




Collaborative
Soy
Initiative


CSI company guidance
EU Compliant Soy with Impact 2.0 + annex –
in context of EUDR political developments.

28-11-2024




Vision of the Collaborative Soy Initiative :
100 % conversion free sustainable soy
production and uptake on a global scale

Mission: to inform, create synergies and add value




EUDR should be game changer and useful element to achieve this vision. It can be on some crucial aspects like traceability and legality of land use , but not on all. Policies need to *embed* EUDR and *embrace* a broader perspective on due diligence and sustainability.

In practice for companies: choose combinations of tools that can help achieve both.



EU Compliant Soy with Impact =
we need combinations of measures
to achieve scale and quality in
sustainable land management and
governance





Various earlier webinars, “meta meetings” on EUDR,

**We wrote a first CSI guidance 1.0 in October 2023,
published improved version 1.1 in Jan 2024.**

Available now:

**Version 2.0, with a 7-page annex of useful tools for
EUDR compliance & beyond**

CSI Guidance 2.0

The CSI Guidance is updated with EC info

It has a new Annex with useful tools.

The Collaborativesoyinitiative.info Info hub

On top of “CSI own materials”





> MULTISTAKEHOLDER INITIATIVES, GLOBAL (DEMAND AND SUPPLY)

✓ CSI OWN MATERIALS: NARRATIVE, MAGICUBE, GUIDANCE ON EU REGULATION

📄 CSI (2024) EU Compliant Soy with Impact 2.0- with extensive list of tools

📄 CSI Two-pager Multiple Routes to Responsible Sourcing

📄 CSI and Proforest- The Soy Magicube

📄 CSI the Multiple Routes to Responsible Sourcing- the Narrative

📄 CSI the Multiple Routes to Responsible Sourcing- webinar presentation

📄 EUDR according to the Soy Magicube, Sept 2023

📄 CSI Reflections on EU Regulation. complementary measures and partnerships Feb 2023

📄 The Superman Law- EU Regulation among other tools

> SOY STANDARD BENCHMARK STUDIES AND SCORECARDS

> POLICY RELATED INFO RELEVANT FOR SOY

> SOY SOURCING GUIDELINES

> STUDIES AND REPORTS RELEVANT FOR SOY

> SOY INITIATIVES

> PRACTICAL TOOLS



0. Know your EUDR compliance basics



- > 30 December 2024/**probably: 2025**, all products defined in EUDR (Annex 1) need to be backed by a Due Diligence statement guaranteeing no deforestation and legal compliance.
- > These Due Diligence statements are uploaded in the Information System.
- > Reference numbers of due diligence statements are shared with the next link in the chain.

For soy this knowing your EUDR compliance basics means in practice:

- > Annex 1 of the EUDR is key. For soy: HS-codes 1201, 1208 10, 1507 and 2304 shall not be placed or made available on the EU market or exported, unless all the following conditions are fulfilled.
- > Products produced before 29 June 2023 that are brought onto the market after 30 December 2024/**25** do NOT need to comply. “any relevant product placed or made available on the market after the entry into application that is made entirely from commodities or products placed on the market during the transitional period will not be subject to the obligations of the EUDR” (page 7 Guidance)
- > In the due diligence statement, the operator confirms that thorough due diligence was carried out and that no, or only a negligible, risk was found that the relevant products are not deforestation-free and produced and not in accordance with relevant legislation.
- > The cut-off date for deforestation is 31 December 2020.

Essential reading by European Commission



- + The text of Regulation itself= leading
- + EC Guidance of 11 chapters
- + FAQ -update October 2024- 40 new items
- + Strategic Framework for International Cooperation, and in its annex: criteria for country benchmarking
- + If relevant: SME factsheet

Very probable, but not formally decided (*so with disclaimer*)



+ 12- month delay of EUDR implementation to 30 December 2025

Why probable? Commission proposed this, Council agreed, European Parliament agreed (and withdrew their 24-month proposal).

BUT: EP majority wants a category “no risk” (no without traceability to plot).

+ No risk category not very probable as Council said not to agree, it would fundamentally change the law. Negotiations Council- EP now ongoing, Trilogue on December 3, esp. about delay.

