



# Annual Report

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2021





**“2021 has been a milestone year for retailers. Through dialogue with a wide range of civil society organisations and implementation partners we have a clear and consistent blueprint for the credible steps needed to eradicate deforestation and land conversion from soy production.**

**The [Retail Soy Group](#) has also been at the forefront of engaging with producing nations and soy buyers on how we can achieve market transformation. From our advocacy for stronger government ambition in forthcoming due diligence requirements, to collaborating with the feed and livestock sector on improving standards and transparency, we’ve used our collective voice for action.**

**There are many signs of progress and promise as we move beyond the landmark commitments on forests at COP26 and towards implementing the ambitions set by nations and businesses, to urgently deliver on the goal of making deforestation- and conversion-free soy the norm.”**

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Sam Lee-Gammage, Group Ethics & Sustainability Manager - John Lewis Partnership



## Key Highlights

- 1 Principles for achieving deforestation- and conversion-free supply chains articulated by key civil society, campaigning, and implementation organisations.
- 2 Advocacy for the EU and UK governments to adopt strong due diligence requirements that will push all importers to ensure that only sustainable soy enters the marketplace.
- 3 Promoting responsible governance in producing countries by encouraging the full implementation and enforcement of their national forest and land protections.
- 4 Supported the development and launch of the UK Soy Manifesto to provide a market-wide commitment to the delivery of verifiable deforestation- and conversion-free soy by 2025 at the latest.
- 5 Expansion of our membership to Australia with our first national retail member – Woolworths Group.



# About us

The Retail Soy Group (RSG) was formed in 2013 to address a sector-wide gap in addressing demand for sustainably produced soya.

It is an independent group of international retailers working collaboratively to find industry- wide solutions for soy for their animal feed and human food supply chains.



## Members





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# 01

## Our vision and approach



**The Retail Soy Group seeks to support  
the development of a market where  
sustainable soy\* is the norm.**

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**\*Legal;** deforestation and land conversion free;  
and responsibly produced providing net benefits  
for people and the environment.

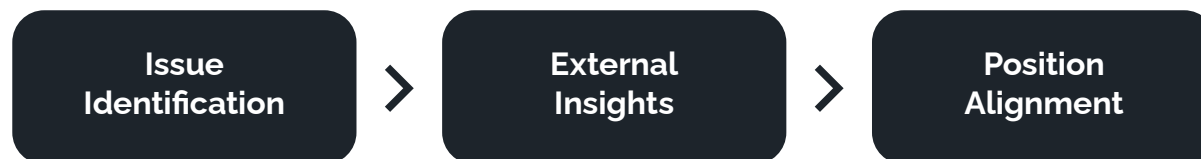


# Structure

Our group provides a venue for retailers to discuss and align on matters related to the transformation of the soy sector.

By working today we are able to ensure that we're at the forefront of sustainable innovation by using our unique position of being able to collectively engage with the key actors in the supply chain that can most effect change.

## Quarterly Meetings



## Ad-hoc working groups



## Advocation





## Focus 2021

For the past two years the Retail Soy Group has prioritised working across four areas, from supporting certification schemes to supporting greater transparency and responsibility of all actors in the supply chain. These areas remained our focus in 2021 with a series of programmes and successes described in this report.

01

Identifying and supporting  
'clean suppliers'

02

Implementing regional  
approaches to address  
biome-level solutions

03

Enhance the credibility of  
certification standards

04



Unlocking transparent supply chains

# 02

## Value chain transformation





# Cross Sector Collaboration



We will not be able to deliver on our ambition without supply chain partners. Retailers are at the end of a very long and complex supply chain which makes any direct action we take individually a challenge without having a consistent voice with our direct and indirect suppliers. Engagement and capacity building are core themes that underline our work with this year delivering a number of successes.

## Pork Sector Roadmap

The UK pork sector has a unique challenge with approximately half of all production imported from the European Union, with the other half produced domestically through a combination of independent and large scale livestock systems. Transforming this sector therefore requires a consistent approach to ensure that domestic producers are not disadvantaged with inconsistent requirements. We therefore worked with relevant actors to develop the draft to achieve this.

## Forest Positive Toolkit

The Consumer Goods Forum [Forest Positive Coalition](#) includes global brands and retailers that have come together to develop a more collaborative approach to be positive actors for nature. Core to their work is aligning on the framework and tools needed to help transform their businesses and supply chains. The Retail Soy Group was a consulted party to the [roadmaps](#), [asks](#), and toolkits developed by the group.

