

FEFAC

SOY

SOURCING

GUIDELINES



JUNE 2016 TOWARDS A MAINSTREAM TRANSITION TO RESPONSIBLE SOY



FEFAC

ABOUT FEFAC

The European Feed Manufacturers' Federation (FEFAC) represents the European compound feed industry at the level of the European Institutions. FEFAC consists of 25 national associations in 24 EU Member States (full members) as well as associations in Switzerland, Turkey, Norway, Serbia and Russia (observer / associate members)

Besides feed safety, feed quality, market access and innovation, the issue of sustainability is high on the agenda. FEFAC is committed to improving the sustainability of resource efficient livestock production systems. One of the projects in which this commitment is materialised is the work on responsible soy, as set out in the FEFAC Roadmap on Responsible Soy. The Soy Sourcing Guidelines, Verification Requirements and Benchmark tool are part of this Roadmap.



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INTRODUCING THE FEFAC SOY SOURCING GUIDELINES

The FEFAC Soy Sourcing Guidelines are developed to contribute to a mainstream transition towards responsible soy. The goal of the Guidelines and the accompanying benchmark system is to provide transparency to market operators interested in purchasing responsible soy and to give suppliers and farmer organisations an incentive to develop their own approach for responsible soy cultivation together with their farm base.

Scope

The Guidelines are essentially a professional recommendation and not a new standard. They are used to evaluate existing and newly developed responsible soy schemes. The Guidelines are a comprehensive set of requirements, reflecting what FEFAC considers to be the criteria for any scheme that claims to supply responsible soy. The Guidelines comprise 37 essential and 22 desired criteria segmented as follows: legal compliance, responsible working conditions, environmental responsibility, good agricultural practices, respect for land rights and maintaining good community relations. Also verification requirements are defined.

Both the guidelines and the verification requirements can be found in the proceedings of this document.

Benchmark system

To transparently verify whether a responsible soy scheme meets the Guidelines criteria, FEFAC together with ITC (the International

Trade Centre, a UN/WTO organization), developed an online benchmarking platform (www.standardsmap.org/fefac). If all essential and at least 5 desired criteria of the Guidelines are included in a certain scheme and the verification requirements are met, this scheme is regarded as being compliant with the Guidelines. The approved schemes can be found on the online benchmarking platform. Over time, the FEFAC Guidelines will become stricter to encourage continuous improvement.

Verification

FEFAC has not only listed a number of social and environmental items that have to be addressed in soy programmes or schemes, but also a number of verification requirements to ensure that these criteria are indeed met in practice. In its verification requirements, FEFAC makes a distinction between certification whereby an independent third party audits all farmers and other approaches including first and second party verification. However, FEFAC does require the presence of an accredited independent

The FEFAC Soy Sourcing Guidelines are an important initiative to support a transition towards responsible soy in a commodity environment.

third party in such situations to check whether the internal control system or other verification mechanism is likely to lead to credible results.

It is important to notice that in the end the standard owner or company is responsible for its own responsible soy programme. FEFAC can - via ITC - assess whether the procedures for verification are in order and likely to lead to credible results, but will not send its own auditors into the field. When there is information that compliant schemes are not performing well, this information will be taken into account. It is crucial for FEFAC that only credible approaches are approved.

The verification requirements can be found on page 27 and 29.

Chain of custody

FEFAC has not included requirements for the chain of custody in its Guidelines because this is beyond the scope and mandate of FEFAC to do so. However, FEFAC considers it important to stress that eventually a mainstream transition towards responsible soy can only be realised in the physical supply chain in close cooperation with all supply chain partners. This means that in the longer term, area mass balance and mass balance should be considered as preferred supply chain models.

Although FEFAC understands and acknowledges the importance of the Book & Claim supply chain model to raise demand for and production of responsible soy in the short term, it wants to emphasize that there should always be a clear link between the sourcing country and the efforts of market parties to make soy production more responsible. FEFAC considers it undesirable when certificates are bought from farmers in one country in order to use the sustainability claim for soy from another country. Therefore, it is recommended to buy physical soy from the same country as where the Book & Claim certificates are issued.

It is relevant to emphasize that FEFAC does not mean to interfere in any way with the rules, regulations and procedures of the individual standard. All measures have to be taken to avoid counting the same soy twice as being 'produced responsibly'.





