

Minutes #95
Executive Board Physical Meeting
March 6th - 7th 2013
Cuiaba, Brazil

Minutes taken by: Verónica Chorkulak.

Minutes reviewed by: Cecilia García Nistor

Representatives from the Industry Constituency: 4 out of 4 members present. Jaap Oskam (Nutreco), David Pendlington (Unilever), Guillermo Prone (Acsoja), Olaf Brugman (Rabobank).

Representatives from the Producers Constituency: 2 out of 5 members present. Joao Shimada (A. Maggi). Cynthia Moleta Cominesi (appointed to represent APDC). Los Grobo and Aapresid proxy vote to A.Maggi.

Representatives from the Civil Society Constituency: 3 out of 4 members present. Gert V d Bijl (Solidaridad), Cassio Moreira (WWF), Oswaldo Carbalho (Ipam).

RTS Secretariat: Veronica Chorkulak, Ben Zeehandelaar, Agustin Mascotena, Daniel Meyer.

Observers: Jan Nicolai (IDH), Patricia de Vries (Netherlands Embassy), Ruud Tijssens (Agrifirm), Juliana Lopes (A. Maggi); Cynthia Cominesi (WWF).

DAY 1

1- Opening and expectations of the meeting

The meeting is opened. Proxy votes and quorum are checked.
Jaap comments on the certified million tons.
The agenda is reviewed.

2- RT8/GA7 (China)-Ben Zeehandelaar

RT8

Ben presents the organization of the RT8.

The status of the sponsorship is explained.

Ben explains that Monsanto would like to be a sponsor. Olaf, on behalf of Rabobank, states that they are thinking of becoming a sponsor. David, on behalf of Unilever, confirms the organization will not sponsor the event.

Wilmar is the biggest importer of soy in China. They have been asked to attend as speakers.

The relationship between the subtitle of the conference and the agenda/speakers is discussed.

Cassio refers to the content. It is important to have a speaker from the academy but related to food security. It is important to show China that deforestation is a problem for food security. He believes the speakers should be confirmed ASAP.

It is commented that Monsanto has made a proposal to be sponsor of the RT8 and that it will serve as an incentive for other companies.

Jaap suggests convincing other private companies to become sponsors **A1**.

Monsanto is accepted as a sponsor.

GA7-Agustin Mascotena

This year's will be a more active GA.

The pesticides working group conclusions and the Mapping Project will be included in the standard.

It is necessary to hold a vote on the bylaws.

Jaap asks Agustin to communicate the topics to be voted **A2**

The vacancies in the Board are presented.

Conclusion

Industry:

Acsoja and Rabobank will renew their position in the Board.

A representative of FEFAC will replace the one of Nutreco.

Unilever remains in the Board.

Retailers could present other candidate

Civil Society:

Solidaridad and WWF will renew their position in the Board.

IPAM remains in the Board.

Ashis has to be asked whether he thinks of remaining in the Board. **A3**

Producers:

APDC and Los Grobo remain in the Board.

Maggi will renew its position in the Board.

Cytasa will leave the Board. The RTRS should look for another member. **A4**

Aapresid's continuance should be confirmed. **A5**

David believes there should be an EB member in every region where the production of soy is important.

3-First Feedback Survey Results-Agustin Mascotena

The survey results are showed. The analysis is divided by constituency and their participation/acquisition of soy credits/certification.

Some Producers that have certifications believe the compliance of agricultural practices is easy, unlike legal compliance. Half of the producers that still have no certifications believe they will acquire them.

More than half of the industry that is not buying thinks will not buy.

Agustin describes the major difficulties and the elements of improvement by constituency.

The results will be presented in the GA.

David says that a suitable conclusion should be made so the board can process the information in the following months.

Agustin is asked to prepare a document on these results. It is commented that it is important to be careful when analysing and taking the proper conclusions. Agustin takes the lead on this task. **A6**

Gert explains that this document cannot be presented in the GA without an action plan.

It is suggested to recommend possible practical issues for the improvement of the standard.

Cassio suggests working on the demand side.

Jaap suggests focusing on the main conclusions and communicating them in a proper way. He adds that the results should be discussed during the next conference call before the GA. **A7**

Cassio believes that a two-month action plan is not achievable.

Gert suggests communicating positively the large participation in the survey.

4- Cooperations with other schemes (updates)-Agustin Mascotena

Aapresid

The two standards will be certified in the same audit.