+There will be a very late formal publication of yes/no delay (probably 19-20 Dec).

Most attention goes to 1 year extension



Let us concentrate on the HOW.

Getting ready as soon as possible will give competitive advantage and chances to improve.

IF implementation EUDR postponed:

- de-risking on heavy financial fines for one more year, could help inclusion.
- small mistakes are inevitable: use time to test and improve the systems.
- include all that really matters such as conversion of valuable ecosystems and responsible measures in chemicals use, soil and water management.

1. Rule of thumb: Do not implement EUDR in isolation



Apart from knowing your compliance basics (the wrist, to have a firm grip)

Anticipate, for example:

- > Other Regulations with a due diligence fundament such as EU CSDDD, Forced Labour ban, etc.
- > Market (and world) demands for holistic sustainability.
- > Conversion of other wooded lands and other valuable ecosystems, for reasons of climate (SBTi: Science Based B Target Initiative) & biodiversity (SBTNetwork).

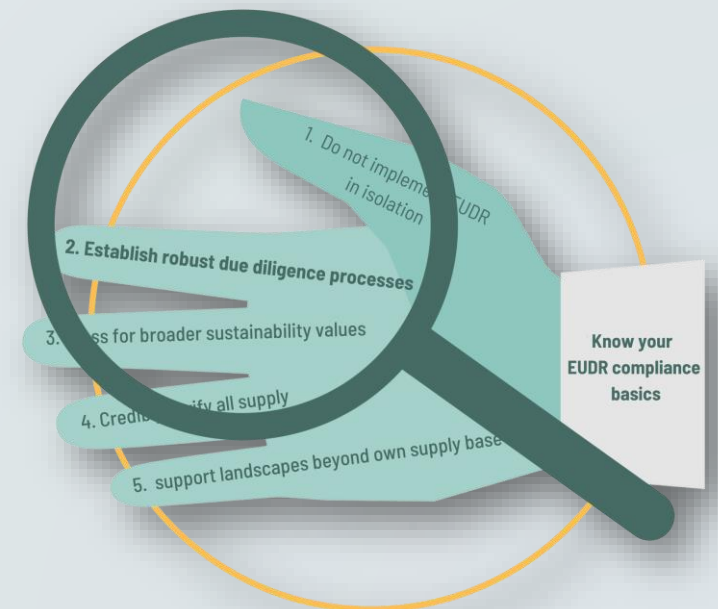


2. Pointing your finger to the weak spots: due diligence system

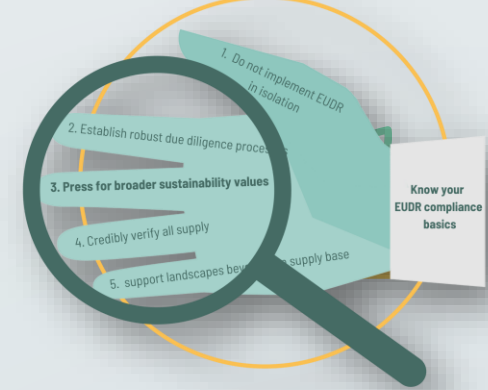


- > Good DD system is EUDR requirement -essential for broader sustainability concerns.
- > Annual review of the DD system is demanded by EC.
- > Verification of the due diligence system is required (downstream) rather than verifying all statements/polygons.
- > We know a lot about soy and we know that chemicals for example are a key issue to manage well. You can not just *not* pay attention to that and have to address it anyway.
- > Legal compliance is a challenge: land and use rights and beyond. To be discussed later.

It is not for nothing ProTerra and RTRS and Donau Soja were developed over the past 15 years, and that brings us to a key element in our advise:



3. Press for broader sustainability values (1/2)



- > CSI advocates a broader sustainability agenda, beyond deforestation alone.
- > Sustainability standards play an important role in promoting and verifying that.
- > Third party verified certification can play a role in:
 - Proof of legality and no deforestation and conversion of soy production.
 - Guaranteeing that agriculture production on the plot meets integrated sustainability requirements according to the standard at stake.
 - Effectuating improvements in farming or administrative practices in the process towards certification.
 - Securing that farmers and companies in the value chain are audited by accredited independent third parties.
 - Presenting documented proof of responsible practices and information needed for traceability and verification.
 - (Most often) payment of premiums to farmers who implement responsible production practices.
- > EC's new Guidance gives more recognition for the potential role of third-party verification and certification.

