Deforestation and Conversion-free Soy – Scoping Workshop Report

FAO: UK Soy Manifesto Signatories

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Section 1: Introduction

1 Background and aims

1.1 Key industry needs

The companies in the UK Soy Manifesto group are working on solutions to verify that soy used in their supply chains is verified deforestation and conversion free (vDCF) to support compliance with future regulatory requirements but also help companies to meet voluntary commitments that go beyond compliance e.g. UK Soy Manifesto. Accordingly, there is an aim to develop a standard (in this instance, a sponsored standard called a PAS) to support this verification and practical implementation of commitments in supply chains.

More broadly, organisations across soy and other commodity value chains are seeking support to pursue traceability and verification of deforestation and conversion free commodities in their supply chains. Businesses are compelled to act not just by compliance but by the opportunity to lead and create value across their operations. This need is driven by a combination of regulatory evolution, market pressures and organisations own sustainability targets / metrics.

The scoping workshop was held to support pre-standardisation activities and to deliver a concrete proposal to support a business case for funding the development of a standard. The workshop gave key stakeholders the opportunity to discuss how standards development in this area can provide guidance for organisations seeking to source vDCF soy and deliver the industry alignment and assurance needed. The primary objective of the workshop was to define the scope of the standard, ensure that all key stakeholders are aligned and confident about the direction of travel and potential outcomes and also to help determine which stakeholders should be involved during the standard development process.

Before any standards development process starts, it is important to ensure that all key stakeholders are aligned and confident about the direction of travel and potential outcomes. Accordingly, the scoping workshop was intended to validate the proposed scope and refine it further with the support of relevant industry representatives e.g. user groups, consultants, trade associations, regulators, local government etc. Facilitated and chaired by BSI, this workshop provided a forum to discuss the potential content for a future PAS and its proposed scope. The Scoping workshop served as a test of concept that is often seen as a first step to a potential new standard.

Section 2: Scope

2 Proposed scope of a PAS standard on vDCF soy

The workshop attendees reviewed and discussed the draft scope (see clause 7 below) through a series of breakout sessions. It was agreed that the future standard should be a specification, as defined by BSI (see workshop slides for clarity) and that the following agreed scope should be taken forward:

This PAS provides requirements for the traceability and production of deforestation and conversion-free soy.

This PAS covers:

1. Soy beans, whether or not broken.
2. Soy used as an ingredient in animal feed for the production of poultry, pork, cattle, lamb, farmed fish, eggs and dairy products, including:
    - soybean meal;
    - soybean hulls; and
    - soybean oil.
3. Soy and its by-products used:
    - as a direct food ingredient for foods manufactured for human consumption (e.g. lecithin in a chocolate bar) or as a frying oil; and
    - as an ingredient for non-food products including the biofuels industry, chemical, and personal care industries.

This PAS does not provide requirements for soy growers.

This PAS is for use by soy supply chain actors from the first point of aggregation to the final point of processing to prevent mixing with non-compliant soy.

This PAS will be of interest to:

- regulators;
- consumers;
- competent authorities;
- NGOs; and
- food and agriculture trade associations.

3 Rationale behind the finalised scope

The key changes, based on feedback from the stakeholders were:

a) The preferred approach is a specification-style standard that focuses on requirements rather than mere recommendations. This PAS would be third-party verifiable, with certification bodies potentially accredited by UKAS, ensuring consistent and verifiable compliance across the soy supply chain (although this is beyond the scope of this piece of work). A specification-based standard would ensure compliance is measurable and independently verifiable, which is critical for addressing deforestation and conversion concerns effectively.

b) The systems-based approach would require the supply chain actor at the first point of aggregation (e.g., at the elevator or silo where soy from different farms is mixed) to demonstrate that the soy is deforestation and conversion-free (vDCF) with the ability to trace back to the farm level without directly auditing each farm. This actor is likely to be the soy shipper or trader. This approach is considered more practical than requiring certification for every individual farm, which would be disproportionate.