The mains characteristics are discussed and possible solutions are presented.

Aapresid modified the age as defined in the NI Argentina

The outcomes and next steps are presented.

The possible creation of a certification by the end of the 2012-2013 campaign is presented.

It means the first complete cooperation with other scheme at farm level.

Agustin explains the auditor is one, one single audit. We won't recognize AC as equal. They use to have SGS as CB but now they have opened also to the ones approved by RTRS

Aapresid has to approve this cooperation, and it will then be formally agreed and communicated to the farmers, industry, etc.

The 4.4 is the only problem for RTRS. The solution is to fulfil the forest law for Argentina.

Aapresid has few relevant international contacts. This will help them with this issue.

Cooperation with Proterra

The RTRS is still waiting for Proterra to send the required documents. There should be an extensive discussion on this alliance, especially on two main topics, transparencies regarding the audit process and the producers' information sampling.

Jaap suggests discussing this issue later, when it is more advanced.

Cassio expresses his concern on the wishes of other standards to make the RTRS standard more flexible.

Agustin presents other initiative called Danube. Jaap suggests Agustin to try and be “proactively involved”.

5-RTRS-Smallholders- Gert Van der Bijl

Smallholders are one of the main challenges for the RTRS. The certification model is not very useful for smallholders.

A very low number of certified tons belong to smallholders.

In Africa, there are an increasing number of soy-producer farmers mainly in the poultry industry. The yield is very low (0, 5 tons per hectare).

Gert suggests organizing trainings in order to increase yields in few years.

The RTRS should study how to benefit smallholders (separate certifications, higher prices - only valuable if buyers are interested in additional investment in smallholders).

Other Roundtables are struggling with the smallholders' issue.

A production support should be a way of becoming more attractive.

There are no conclusions but mere ideas.

If there will be a special session for smallholders in China, it is important to work on this issue.

6-Unilever efforts in USA-Dave Pendlington

Dave reminds of the intent of creating an RTRS NI in USA in the past.

He explains that they are currently running a pilot and there is a field print calculator in development. Working equivalently with such country would be very helpful.

Jaap suggests studying how to work on this equivalence. **A8**

8-Task force Brazil-Daniel Meyer

The current situation of certified soy in Brazil is presented. It represents 1% of national production.

The general objectives of the project are to raise awareness and commitment, together with the capacity of producing and supplying the RTRS certified soy.

The task-force members are presented.

There is a question on how to raise the internal demand for RTRS soy in Brazil.

Cassio suggests simplifying the message for the producers, emphasizing potential benefits and demand targets.

Gert believes that working together with the Soy fast track fund could be helpful.

David believes that one of the barriers is legal compliance. There should be a clear understanding with the Brazilian government.

Cassio believes that the new forest code would facilitate legal compliance.

Conclusion

Jaaps suggests communicating and involving key players. **A9**

10-FEFAC-Sustainable soy Outlook others-Ruud Tijmens

Ruud gives an update on FEFAC developments and sustainable soy in Europe. He explains what happens at this stage in Europe. In Belgium, the RTRS is guiding its current own standard. Netherlands has the commitment of RTRS or equivalent 1.8 million tons in 2015.

In Denmark, the RTRS is regarded as expensive and bureaucratic.

In UK, there is a strong commitment towards sustainable soy but hesitation about the RTRS.

Sweden has certified 250 thousand tons, 50% are RTRS-certified.

In Germany, Non-GM elements are the key issue.

According to the FEFAC assessment, the main remarks are that RTRS has highly accepted and well-balanced criteria but its certification system is too rigid.

FEFAC's commitment consists on a sustainable raw material production.

It is discussed what are the main change request of FEFAC. Ruud explains that main observations are Legal compliance in Brazil and practicability of certification. Agustin says main issue is the cost of the process.

11. Introduction to Legal Reserve Markets-Pedro Moura Costa and Leonel de Melo

Pedro Moura Costa explains the BV Rio project and the idea of helping Brazilians with legal compliance. The Market for Forest Reserve Credits is explained. In case of legal reserve deficit there are two options: replant or offsetting in another location.

BV trade platform is explained. The use of Forest Reserve credits provides an easy solution for the compliance of the Brazilian Forest Law.

Marcelo Duarte (Aprosoja) states that this could be a very useful tool for those with no enough land, for example those in Sao Paulo.