## Trader supplier workshop

It has been a challenge to consistently communicate the requirements and needs of retailers to decision makers that are several tiers away from retailers. Recognising this is even further exacerbated by geographic distances and languages, we delivered workshops and talks to trader suppliers and direct customers during the year to explain and define retailer expectations for their performance and soy sourcing.

## Roundtable Support

Our members are individually members to a number of national and international roundtables that are seeking to find solutions to the challenges we face in sustainable soy production. In many of these forums the Retail Soy Group is also present to promote shared knowledge throughout our group and to advocate for common positions within and between them.

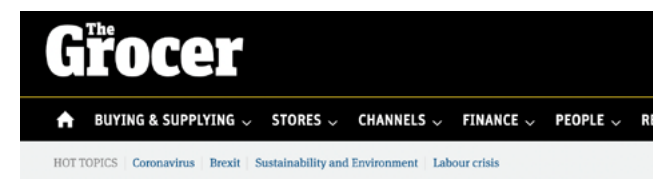
# Key Success DCF Principles

## Forging new collaborations

At the end of 2020 it became clear that there was not a consistent definition of what success looked like for retailers in addressing deforestation and conversion. With different asks including everything from certification – with inconsistent standards being requested – to boycotting markets, the RSG sought to bring together a range of civil society groups and technical implementation partners to help provide clarity on what good looks like. This has ultimately led to our landmark publication of [these expectations](#).

Our work brought together thought leaders from the Accountability Framework initiative, Global Canopy, IDH, Mighty Earth, Proforest, and WWF to ultimately produce a clear document and roadmap for retailers to reference as they develop their short-, medium- and long-term strategies for addressing deforestation and conversion.

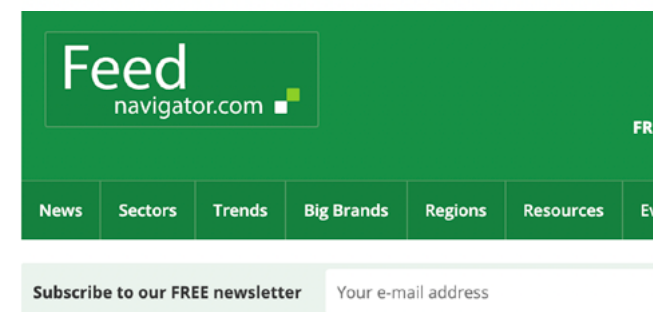
This landmark achievement was the first time that there was clear co-development and alignment between such a wide range of stakeholders to define and map out the reasoned expectations for how we can work to accelerate the pathway to a more sustainable livestock system.



### SUSTAINABILITY AND ENVIRONMENT

## Can new roadmap deliver deforestation-free soy?

By Harry Holmes | 29 October 2021



## Retailer led roadmap aims to decouple meat from soy linked deforestation



# Key Principles

The aligned framework and definitions of success resulting from our ad-hoc working group identify a number of areas that are considered important for inclusion within retailer policies.

One of the key outcomes from the group was a new understanding of the role of certification within soy policies. Whilst it was once one of the primary indicators of success, the experts involved within the working group were able to articulate the importance of certification as a mechanism that sits alongside other forms of urgent actions that are needed to be taken to more broadly address the root causes of deforestation and conversion.

The concept of having 'responsible suppliers' rather than just a 'responsible supply chain' was communicated clearly, as was the need for a consistent cut-off date for conversion of 2020.



Step 1	
	<b>1. Credible Commitments</b> Publicly available and including a clear cut-off date of August 2020 at the latest respecting existing regional agreements Livestock-specific roadmap for compliance
	<b>2a. Transparency</b> Livestock Producers and Downstream Actors Soy footprint Trader disclosure Communication of expectations to suppliers
	<b>2b. Transparency</b> Traders Soy footprint Origin (country), including volumes covered by Amazon Soy Moratorium Risk assessment process and outcomes
	<b>3. Engagement, not exclusion</b> Risk assessment methodology Engagement in high-risk areas
	<b>4. Collaboration</b> Membership of multi-lateral initiative (e.g. Amazon Soy Moratorium, Cerrado Working Group, <a href="#">Soy Transparency Coalition</a> , <a href="#">Forest Positive Coalition</a> )
	<b>5. Sustainable diets</b> Offering meat-alternative products Promoting feed innovation

# 03

## Engagement





## Being an active partner in change

We work with a wide range of stakeholders and groups to support our common aims.  
The activities below represent a selection of highlights from our collaborations and partnerships this year.



