



## ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

### Minutes No. 138 of the Executive Board Meeting held on

Wednesday, April 27, 2017, 14:00 CEST (10:00 Buenos Aires time), via telephone conference (in accordance with article 20, section [2] of the RTRS By-Laws [Version 3.7]).

#### Agenda:

1. Approval of the Minutes No. 137.
2. Amended and Restated Statutes Next steps.
3. Update meeting in Zurich.
4. Update on membership fees situation 2016 in accordance to letter sent to members. Approve GA 11 voting criteria.
5. Update on Paraquat: Next text for 5.6.2 and related indicators in RTRS Production Standard.
6. Friends of the Earth: 1-Update on the process RTRS used to achieve final technical reports: -A. Growers/CB's. -B. OAA.-C. RTRS summary. 2. Decide way forward including analysis of potential contingencies. 3-Public information definitions.
7. Management Report: content and format of the "communication piece".
8. RTRS Non-GMO Module (Requirements for Producers).
9. RTRS Mass Balance model: ideation phase: -Approve the name Regional Credit (for the current model buy credits from a specific region). -Approve the RTRS Mass Balance model (Stage 1) Regional Mass Balance = region/area level -Approve the RTRS Mass Balance model (Stage 2) National Mass Balance = country level
10. KPI's. Financial Report. Update: nominations for the Executive Board 2017-2019.
11. Closing.

#### A. Introduction

The meeting of the Executive Board of Directors of the Round Table on Responsible Soy Association (RTRS) starts at 14:10 CEST (10:10 Buenos Aires time).

#### Participants:

#### RTRS Executive Board members:

- Olaf Brugman, Rabobank (constituency: Industry, Trade and Finance):  
olaf.brugman@rabobank.com
- Oswaldo de Carvalho Junior, Earth Innovation Institute (constituency: Civil Society Organizations): ocarvalho@earthinnovation.org

- Ulises Javier Martínez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): [ulises.martinez@vidasilvestre.org.ar](mailto:ulises.martinez@vidasilvestre.org.ar)
- Débora Florencia Telles, Nidera S.A. (constituency: Industry, Trade and Finance): [dtelles@nidera.com.ar](mailto:dtelles@nidera.com.ar)
- Leslie Willem Johanna Leinders, Unilever, (constituency: Industry, Trade and Finance): [Leslie.Leinders@unilever.com](mailto:Leslie.Leinders@unilever.com)
- Emma Keller, WWF alternate for Jean-François Timmers (constituency: Civil Society Organizations): [EKeller@wwf.org.uk](mailto:EKeller@wwf.org.uk)
- Jean François Timmers, WWF (constituency: Civil Society Organizations): [jeantimmers@wwf.org.br](mailto:jeantimmers@wwf.org.br)
- Juliana De Lavor Lopes, Amaggi (constituency: Producers): [juliana.lopes@amaggi.com.br](mailto:juliana.lopes@amaggi.com.br)
- Gisela Introvini, FAPCEN (constituency: Producers): [giselaintrovini@hotmail.com](mailto:giselaintrovini@hotmail.com)
- Alejandro José O'Donnell, Aapresid (constituency: Producers): [alejandro@fronterasrl.com.ar](mailto:alejandro@fronterasrl.com.ar)
- Christophe Callu Mérite, Feed Alliance (constituency: Industry, Trade and Finance): [christophe.callumerite@feed-alliance.fr](mailto:christophe.callumerite@feed-alliance.fr)

**RTRS Secretariat:**

- Marcelo Visconti, RTRS Executive Secretary: [marcelo.visconti@responsiblesoy.org](mailto:marcelo.visconti@responsiblesoy.org)
- Daniel Kazimierski, RTRS Secretariat: [daniel.kazimierski@responsiblesoy.org](mailto:daniel.kazimierski@responsiblesoy.org)
- Fernando Olivieri, RTRS Secretariat: [fernando.olivieri@responsiblesoy.org](mailto:fernando.olivieri@responsiblesoy.org)
- Laura Villegas, RTRS Secretariat: [laura.villegas@responsiblesoy.org](mailto:laura.villegas@responsiblesoy.org)
- Catalina Ale Monserrat, RTRS Secretariat: [catalina.ale.monserrat@responsiblesoy.org](mailto:catalina.ale.monserrat@responsiblesoy.org)

**Special guests invited:**

- Cid Sanches, RTRS External Consultant Brazil: [cid\\_sanches@yahoo.com.br](mailto:cid_sanches@yahoo.com.br)

- Enrique Molas, RTRS External Consultant Paraguay:  
enrique.molas@responsiblesoy.org
- Federico Otero, Legal Advisor Argentina:  
federico.otero@trsym.com

Ulises Javier Martinez, member of the RTRS Executive Board, agrees to chair the meeting and welcomes the participants to the Executive Board meeting. The agenda is presented and participants are asked whether any additional topics should be included. The meeting begins.