Possible synergies with the RTRS are mentioned.

12-APROSOJA-RTRS and Aprosoja representatives

Jaap Oskam explains the RTRS achievements over the recent period. Alignments with other initiatives are mentioned.

Aprosoja representatives present innovations in Brazil and new environmental law. The situation of Brazilian farmers and the importance of legal reserves that comply with the law is explained. Aprosoja, by means of its Sojaplus program, has decided to help farmers in complying with the law, so they can apply for the certifications in case they wish to.

Jaap oskam concludes after the discussion with Aprosoja: There is an opportunity to connect producers with market. Daniel Meyer is asked to involve them in the task force Brazil.

Jaap suggests analysing the continuance of this dialogue.

Oswaldo comments that it is important to explain them the way the mapping project works.

7-Pesticides Use WG-Agustin Mascotena

The TWG's activities are presented. There is a discussion on two pesticides, Carbofuran and Paraquat

Solidaridad, FEFAC, WWF, Lantmannen and several other organisations are participating.

Suggested actions were sent to Cecilia Gabutti a new proposal will be voted.

PUWG should have a meeting to arrive to a final suggestion to be elevated to the EB **A10**

9-Improve Non-gm soy-RTRS Secretariat Role- Gert V d Bijl

The RTRS is technologically neutral but still linked to GM products. The task of the RTRS is now to enter RTRS non-gm soy in the market.

Joao explains that the weak feature is logistics. Shipment schedules are fundamental.

It is mentioned that is important to engage companies to increase purchase of non-gm soy.

Joao explains that in Matto Grosso, the GM soy represents an 80% of the whole production.

The risk of contamination is very high.

It is mentioned that Proterra's sampling methodology system is cheaper.

Jaap inquires about the way of reaching a solution that takes into account the market's requirements. The possibility of the members' influence in the increase of demand is discussed.

It is mentioned that a higher premium for non-gm soy is required.

DAY 2

The meeting is opened.

13- New Bylaws- Agustin Mascotena

Agustín explains the suggested amendments in the Bylaws in order to be approved by the Board:

Art1 (4)

The deletion of "and its respective national interpretation and implementation process" has been suggested.

The modification is accepted.

Art 1 (6)

A new paragraph containing the penalties to the infringement of art 1 is suggested:

"Any act against this support and promotion spirit could be considered a major fault to the Bylaws and will be up to the Mediation Committee to judge it and take a resolution about it, according **Conflict Resolution Procedure (ANNEX I)**"

Gert observes that the Bylaws explain the discussion method but not the complaint filing mechanism.

The modification is accepted.

Art 2. (2)

The requirements for the production of the annual report are described. Among the several requirements, it is mentioned that: "New members are required at the latest in their first annual progress report to specify a time bound plan of working towards producing or buying its full soy volume according to RTRS standard".

It is mentioned that this is a difficult task to achieve.

It is decided not to vote on this now. If it is not discussed over the next month, it will not be presented at the GA.

Art 2 (4)

It has been suggested changing the term "appointed" for "voluntary".

The modification is accepted.

Art6 (1)

As regards the admission to membership, it has been proposed to ask the entity for more information before being accepted.

The modification is accepted.

Art 6 (2)

Six EB Members' positive votes are necessary (2 per constituency).

The modification is accepted.

Art 8 (1)

It has been proposed to inform the RTRS members on the activities of the RTRS by means of the newsletter, web page, and any other possible way.

The modification is accepted.

Art 8 (2)

It has been proposed to allow members to submit motions to be treated by the Executive Board and then be voted at the General Assembly meetings.

The modification is not accepted.

Art 10

Membership fees are explained and discussed. There is no time to debate on this.

Art 11 (3)

It is proposed to present suggestions for the Executive Board to analyse, study and decide on.

This proposal will be discussed during a conference call with Alex.

Conclusion

There will be a conference call will to discuss the remaining issues. **A11**

14-Mapping project-Daniel Meyer

Daniel presents the project as an innovative tool to guide responsible expansion.

Objectives and categories of the project are presented.

The importance of the maps beyond the law is explained.

The HCVA assessment under category 2 is explained. Producers, landowners and managers are responsible for the process. What is mandatory is to identify high conservation values and high conservation value areas. Management and monitoring are voluntary. The two types of assessments (simplified and completed) are explained.