# Key Success Engagement

All RSG members have identified the desire to have physical flows of soymeal from deforestation- and conversion-free production as being one of the top priorities for the group. Throughout the year we across the sector to share our ambition and to advocate for workable solutions that consider the roles and influences each actor in the value chain has. The four areas below were particular highlights from this work.

## Society

Communicating and working with [The Bureau of Investigative Journalism](#) to understand what their independent investigations are showing on the ground. These communications included both listening to their evidence as well as discussing their implications and the role of downstream actors in addressing them.

## Retail Consortiums

In addition to our long standing relationship with the [British Retail Consortium](#), we have approached and engaged other national and regional groups to discuss how retailers can take bolder action on soy. Particularly developing a new relationship with the Dutch Retail Association where we promoted the aligned principles that are expected to deliver more sustainable supply chains.

## Accountability Framework initiative (Afi)

Working with civil society organisations and implementation groups to produce [operational guidance](#) for businesses on supplier requirements and engagement. In 2021 the focus was particularly placed on developing criteria for the 'red line' actions businesses should take when deforestation is identified in their supply chains.

## Livestock producers and traders

Developing sector roadmaps for the transition to a transparent and accountable value chain. Our activities included speaking at trader supplier events to articulate retailer (end customer) expectations for sustainable soy in addition to assessing the effectiveness of proposals. Throughout the year we shared best practice and pushed for alignment with national and regional initiatives.

## The UK Soy Manifesto

TO A DEFORESTATION AND CONVERSION FREE SOY SECTOR

Alignment between market actors is critical when having a goal that requires such wide ranging changes to business practices in a commodity supplychain with so many different businesses and decision makers. In the Summer of 2021 an opportunity was put forward by UK retailers and civil society organisations to follow the French market to articulate a clear and unambiguous market commitment to the delivery of deforestation- and conversion-free soy. The result of this effort was the launch of the [UK Soy Manifesto](#) during the Glasgow Climate Conference (COP 26) in November 2021 with nearly every UK retailer as signatories in addition to all major poultry and pork producers.

All signatories are committed to deliver on five commitments as quickly as possible, with full supply chain alignment by 2025 at the latest.



This coalition work was led by Efeca and supported by the Retail Soy Group, Trase, WWF and other civil society organisations.



# 04

## Advocacy



# Increasing knowledge

Retail supply chains incorporate a range of different types of organisations that may be several tiers removed from livestock production. Our experience shows that all aspects of the supply chain are experiencing challenges regarding the sourcing and verification of sustainable soy.

Building on our prior work on increasing supply chain knowledge, we have sought to share our knowledge and experiences on what is needed to effectively deliver on our commitments.

## Policy Makers

It will not be possible to ultimately address the causes and prevalence of deforestation and conversion in soy production without a strong regulatory framework that addresses the drivers of it occurring. We have engaged and worked with policy makers in Brazil, Europe and the United Kingdom to highlight the challenges we are experiencing in having an enforceable legal framework that places appropriate responsibility on those in the value chain that can best deliver change.

## Implementation Frameworks

Operational guidance issued by the Accountability Framework initiative (AFi) provides a robust framework and approach that helps businesses understand the decision structures and processes they should follow as best practice. We have worked with several working groups to co-develop criteria and decision making trees that balance the urgency of action with the realities of how supply chains can, and should, respond in a constructive way to non-conformances.

## Civil Society Groups

Non-governmental organisations and investigations play a critical role in our understanding of the challenges facing ecosystems and the people living in them. Although the challenge can sometimes be very clear from their experience, the role of retailers in addressing it can often be less clear. Working with key groups – such as Mighty Earth and WWF – we are able to be open with the limits of what retailers can achieve and work together to find broader actions that can be successful.

## Customers

All of our actions need to ultimately meet the expectations our customers and stakeholders have of retailers. Soy represents a difficult communication challenge for our businesses because there is no simple way to show where, or how, soy is embodied within a product when it's primarily present indirectly through animal feed. By working with journalists and others to explain the supply chain structures, challenges and opportunities we can support more accurate reporting.

# Supporting Due diligence requirements

In November 2021 the United Kingdom became the first country in the world to adopt a legal requirement for businesses to exercise due diligence on their supply chains to ensure that illegal deforestation was not occurring. Throughout the prior year the RSG was an advocate for increasing the government's ambition to ensure that all forms of deforestation and conversion would be addressed.

In addition to consulting directly with policy makers, the RSG convened a public letter to the Secretary of State in advance of the passage of the Environment Act. [Our letter](#) was supported by more than 20 major UK food sector companies.



