

# ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

## MANAGEMENT REPORT 2018

**RTRS MULTI-STAKEHOLDER  
GLOBAL SOY PLATFORM**

**GLOBAL REACH**

**SUPPLY SUSTAINABLE VALUE CHAINS**

Linking sustainable agriculture and business practices

**LIASON**

**CONTINUOUS IMPROVEMENT**

New production & supply chain certification models

**RTRS COMMUNITY**



# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

Facilitates an inclusive and multi-stakeholder dialogue on responsible soy to stimulate the global evolution towards a more sustainable supply chain.

# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

## RTRS ANNUAL CONFERENCE



**RTRS 2018 ANNUAL CONFERENCE HELD IN LILLE, FRANCE.  
INCLUDED THE PARTICIPATION OF:**



**180**  
delegates



Consumer brands  
including Ahold,  
Arla, Lidl, Mars,  
Nestle, Unilever



NGOs organisations  
including WWF,  
TNC, FVSA, French  
Alliance, Proforest,  
Solidaridad



Trade organisations  
including, Bunge,  
LDC, ADM and  
Cargill



**25**  
countries

A global dialogue for  
action to transform soy  
30-31 May 2018,  
Lille France





# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

## TASK FORCE BRAZIL INSPIRING EXAMPLE TO REPLICATE

**3 meetings in 2018**  
**More than 30 participants each**

### OBJETIVES:

- Hold national discussions
- Engage more participants
- Develop the Brazilian local demand for RTRS certified material
- Improve the RTRS standard
- Attract more benefits to Certified Producers

*"Task Force Brazil takes a very pragmatic view of the future of the responsible soy production market and its certification. It is a stakeholder meeting that will help build part of the sustainable strategies that will be in place in the medium and long term."*

**Luiz Iaquina**, Fazendas Bartira.

**29 organizations**



### HOST MEMBERS:



# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

## NEW MEMBERS

**METRO**



**Metro AG, Quorn Foods, Salmon Food  
and Fundación ProYungas joined RTRS.**

## 174 MEMBERS

RTRS prompts its members to reaffirm their commitment to the organization and its mission, and incorporated new supporters.



# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

## "COLLABORATIVE SOY INITIATIVE", CONVENED BY RTRS.

2018 saw RTRS continue its work to maintain a productive dialogue across the whole soy supply chain, in order to **collectively master the challenge of achieving scale in responsible soy products globally**. Building on the inaugural meeting on this subject: a multi-stakeholder, partnership event called **'Syntegration'** (held in January 2016). RTRS convened further meetings in August and November 2018, where the creation of a preliminary Steering Committee was established to advance the work of Syntegration; this Steering Committee developed the basic outlines of the **"Collaborative Soy Initiative"**, convened by RTRS. This initiative aims to inform, initiate and facilitate synergies of actions for 100% Sustainable Soy.