The conclusion obtained from the pilot project is that regional scale accuracy is very high and maps will need to be updated frequently.

The deforestation that occurred between 2006 and 2009 is not described by the RTRS. This means there is a difference with the soy moratorium.

Cassio suggests the RTRS becoming a way for producers to be out of the soy moratorium.

Cassio will make a proposal for the next meeting. **A12**

It is discussed that the Board needs more time to consult and a formal proposal of suggestion to vote on. It is decided to discuss this issue during the next conference call. Daniel Meyer it is asked to send a formal proposal to the board on elements that require approval. **A13**

15-Mapping Paraguay-Veronica Chorkulak

The strategy plan is presented. Learnt lessons, funding and next steps are explained. It is suggested to work with the UNEP project for the zoning in Paraguay before starting.

The possibility of having an additional EB meeting before RT8 is discussed.

It is decided to organize a conference call in mid-April presenting proper documents. Mapping, bylaws, pesticides, survey results will be discussed. **A14**

A four-hour meeting will be necessary.

Jaap asks Agustin to send an e-mail explaining all EB members the necessity of having a call conference before the GA. The date will be set during that communication. **A15**

Jaap will send a letter to Aprosoja thanking for their participation. Daniel will provide more information on task force Brazil.

Some Board members will work together with Aprosoja.

Ruud's comments on FEFAC are discussed.

Jaap suggests initiating a joint analysis of the results of the feedback survey and FEFAC comments on the RTRS. **A16**

17-Financial situation update and forecast-Veronica Chorkulak

It is explained that certification fees and project funding have led to a favourable financial position.

16-IT Platform negotiations-Agustin Mascotena

The IT-platform negotiations are explained.

The only pending issue in the conclusion of the purchase is the last payment.

Agustin explains there is an opportunity to share the IT Platform with other Round Tables.

18-Last meeting actions and Minutes-Agustin Mascotena

Minutes are reviewed.

Actions A1, A2, A11 are pending. **A17**

Minutes are approved.

19-Claim policy-Agustin Mascotena

This topic will be discussed during the next conference call. **A18**

20-Any other business

Premium transparency-John Landers topic

There were two topics treated at last EB proposed by John (APDC):

1-Total transparency on premium payments for all RTRS certificate sales .

This means sensitive commercial information for companies. This topic will be discussed during the next conference call. **A19**

2-On the HCVA mapping site there should be a guarantee of anonymity of consultations and data divulged. Otherwise, farmers will not use it for fear of scrutiny by the authorities.

20-Closing of the meeting

The meeting is adjourned.

Action #	What	Who	When
A1	Convincing other private companies to become sponsors A1.	All EB members and Secretariat	asap
A2	Communicate the topics to be voted during the GA	Secretariat	
A3	Ask Ashis whether he thinks of remaining in the Board	Secretariat	
A4	Cytasa will leave the Board. The RTRS should look for another member.	Secretariat	
A5	Aapresid's continuance should be confirmed.	Secretariat	
A6	Prepare a document on the results of the Feedback Survey. The results will be	Agustín Mascotena	

	presented in the GA		
A7	Feedback results should be discussed during the next conference call before the GA	Agustín Mascotena	
A8	Study how to work on the equivalence RTRS-USA.	Agustín Mascotena	
A9	Communicate and involving key players in the Brazilian work force.	Daniel Meyer	
A10	PUWG should have a meeting to arrive to a final suggestion to be elevated to the EB	Secretariat	
A11	Discuss the remaining issues on the Bylaws amendment.	EB Members	
A12	Develop a proposal on the RTRS as a way for producers to be out of the soy moratorium.	Cassio Franco	
A13	Send a list of elements about the mapping project that requires EB approval.	Daniel Meyer	
A14	Organize a conference call in mid-April presenting proper documents. Mapping, bylaws, pesticides, survey results will be discussed.	EB	Before April
A15	Send an e-mail explaining all EB members the necessity of having a call conference before the GA. The date will be set during that communication.	Agustín Mascotena	
A16	Initiate a joint analysis of the results of the feedback survey and FEFAC comments on the RTRS.	Secretariat	
A17	Discuss Actions A1, A2, A11 of the previous minutes.	EB	
A18	Discuss Claim Policy	EB	
A19	Discuss the Price of Direct trade of credits	Secretariat	

	and confidentiality.		
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