



## CASE STUDY TITLE

Implementation of Soy Certification in South America: a Tool to Contribute to Sustainable Development.



### SUMMARY

Today, the soy sector is facing several pressing problems: deforestation and conversion, land tenure issues, and poor labour conditions, among others. Sustainable agricultural practices provide a tangible contribution to solving sustainability issues in soy production by improving production methods at the farm level and enabling all stakeholders in the soy supply chain to also take responsibility.

The mission of the Round Table on Responsible Soy Association (RTRS) is to promote the growth of production, trade, and use of responsible soy gathering players in and relevant to the soy value chain, from production to consumption, including producers, suppliers, manufacturers, retailers, financial institutions, civil society organizations and others, through cooperation in an open multi-stakeholder dialogue (meetings, task forces, working groups and webinars, among others) and the development, implementation, and verification of global certification schemes.

In South America, the adoption and implementation of the RTRS voluntary certification standards by producers and players of the soy value chain have proven to work as instruments to foster sustainable development and to enable zero deforestation and zero conversion sustainable soy supply chains.

From an environmental standpoint, RTRS certified producers in South America preserve biodiversity and high conservation value areas while improving soil quality and waste management practices, among other benefits. From a social standpoint, the number of accidents at work has decreased, training is provided to employees and there is interaction with communities located around certified properties. The economic benefits are reduced costs, better efficiency in inputs monitoring and management, and lower operational risks. Lastly, moving to the supply chain, the RTRS Chain of Custody certification adds a traceability value

### AT A GLANCE

#### CONTINENT

- South America

#### LEVEL

- Regional

#### SDG ADDRESSED

- SDG 13 - Climate Action

to the sustainable sourcing of soy. Certification enables an independent third-party verified and certified sustainable cycle.

### BACKGROUND

Soy - a source of protein for humans and used in livestock feed - is understood to be one of the major drivers of deforestation and habitat conversion in South America, particularly in Argentina, Brazil, Bolivia and Paraguay. Deforestation and conversion of natural lands for agriculture production have been for years the topics of major global concern, and for over a decade, many different stakeholders in the value chain have been striving to find the best approach to tackle deforestation and deliver sustainable supply chains.



## BACKGROUND

In line with it, many regions and countries are announcing their intention to step up actions against deforestation and forest degradation committing to implement measures to reduce consumption footprint coming from deforested and converted land and encourage the consumption of products from deforestation-free supply chains. To name some cases in 2020, at the European Union level, the European Green Deal, the EU Biodiversity Strategy for 2030 and the Farm to Fork Strategy have confirmed the commitment of the European Commission to present, in 2021, a legislative proposal and other measures to avoid or minimise placing of products associated with deforestation or forest degradation on the EU market and to encourage forest-friendly imports and value chains. Finally, on November 17th 2021, the European Union Commission issued a proposal for a Regulation on deforestation-free products.

Additionally, between 2020 and 2021 the United Kingdom launched consultations and different workshops regarding the introduction of a due diligence requirement on companies using forest risk commodities. Moreover, the government of China, the fifth-largest producer of soybeans and the largest soybean importer globally, continues to prioritize poverty alleviation, food security, climate change and environmental protection and has launched, along those lines, initiatives to promote international cooperation.

In the world's largest soy producing and exporting countries from South America (Argentina, Brazil, Paraguay and Uruguay), RTRS voluntary certification schemes for responsible soy production and chain of custody have a positive impact and become complementary tools for the entire soy supply chain, from production to consumption, to, simultaneously, i) support and implement sustainable soy production procedures and management and ii) adapt and contribute to the objectives pursued by the soy sector and governments to address demand and supply and promote sustainable value chains linked to soy production.

In particular, RTRS certified soy produced in South America ensures that not only the soy meets the highest environmental criteria (including a third-party verified zero deforestation and zero conversion) but also a wide-reaching set of social and labour requirements and good agricultural practices as well.

Certification serves as a tool to foster sustainable development by addressing the delivery of more sustainable supply chains while bringing direct benefits to the producer and potentially producing transformation at the area/regional level.

## STRATEGY

RTRS soy certification is a private internationally recognized scheme, third-party verified by international trained and internationally accredited certification bodies/auditors; the adoption and implementation of the RTRS standard is a voluntary decision which implies becoming familiar with the standards, adapting to their requirements, running audit and certification processes (covering the cost of it), among others.





## STRATEGY

Soy stakeholders in South America see value both in RTRS' role as a global platform for soy and in the certification standards, based on different aspects:

- Leveraging on the value of being a multi-stakeholder. RTRS works with relevant stakeholders in a truly multi-stakeholder, open, consensus-based process. This results in invaluable connections and exchanges and in more meaningful and representative dynamics among stakeholders.
- Leveraging on its international recognition and global/local implementation: RTRS certification is global, but locally implemented via National Interpretations (e.g., National Interpretations in Brazil, Argentina, Paraguay) which keeps the robustness of the global scheme while representing local legislations, needs and realities.
- Encouraging holistic solutions: the need to solve pressing issues brings its own share of dilemmas and challenges; soy is a source of protein for humans and is used in livestock feed. It is understood to be one of the major drivers of deforestation and habitat conversion, particularly in Argentina, Brazil and Paraguay. Nevertheless, sustainability goes beyond deforestation; the RTRS certification system is a truly holistic approach that guarantees responsible business and agricultural practices, preserving biodiversity, soil and water and protecting human and workers' rights, all while respecting the customs and cultures of indigenous peoples and improving the well-being of local communities; these are all elements that should be equally considered in delivering riskless soy supply chains, globally.
- Valuing the impacts of implementing sustainable procedures and traceability systems: all the information and technical documents are public and accessible; the most representative KPIs, leading cases, information about initiatives and projects are publicly shared; active communication channels are open, etc.
- Positioning its role as a tool to support the soy sector and government requirements while contributing to sustainable development: though not the silver bullet, certification is a valuable and comprehensive instrument that is already in place and delivers tangible solutions and results. Along these lines, certification truly fulfils with facts the global soy sector agenda for the achievement of the United Nations' Sustainable Development Goals (SDGs). For instance, the RTRS Standard for Responsible Soy Production contributes to many of the SDGs (2, 3, 5, 6, 8, 10, 11, 12, 13, 15, 16), as several certification criteria and indicators are in line with the associated targets. Additionally, RTRS holistic certification scheme can be a complement to due diligence processes and international, regional, national and/or local initiatives in seeking proportionate and targeted actions to transform (soy) supply chains and make them sustainable.