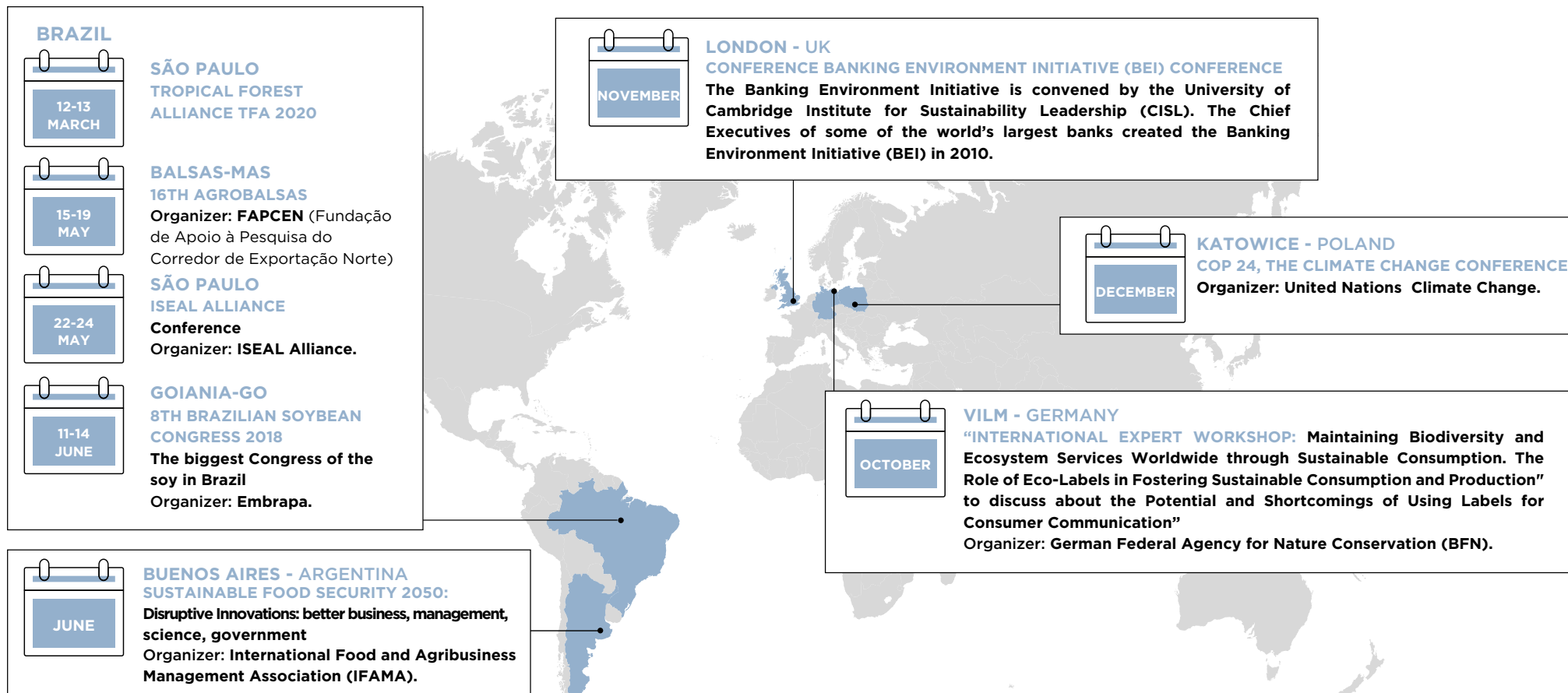






# RTRS MULTI-STAKEHOLDER GLOBAL SOY PLATFORM

## GLOBAL DIALOGUE





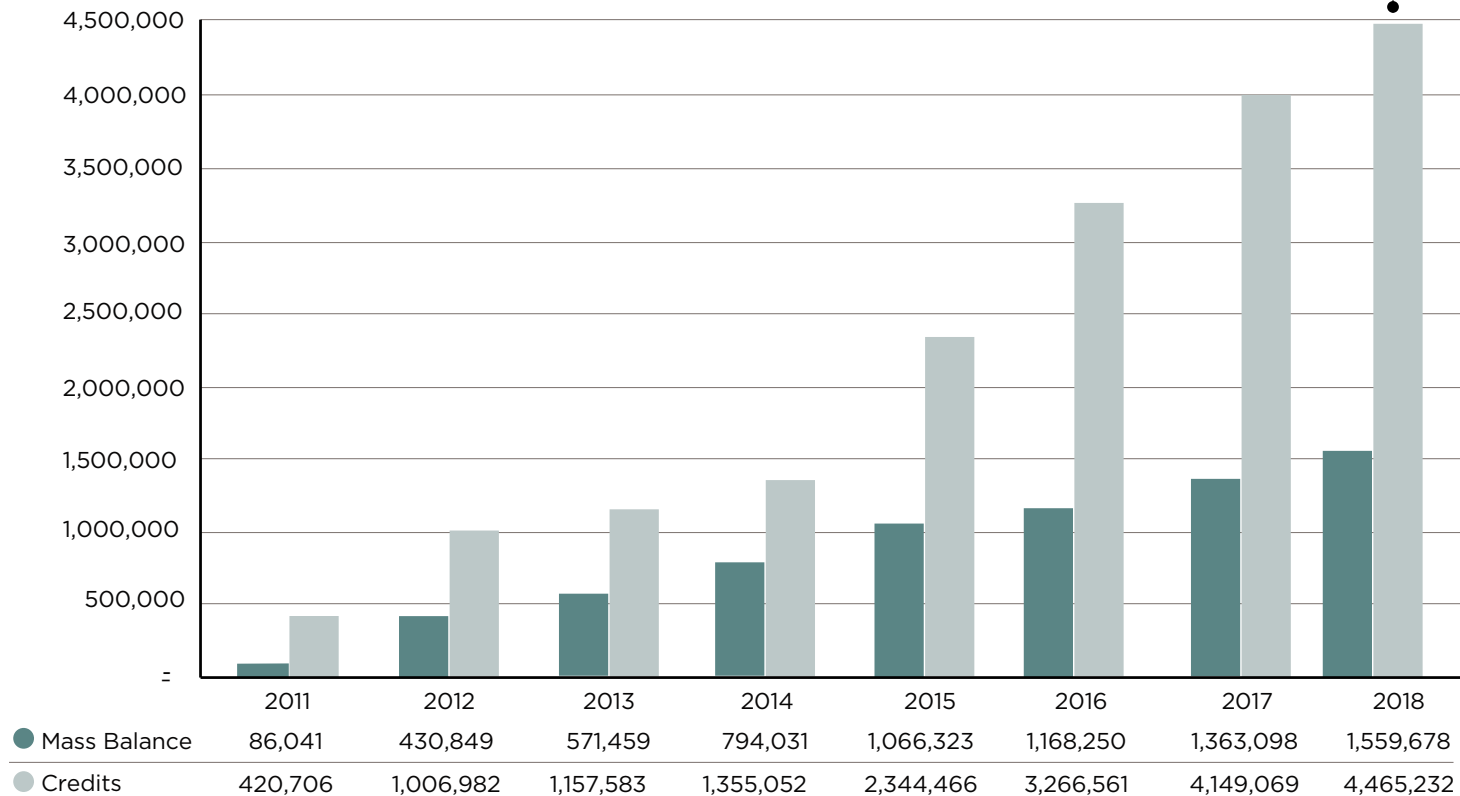


# GLOBAL REACH

## TONS

CREDIT & MASS BALANCE  
PRODUCTION

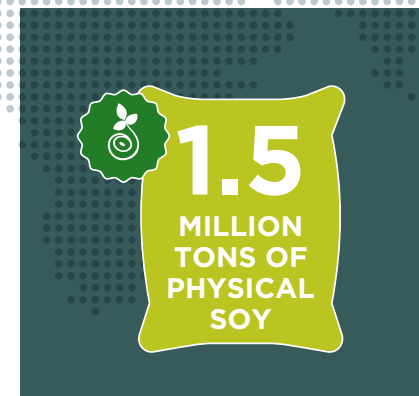
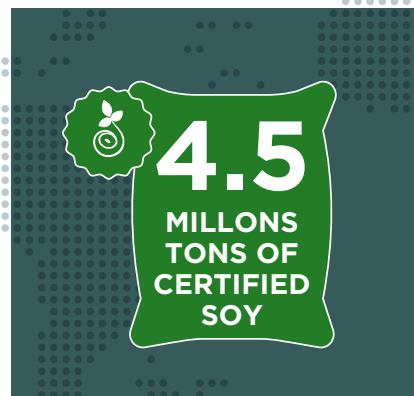
**2018** **+8%**  
IN CERTIFIED PRODUCTION  
VS. 2017



Out of the **4.5 millions** tons of certified production,  
**1.5 millions tons** were Mass Balance

# GLOBAL REACH

## RTRS PRODUCERS



**WERE GLOBALLY PRODUCED**

# GLOBAL REACH

## CERTIFIED PRODUCTION



### TOTAL TONS PER COUNTRY vs. 2017

Brazil: <b>3.886.465</b>	<b>↑ +10%</b>
Argentina: <b>373.514</b>	<b>↓ -31%</b>
Paraguay: <b>109.354</b>	<b>↑ +35%</b>
China: <b>53.450</b>	<b>=</b>
India: <b>17.741</b>	<b>↓ -61%</b>
USA: <b>13.188</b>	<b>=</b>
Uruguay: <b>11.520</b>	<b>↑ +63%</b>
Mozambique: <b>950</b>	<b>=</b>

This growth in the RTRS certified production (8%), which follows the pattern of recent years, demonstrates the producers' commitment to soy that meets global requirements and standards of environmental and social certification.