c) Traceability from farms to final point of processing was felt to be necessary and the most value to organisations with the objective to prevent mixing of compliant and non-compliant soy in order to enable credible claims against the PAS to be made by downstream actors. The chosen chain of custody should be sufficiently robust to achieve this and maintain origin verifiability and integrity. A mass balance approach would not be sufficient as this could introduce too much risk and reduce traceability but an Integrity Preserved approach would be too onerous. In practice the approach taken would vary across different soy supply chains, depending on the complexity, and processing steps to the final point of processing. The application of the traceability and chain of custody arrangements of the PAS would need to be further considered during the development of the PAS to enable flexibility whilst meeting market/regulatory requirements

d) The standard should focus initially on a specification for vDCF soy (the avoidance of deforestation and conversion after December 2020) as this is a priority objective for the UK market to meet voluntary commitments in the market and help support forthcoming regulatory requirements. vDCF soy could be defined around existing definitions of vDCF contained within broad sector voluntary commitments, such as the UK Soy Manifesto, AFI, FLAG targets within Science-based Targets Initiative (SBTi), and with reference to regulatory requirements, specifically those within the EU Deforestation Regulation and evolving Forest Risk Commodity Regulation, which would reference existing legal frameworks in producing countries relating to social and environmental compliance.

e) Beyond this initial/core focus, workshop participants identified a range of other topics that could be included within the scope of the PAS. These could include:

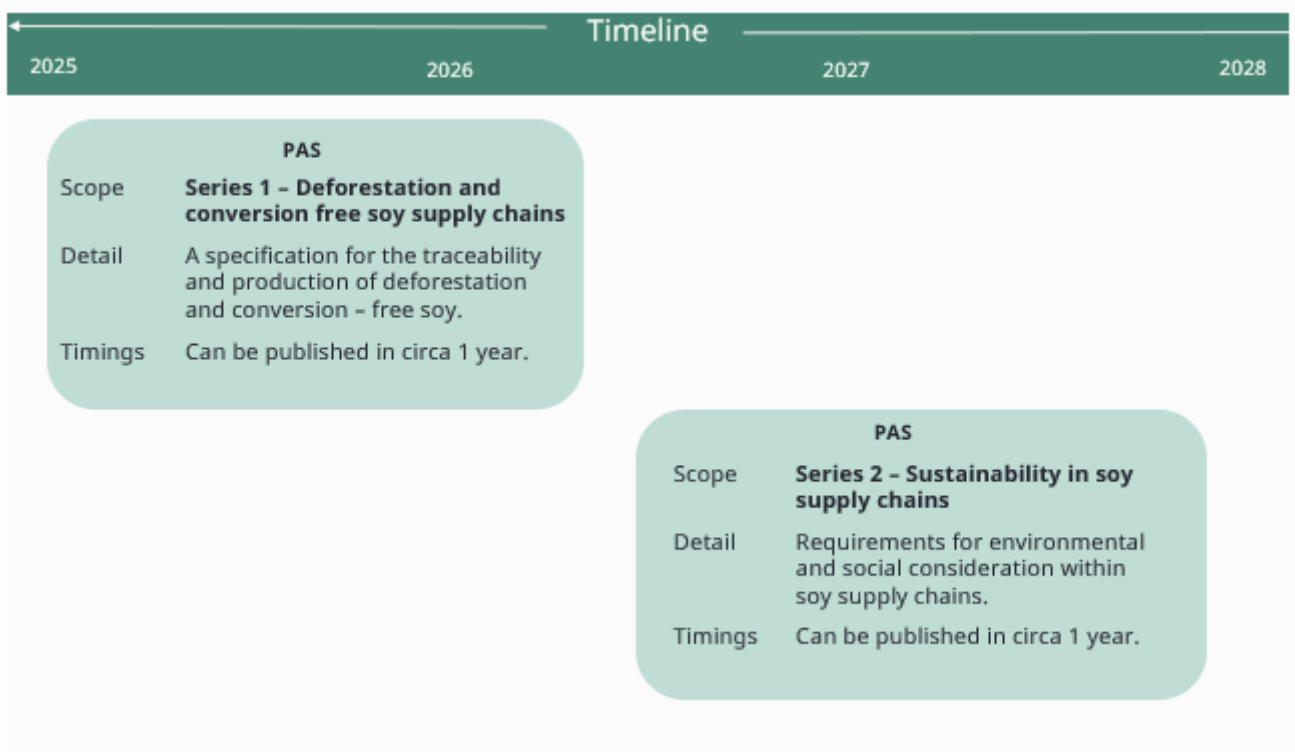
1) other relevant commodities such as oil palm products (e.g. palm kernel expeller) and;
2) other broader social and environmental topics for example:
    i) human rights risks at production level, community engagement; and
    ii) reforestation, sustainable agricultural practices, soil conservation, water pollution prevention/management, pesticide use, GHG emissions, protection of habitats and endangered species (biodiversity and nature more broadly.

