



# Danish Alliance for Responsible Soy

# **AGREEMENT PAPER**

UPDATED AND TRANSLATED FROM DANISH, JANUARY 2024





# **Background**

Soy is used for various purposes in food production, predominantly for animal feed, but also to a lesser extent for finished products such as soy milk or soybeans. Soy is the most protein-rich crop per hectare compared to other crops. However, parts of soybean production are associated with significant challenges, as global soybean production occupies an area of over 1 million square kilometers, and parts of soybean production have negative environmental and social consequences. It concerns i.e. deforestation, especially in South America, and the associated consequences for climate and biodiversity, as well as the high consumption of pesticides suspected of causing serious, hereditary diseases and damage to the local population in some production areas

Soy is imported to Denmark as soybeans, meal, or oil and indirectly within finished products (for example, imported meat products from animals whose feed contains, among other things, soy). Denmark's annual import of soy is approximately 1.7 million tons, primarily in the form of soybean meal. Almost all soy is used for animal feed, primarily for pigs, but also for chickens and cattle (for both dairy products and beef)[1].

In 2017, Ethical Trade Denmark established a working group focusing on responsible soy production. The group decided in January 2019 to prepare a proposal for a binding initiative for the use of responsible soy, an initiative which was launched in September 2019 under the heading "Danish Alliance for Responsible Soy".

Since then, Danish soy players across sectors have worked to promote responsible soy production and solve challenges with, among other things, deforestation, biodiversity, and social consequences that can be associated with the cultivation of soy.

For many years, the members of the alliance have in negotiations worked for voluntary agreements and most recently for ambitious legislation at the EU level. The European Union's Deforestation Regulation (EUDR) was adopted on the 30th of June 2023 and will enter into force at the end of 2024.

The new EU Deforestation Regulation imposes stricter requirements for trade on a global level - including that the production of soy does not cause any deforestation. A law that represents an important paradigm shift in the requirement to document deforestation-free supply chains and is a great step towards combating deforestation associated with the import of soy to Europe.

However, there are still challenges with deforestation, as it to a greater extent moves to new areas, which are not necessarily designated as forest, but are instead described under the term 'other natural ecosystems'. The reorganization of other ecosystems is not included in the new law from the beginning. The Danish Alliance for Responsible Soy has an ambition that goes beyond, and has therefore established a common goal to work together for responsible soy in 2025, which means stopping both deforestation and conversion of other natural areas and working towards sustainability requirements in the value chain for soy. Read more about the definitions for responsible soy in a section below.

# **Purpose of the Alliance**

The alliance aims to bring together relevant Danish actors in a binding collaboration to ensure progress towards responsibly produced soy. By participating in the alliance, the members can help to promote responsibly produced soy, and the members also commit to working towards the alliance's vision and concrete commitments. The starting point is the internationally recognized framework set by the Accountability Framework Initiative[1] and references are made to e.g. to definitions given herein.

### Visions and commitments

The alliance's vision is that all soy imported to Denmark is produced responsibly, including legally produced, and does not contribute to deforestation or conversion of other natural vegetation

Through a joint Danish effort, it is also our vision to contribute to ongoing improvements in the responsible production of soy globally.

To achieve the vision, participants undertake to:

- 1. Publish an action plan for responsible soy, incl. a time schedule, which describes initiatives to ensure progress towards the vision.
- 2. Report progress annually to the Alliance Secretariat.

The alliance's vision includes both soy as a product (in the form of, for example, soybeans, meal, or oil) as well as soy embedded in products on the Danish market (e.g. soy embedded in beef).

# Organization of the alliance

Participants in the Danish Alliance for Responsible Soy are divided into one of the following two groups:

- Participating companies include representatives from e.g. retail, food service, animal feed producers, industrial companies, and food producers. Participating companies must comply with the alliance's obligations - i.e. publish an action plan and report annually on progress.
- Supporting members include NGOs, authorities, universities, business and industry organizations, the trade union movement, and the like.
  Supporting members are not obliged to publish an action plan and report on progress, but undertake to actively support the initiative, e.g. through contributions with professional knowledge and communication about the initiative.

Ethical Trade Denmark acts as the secretariat for the alliance. The Secretariat supports participants of the alliance through guidance and counseling. Members of Ethical Trade Denmark can participate for free in the alliance, while other participants pay an annual fee.

Participation in the alliance is done by contacting Ethical Trade Denmark's secretariat. Participants in the alliance, who sign up, commit to publish an action plan within six months of joining the alliance.

### Exclusion

Participants who do not fulfill the alliance's obligations to actively support the initiative and the initiative's vision and (for participating companies) to publish an action plan for responsible soy and report progress within the deadlines set out in the alliance's commitments may be excluded.