I. LEGAL COMPLIANCE

According to FEFAC, compliance with the relevant legislation is the first step towards responsible soy production. Most soy producing countries have a comprehensive legislative framework including several (ratified) international conventions. However, compliance with the relevant national and local legislation is often a problem due to lacking inspection capacity and limited incentives to comply with legislation. Verification of compliance with the law - and all other items - is therefore very important in FEFAC's approach.

Criterion II: The producer is aware of the applicable laws and applicable laws are being complied with.

ESSENTIAL CRITERIA

IMMEDIATELY 1 Awareness of responsibilities according to applicable laws can be demonstrated.

IMMEDIATELY 2 Applicable laws are being complied with.



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2. RESPONSIBLE WORKING CONDITIONS

The main criteria under this principle are directly derived from the core ILO-conventions, supplemented with criteria on worker health and safety. It is very important that all workers in soy production can perform their work in a safe and healthy manner and are fairly compensated for their work. Fundamental human rights need to be protected at all times and workers need to be able to organise themselves and perform collective bargaining on behalf of others.

Criterion 2.1 Child labour, forced labour, discrimination and harassment are not engaged in or supported.

ESSENTIAL CRITERIA

- IMMEDIATELY **3** No forced, compulsory, bonded, trafficked or otherwise involuntary labour is used in any stage of production.
- IMMEDIATELY **4** Children under 15 (or a higher age as established in national law) do not carry out productive work. Young workers (15-18) must not undertake hazardous work that jeopardizes their health and welfare.
- IMMEDIATELY **5** There is no engagement in, support for, or tolerance of any form of discrimination.
- IMMEDIATELY **6** Workers are not subject to corporal punishment, mental or physical oppression or coercion, verbal or physical abuse, sexual harassment or any kind of intimidation.
- IMMEDIATELY **7** No workers of any type are required to lodge their identity papers with anyone, unless required by law.

IMMEDIATELY 8 The work week shall be set according to local and national laws, shall be consistent with local industry standards, and shall, at maximum, not routinely exceed 48 hours per week (not including overtime).

IMMEDIATELY 9 Overtime is always voluntary and should be paid in accordance to local and national laws or sector agreements.

DESIRED CRITERIA

WITHIN ONE YEAR 10 Overtime in excess of 12 hours per week is only allowable if it happens in extraordinary, limited periods where there are time constraints or risks of economic loss and where conditions regarding overtime in excess of 12 hours per week have been agreed between workers and management.

IMMEDIATELY 11 All workers receive equal remuneration for work of equal value, equal access to training and benefits and equal opportunities for promotion and for filling all available positions.

Criterion 2.2 A safe and healthy workplace is provided for all workers.

ESSENTIAL CRITERIA

IMMEDIATELY 12 A safe and healthy workplace is provided for all workers, this includes at least access to safe drinking water, basic sanitary facilities and protective equipment.

IMMEDIATELY 13 Potentially hazardous tasks are only carried out by capable and competent people, who received training about performing those tasks safely.

IMMEDIATELY 14 Adequate and appropriate protective equipment and clothing is provided and used in all potentially hazardous operations.

IMMEDIATELY 15 Medical treatment / first aid shall be provided without delay and first aid kits are present at all permanent sites and in the vicinity of fieldwork.

DESIRED CRITERIA

WITHIN ONE YEAR 16 Producers and their employees demonstrate an awareness and understanding of health and safety matters. Relevant health and safety risks are identified, procedures are developed to address these risks by employers, and these are monitored.

WITHIN ONE YEAR 17 There is a system of warnings followed by legally-permitted sanctions for workers that do not apply safety requirements.

WITHIN ONE YEAR 18 Accident and emergency procedures exist and instructions are clearly understood by all workers.

Criterion 2.3 There is freedom of association and the right of collective bargaining for all workers.

ESSENTIAL CRITERIA

IMMEDIATELY **19** There is the right for all workers to establish and/or join an organization of choice.

IMMEDIATELY **20** All workers have the right to perform collective bargaining.

DESIRED CRITERION

IMMEDIATELY **21** The effective functioning of such organizations is not impeded. Representatives are not subject to discrimination and have access to their members in the workplace on request.

Criterion 2.4 Remuneration at least equal to national legislation and sector agreements is received by all workers directly or indirectly employed on the farm.

ESSENTIAL CRITERION

IMMEDIATELY **22** Gross wages comply with national legislation and sector agreements.

DESIRED CRITERIA

IMMEDIATELY **23** All workers have a written contract in a language they can understand. In those countries where there are no requirements for formal labour agreements between workers and employers, alternative documented evidence of a labour relationship must be present.