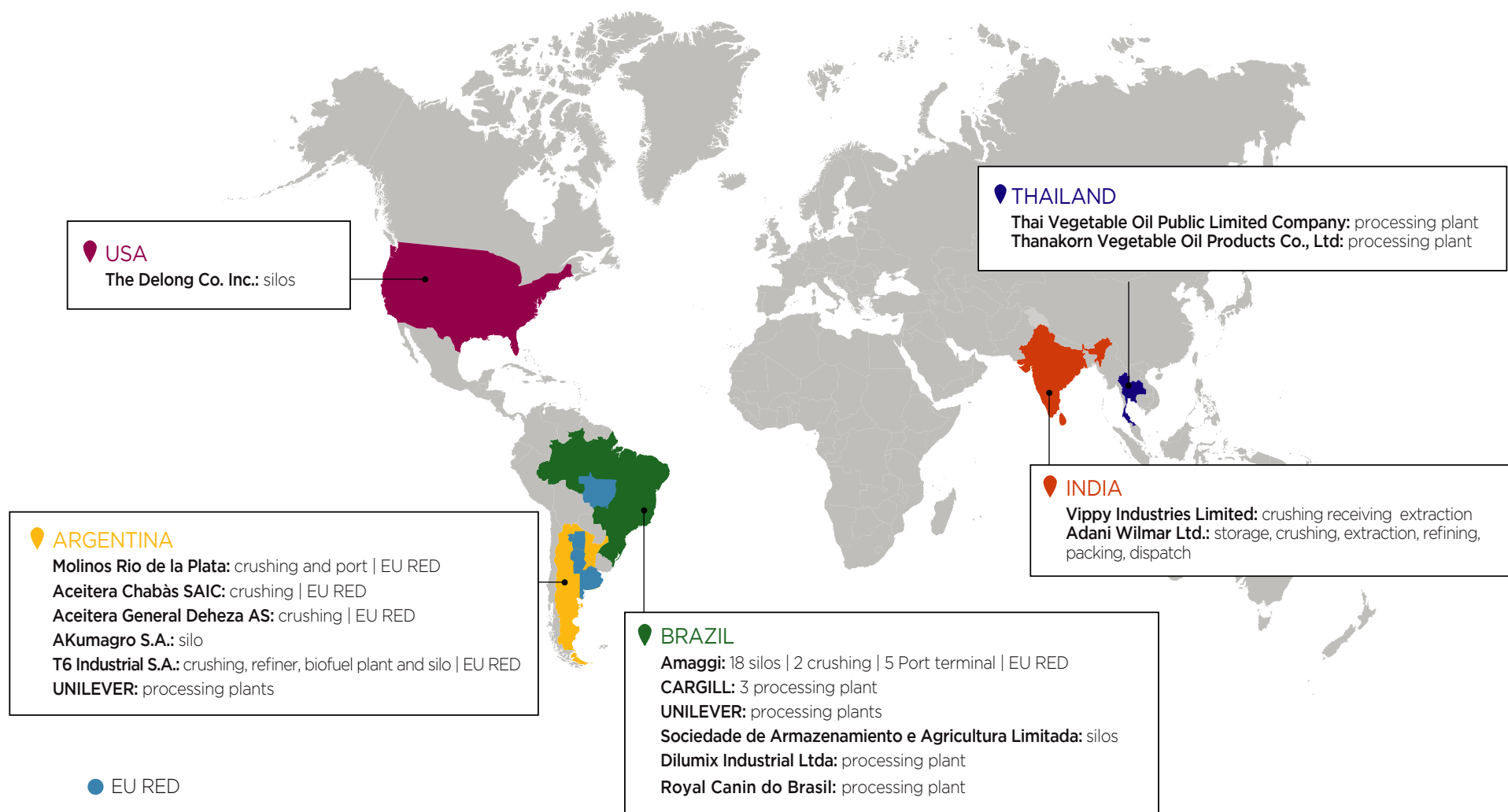
On the other hand, the decrease in certification in Argentina (31%) and India (61%) is explained by a drop in the demand for RTRS certified material from these areas of the globe, on one hand, and by local, economic and climatic issues, which has led to some cases of discontinued or suspended certification.





# GLOBAL REACH

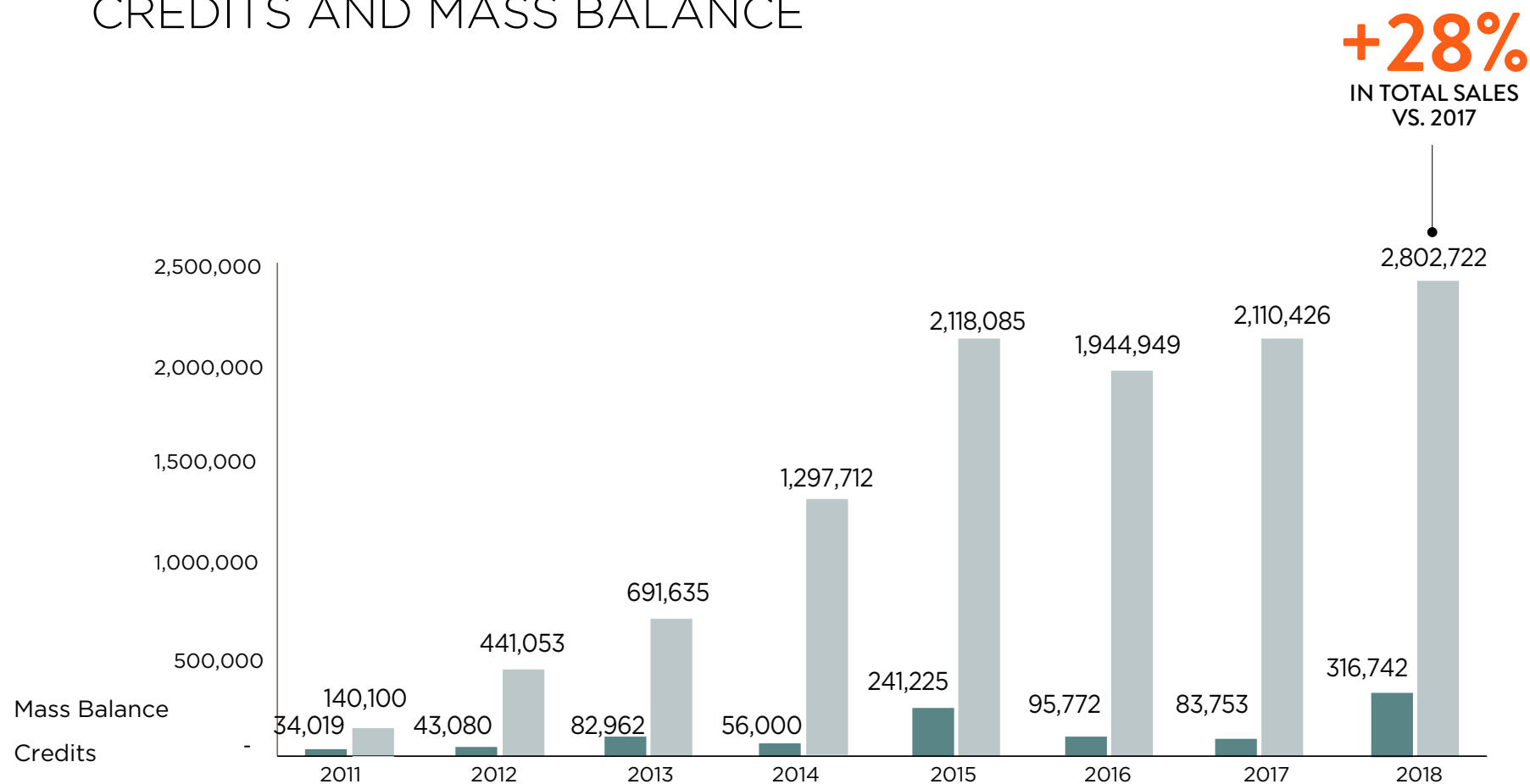
## RTRS CHAIN OF CUSTODY CERTIFIED



# GLOBAL REACH

## SALES EVOLUTION PER YEAR (TONS)

CREDITS AND MASS BALANCE



Mass Balance sales represented the  
**11% OF THE TOTAL SALES**

# GLOBAL REACH

## SALES EVOLUTION PER YEAR (TONS)

MASS BALANCE

**+278%**

IN TOTAL SALES OF  
MASS BALANCE 2018 VS. 2017



PET NUTRITION SPECIALIST ROYAL CANIN BRAZIL (MARS) ALSO COMMITTED TO RTRS FOR THE FIRST TIME WITH A PURCHASE OF **2.400 TONS OF MASS BALANCE**. FOR ITS PART, **BUNGE IBERICA** PURCHASED **165,000 TONS RTRS CERTIFIED PHYSICAL SUPPLY**.



