worldwide Fairtrade minimum price (FTMP) and premium. 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. The "soybeans and pulses" standard is only available to small scale producers. Fairtrade soy volumes are still very small. Only one producer group in China is Fairtrade and organic certified and had 300 tonnes available in April 2010. The group is mainly supplying the German consumption market (40 tonnes in 2009) through Naturkost Weber Company in Munich. Another producer

group to be certified shortly is located in Kyrgyzstan. Volumes are not known. This group will supply UK and US markets.

Responsible soy initiatives - initiated in the Netherlands

Dutch Sustainable Trade Initiative (IDH)

The Dutch Sustainable Trade Initiative (IDH) is a multi-stakeholder process in which actors from both Northern and Southern (production) countries participate. The objective of IDH is to improve the sustainability of international supply chains, by tackling social, ecological and economical bottlenecks for the first chain actors in developing countries. Governments, private sector, labor unions and non-governmental organizations jointly implement sectoral improvement programmes, as well as an (inter)sectoral learning programme. The purpose of the IDH's soy programme is to increase awareness and broaden public support for the RTRS. Stakeholders are stimulated to implement the criteria developed by the RTRS.

The Product Board Margarine, Fats and Oils (representing Dutch production and trading companies) and Nevedi (representing the Dutch feed industry) aim at 100% responsible soy imports into the Netherlands in 2015. In this way the programme contributes to making global soy production and trade more socio-environmentally responsible.

Soy Producer Support Initiative (SOYPSI) - Solidaridad

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 were RTRS field trials. They may however 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. In 2010, about 20,000 small scale farmers in Brazil and India produced approximately 80.000 tonnes of soy. The available volume of soy under the SOYPSI program is expected increase to 100,000 tonnes in 2012.

Programme on Sustainable Soy and Palm oil (PSSP) – DOEN Foundation

In 2003, DOEN Foundation started the Programme on Sustainable Soy and Palm oil (PSSP) with the aim to assist NGOs and private companies in their efforts to promote sustainable soy and palm oil production and to avoid the social and environmental effects of both sectors. In recent years, the programme is increasingly focusing its activities on direct support to small scale farmers in sustainable soy production, preferably (initiating transition towards) organic certification. The programme now supports almost 2.500 small scale farmers in Brazil and Paraguay, producing an estimated volume of 20.000 tonnes.

Several private sector initiatives have started (apart from activities within IDH) in which Dutch companies have committed themselves to using responsible soy of various kinds.

IDS

In anticipation of the objective to source 100% RTRS soy by 2015, the Dutch companies Nevedi, Friesland Foods, 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. However, limited actions have taken place after the press release in 2009.

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. More than 100 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 butcher shops. Currently about 120 pig farmers and 100 butchers are involved in the project. Solidaridad (supports the family farms and controls "book and claim" certificates for sustainable soy from family farms).

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. To ensure that a larger share of the premium paid by FrieslandCampina directly goes to family farmers, Campina started participating in the SOYPSI program (see above) in 2009 and is now sourcing soy from SOYPSI projects. In the coming years, FrieslandCampina will gradually increase the use of RTRS certified soy in their dairy products to 100% in 2015.

In 2009, CONO (a cooperation of Dutch cheesemakers) and Ben & Jerry's (Unilever) also started participating in the SOYPSI program. For 2,000 tonnes of soy (in 2010), the amount of soy used in the chains for CONO's Beemster cheese and Ben & Jerry's ice cream, pre-certificates have been bought from farmers in Madhya Pradesh (India). These farmers will be supported in soy production under requirements corresponding to Basel and RTRS criteria.

In 2010 also the Dutch branch of ARLA, the Danish dairy company started a cooperation with Solidaridad to support SOYPSI project for 50% of the amount of soy used for branded ARLA products. For the other 50% ARLA will buy RTRS certificates in 2011.

Alpro Soya

Alpro is considered to be the European pioneer in soybean products for human consumption, with a market share of about 40%. Alpro is currently owned by the American company Dean Foods. Alpro has two main brands: Alpro® soya is the mainstream brand, using Proterra certified soy and Provamel® is the organic soya brand using Ecosocial certified soy. Alpro sources the ProTerra certified beans from Canada and Europe and the Ecosocial certified beans from Brazil, China and Europe. Most of the Ecosocial soy is imported by the Dutch trading company DO-IT.

Other international initiatives

Allianza Internacional de Productores Familiares (AFS)

In 2008, several producer organizations in Bolivia, Brazil and Paraguay (including amongst others Probioma, SER, COPEP, CLAES and Fetraf) set up an international alliance of family farmers growing soy, the Allianza Internacional de Productores Familiares (AFS). The alliance was launched to contribute through their partners to responsible soy production and trade by family farmers, as an alternative to large scale agribusiness. In the coming years, the alliance will support its members via knowledge exchange and the provision of services related to for example technical assistance, certification processes, facilitation of access to credit, inputs and markets.

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. In 2010, a Request for Applications for soy related projects was launched. Three projects have now been approved in Brazil focusing on valuating the impacts of soybean production on Amazonian biodiversity, registration of social-environmental responsibility among soy producers in the Xingu River Basin and mapping of High Conservation Value Areas (HCVA) in Mato Grosso State.

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). In June 2010, the moratorium was extended with another year. During the past years, a mapping and monitoring system has been developed and 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. The latest satellite data shows that Amazon deforestation has decreased since the moratorium went into effect.

Europe

The Netherlands is not the only European country with initiatives stimulating responsible soy. For example the Belgian association of compound feed manufacturers, Bemefa, developed their own certification system (based on four principles) and sourced 100.000 tonnes certified soy in 2009/2010. Bemefa expects to increase the volume to 150.000 tonnes in 2011/12. The Swiss Network for Sustainable Soy aims to have the soymeal for the Swiss production of meat and eggs GMO-free and sustainably produced according the Basel Criteria or equivalent standards like RTRS non-GM by 2014 (60% in 2010, 80% by 2012). In Sweden, almost all imported soy is Proterra.

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).