3. Press for broader sustainability values (2/2)



- > Need for traceability and urgency of scale should not mean letting go of quality in company policy requirements, incl for example regarding earlier cut off dates (which may go back to 2008).
- > In 2025/6, full EUDR compliance can be supported by robust standards that have strong assurance *and* that can add (many) extra values such as early cut off dates, chemicals management, soil and water management, labour rights.

Sometimes after some further adaptations: examples who have done that are Donau Soja, ProTerra and RTRS (the latter: in process).

4. Credibly verify all supply



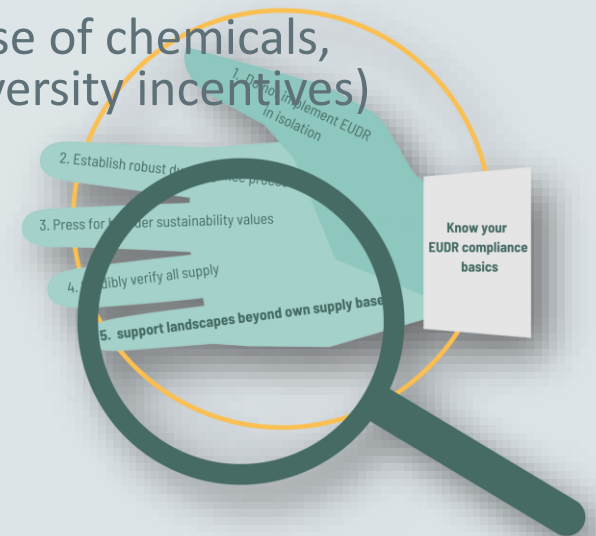
- > Mixed models are developed in which EUDR compliance (at least due diligence system) is verified and mixed with a percentage of certified soy (e.g. RTRS EUDR mix).
- > It is important to strengthen national or local traceability and verification mechanisms in entire jurisdictions in Argentina, Brazil and elsewhere.
- > In producing countries national systems for traceability are being developed (e.g. VISEC) that have the potential to also include (information about) other sustainability requirements.
- > Beyond silo's: promote this in all directions....



5. Support landscapes beyond own supply base



- > It remains very important to stay connected to risk landscapes
- > Impact can be made through:
 - Landscape engagement such as the Compacts in Mato Grosso and Maranhão
 - Targeted certification/ credit buying to broaden base of responsible production
 - (other) Payments for Ecosystem Services: supporting land rent of forested areas, or attractive loans if producers give up their deforestation permits (Responsible Commodity Facility).
 - Packaging incentives for regenerative agricultural practices eg precision use of chemicals, cover crops, rotation, soil carbon storage etc (certification/ carbon/biodiversity incentives)
 - Supporting CAR registration in jurisdictional programs in Brazil
 - Supporting nature regeneration esp in important biological corridors
 - Supporting producer training, education.
 - Supporting diversification incl food production




NEW: Annex to the CSI Guidance



The new 7 page Annex provides an overview of:

- Tools that help companies navigate through EUDR.
- Sustainability standards that prepare(d) for support to EUDR compliance.
- Some national or regional systems in soy-producing countries that support in EUDR compliance, such as VISEC, and number of potential Brazilian systems such as Agro+ Sustentavel (combined with PRODES) and a number of regional ones, inc Selo Verde.
- Software systems that can play a role in preparation for EUDR compliance. Satelligence, osapiens, NADAR.
- Data sources that can be used in the risk-assessment process. TerraBrasilis, MapBiomas Brasil, MapBiomas Chaco.



Legal compliance entails much more
than deforestation.
Sustainability is much broader too.

To be future proof, work with tools
that can deliver on a broader agenda





Collaborative Soy Initiative

12 December same time: next opportunity.
Thank you, please read and reach out with the guidance and send us your thoughts.

Keep track of events and explore joining us
as implementing partner

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