**THAI MARKET:**  
THAI VEGETABLE OIL PLC AND THANAKORN VEGETABLE OIL PRODUCTS PURCHASED **15,000 TONS OF RTRS CERTIFIED SOY** EACH.

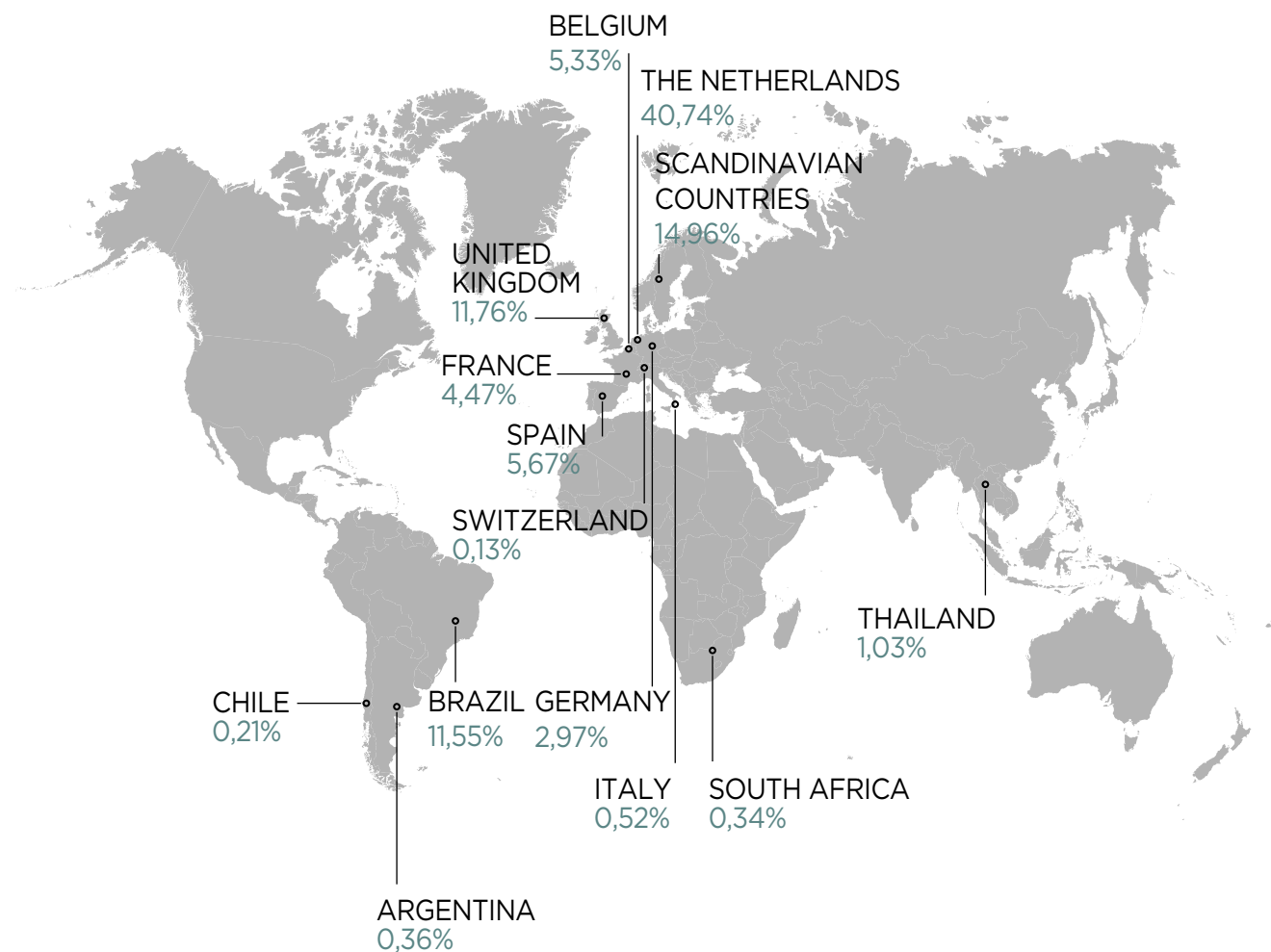




# GLOBAL REACH

## SALES PER COUNTRY

COUNTRIES THAT PURCHASE RTRS SOY



The Netherlands	40,74%
Scandinavian Countries	14,96%
United Kingdom	11,76%
Brazil	11,55%
Spain	5,67%
Belgium	5,33%
France	4,47%
Germany	2,97%
Thailand	1,03%
Italy	0,52%
Argentina	0,36%
South Africa	0,34%
Chile	0,21%
Switzerland	0,13%

<b>TOTAL</b>	<b>100,00%</b>
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# SUPPLY SUSTAINABLE VALUE CHAINS

Linking sustainable agriculture and business practices

# SUPPLY SUSTAINABLE VALUE CHAINS

## 2018 LEADING PURCHASERS OF RTRS CERTIFIED MATERIAL\*

### BRANDS AND RETAILERS



237k credits +  
71k Mass Balance



270k



211k



47k



Ahold  
Delhaize

46k

MARS

45k credits +  
2.4k Mass Balance

### FEED INDUSTRY



295k



200k



135k

### TRADERS AND RESELLERS



1.3 M



385k



376k

\*Numbers based on the annual purchases of buyers in a single calendar year.



# SUPPLY SUSTAINABLE VALUE CHAINS

**Lidl Stiftung & Co. KG**, reinforced their commitment to supporting soy farmers in Maranhão and Piauí by purchasing **211,000 RTRS direct trade credits**. By tripling the amount of credits purchased (in comparison with 2017), **Lidl has covered the soy footprint of several European countries, including the UK**, which announced their commitment to the programme in 2018.



*"We're delighted to see that our initiative is having a positive impact. In order to scale up the success of responsible soy in global supply chains we think that the involvement of all supply chain actors is important".* **Stefan Haensel**, Head of Corporate Social Responsibility Lidl.



