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Q&A on Soy, WWF and the RTRS

Why does WWF work on the soy issue?

WWF is deeply concerned about the dramatic loss of natural habitats in South America, especially forests and savannahs, due to expanding soy production. The disappearance of these fragile ecosystems also threatens the existence of amazing wildlife, such as the jaguar, the giant anteater, and the armadillo.

While stopping deforestation and habitat loss caused by soy expansion is WWF's key focus, we are also concerned about the other negative environmental impacts of soy, including soil erosion and pollution from agrochemicals.

In some areas of Latin America soy production is also associated with social conflicts. The creation of new soy fields sometimes leads to land rights violations against families, small farmers and indigenous population groups, thereby increasing the number of landless people.

What regions are most affected?

Soy fields have already replaced much of Brazil's savannahs – like the world's most species-rich savannah, the Cerrado – and are spreading into the Amazon. Soy expansion has contributed to the disappearance of most of the Atlantic Forest in southern Brazil and eastern Paraguay, as well as much of the Chaco in Argentina. As arable land in China and the US, two other major soy-producing countries, becomes scarce, future growing demand for soy is likely to continue to be met primarily by expansion in Argentina, Brazil and Paraguay.

How is soy used?

Soy is a product in itself, as well as a major source of vegetable protein and oil for humans and farm animals. Approximately 80% of soy is used to feed pigs, chickens and cattle, contributing to the production of meat, eggs and dairy products. Soybean oil is used as cooking oil and as an ingredient in

processed food products such as margarines, dressings and mayonnaise. More recently, soybean oil has also been used to produce biofuels for car engines or power plants.

Is WWF calling for a drastic reduction or halt to soy production?

No. We want a halt to the expansion of soy on vital habitats and areas of high conservation value and we want the industry to move to responsible soy production. WWF recognizes that soy is in great demand worldwide, both as a protein-rich livestock feed and as a vegetable oil. WWF also acknowledges that in the producer countries, soy is an important source of foreign currency, creating employment and infrastructure opportunities. However, WWF is concerned about the ecological costs and social problems associated with soy cultivation i.e. habitat clearances, air, water and soil pollution, wide-spread demand on transportation systems and industrial plants, and the disregard for the rights and interests of local people. WWF is calling on the soy industry—from producers, all those along the supply chain, food processors, right up to retailers—to produce and source soy in a way that respects both nature and people.

What does WWF recommend doing about the soy issue?

WWF takes a holistic approach to the soy issue and is pursuing several other strategies to tackle the negative impacts of soy. These include improving soy production, strengthening law enforcement and land use planning in producer countries, promoting the expansion of soy on degraded lands and more responsible consumption of livestock by consuming countries, and investigating the use of alternative protein sources produced sustainably (such as legumes).

Given the scale, complexity and pace of the issue all these are necessary, all these interventions are likely necessary to halt irresponsible soy production.

Examples of work that WWF is doing include:

- Tackling deforestation in Paraguay: http://www.wwf.org.uk/wwf_articles.cfm?unewsid=4866
- Supporting production and sourcing of responsible soy: wwf.panda.org/reducingimpacts/soy/roundtable
- Addressing livestock consumption: www.wwf.org.uk/livewell , <http://fleischfrage.wwf.de/>
- Initiatives to encourage responsible sourcing of soy: http://www.wwf.org.uk/what_we_do/safeguarding_the_natural_world/forests/forest_conversion/cerado.cfm
- Fighting for better forest legislation: http://www.wwf.org.br/informacoes/english/brazilian_forest_law_reform.cfm

What is the RTRS?

In order to comprehensively address the interrelated environmental and social concerns related to soy, WWF initiated the Round Table on Responsible Soy (RTRS) (www.responsiblesoy.org) in 2005 as a forum for all stakeholders involved in and/or affected by soy cultivation to voice their concerns, and develop and implement a shared vision for an industry where responsible soy practices are the norm.

What does the RTRS do?

The first main objective of the RTRS was to develop and approve a standard for the responsible production of soy. The standards were approved in 2010, and include requirements to halt conversion of native forests and areas with high conservation value, to promote best management practices, to ensure fair working conditions, and to respect land tenure claims. Since then the RTRS has developed a system which requires a third party to audit the performance of every soy farm that seeks certification and perform regular checks to ensure continuous improvement. In addition there are different ways that responsible soy can be bought, including buying credits that support responsible soy production or purchasing batches of responsible soy that can be traced back to a specific farm. The RTRS has established systems for tracking these so-called “supply chains” and labeling products that contain responsible soy.

The ongoing business of the organization is to encourage uptake of the standard by producers, build a viable market for responsibly produced soy, and to continuously improve the system so that it stays robust and credible.

How does WWF support the RTRS?