15 September 2021

To: The Rt Hon George Eustice MP Secretary of State for Environment, Food and Rural Affairs  
CC: The Rt Hon the Lord Goldsmith of Richmond Park

Dear Secretary of State,

In October 2020 we wrote to you welcoming the new proposed measures on forest-risk commodities in the Environment Bill and urging you to go further to ensure the Bill "establishes an effective, workable, and cost-effective framework for halting all forms of deforestation."

We are happy to see the Bill progress, however, as currently drafted it only addresses deforestation defined as illegal under local laws and as we said in our 2020 letter, "Restricting action to illegal deforestation only would not achieve halting the loss of these natural ecosystems, especially when producing country governments have discretion to decide what is legal or have inadequate enforcement mechanisms, and local land title and clearance records can be unreliable or absent." In our letter (annexed to this one) we also raised the importance of protecting the vulnerable in producer countries.

We understand there are amendments to address this, which we urge you to consider.

As we approach COP26, we hope we can take this important step towards developing a world leading regime that can deliver on our joint ambition to end all forms of deforestation.



# Supporting Amazon protection

The Amazon Soy Moratorium has been one of the great success stories of the twenty first century. Although a private sector agreement to monitor and restrict purchases from farms that engage in deforestation, it has been an instrumental part in slowing the loss of this critical ecosystem. Outside of this voluntary arrangement, the legal protections through Brazil's Forest Code provide the bedrock for ensuring the biome, and its people, are protected.

In 2020 a proposal was put forward by the Brazilian National Congress that would result in the legalisation of illegal practices – including land grabs and deforestation. The RSG wrote to the Brazilian government then, and again [this year](#), to ask that existing protections remain in place. This initiative was convened by the RSG and received support from 40 global businesses in the food system, as well as investors in the financial sector.

## Retail pushback: Europe firms threaten Brazil over deforestation

Retail chains Tesco, Marks & Spencer, Norwegian pension giant KLP urge Brazil to scrap bill encouraging more land use.



## Aldi and other big grocers threaten to boycott Brazil over deforestation in the Amazon

By Hanne Zaidy, CNN Business  
Updated 23:58 GMT (05:58 HKT) May 5, 2021

5 May 2021 - updated 15 July 2021

### An open letter on the protection of the Amazon

To the Deputies and Senators of the National Congress of Brazil,  
A year ago, we wrote to you about our concern about Provisional Measure 910, then reshaped to PL 2633/2020. We were heartened by your previous decision to withdraw the proposal before it was brought to the floor.

Over the past year, we have seen a series of circumstances result in extremely high levels of forest fires and deforestation in Brazil. At the same time, we have noted that the targets to reduce these levels, as well as the enforcement budgets available to deliver them, are increasingly inadequate. It is therefore extremely concerning to see that the same measure we responded to last year is being put forward again as the legislative proposal PL 510/21 with potentially even greater threats to the Amazon than before. These measures are counter to the narrative and rhetoric we have seen internationally from Brazil as recently as 22 April 2021 at the summit with US President Joe Biden.

We would like to reiterate that we consider the Amazon as a vital part of the earth system that's essential to the security of our planet as well as being a critical part of a prosperous future for Brazilians and all of society. The existing protections and land designations enshrined in Brazilian legislation have been instrumental in our organisations having trust that our products, services, investments and business relationships in Brazil are aligned with the commitments we hold as environmentally and socially responsible enterprises, and that our customers and stakeholders expect of us.

Our door remains open to work with Brazilian partners on supporting the development of sustainable land management and agriculture. We are willing partners to enable this in a way that supports economic development whilst upholding the rights of Indigenous Peoples and traditional communities. These critical goals must be achieved without putting at risk the progress that Brazil has made so far in protecting the vital ecosystems that are essential for the health of the world we all share. However, if this or other measures that undermine these existing protections become law, we will have no choice but to reconsider our support and use of the Brazilian agricultural commodity supply chain.

We urge the Brazilian government to reconsider its proposal.

05

What's next?

## 2022 Priorities

This year we will focus on working with suppliers and peers to further develop the operational guidelines and processes necessary to transform the soy sector.

Whilst there are some elements that will require further work – such as the methods used to define risk and overarching business performance – others will require collectively engaging and supporting our global supply chains to understand what actions they need to take.

We will undertake these workstreams in parallel to ensure that each is given appropriate attention.

### Member views on most important areas to work on collectively in 2022







# Join Us

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[retailsoygroup.org](http://retailsoygroup.org)

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