

25 July 2024

To: The Rt Hon Steve Reed MP, Secretary of State for Environment, Food and Rural Affairs
CC: Mary Creagh CBE MP, Parliamentary Under-Secretary of State (Minister for Nature)

Dear Secretary of State,

On behalf of the Retail Soy Group (RSG) and our members, I would like to offer my congratulations on your recent appointment as Secretary of State for Environment, Food and Rural Affairs.

The RSG was formed as an offshoot of the British Retail Consortium (BRC) in 2013 to address a sector-wide gap in meeting demand for sustainably produced soya. We are an independent group of international food retailers, including all major UK retailers, working collaboratively in a pre-competitive space, to find industry-wide solutions to ensure deforestation and conversion-free soy for their animal feed and human food supply chains.

We are reassured by your commitment to the five priority areas for the department, including restoring nature and ensuring food security, and Labour's manifesto commitment to meeting the Environment Act 2021 targets. Our members share these commitments, both to limit the impacts of their global supply chains and to future proof their businesses and the planet from climate and ecological crises.

Our members have enjoyed a strong and fruitful relationship with your department and look forward to continuing that with you to help deliver your objectives.

Deforestation and land conversion continue to take place across many global supply chains. [More than 50,000 hectares was converted](#) from native vegetation to support expanding agriculture in the Amazon and Cerrado biomes of Brazil in just the last three months of 2023. The demand for soy for animal feed continues to drive the incentive for this continued loss of critical ecosystems.

Last year, the European Union became the first region in the world to provide the legislative clarity through the EU Deforestation Regulation (EUDR) that businesses are legally responsible for exercising deforestation due diligence on their supply chains by 30 December 2024. Retailers have been [supportive of this legislation](#) and have continually called for pragmatic steps that can level the playing field to deliver on our shared ambition for a deforestation-free food system.

The previous government was committed to enacting similar due diligence measures for commodities driving deforestation but failed to deliver Forest Risk Commodities (UKFRC) secondary legislation, despite being a keystone of the Environment Act 2021.

It is critical this government delivers on this legislation to ensure that British farmers, and our food sector, can continue to access the European market from 1 January 2025, when the EUDR enters into force.

While the UK's legislation does not mirror the EU's in its entirety, the continued delay and absence of the UKFRC is contributing to further market confusion and is hindering retailer efforts to deliver on our shared commitment to eliminate deforestation and land conversion. Further inaction puts the UK at risk of becoming a dumping ground for deforestation-connected commodities.

With less than six months until EUDR enters into force, retailers call on the government to act on our five recommendations:

1. **Introduce and adopt the Forest Risk Commodities legislation** within your first hundred days in office.

2. **Provide clarity on whether only the UKFRC applies in Northern Ireland** or whether both legislations will operate within NI and if so, set out a clear way forward where, for instance, evidence for the EUDR can be used for the UKFRC. The resulting approach should be clear on the business requirements we need to establish and communicate.
3. **Promote frictionless trade** between the United Kingdom and key trading partners, for example, by explicitly recognising the role of the EUDR as providing sufficient due diligence under the UKFRC legislation, and excluding the possibility of mass balance accounting systems in the UK where more granular traceability systems are commercially available to ensure British products are considered deforestation free in the EU.
4. **Publish clear scenario-based guidance** on the areas outlined to ensure consistent and effective implementation of regulations.
5. **Work with retailers** to highlight the areas where further clarity will accelerate supply chain transformation.

Please find a short report attached, outlining key points of clarification on how due diligence requirements may work for the British food system.

We would appreciate the opportunity to discuss the matters outlined above with you. Please contact will@retailsoygroup.org who will be happy to make the arrangements.

Wishing you all the very best in your new role.

Signatories:

Aldi Stores GB

Asda

British Retail Consortium

Co-operative Food

Lidl Great Britain

Marks & Spencer

Wm Morrison Supermarkets Plc

Ocado

J Sainsbury plc

Tesco plc

Waitrose & Partners