# SUPPLY SUSTAINABLE VALUE CHAINS

## 25 NEW BUYERS

Of RTRS certified soy including **Inter IKEA Group**, **Sligro** and **Bunge Spain**, from 11 countries/territories represented.

This **25 new buyers** purchased 250k tons of RTRS material, 197k RTRS physical flow.



# SUPPLY SUSTAINABLE VALUE CHAINS



First **1,280 RTRS non-GMO Credits** purchase from Brazil to Scandinavians **Skånemejerier AB** (Dairy company located in the south of Sweden) and **Unil As** (Subsidiary of NorgesGruppen AS, the Norwegian market leader in the convenience, retail and food services market. Unil develops and delivers private labels to NorgesGruppen).

*"We are proud and happy to make this commitment, which will strengthen the focus on non-GMO production and support producers in Brazil's Cerrado region who operate in compliance with RTRS principles and criteria".* **Jeanette Flodqvist**, Corporate Sustainability Manager at Skånemejerier.

*"Unil is very proud to be among the first buyers of RTRS non-GMO credits. Considering Norway's strong non-GMO focus, as well as Unil's deforestation policy, it was a natural step for us to support and promote a responsible market for non-GMO soy farming in the vulnerable regions of the Brazilian Cerrado. We are very happy that RTRS now makes this possible".* **Julie Haugli Aarnæs**, Sustainability Manager at Unil AS.







**LIAISON**

# LIAISON

## RTRS AND PRODUCE, CONSERVE AND INCLUDE STRATEGY TOOL



Global attention has been focused on the Mato Grosso region of Brazil since the 2015 UN Climate Change conference. This led to the creation of the **Produce, Conserve and Include (PCI) Strategy** in 2018 in Brazil; **RTRS** was approved as one of the tools under the **PCI strategy** – a significant step forward, and ensuring that RTRS is embedded at the heart of work in the region.



# LIAISON

## AMSTERDAM DECLARATIONS PARTNERSHIP

Two recent reports on certification standards by Mekon Ecology and Thunen in support of the **Amsterdam Declarations Partnership** – the initiative of European countries working towards eliminating deforestation from agricultural and commodity, trade and signed by Denmark, France, Germany, Italy, the Netherlands, Norway and the United Kingdom – observed that RTRS ensures zero deforestation soya production and is transparent in its certification of production.

### THE OUTCOME

While many schemes – such as those included in **the FEFAC Soy Sourcing Guideline** – do offer positive progress towards sustainable soy sourcing, only a small number meet the deforestation-free goals of the AD Partnership. The RTRS Zero Deforestation and Zero Conversion Production Standard has been identified as one of the schemes that best meets the requirements.





# LIAISON

## UK ROUNDTABLE ON SUSTAINABLE SOYA

The UK Roundtable on Sustainable Soya was successfully launched on March, in London. The Roundtable saw representation from a wide range of sectors, and across the supply chain from leading UK retailers to soya traders.

The definition of 'deforestation-free' soya was considered critical and needs to reflect land use conversion beyond forests, as well as the need to strive for simple, practical solutions, and discussed alternative approaches including certification and jurisdictional or regional sourcing.

RTRS and the UK Roundtable on Sustainable Soya engaged during 2018 starting with the UK Roundtable on Sustainable Soya participating in the RTRS Annual Conference, RT13 in Lille, France. Afterwards, RTRS participated in benchmarking and communication activities such as complementary webinars sharing RTRS supply chain certification models, its latest work and developments.





# LIAISON

## BAYER AND RTRS RENEW THEIR GLOBAL PARTNERSHIP

RTRS renewed its global partnership with Bayer in 2018, with a range of initiatives to advance the cause of responsible soy. From a Global Agreement, in Brazil Bayer engaged with a group of eight cooperatives in Brazil that represents the **11% of Brazilian Agribusiness GDP** and in **Argentina launched new training meetings together with Aapresid-ASC and RTRS**, both initiatives **with the aim of encouraging soy producers to certify RTRS.**

### BRAZIL

**50** certified farms  
**125.770** hectares  
**333.712** tons

This has been an effort by farmers from Cooperative Comigo, cooperatives from Goiás, Agrária, Paraná; and farmers of Produzindo Certo initiative, in partnership with Aliança da Terra, Unilever and Santander

### ARGENTINA

**6** training meetings  
**80** farmers from Buenos Aires, Santa Fe, Córdoba and Tucumán.  
Representing more than  
**350.000 hectares.**



**COMIGO:**  
FIRST GROUP OF ASSOCIATES CERTIFIED  
IN 2018



**FAZENDA NUESTRA SRA. APARECIDA**  
GOIÁS



# LIAISON

## RECOGNISING THE FULL VALUE OF CERTIFICATION

During 2016-2018 period, **BASF** and **Amaggi** sponsored a study to assess benefits and positive impacts of RTRS certification in certified soy farms in Brazil.

This study was conducted by **Espaço ECO® Foundation**, a public interest non-governmental organization, set up in 2005 by BASF that provides consultancy services and develops tailor-made projects to optimize clients' results, evaluating and assessing economic, environmental, and social impacts of products or processes. In order to fulfill this purpose, **Espaço ECO® Foundation** use qualitative and quantitative scientific methodologies based on Life-Cycle Assessment.

In 2018, the quantitative study' stage delivered the following main outcomes and conclusions:

- A framework to a RTRS roadmap towards the development of a **Monitoring & Evaluation (M&E) system** that will allow RTRS to systematize soy value chain's information (currently available through data collection and data analytics).
- A data collection tool of certified farms which will allow to feed any kind of calculation tool and measure RTRS' impact indicators (including GHG).



# LIAISON

## RTRS IS PART OF THE PILOT PROJECT ON THE OECD-FAO GUIDANCE FOR RESPONSIBLE AGRICULTURAL SUPPLY CHAINS



Food and Agriculture  
Organization of the  
United Nations



**The pilot project will provide RTRS with the opportunity to evaluate their own practices against the OECD-FAO Guidance recommendations and identify opportunities to strengthen due diligence and responsible sourcing in the supply chain.**

Participants will help define good practices in managing supply chain risks at an international level. The pilot project provides a 'safe space' for collaborative peer learning with other participants about the key issues and challenges companies face regarding responsible sourcing in agricultural supply chains.





# **CONTINUOUS IMPROVEMENT**

New production & supply chain certification models



# CONTINUOUS IMPROVEMENT

↑28%

RTRS CERTIFIED  
MATERIAL SALES

↑8%

CERTIFICATION

↑278%

MASS BALANCE  
SALES

25

NEW BUYERS

4

NEW MODULES!

