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## Global soy exporters adopt new measures to eliminate deforestation and native vegetation conversion in Brazil's Cerrado region

**Exporters disclose their soy volumes free of deforestation and Cerrado grassland conversion**

**Cerrado Region, Brazil 21 June 2022** – Six of the world's largest food and agribusiness companies have developed a [new method](#) to disclose deforestation- and conversion-free soy purchases from Brazil's biodiversity-rich Cerrado region, the [World Business Council for Sustainable Development \(WBCSD\)](#) announced today. This is one of many new measures the companies are taking to help preserve the Cerrado landscape.

The six companies -- members of WBCSD's [Soft Commodities Forum \(SCF\)](#) -- are Chicago, IL-based [Archer-Daniels-Midland Company](#), commonly known as ADM; St. Louis, MO-based [Bunge](#); [Cargill Inc.](#), based in Minneapolis, MN; Geneva-based [COFCO International](#); as well as Rotterdam, Netherlands-based [Louis Dreyfus Company](#) and [Viterra](#). SCF members are committed to eliminating deforestation and native vegetation conversion in their soy supply chains in the Cerrado region, balancing economic, social and environmental priorities.

Like its better-known neighbor, the Amazon, the Cerrado biome in East-Central Brazil is home to 5% of Earth's biodiversity. The country is also the world's largest exporter of soy, with about 30% of global production, and about half of the production is concentrated in the Cerrado.

### **A new method to disclose deforestation- and conversion-free soy purchases**

The six SCF members are now able to publicly disclose deforestation- and conversion-free soy purchases sourced from 61 focus municipalities in the region, which represents 70% of the area at-risk for deforestation associated with soy. This includes soy sourced directly from farmers and indirectly from intermediaries such as grain aggregators, farm cooperatives and mills.

Aside from key traceability data from the member companies, this seventh bi-annual [SCF report](#) details progress since last December on land use monitoring, stakeholder engagement and landscape transformation initiatives.

In addition to individual company data, the SCF's latest report also includes a process to track deforestation- and conversion-free soy in the 61 Cerrado municipalities.

### **A collective protocol to monitor and trace soybeans from indirect suppliers**

While SCF members can more easily trace soybeans purchased directly from soy farms, tracing soy acquisitions from indirect sources (which represent roughly 22% of their collective soy purchases) is far more complex.



To address that challenge, SCF members have developed a collective protocol to monitor and trace soybeans from indirect suppliers.

Developed with the Brazilian Association of Vegetable Oil Industries (ABIOVE), the new SCF protocol for indirect suppliers is a sectoral approach to help equip the intermediary soy resellers with adequate traceability systems.

This joint SCF and ABIOVE initiative is designed to send a strong market signal to producers that SCF members are seeking to do business with suppliers that are in line with SCF objectives, and are capable of tracing their own sourcing to guarantee it is deforestation- and conversion-free. SCF will also engage and support indirect suppliers to become more prepared for the market demand.

### **A three-year strategy to preserve priority Cerrado landscapes**

Additionally, the SCF has established a three-year strategy -- the Farmer First Clusters Initiative -- to preserve priority Cerrado landscapes. The strategy proposes financial incentives to encourage farmers to preserve forests, adopt sustainable land use practices and to protect the ecosystem.

In its June 2022 [report](#), the SCF unveils the Cerrado landscape interventions it plans to deploy later this year in Brazil's states of Western Mato Grosso, Southern Maranhão, Western Bahia, and Tocantins.

"Traceability is the baseline for credibly meeting targets in line with a 1.5-degree climate pathway", said Diane Holdorf, WBCSD's Executive Vice President. "The progress made by the Soft Commodities Forum to advance its nature-positive agenda is critical to help achieve a resilient, equitable food system. Their work moving forward to accelerate and scale action on the ground with farmers demonstrates the momentum needed."

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## **About the Soft Commodities Forum**

Companies that buy, sell and process soft commodities play a unique role in connecting soy supplies with customers around the world. They are like an optical fiber that connects consumers, producers and the markets, and therefore have a unique opportunity to help drive progress on the elimination of soy-driven deforestation and conversion. The complexity of soy supply chains means that no single business can tackle deforestation and conversion alone. Collaboration between them helps to move the entire sector forward together, establishing and applying standards and solutions.

In 2018, WBCSD established the [Soft Commodities Forum](#) (SCF) to enable this collaboration, making it the only forum in which member companies have agreed to find collective solutions to common sustainability challenges, bridging global goals with local realities. The SCF's six current members – ADM, Bunge, Cargill, COFCO International, Louis Dreyfus Company (LDC) and Viterro – are among the world's largest soy exporters and are committed to the elimination of deforestation in their supply chains where they operate in the Cerrado. They have pledged to make their soy supply chains free from deforestation and native vegetation conversion (NVC), balancing economic, social, and environmental priorities.



The SCF is hosted by the World Business Council for Sustainable Development (WBCSD) through a management team, which facilitates dialogue and the pooling of resources and information.

## **About the World Business Council for Sustainable Development (WBCSD)**

WBCSD is the premier global, CEO-led community of over 200 of the world's leading sustainable businesses working collectively to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.

We do this by engaging executives and sustainability leaders from business and elsewhere to share practical insights on the obstacles and opportunities we currently face in tackling the integrated climate, nature and inequality sustainability challenge; by co-developing "how-to" CEO-guides from these insights; by providing science-based target guidance including standards and protocols; and by developing tools and platforms to help leading businesses in sustainability drive integrated actions to tackle climate, nature and inequality challenges across sectors and geographical regions.

Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees. Our global network of almost 70 national business councils gives our members unparalleled reach across the globe. Since 1995, WBCSD has been uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues.

Together, we are the leading voice of business for sustainability, united by our vision of creating a world in which 9+ billion people are living well, within planetary boundaries, by mid-century.

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### ***Note to editors – not for publication***

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