WITHIN ONE YEAR **24** There is monitoring in place of working hours and overtime.

IMMEDIATELY **25** Deductions from wages for disciplinary purposes are not made, unless legally permitted. Wages paid are recorded by the employer.



3. ENVIRONMENTAL RESPONSIBILITY

Responsible soy expansion is the most important and most discussed item in all soy standards. FEFAC has decided to focus on legal compliance first, as an important step towards better forest protection and land management. Standards and programmes included in the benchmark have to make sure that there are adequate checks to ensure the relevant soy expansion, forest, biodiversity and nature legislation is being complied with. In addition, the topics responsible waste management and energy use are discussed in this chapter.

Criterion 3.1 The expansion of soy cultivation is responsible.

ESSENTIAL CRITERIA

- IMMEDIATELY **26** The farmer complies with the legislation relevant for the expansion of soy production (e.g. land ownership, biodiversity legislation, forest legislation, land management policies).

- IMMEDIATELY **27** Areas that are assigned as legal reserve, conservation area or otherwise secured by law have to be protected. These areas must be restored to its former state if any alteration has taken place or legally approved compensating actions should be taken.

- IMMEDIATELY **28** No soy is produced on land that is illegally deforested after a certain cut-off date mentioned in national legislation (e.g. 2008 in Brazil, 2008 in USA, etc.)

DESIRED CRITERIA

- IMMEDIATELY **29** Important on-farm biodiversity should be maintained and safeguarded through the preservation of native vegetation. There is a map of the farm which shows the native vegetation and there is a plan to protect and recover native vegetation.

- IMMEDIATELY **30** Areas of natural vegetation around bodies of water and on steep slopes and hills and other sensitive parts of the ecosystem must be maintained or restored.

Criterion 3.2 Production waste is managed responsibly.

ESSENTIAL CRITERIA

- IMMEDIATELY **31** There is adequate storage and disposal of fuel, batteries, tyres, lubricants, sewage and other waste in accordance with national legislation.
- IMMEDIATELY **32** The burning on any part of the property of crop residues, waste, or as part of vegetation clearance is not allowed, unless it is needed for drying crops or obliged by national legislation as a sanitary measure.

DESIRED CRITERION

- IMMEDIATELY **33** Measures are taken to reduce or recycle waste as much as possible.

Criterion 3.3 Efforts are made to reduce the use of fossil fuels.

DESIRED CRITERIA

- WITHIN ONE YEAR **34** Use of fossil fuels is monitored.
- IMMEDIATELY **35** Efforts are made to reduce the use of fossil fuels.





4. GOOD AGRICULTURAL PRACTICES

Farmers can make their production more sustainable by using precision farming techniques and by incorporating knowledge on relevant good practices to improve production. Good farming practices start with a healthy soil that has the capacity to capture water and provide nutrients to the plant. Healthy soils are the basis for healthy crops. In case agro-chemicals are applied, they need to be applied in a careful manner, minimizing potential harm to people, plants and the environment.

Criterion 4.I The quality and supply of surface and ground water is maintained or improved.

ESSENTIAL CRITERIA

- IMMEDIATELY **36** Good agricultural practices* are implemented to minimize diffuse and localized impacts on surface and ground water quality from chemical residues, fertilizers and erosion or other sources. * for example maintaining a buffer zone around water bodies, treating waste water, precision farming etc.
- WITHIN ONE YEAR **37** Any direct evidence of localized contamination of ground or surface water is reported to, and monitored in collaboration with local authorities.
- WITHIN ONE YEAR **38** When irrigation is used, relevant legislation is being complied with and measures are taken to minimise water use.

DESIRED CRITERION

- WITHIN ONE YEAR **39** There is monitoring, appropriate to scale, to demonstrate that these practices to protect water quality are effective.

Criterion 4.2 Soil quality is maintained or improved and measures are taken to avoid erosion.

ESSENTIAL CRITERIA

- IMMEDIATELY **40** The farmer has knowledge of techniques* to maintain and control soil quality (physical, chemical and biological) and the relevant techniques are implemented. *for example: precision farming, residue management, crop rotation, no tillage, contour tillage, grass waterways, terraces, nitrogen-fixing plants, green manures and agro-forestry techniques
- IMMEDIATELY **41** The farmer has knowledge of techniques* to prevent soil erosion and the relevant techniques are implemented. *for example: following contours with operations for soil preparation, using terraces, using cover crops, minimizing tillage and placing wind breaks.