Being RTRS certified means being part of i) a global community representing the soy sector; ii) a global multisectoral network and conversation forum; and iii) a specific target sector.

Both at the local and international level, the recognition and support of RTRS certification in South America has still a lot of potential to expand. The support is related to further value recognition by all say stakeholders, appropriate and shared incentives to encourage implementation and more scalable jurisdictional approaches initiatives operating at the regional level, backed and promoted by local governments to name only a few. On the other hand, RTRS certification is being benchmarked with successful results, placing it as one of the top certification schemes for including the largest number of provisions on forests, wetlands and biodiversity





## STRATEGY

protection, in combination with a high level of assurance. From the supply chain standpoint, organizations have sustainable goals and part of them find in RTRS the tool to accomplish such goals; thus, they participate of the roundtable dialogue on key topics that matters to soy stakeholders and furthermore they connect/engage with RTRS certified producers and acquire RTRS certified material in South America, especially the soy linked to high-risk environmental areas.

## RESULTS & IMPACT

South American certified producers that have complied with the various indicators (106) of the scheme, experience significant improvement in farm management, with much greater control over information and processes.

Among many implemented and standardized procedures, they keep records of PPE (Personal Protective Equipment) washing and vehicle refuelling, as well as residential waste disposal, and the number of training courses attended by employees. This level of control, on a daily basis, really helps ensure the smooth operation of the property.

Besides the environmental and social benefits of implementing sustainable practices, certification also ensures financial returns through the uptake of certified material by companies willing to support the production of sustainable soy, such as RTRS soy. In the words of certified producers in Mato Grosso, Brazil, "it is beneficial because it motivates farmers; we have seen growing interest in supporting sustainable soy production".

As facts show, in 2021 +1.2 million hectares and +4,2 million tons of sustainable soy were produced and certified in South America. Brazil is one of the leading producers of RTRS certified soy in the region and in the world, accounting for more than 85% of the total volume (3.9 million tons). Regarding total production by state, Maranhão and Mato Grosso are the ones that have the highest certified production. In the state of Maranhão, approximately 35% of the total production is already RTRS certified and in the state of Mato Grosso more than 2 million tons have been certified.

These numbers show how the implementation of soy certification contributes to sustainable development and has the potential for transforming areas/regions.

Regarding traceability systems, to date, there are 162 sites and 26 ports certified against the RTRS Chain of Custody Standard and therefore can receive, process and trade RTRS-certified physical soy in Latin America.

Moving to the demand side, in 2021, +230 companies worldwide, from 25 countries acquired RTRS certified production from South America.





## CHALLENGES & LESSONS LEARNED

The diversification of the soy supply chain, the cultural and geographical diversity of industries and actors worldwide and their individual roles; the proliferation and overlapping of tools and initiatives that are sometimes very similar, duplicating efforts and delivering almost the same results; the existence of ambiguous definitions and criteria for sustainability; the engagement and articulation among soy supply chain players towards the accomplishment of the same objective, which is to deliver sustainable supply chains; the cost of certification and the need to support and promote sustainable production practices. These are some of the many challenges ahead which at the same time are opportunities, meaning that if we positively target at them, the transformation of the soy supply chain can become a reality.

At the end of the day, it is all about bringing the able and the willing together. A global and multi-stakeholder approach, though complex in its dynamics, provides the richness to achieve representative and inclusive outcomes, and brings us closer to feasibility.

Whole-of-society approaches must lead transformation processes; If we are looking for structural, social, economic and environmental transformations to supplement public policies, a high level of engagement and meaningful participation of different stakeholders must be assured.

## POTENTIAL FOR REPLICATION

RTRS certification experience and results as those in South America can be replicated at the global level. National interpretations of RTRS Standard for Responsible Soy Production enable other countries and regions to apply and implement RTRS holistic and multisectoral scheme, keeping the robustness and levels of assurance of the global scheme, while representing and including local legislations, needs and realities. National Interpretations are an opportunity for China and India, where mostly smallholders are involved, and the impact is mainly at a social level.

Furthermore, RTRS Standard for Responsible Soy Production and Chain of Custody can be replicated to other commodities/sectors, including corn, wheat, barley, sunflower. In fact, RTRS is starting to explore the RTRS Standard for Responsible Corn Production, as an add-on module for those producers who have already certified their soy.

Moreover, for the RTRS Standard for Responsible Soy Production, RTRS can conduct benchmarks with other certification schemes, as long as the Certification & Accreditation procedure (which explains the Verification & Accreditation system) are complementary, especially regarding scheme level of assurance.

**CASE STUDY DEVELOPED BY:**

**Marcelo Visconti, Global Executive Director  
Round Table on Responsible Soy Association (RTRS)**

**Laura Villegas, Global Senior Leader for Communication &  
Engagement, Round Table on Responsible Soy Association (RTRS)**