RT13

ANNUAL CONFERENCE  
**180** ATTENDEES  
**25** COUNTRIES

"COLLABORATIVE SOY  
INITIATIVE"

CONVENED BY RTRS



# CONTINUOUS IMPROVEMENT NEW PRODUCTION & SUPPLY CHAIN CERTIFICATION MODELS

**To respond to market demand and offer a greater level of choice to buyers eager to embrace responsible soy.**

## The new modules are:

### COUNTRY MATERIAL BALANCE

Created to keep on adding value to the certification of the soy production facilitating the physical flow of RTRS soy to the market from within a specific country.

Streamlining the process of mass balance from multiple operators in a single country.

Offering one single accounting system for multiple certified facilities.

### RTRS NON-GMO CREDITS

Offering guaranteed non-GMO credits to the market.

Enabling the market to support the responsible production of non-GMO soy through the purchase of RTRS non-GMO credits, but not physically obtain, the non-GMO soy production.

### RTRS REGIONAL CREDITS

Allowing RTRS credit buyers to specify region or country.

Enabling RTRS credit buyers to support local farmers. Focus market benefits to foster and scale up certification in certain areas.

### RTRS NON-PARAQUAT CREDITS

Offering guaranteed non-Paraquat credit to the market.

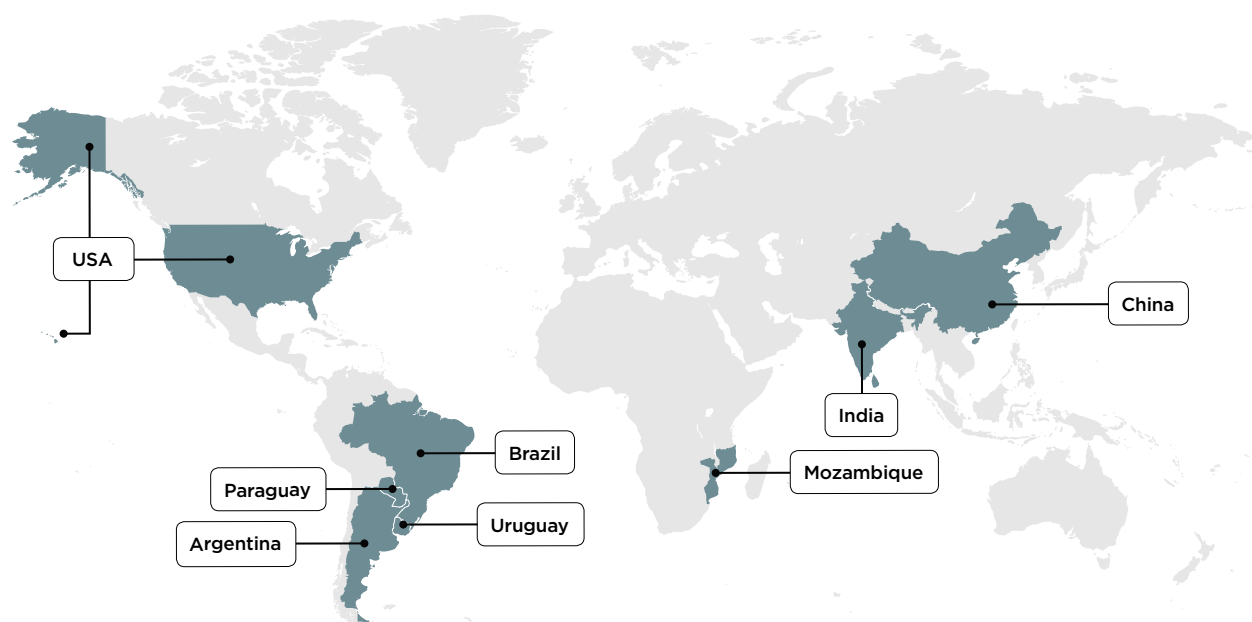
A 'bridge' to the total phase-out of Paraquat by RTRS producers in 2021.



# CONTINUOUS IMPROVEMENT NEW PRODUCTION & SUPPLY CHAIN CERTIFICATION MODELS

## REGIONAL CREDITS

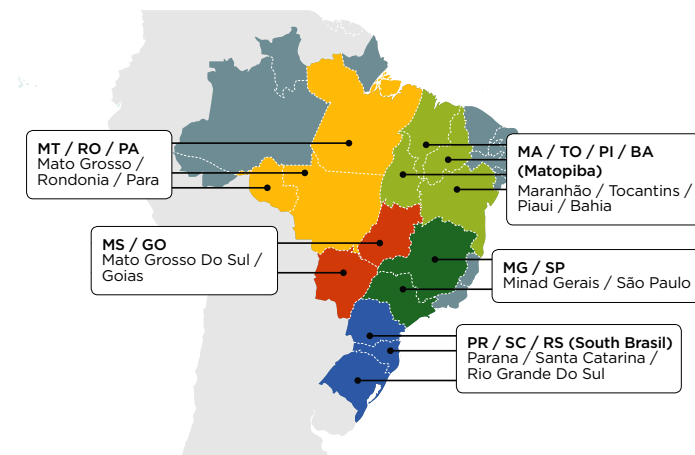
RTRS REGIONAL CREDITS GLOBAL MAP



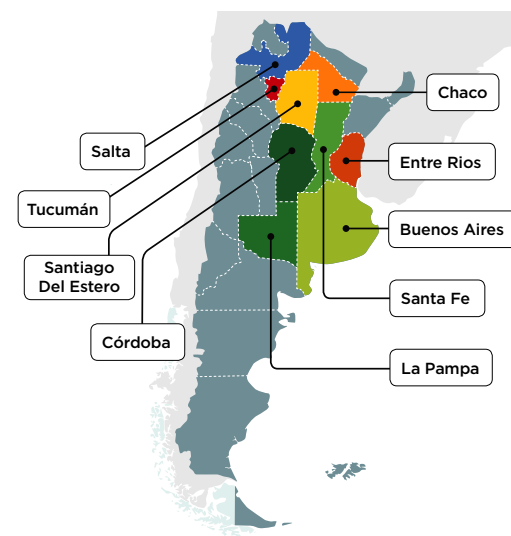
### THE REGIONAL CREDITS APPROACH CAN:

- **contribute to farmers within a specific region**, by responsible production.
- **connect and build dialogue between supply** (farmers) **and demand** (traders, brand owners, retailers), thus contributing to a possible transition from regional credits to regional physical soy uptake.
- **helps organizations** make a very focus contribution to good agricultural practices and the conservation of forests and other natural lands in soy producing countries at regional/jurisdictional level.