DESIRED CRITERION

- WITHIN ONE YEAR **42** There is monitoring, appropriate to scale, to demonstrate that the practices to protect soil quality and prevent soil erosion are in place.

Criterion 4.3 Agrochemicals listed in the Stockholm and Rotterdam Convention are not used and all application of agrochemicals is in accordance with best practices.

ESSENTIAL CRITERIA

- IMMEDIATELY **43** There is no use of agrochemicals listed in the Stockholm and Rotterdam Conventions.
- IMMEDIATELY **44** The application of agrochemicals (crop protection and fertilizers) is documented. All handling, storage, collection and disposal of agrochemical waste and empty agrochemical containers, is monitored. Use, storage and waste disposal of agrochemicals is in line with the professional recommendations and applicable legislation.
- IMMEDIATELY **45** There is no application of pesticides within 30 meters (or more when as such prescribed in national legislation) of any populated area or water body and all necessary precautions are taken to avoid people entering into recently sprayed areas.
- IMMEDIATELY **46** Agrochemicals shall be applied using methods that minimize harm to human health, wildlife, plant biodiversity, and water and air quality.
- IMMEDIATELY **47** Aerial application of pesticides is carried out in such a way that it does not have an impact on populated areas and water bodies. All aerial application is preceded by advance notification to residents within 500 m (or more when as such prescribed in national legislation) of the planned application. There is no aerial application of pesticides in WHO Class Ia, Ib and II within 500 m (or more when as such prescribed in national legislation) of populated areas or water bodies.

Criterion 4.4 Negative environmental and health impacts of phytosanitary products are reduced by implementation of systematic, recognized Integrated Crop Management Techniques.

ESSENTIAL CRITERION

IMMEDIATELY **48** Use of phytosanitary products follows legal requirements (or professional recommendations) in the country of origin and measures to prevent resistance should be taken.

DESIRED CRITERIA

WITHIN ONE YEAR **49** Systematic measures are planned and implemented to monitor, control and minimize the spread of invasive introduced species and new pests.

IMMEDIATELY **50** Appropriate measures are implemented to allow for coexistence of different production systems.

WITHIN ONE YEAR **51** A plan for Integrated Crop Management is made and implemented which includes adequate and continuous monitoring of crop health, use of non-chemical and chemical control means and measures to improve crop resilience. The plan should contain targets for reduction of potentially harmful phytosanitary products over time.



5. RESPECT FOR LEGAL USE OF LAND / LAND RIGHTS

FEFAC considers it crucial that soy production and expansion only takes place on land for which ownership is clearly defined and undisputed. In soy expansion areas there can be multiple claims on one piece of land or the land rights of indigenous peoples and local communities can be poorly protected. Programmes and standards included in the benchmark have to make sure soy is only produced on lands for which ownership is not subject to conflict.

Criterion 5.1 Legal use rights to the land are clearly defined and demonstrable.

ESSENTIAL CRITERION

IMMEDIATELY **52** There is documented evidence of rights to use the land (e.g. ownership document, rental agreement, court order etc.).

Criterion 5.2 In areas with traditional land users, conflicting land uses are avoided or resolved.

ESSENTIAL CRITERIA

IMMEDIATELY **53** Where rights have been relinquished by traditional land users there is documented evidence that the affected communities are compensated subject to their free, prior, informed and documented consent.

IMMEDIATELY **54** There is no conversion of land where there is an unresolved land use claim by traditional land users under litigation, without the agreement of both parties.

DESIRED CRITERION

WITHIN ONE YEAR **55** In the case of disputed use rights, a comprehensive, participatory and documented community rights assessment is carried out.



6. PROTECTION OF COMMUNITY RELATIONS

Farmers are not producing in isolation but need to take into account the concerns of their customers, supply chain and neighbours. It is important that farmers are open for questions and concerns and that they are accessible to their neighbours, whether farmers, local communities or indigenous peoples. Therefore, the FEFAC Soy Sourcing Guidelines also include criteria for communication with others and adequately dealing with complaints.

Criterion 6.1 A mechanism for resolving complaints and grievances is implemented and available to local communities and traditional land users.

ESSENTIAL CRITERIA

IMMEDIATELY **56.** Complaints are dealt with in an appropriate manner. Documented evidence of complaints and grievances received is maintained.

IMMEDIATELY **57.** In case a relevant competent authority requires the farmer to react to a complaint or grievance in a certain way, the farmer will do so in a timely manner.