### **B. Quorum and Proposals**

The Executive Secretary ascertains that the quorum required to validly pass resolutions has been reached. The Executive Board considers the following items on the agenda:

1. *Approval of the Minutes No. 137.*

Minutes No. 137 are reviewed page by page.

In the absence of any objections, Ulises Javier Martinez confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

“The Executive Board meeting minutes No. 137 of the RTRS Executive Board are approved (by consensus).”

2. *Amended and Restated Statutes Next steps.*

Marcelo Visconti explains to the members of the Executive Board, that the RTRS Secretariat has received additional comments to the draft approved on March 22, 2017.

As a result of that, the members of the Executive Board agree to ask Federico Otero to prepare a new draft including the inputs sent to the RTRS Secretariat by Belinda Howell, Jean Francois Timmers and Debora Telles.

Marcelo Visconti explains that the new draft will be distributed as soon as possible.

In the absence of any objections, Ulises Javier Martinez confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

“A new draft of the Amended and Restated Statutes will be prepared by Federico Otero including the comments made by Belinda Howell, Jean Francois Timmers and Debora Telles (by consensus).”



3. *Update meeting in Zurich.*

Marcelo Visconti and Federico Otero make a brief summary of the RTRS tax situation.

4. *Update on membership fees situation 2016 in accordance to letter sent to members. Approve GA11 voting criteria.*

Due to the lack of time, it is decided to differ this topic to the next Executive Board meeting.

5. *Update on Paraquat: Next text for 5.6.2 and related indicators in RTRS Production Standard.*

Ulises Javier Martinez explains that as approved on the Executive Board meeting held on February 23, 2017, the three Vice-Presidents Juliana de Lavor Lopes, Jean Francois Timmers and Belinda Howell, have worked together on the Paraquat's resolution proposal. He comments that unfortunately the above mentioned group has not been able to reach consensus. He adds that the two alternatives given do not represent the vision of the civil society organization.

Juliana de Lavor Lopes says that the three Vice-Presidents created two proposals (A and B), in case Proposal A had not been approved by the members of the Executive Board. She says that the main concern is that if the current indicator is confirmed this confirmation will affect the Association, and probably, many producers will leave the certification process. She also explains that with proposal A, by 2020 there will be enough time to analyze the situation- if producers are reducing the use of Paraquat and if not, what will be the impact in terms of producers leaving the certification process.

Juliana de Lavor Lopes explains proposal B, in case option A is not approved. She comments that Belinda Howell made an analysis with other current standards and all of them allowed Paraquat in certain specific situations. She adds that these proposals were the best solutions they could find.

Jean Francois Timmers mentions that one of the possibilities they managed is to have a double Standard, one without allowing the use of Paraquat, and the other allowing it. He adds that they are not satisfied with neither of the proposals.

Juliana de Lavor Lopes clarifies that they consulted the Industry, Trade and Finance constituency; and they reached to the conclusion that having two standards is not achievable, and also that the credits system is not segregated so the buyers would not be able to assure that they are receiving credits from Paraquat's free production. She also adds that the test of presence of residues of Paraquat is not made in the farm, but in the ships.

Ulises Javier Martinez comments that these two options are not the result of reaching consensus in the group. He also adds that the two alternatives do not represent the vision

of the civil society organization constituency. He explains that a third proposal is needed. This proposal would be to keep the current indicator 5.6.2 that prohibits the use of Paraquat.

Juliana de Lavor Lopes explains that this proposal can decrease the volumes of RTRS certified soy and also that the financial situation would be affected, and Producers will not continue certifying if they do not receive the difference.

Ulises Javier Martinez mentions that it should be taken into consideration the impacts on the credibility of RTRS if the Association goes back from the decision made in 2012. He also adds that the impact on Producers is also unknown. He explains that if the offer goes down the prices will increase creating a compensation for Producers.

Juliana de Lavor Lopes states that there will not be enough compensation for Producers to stop using Paraquat, and she also adds that the note of the indicator 5.6.2 was not clear on who would be responsible for deciding and collecting the evidence. She states that this is a very important decision to make without forgetting the impact that it will involve.