f) It was felt that a phased or tired approach could be a useful mechanism to allow incremental integration of these additional valuable dimensions [as per e)], whilst reducing the immediate burdens on stakeholders. A series of standards could encourage companies by providing a stepping on point with a core focus, whilst setting out progressive goals. A potential approach is set out in time timeline below (see Fig X) including:
    1) Series 1 – core requirements for the traceability of vDCF soy and;
    2) Series 2 – core requirements for additional social and environmental considerations for vDCF soy.

g) A BSI PAS standard is internationally applicable so can be applied within international supply chains of embedded soy for example imports of meat, seafood and dairy products fed on soy in countries outside the UK.

4 Timeline

Figure 1 – Deforestation and conversion-free soy – Standardisation roadmap



5 Cost

At this juncture, all costs are indicative until BSI is able to fully flesh out the PAS development process. At present, BSI estimates the cost of the PAS development to be:

c. £142,000 including technical author fees (c. £30,000)

In early 2025 BSI will be able to provide an approved fixed-fee cost that will be included within a formal proposal.

6 Route to implementation

UKAS have provided an indicative overview of the process beyond the finalisation of the PAS. This process will be further explored during the development of the PAS. It is to be noted that BSI is not responsible for the content in this section.

- **Timelines:** The timescale for accreditation of certification schemes is varied as timings depend on the state of readiness of the draft scheme (e.g. the PAS) and when the application is made to UKAS. On average, for an organisation which is new to UKAS, accreditation take from 6 months to 2 years as a minimum.
    - In principle, scheme development could run in parallel with the PAS development but to minimise the risk of the scheme not meeting the PAS requirements, UKAS suggests that it would be sensible for the PAS to have been finalised before scheme development begins (this would normally be the public consultation stage for the PAS as this is when the document would have reached a certain level of maturity).
    - There could be an alternative quicker route to market, but there is a balance between expediency and achieving the ultimate goal of accredited certification. This quicker route could happen when choosing a certification body which falls into one of these three categories:
        a. A certification body which is not UKAS-accredited. Certification bodies do not need to be UKAS-accredited before they can certify against the PAS.
        b. A certification body which can demonstrate that it is working towards UKAS accreditation within an agreed timeframe could be considered to certify against the PAS.
        c. A certification body which has been UKAS accredited for other similar activities may also be considered to certify against the PAS as the timeline for extending accreditation for other certification activities is usually shorter than the timeframe for certification bodies who are applying to UKAS for the first time.
- **Ascertaining market interest from certification bodies:** Once the PAS is developed, and the content is mature, UKAS could run an Expression of Interest (EoI) exercise to ascertain market interest from new or existing certification bodies. The EoI would enable a greater number of certification bodies (i.e. ‘auditing companies’) to become aware of the PAS, and

it could take place in the final stages of development of the PAS (post public consultation) and/or on publication of the final document.
    - A scheme can be developed and owned by the certification body or by a separate organisation e.g. a government authority, an industry association or another body such as the consortium.
- **Costs:** The scheme development costs are met by the scheme owner (which as set out above can be the certification body or a separate organisation).