DESIRED CRITERION

WITHIN ONE YEAR **58.** The complaint mechanism (e.g. written complaint form, being accessible via email, phone or written post) is transparent, has been made known and is available to local communities and traditional land users.

Criterion 6.2 Channels are available for communication and dialogue with the local community on topics related to the activities of the soy farming operation and its impacts.

DESIRED CRITERION

WITHIN ONE YEAR **59.** There are communication channels (written sign or website with the following information: email, cell-phone, mailbox) that adequately enable communication between the producer and the community. The communication channels have been made known to the local communities.



VERIFICATION

The objective of the FEFAC verification checklist is to be able to check whether different types of soy sustainability schemes and programmes meet the verification requirements of the FEFAC guidelines.

Definitions

Verification system: Procedures that are used together in a system for checking that a product meets the requirements and specifications from the standard or scheme and that it fulfills its intended purpose.

1st party verification: Conformity assessment is performed by the person or organization that provides the product (e.g. the producer or producer organisation). The 1st party reports on its/their compliance with a specific set of criteria or standard.

1st party verification includes:

- Self-declarations of producers
- Group auditing of producers (smallholders);

2nd party verification: Conformity assessment is performed by a person or organization that has a user interest in the product (e.g. traders, food manufacturers, retailers) or an interest in reaching a certain public goal (e.g. government).

2nd party certification includes:

- Code of Conducts
- Purchasing requirements of a company
- National requirements on sustainability verified by a governmental body

3rd party verification: An independent party conducts the audits and issues certificates stating that a product or process complies with a specific set of criteria or standard.

3rd party verification includes:

- Audits of an accredited certification/inspection body to check compliance with a sustainability standard or programme.

Leading principles

Effectiveness: Standards/programmes address the most significant sustainability impacts and include requirements that contribute to these objectives.

Efficiency: Standards/programmes define a set of sustainability criteria which are consistent and applicable for farmers in a practical way.

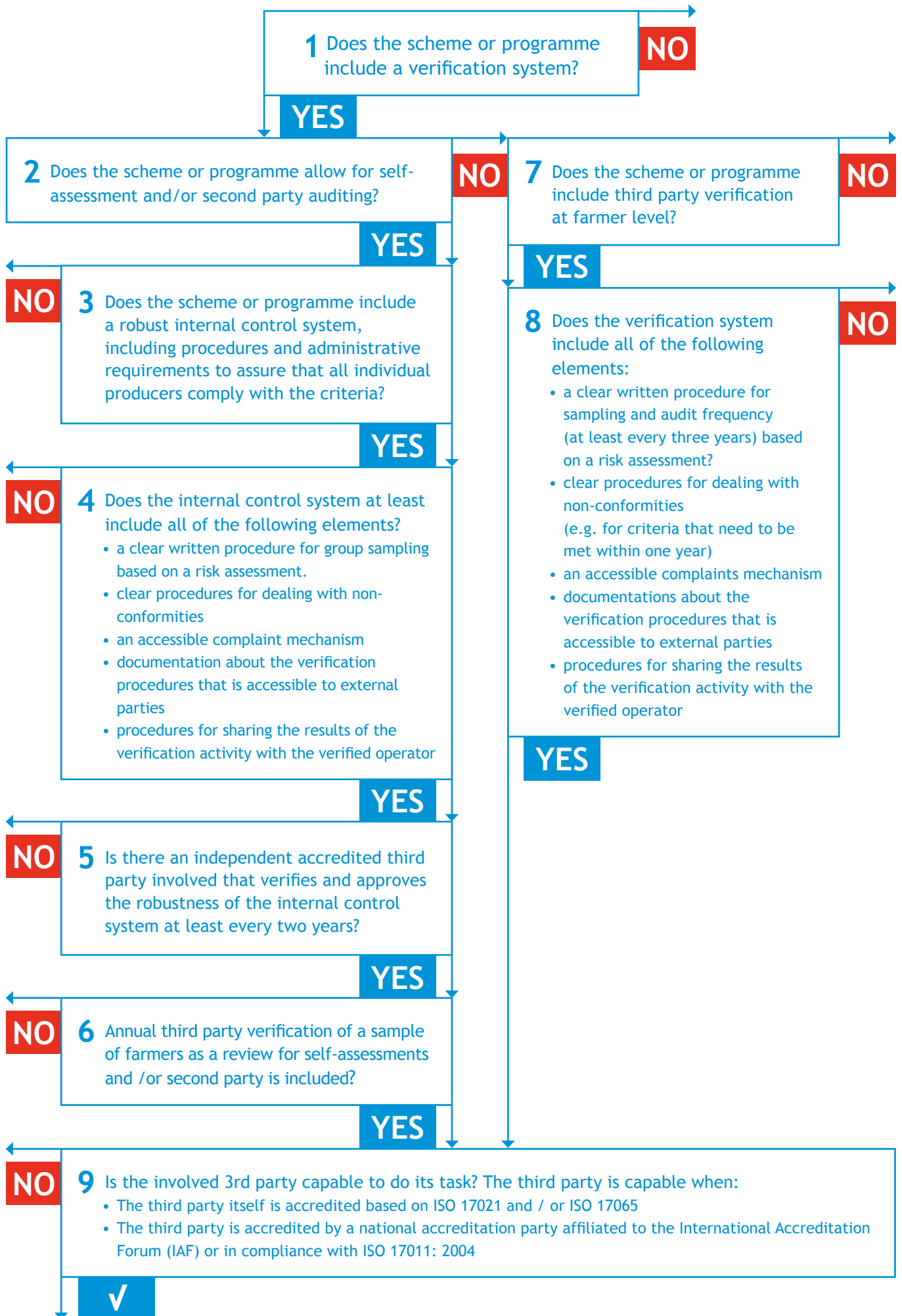
Impartiality: Standards/programmes identify and mitigate conflicts of interest throughout their operations, particularly in the assurance process.