## Communication

The members of the alliance can communicate that they participate in the Danish Alliance for Responsible Soy, and this means that they support the vision for responsibly produced soy. Participating companies can also communicate that they undertake to publish an action plan and annually report on progress towards the vision. An annual public event is held, taking stock of the alliance's progress



# Monitoring and reporting

The alliance's company participants undertake to publish an action plan for responsible soy, incl. a schedule that describes initiatives to ensure progress towards the vision that all soy imported to Denmark is produced responsibly, including that it does not contribute to deforestation or conversion of other natural vegetation. In addition, the action plan may also contain and highlight participants' initiatives and efforts, that contribute to more sustainable production of soy in a global context.

Thereafter, the company participants are obliged to report once a year to the alliance's secretariat on the company's progress. The reporting takes place confidentially and by completing a questionnaire. The report contains specific information about which tools were used

(certificating, other verification methods, etc.).

Participants' data is collected by Ethical Trade Denmark in an aggregated, anonymized format to protect commercially sensitive data. The secretariat prepares a comprehensive status report, which presents the participants' results and progress toward the vision in an anonymized manner.

The publication of results enables participants to highlight changes and progress over the course of a year, and at the same time acts as a 'roadmap' of steps towards the overall vision.

The annual publication of results obtained from the implementation of the action plan is crucial for the credibility and success of the initiative.

#### Participants in September 2023

#### **Company members:**

























#### Supporting members:



Miliøministeriet

























# Definition of responsible produced soy

Towards 2025, the alliance will work towards a time-bound target that soy in Danish value chains (agriculture, food production, and retail trade) is verified to be deforestation - and conversion-free and responsibly produced by 2025 at the latest. This means that the soy is produced in accordance with the criteria in <u>FEFACs Soy Sourcing Guidelines</u> - including the FEFAC criteria for the protection of natural areas other than forests and that the alliance refers to the definitions under the Accountability Framework.

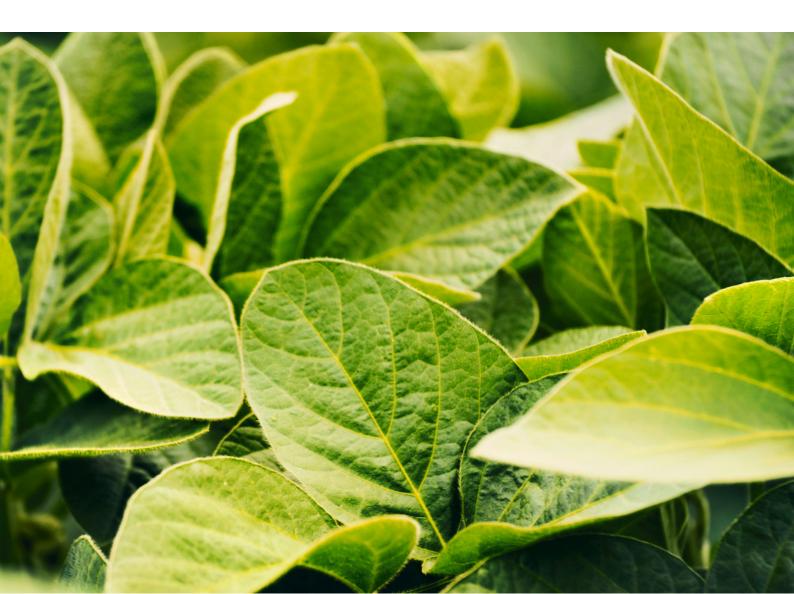
By using FEFAC's criteria as a framework for responsible soy, sustainability requirements are also set that go beyond nature protection and combating deforestation. This applies, among other things, to requirements for responsible working conditions, cultivation methods, and respect for the local population – all areas that help to promote more responsible soy production.

The global soy value chain is complex, with many producers, suppliers, and trading houses operating across countries. The alliance agrees that the target in the short term towards 2025 must be achieved through several different procurement models and not only in separate trade streams, the so-called certified segregated soy. The alliance will assess various procurement models that can be used in the period up to 2025 and set the direction for the period after 2025.

#### Criteria are divided into six areas:

- 1.Legal compliance.
- 2. Responsible working conditions.
- 3. Environmental responsibility.
- 4. Good agricultural practice.
- 5. Respect for legal use of land.
- 6. Protection of community relations.







# Danish Alliance for Responsible Soy

#### **About Ethical Trade Denmark**

Ethical Trade Denmark is the Danish platform for companies and organizations that work for responsible and sustainable trade. The organization brings together businesses- and industry associations, companies, trade union movements, civil society organizations, public institutions, and foundations that will strengthen consideration of climate, environment, and human rights in global value chains.

Ethical Trade Denmark is responsible for the Danish Knowledge Center for sustainable value chains, the Academy for ethical trade, networks, and a number of multi-stakeholder partnerships and alliances, including the Danish Alliance for Sustainable Fisheries and Aquaculture, the Danish Alliance for Responsible Soy, the Danish Alliance for Responsible Palm Oil, and the Danish Alliance for Responsible Coffee, which works among other things, to realize the vision of deforestation-free food imports by 2025.

Ethical Trade Denmark was established as an association in 2008 and has sister organizations in England (1998), Norway (2000), and Sweden (2019).