REGIONAL CREDITS, BRAZIL REGION



REGIONAL CREDITS, ARGENTINA



# CONTINUOUS IMPROVEMENT NEW PRODUCTION & SUPPLY CHAIN CERTIFICATION MODELS

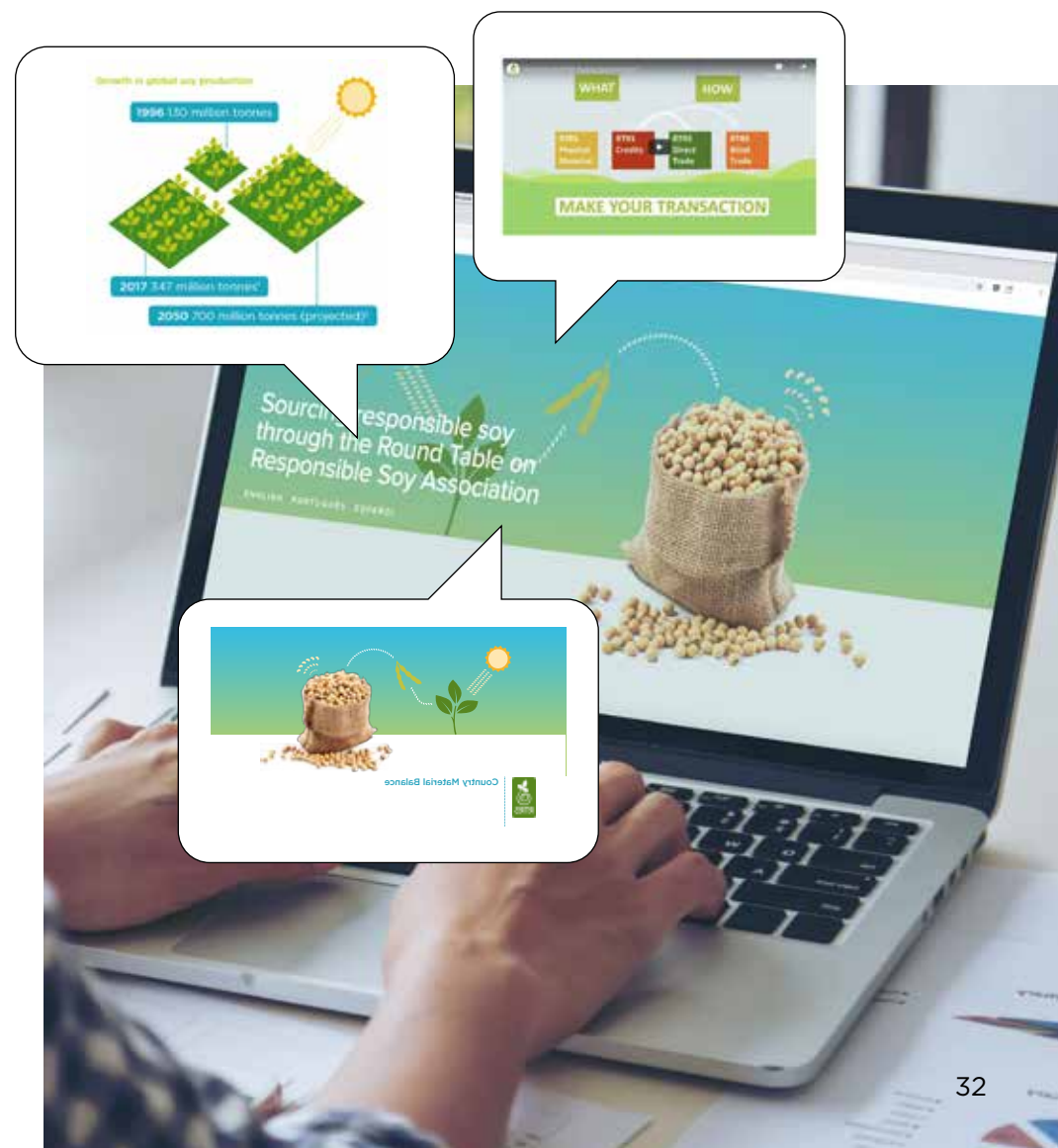
## RTRSMODULES.ORG

RTRS launched [www.rtrsmmodules.org](http://www.rtrsmmodules.org)

- INFOGRAPHICS
- VIDEOS
- GUIDELINES

Find out more about the RTRS modules

*“This is the first time since its inception that RTRS has launched new models of supply chain certification, allowing us to add to the sustainability objective of the market. By making these different options available to the market we provide solutions to the individual needs of businesses”, says **Marcelo Visconti**, RTRS Executive Director.*





# CONTINUOUS IMPROVEMENT NEW PRODUCTION & SUPPLY CHAIN CERTIFICATION MODELS

## WHY NEW MODELS?

- Ensure greater transparency and increased uptake along the soy industry food chain.
- Products aim to foster the transition towards better and more sustainable sourcing.
- Provide further tools for the responsible soy market and help facilitate conditions that increase the size and impact of sustainable soy on a global basis.



**RTRS's ongoing “commitment to continuous improvement” that involves offering options to meet market demand.**



# CONTINUOUS IMPROVEMENT

## WORKING TO APPLY TO ISEAL'S MEMBERSHIP

As a multi-stakeholder platform for developing and promoting definitions for responsible soy production, processing, trading and consumption with criteria that addresses economic, social and environmental issues embodied in RTRS Standards through its Principles, Criteria, Indicators, and Verification & Accreditation System, RTRS started to work on a programme of activities to be implemented during 2019, that will enable the organisation apply to become a member of ISEAL; the global membership association for credible sustainability standards.

ISEAL's mission is to strengthen sustainability standards systems for the benefit of people and the environment. ISEAL helps to increase the effectiveness and efficiency of sustainability standards by providing guidance and expertise on credible standard-setting, assurance and impacts. Membership is open to sustainability standards systems that are committed to our Credibility Principles and comply with the ISEAL Codes of Good Practice.



RTRS expressed its commitment to ISEAL in June 2010, when it joined as a subscriber. RTRS considers the next step, membership of ISEAL, to be a public demonstration that the work it does is in line with the ISEAL's stringent codes, demonstrating transparency along all RTRS's value chain actors.



# CONTINUOUS IMPROVEMENT

## RTRS BIOFUEL SPECIFIC MODULE UPDATED

RTRS has updated the technical documents related to RTRS biofuel specific module (RTRS EU RED Module), in compliance with the sustainability criteria of Directive 2009/28EC.

In 2018 four producers (three from Argentina and one from Brazil) certified RTRS EU RED. This allows them to sell physical soy to Europe that complies with the regulations of the European Commission for Biofuels.

**Among the soy certification systems approved by FEFAC, RTRS and ISCC are the only EU-approved schemes for compliance with the EU Renewable Energy Directive. This approval provides RTRS-certified producers access to the EU biofuel market.**



During 2018, and early 2019, there was a significant growing options in the demand of European soybean traders for the RTRS EU RED.