Transparency: Standards/programmes make relevant information freely available about the content of the standard and how the system is governed.

Risk-based: Risk-based assurance models provide a mechanism for ensuring the intensity of assurance is appropriate to individual circumstances.

Rigourness: Standards/programmes set at a performance level that results in progress towards its sustainability objectives.





GLOSSARY OF TERMS

Area Mass Balance A supply chain model that combines properties from the mass balance and the book & claim system. Collectors / traders can purchase 'responsible feed material production credits' directly from growers, whilst buying soy on the regular market. These credits must however originate from growers that operate in the same area as the feed material is sourced. The certificates from the purchase area are administratively connected to the delivery of feed from that area via a mass balance model.¹

Benchmark In this case the check by the International Trade Centre if a scheme or standard complies with the requirements set in the FEFAC Soy Sourcing Guidelines.

Book & Claim The supply chain model book & claim represents the trade of credits through a credit trading platform. The certificates are separated from the physical flow of feed.¹

Certification In this case, the formal procedure by which an accredited or authorized person or organisation assesses and verifies if farmers (and the supply chain partners) are working in compliance with the requirements as set in the (sustainability) standard. If so, a certificate will be granted.

Desired criteria The 22 items (ethical, social and environmental) in the FEFAC Soy Sourcing Guidelines that are considered very important, but do not yet all need to be included in programmes or standards for responsible soy.

Essential criteria The 37 items (ethical, social and environmental) in the FEFAC Soy Sourcing Guidelines that all need to be included in programmes or standards for responsible soy in order to be in compliance with those Guidelines.

FEFAC FEFAC is the spokesperson of the compound feed & premixtures industry at EU level and was founded in 1959. FEFAC consists of 25 national associations in 24 EU Member States as well as observer and associate members in Switzerland, Norway, Turkey, Serbia and Russia.

International Trade Center The International Trade Centre (ITC) is the joint technical cooperation agency of the UN Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO). ITC improves small business export success in developing countries by providing, with partners, sustainable and inclusive trade development solutions to exporters, trade support institutions and policy-makers.

Mass Balance A supply chain model in which certified and regular materials are mixed in the supply chain (storage - transport etc.). There is an administrative trail making sure the output of certified responsible feed supplied to customers does not exceed the input of certified responsible feed received at the location.

Soy Sourcing Guidelines The Soy Sourcing Guidelines are a list of 59 ethical, social and environmental topics that are considered important for responsible soy production. The Soy Sourcing Guidelines also include a number of verification requirements.

Standards Map Standards Map is an online database and accompanying website that allows for in-depth assessments and comparisons of sustainability standards. Standards Map is developed by the Trade for Sustainable Developments team of the International Trade Centre.

Verification The evaluation of whether or not a product, service, or system complies with a regulation, requirement, specification, or imposed condition. It is often an internal process.²

¹ Retrieved from GMP+ B100, gmpplus.org

² Retrieved from wikipedia.org



FOR MORE INFORMATION
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