WWF is a founding member of the RTRS and sits on its Executive Board and several RTRS Working Groups, with the aim to continually strengthen the RTRS and its systems. WWF also works to help build a market for responsibly produced soy by campaigning to raise awareness of the soy issue and solutions, engaging with companies that buy or source soy to promote more responsible sourcing practices, and promoting the RTRS and its principles to producers, traders and investors. WWF is also working with other RTRS stakeholders on developing national macro-scale maps which will indicate four categories of land, including those where no soy expansion may occur and those where High Conservation Values (HCV) assessments would be needed prior to soy expansion.

Why does WWF support the RTRS?

The soy boom in recent years has had a wide variety of environmental, social and economic consequences, both negative and positive, that go beyond the destruction of valuable habitats. No stakeholder alone can possibly view the whole picture or develop universal solutions. WWF therefore believes that an open, multi-stakeholder process, where different views can be presented, is the best way to develop and promote more responsible and sustainable soy.

Considering soy is a global commodity, with more than 94% of the exports coming from the United States, Brazil, Argentina and Paraguay, and the imports dominated by China and the EUⁱ, a global response is needed that motivates both producers and buyers to take responsibility. The RTRS is the only global mechanism that has the potential to transform the international soy trade into a responsible industry instead of an ecological problem.

What does WWF want the RTRS to achieve?

In the long term, WWF would like to see the RTRS production guidelines implemented as standard practice by most soy producers to improve mainstream soy production worldwide. In order for this to happen, producers need to commit to the RTRS.

In the short term, manufacturers, retailers and companies in the feed industry need to make commitments to sourcing RTRS soy and begin buying it as soon as possible. WWF would like to see time bound plans and annual public progress reporting of RTRS members across the supply chain in order to strengthen the Code of Conduct and build confidence in the market potential for RTRS soy.

A roundtable system such as RTRS leaves room for ongoing review of the production standards and the certification system in order to reflect lessons learned as well as new scientific findings concerning responsible soy production, and WWF will promote improvements whenever feasible and possible.

How can the RTRS stop the negative aspects of soy production?

The RTRS drives improved management practices at the farm level, with independent auditors to ensure compliance. WWF does not believe the RTRS is the only way to mitigate the negative impacts of soy production, but we do believe it is an important part of the solution.

RTRS is one of today's best strategies because:

It's global and multi-stakeholder.

It's happening now (certified soy has been available since May 2011).

It takes into account all different kinds of demands for soy, from animal feed to food ingredients, industrial derivatives and biofuels.

WWF has a track record of supporting the development of certification schemes that work, such as FSC and MSC. The key benefits these participatory schemes bring are credibility, accountability and transparency in the supply chain. They work across frontiers and tackle global problems.

If the RTRS succeeds in engaging the majority of the soy value chain, it can shift the entire sector toward production methods that are better for people and nature. However, like any other certification scheme, is not a silver bullet—it is one important tool. WWF deploys a number of other strategies to combat the loss of forests and other valuable ecosystems, including promoting agriculture on degraded lands, participatory land use planning and creating protected areas. The roundtable provides a means for the market to contribute to a solution, but it does not replace other actors and strategies.

What has the RTRS achieved so far?

In June 2011, the first 85,000 tonnes (metric tons) of responsible soy were purchased as credits by industrial users. Demand is rapidly rising and the RTRS' target is to produce 5 million tonnes of responsible soy by 2015. (See WWF announcement: <http://wwf.panda.org/?200550/Certified-soy-enters-marketplace-in-milestone-purchase>)

By mid-2012, more than 150 members from countries throughout the world had joined the RTRS. Members include Unilever, Arla, Nestlé and WWF. A complete list of members is available at www.responsiblesoy.org.

As of writing, there are 11 producers who are currently certified to produce RTRS approved soy. More producers are agreeing to take part and the number of producers is expected to double in 2012. See complete list of certified farms:

http://www.responsiblesoy.org/index.php?option=com_content&view=article&id=297&Itemid=181&lang=en

The RTRS's EU RED Scheme, which was specifically developed for soy biofuels, is one of only seven schemes that were recognized by the European Commission as compliant with the EU-RED (Renewable Energy Directive).

Is the RTRS certification system strong enough from WWF's point of view?

The RTRS standards are aligned with WWF's guiding principles for credible certification standards: They have been formulated through a rigorous, transparent multi-stakeholder process and include requirements to halt conversion of native forests and areas with high conservation value, to promote best management practices, to ensure fair working conditions and to respect land tenure claims.

However, WWF notes that the RTRS standards are not a fixed entity, but rather a platform for continuous improvement. WWF expects, and will support, the RTRS standards for responsible production and the supporting systems to strengthen its criteria over time.

Meanwhile, no stakeholder entering a multi-stakeholder dialogue can expect to get all its ideas accepted. By definition, the final RTRS standard is a compromise between the legitimate interests and concerns of all stakeholders who participate from across the supply chain. The RTRS standard subsequently derives its strength from the fact that it is widely embraced by all the constituencies, enabling it to transform a global, mainstream commodity sector. While some NGOs have criticized elements of the standard such as the inclusion of genetically modified soy and some producers have felt that the standard is too demanding on farmers, the RTRS has been able to meet the challenge to find the middle ground.

How does the monitoring of RTRS work?