# CONTINUOUS IMPROVEMENT

## SUSTAINABILITY IN THE AQUACULTURE INDUSTRY

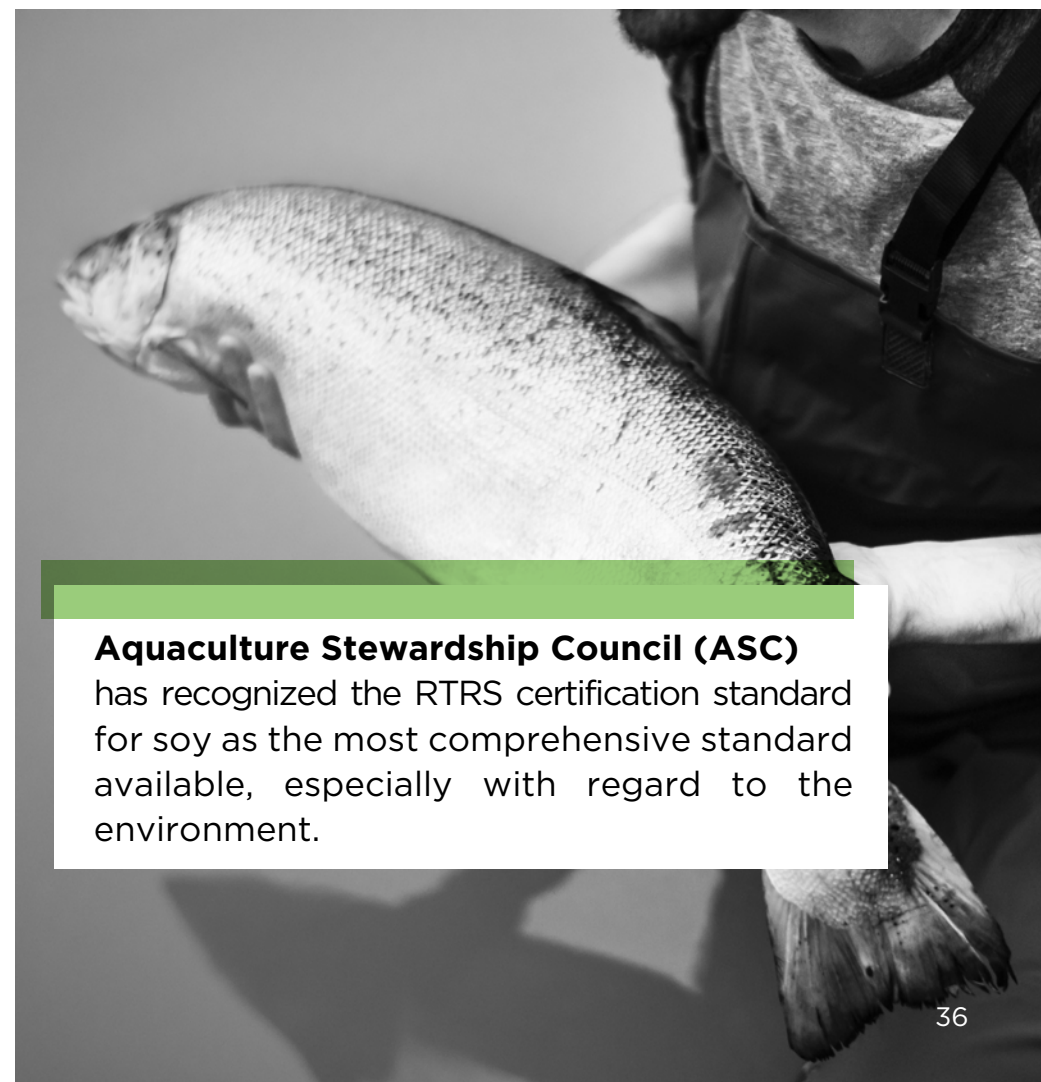


## WORKSHOP IN CHILE 50 participants

### OBJETIVES:

- Incorporating RTRS principles and criteria into salmon value chains to promote sustainable soy and comply with the requirements of the Aquaculture Stewardship Council (ASC).

*"We are driven by these types of initiatives, as they allow us to raise awareness about sustainability in the production process. Soy is also a crucial ingredient in the salmon diet; that is why we must ensure that all management is sustainable". Ernesto Passalacqua, Commercial Manager of Salmofood.*



### Aquaculture Stewardship Council (ASC)

has recognized the RTRS certification standard for soy as the most comprehensive standard available, especially with regard to the environment.





# CONTINUOUS IMPROVEMENT

## TRAINING COURSES

Chain of  
Custody course  
in Thailand:  
**59**  
attendees



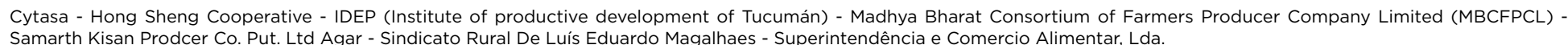
Group Manager and  
Production Standard  
course in Brazil:  
**21** attendees





**RTRS COMMUNITY**

## RTRS MEMBERS







# RTRS

## EXECUTIVE BOARD

### INDUSTRY, TRADE & FINANCE

**BELINDA HOWELL** (Vice-president)

Retailers' Soy Group

UNITED KINDOM

**CHRISTOPHE CALLU MÉRITE**

Feed Alliance - FRANCE

**JOCHEM BOUWMEESTER**

Rabobank

THE NETHERLANDS

**LIEVEN CALLEWAERT**

Alliance 4 Soy

THE NETHERLANDS / BELGIUM

**JORN SCHOUTEN**

ACT Commodities

THE NETHERLANDS

### PRODUCERS

**MARINA BORN**

(President)

CALDENES AGROPECUARIA S.A.

ARGENTINA

**JULIANA DE LAVOR LOPES**

(Vice-president)

Amaggi - BRAZIL

**ALEJANDRO O'DONNELL**

(Treasurer)

Aapresid - ARGENTINA

**GISELA REGINA INTROVINI**

FAPCEN - BRAZIL

### CIVIL SOCIETY

**ULISES JAVIER MARTINEZ ORTIZ**

(Vice-president)

Fundación Vida Silvestre Argentina

ARGENTINA

**PRAMEL GRUPTA**

Vrutti - INDIA

**OSWALDO CARVALHO**

Earth Innovation Institute - BRAZIL

**DARCI GETULIO FERRERINI**

Amigos da Terra - BRAZIL

**HERNAN ZUNINO**

TNC - ARGENTINA

### RTRS SWITZERLAND

**INGRID KORN**

Administration Officer

### EXTERNAL CONSULTANTS

**ARIANE LOUWAEGE**

RTRS External Consultant in Europe

**CID SANCHES**

RTRS External Consultant in Brazil

### EXECUTIVE SECRETARIAT

**MARCELO VISCONTI**

Executive Director

**LAURA VILLEGAS**

Communication Officer

**DANIEL KAZIMIERSKI**

Technical Unit Officer

**ANA ANDREANI**

Technical Unit Analyst

**MARIANA AGUILAR**

Communication Analyst

