



**Dansk Alliance for
Ansvarlig Soja**



The Danish Soy Alliance raises ambitions for the world's forests and natural areas

Since 2019, Danish soy actors across sectors have been working together in the Danish Alliance for Responsible Soy to promote responsible soy production and address the challenges of deforestation, biodiversity and social impacts associated with soy production.

Alliance members have been negotiating for many years for voluntary agreements and most recently for ambitious legislation at EU level. The European Union Deforestation Regulation (EUDR) has just been adopted. It represents a paradigm shift in requiring documentation of responsible supply chains and is a major step towards combating deforestation associated with soy imports into Europe. The regulation has the potential to transform complex global soy value chains by setting common European requirements for traceability.

The Danish Soy Alliance has an ambition that goes further, and therefore a common goal has now been set to work together to stop both deforestation and conversion of other natural areas by 2025.

The Alliance wants Denmark to be a green pioneer and continue to lead the way for a sustainable and just transition of soy value chains. This means that Denmark must take global responsibility and also contribute to the preservation of ecosystems and develop more responsible production methods that invest in the value chain and local communities in soy-producing countries.

The Danish Soy Alliance's new goals for 2025

Since its establishment, the Alliance has worked to promote responsible soy production with a focus on the environment and the use of pesticides, respect for human rights and working conditions, and which, in addition to stopping deforestation, also means that soy production takes place without converting other valuable nature and forests.

Towards 2025, the alliance will raise its ambitions and now sets a clear time-bound goal of working to ensure that the soy used in Danish value chains (agriculture, food production and retail) is verified deforestation and conversion-free by 2025.

Status on the Alliance's work with responsible soy

Since 2020, the companies in the Danish Alliance for Responsible Soy have reported annually on their efforts to transition to more responsibly produced soy. The latest status report from 2022 shows that despite the difficult market conditions, the total volumes of certified soy have increased in the period from 2020 when the Alliance published the first status report.

The last few years have seen an important shift from credits to more physical models for certified soy such as mass balance.

In 2021, the share of certified soy among Alliance members accounted for at least 40% of total Danish soy imports. This is an increase compared to 2020 where it was 33%.



This means that the soy is produced in accordance with the criteria in the FEFAC Soy Sourcing Guidelines - including FEFAC requirements for the protection of natural areas other than forests, and that the alliance refers to the definitions under the Accountability Framework. Using the FEFAC criteria as a framework for responsible soy also sets sustainability requirements that go beyond nature conservation and combating deforestation. These include requirements for responsible working conditions, cultivation methods and respect for local communities - 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 short-term goal of 2025 must be achieved through a variety of sourcing models and not only in separate trade flows, the so-called certified segregated soy. In 2023, the Alliance will assess different procurement models that could be used in the period up to 2025 and set targets for the period after 2025.

The EU deforestation regulation

The European Union's deforestation regulation is a milestone in the work to reduce deforestation risk in a wide range of commodities on the European market. The Danish Soy Alliance calls for the EU legislation, when it is revised, to be extended to include the conversion of other ecosystems. If the EU extends the legislation to include the conversion of other ecosystems, there is a far greater opportunity to influence supply chains than if the requirement only comes from Denmark and a few other countries. The Danish Soy Alliance also calls for the implementation of the legislation to aim for the following:

1. Danish companies and trading houses should continue to be able to engage in trade with difficult, risky areas. We must work to prevent the new EU regulation from leading to an exit from these areas. Solutions should be made jointly with local actors in producer countries and with the involvement of relevant stakeholders in producer countries.
2. The authorities, in collaboration with other relevant actors, should contribute to ensuring that companies, in collaboration with their suppliers, continue to have the opportunity to contribute to the transition of their value chains in ways that lead to real change for the benefit of nature, the climate and the people who depend on soy production and natural resources.

The Alliance will continue the close Danish collaboration across the value chain and seek to develop new models for compliance in a specific geographical 'hotspot' area. This includes a soy value chain project in the MATOPIBA region in Brazil with WWF and Ethical Trade Denmark, which the Alliance is actively participating in with funding from the Danish Ministry of Foreign Affairs. Experiences from the project will be shared with other countries within and outside Europe.