The RTRS has created certifiable standards for both farmers and entire supply chains. In order to be certified, a company needs to comply with one or both standards, depending on the scope of certification. In order to safeguard independence and to have a transparent division of roles, the RTRS itself does not audit on standards compliance; independent, third parties – Certification Bodies – are in charge of certification/auditing against the standards.

RTRS is one of the only mainstream responsible soy systems that require independent auditors to check compliance. Other systems rely on self-declarations or are audited by system representatives. This means that the RTRS is one of the most rigorous but transparent compliance systems in existence.

Is there a penalty system if members of the RTRS don't play by the rules?

RTRS members follow a Code of Conduct. If members do not comply, membership can be withdrawn. At present, the three RTRS vice-presidents of the RTRS Executive Board, including a representative of WWF-Brazil, are responsible for responding to grievances and complaints about members following the RTRS grievance procedure. See

http://www.responsiblesoy.org/index.php?option=com_content&view=article&id=246&Itemid=175&lang=en.

How does the RTRS prevent displacement of indigenous people or smallholders by big soy producers?

The RTRS standards ensure that certified soy producers respect the rights of indigenous people and smallholders. In particular, RTRS requires evidence of fair and transparent communication channels between producers and the community, and it will not certify soy produced in indigenous territories or disputed lands.

The standards have also been field tested by smallholders and subsequently reviewed to allow them access to certification. Examples include the possibility of group certification for smallholder cooperatives and tailored requirements on workers' rights to reflect the reality of family farms.

Together with the Dutch NGO Solidaridad, the RTRS established the Soy Producer Support Initiative (SOYPSI). It helps owners of small- and medium-sized farms to improve production and prepare for RTRS certification. In 2011, more than 20,000 smallholders in India, Brazil and Bolivia participated in SOYPSI projects; thousands of smallholders in India, Brazil, Bolivia and China are projected to get certified in 2011 and the years after.

Does WWF support genetically modified soy?

No. WWF's position toward the application of Genetically Modified Organisms (GMO) such as GM or GE soy demands a strong precautionary approach. While WWF recognizes the potential value to society arising from the new opportunities provided by the developing science of GMOs, WWF believes that GMOs should not be used until ecological and social interactions are fully researched and safeguards put in place. To this end, WWF will support moratoria on the use and release of GMOs in crops until risks identified are acceptably low.

However, field cultivation of GM soy is already a reality. GM soy is estimated to represent 70% of the world's soy production. If conversion of high conservation value areas, protected areas and unsustainable social development are to be curbed effectively, WWF has to engage with key soy producers, regardless of production system. Engaging in a dialogue with GM soy producers does not mean supporting GM soy. WWF's position on GMOs is at:

<http://assets.panda.org/downloads/gmospositionpaperwwfinternational1999.pdf>

WWF believes it is crucial that a long-term market for non-GM soy be maintained. That's why WWF has worked to establish a non-GM soy RTRS supply chain option for companies that use non-GM soy. Now it is possible for soy producers to get their soy endorsed both RTRS and non-GM through the RTRS non-GM module. And the more companies demand responsible soy, the more there will be of it and the more we can be sure non-GM soy is not causing destruction of the Amazon, the Cerrado and other important habitat.

Why does the RTRS certify GM soy as responsible?

Unsustainable practice and irresponsible habitat conversion is a problem shared by GM and non-GM production. As 70% of the world's soy is GM, WWF believes that an inclusion of both GM and non-GM crops in the RTRS system will provide the greatest possible conservation outcomes.

The RTRS is not about GM. The RTRS is a mechanism to enable people to know that the soy they use has not caused the destruction of important biodiverse areas like the Cerrado in Brazil, that the workers' rights are protected and that the community is heard, among other good practices.

What does WWF ask of retailers that buy products containing soy?

WWF is asking companies that buy soy to commit to sourcing 100% RTRS certified responsible soy (or soy produced by an equivalent standard) for the products that contain soy (including meat, chicken, pork and farmed fish) by 2015 and to start their purchase from the next RTRS certified harvest. This action is needed now, as it will send a strong signal to producers that there is a market for certified responsible soy, and that they should get certified as soon as possible. At the same time retailers can show their customers that they are taking concrete steps to combat deforestation.

What does WWF ask of consumers?

80% of the soy produced in the world today goes to feed pigs, chickens, cattle and even farmed fish. WWF asks consumers to ask their retailer to source products made with responsible soy and livestock fed with responsible soy. This will help catalyse action and build a market for responsibly produced soy.

Another way consumers can reduce their footprint is to eat smart. Eat more fruit, vegetables and cereals - a healthy diet is a sustainable diet! Health authorities in many countries around the world promote increased proportions of fruit and vegetables in the regular diets of their citizens, as well as “recommended levels of meat consumption”. For example, the German Society of Nutrition recommends a maximum of 300-600 grams of meat per week, which is approximately one-third of what Germans currently consume.

ⁱ USDA (FAS), Feb 2011, Tables 7, 8 and 10