Marcelo Visconti comments that the Association is talking about continuous improvement and these discussions are not going to the right place. He also adds that "continuous improvement" means dealing with the problems and being transparent, assuming the commitments and responsibilities.

Jean Francois Timmers adds that he sees a lot of rejection from the market to the use of Paraquat. He states that not having a clear position on the face out of Paraquat will be used for the benefit of those who do not support the Association.

Marcelo Visconti asks to take into consideration the timing of the decision; he mentions that the viability of the Association may be threatened. He adds that if RTRS does not give a solution to this, this will damage the viability of the Association.

Juliana de Lavor Lopes agrees with Marcelo Visconti. She clarifies that Paraquat is allowed in Proterra in special situations and that RTRS could do the same.

Christophe Callu Mérite asks if there is a huge pressure from the market regarding the use of Paraquat.

Christophe Callu Mérite adds that in Europe Paraquat is not an issue since is not allowed for use, therefore it is just a question of residues limits.

Juliana de Lavor Lopes explains that because of this, they included in the guidance of the indicator proposed the residues limits of each country.

Daniel Kazimierski explains that a report carried out for the Paraquat Working Group, analyzing the assessment reports demonstrated that around 50% (fifty per cent) of the RTRS certified Producers are using Paraquat.

Juliana de Lavor Lopes adds that in their perception, only the big Producers are replacing Paraquat but this is not the case for small Producers and that RTRS does not know the impact this face out would have.

Marcelo Visconti comments that it seems that there will not be a solution to offer to the members that can reach the consensus with all the constituencies.

Juliana de Lavor Lopes clarifies that the best option would be proposal A, and if there is no consensus the market could accept the proposal B.

Ulises Javier Martinez says that they will not accept alternative B. It means a regression on what RTRS has achieved so far.

Juliana de Lavor Lopes asks for a proposal and new suggestions.

Ulises Javier Martinez says that there were three different propositions and neither of them was accepted, including having two standards.

Juliana de Lavor Lopes says that the two different standards are not the problem but that this will not make the difference in the market.

Christophe Callu Mérite asks to check the FEFAC tool, and Juliana de Lavor Lopes answers that there is nothing about Paraquat in FEFAC tool, only legal compliance.

Ulises Javier Martinez comments that the two alternatives means a major change in the standard and public consultation would be needed to be in compliance with ISEAL. Maintaining the current indicator 5.6.2 and eliminating only the note would be a minor modification.

Jean Francois Timmers asks if there is time to look for consensus.

Olaf Brugman answers that there is time for that.

Ulises Javier Martinez explains that proposal "C" is to put in action indicator 5.6.2.

Federico Otero explains that putting as an alternative something that is already in the standard, and is not approved this would create a bigger problem.



Juliana de Lavor Lopes mentions that reaching the consensus in the three constituencies shall be the priority these days.

Ulises Javier Martinez says there is a possibility and that he needs to check with other organizations. He proposes to eliminate proposal B and work on the proposal "A" which is similar to one of the proposal made adjusting the date.

Ulises Javier Martinez decides to join the group in order to reach consensus.

Jean Francois Timmers adds that the proposal "A" is more reasonable than "B". He says that the group will work together to work and improve the proposal.

Olaf Brugman asks for a procedure and, Ulises Martinez explains that he will be join the group currently composed by the three Vice-Presidents, and that he will work on proposal A improving it until next Tuesday 2th of May.

6. *Friends of the Earth: 1-Update on the process RTRS used to achieve final technical reports: -A. Growers/CB's. -B. OAA.-C. RTRS summary. 2. Decide way forward including analysis of potential contingencies. 3-Public information definitions.*

Due to the lack of time, it is decided to differ-this topic to the next Executive Board meeting.

7. *Management Report: content and format of the "communication piece".*

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10. *KPI's. Financial. Report. Update: nominations for the Executive Board 2017-2019.*

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11. *Closing.*

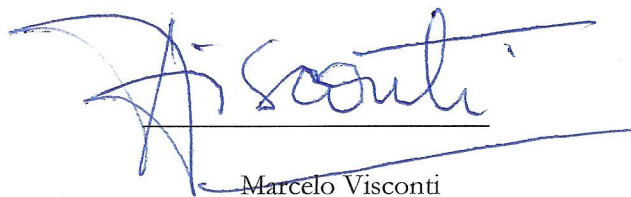
The meeting is closed at 18:00 CEST (14:00 Buenos Aires time)

April 27th, 2017



Ulises Javier Martinez

RTRS Executive Board member



Marcelo Visconti

Executive Secretary of RTRS