

ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

Minutes No. 130 of the Executive Board Meeting held on

Wednesday, 31st August 2016, 13:00 CEST (08:00 Buenos Aires time), via telephone conference (in accordance with article 20 section [2] RTRS By-laws [Version 3.7])

Agenda:

1. Introduction - Opening and Expectations about the meeting
2. Quorum
3. Minutes Approval
4. Association's Secretariat Affairs
 - a. Declaration of Vacancy Industry Trade and Finance Constituency
 - b. Calendar Executive Board meetings-calls update
 - c. Status Presidency Handover
 - d. Current Status of the Association/Secretariat
5. Paraquat Working Group
6. Closing of the Meeting

1. Introduction

The meeting of the Executive Board of Directors of Round Table on Responsible Soy Association (RTRS), starts at 13:00 CEST (08:00 Buenos Aires time).

Participants:

RTRS Executive Board Members:

- Olaf Brugman, Rabbobank (constituency: Industry, Trade and Finance), President (OB): olaf.brugman@responsiblesoy.org
- Belinda Katharine Hallam, RSG (constituency: Industry, Trade and Finance): belinda.howell@rpog.org
- Debora Telles, Nidera (constituency: Industry, Trade and Finance): dtelles@nidera.com.ar
- Christophe Callu Mérite, Feed Alliance (constituency : Industry, Trade and Finance): christophe.callumerite@feed-alliance.fr
- Ulises Javier Martinez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): ulises.martinez@vidasilvestre.org.ar

RTRS EXECUTIVE BOARD MEETING MINUTES (08.31.2016)

- Oswaldo de Carvalho Junior, Earth Innovation Institute (constituency: Civil Society Organization): ocarvalho@earthinnovation.org
- Gisela Regina Introvini, FAPCEN (constituency: Producers): giselaintrovini@hotmail.com
- Alejandro José O'Donnell, Aapresid (constituency: Producers): alejandro@fronterasrl.com.ar
- Juliana de Lavor Lopes, Amaggi (constituency: Producers): juliana.lopes@amaggi.com.br

RTRS Secretariat:

- Marcelo Visconti, RTRS Executive Secretary
marcelo.visconti@responsiblesoy.org
- Jimena Froján, RTRS Secretariat: jimena.frojan@responsiblesoy.org
- Daniel Kazimierski, RTRS Secretariat:
daniel.kazimierski@responsiblesoy.org
- Fernando Olivieri, RTRS Secretariat:
fernando.olivieri@responsiblesoy.org
- Laura Villegas, RTRS Secretariat: laura.villegas@responsiblesoy.org
- Catalina Ale Monserrat, RTRS Secretariat:
catalina.ale.monserrat@responsiblesoy.org
- Enrique Molas, RTRS External Consultant Paraguay:
enrique.molas@responsiblesoy.org
- Lieven Callewaert, RTRS External Consultant Europe:
lieven.callewaert@responsiblesoy.org
- Cid Sanches, RTRS External Consultant Brazil:
cid_sanches@yahoo.com.br

Special guests invited for Paraquat Working Group discussion:

- Martin Descalzo, Paraquat Working Group Coordinator
martindesc@gmail.com
- Cecilia Gabutti, Paraquat Working Group Technical Coordinator
cecilia@gabutti.net

Olaf Brugman, President of RTRS Executive Board, welcomes the participants to the Executive Board meeting. The agenda is presented and checked for further subjects to be included. The meeting begins.

OB

2. Quorum

Prior to the voting, the Secretary ascertains that the quórum required in order to validly pass resolutions, is reached.

3. Minutes approval

The Secretariat refers to the Executive Board meeting minutes Nos. 126 and 127, the 10th General Assembly meeting minutes No. 128, and to the Executive Board meeting minutes No. 129 attached to the written (convening) notice. The minutes are reviewed page by page.

As no objection in respect of the approval of the minutes was raised the Secretariat brings to the attention of the Executive Board members that this may have the consequence of assuming that such minutes approval was resolved by consensus in the absence of any motions put forward. No motion in this respect is put forward.

RTRS Executive Board resolves the following:

"The Executive Board meeting minutes No. 126 of RTRS Executive Board are approved (by consensus)."

"The Executive Board meeting minutes No. 127 of RTRS Executive Board are approved (by consensus)."

"The 10th General Assembly meeting minutes No. 128 are approved (by consensus)."
[A1]

"The Executive Board meeting minutes No. 129 of RTRS Executive Board are approved (by consensus)."

The 10th General Assembly meeting minutes No. 128 are approved by consensus by the members of the Executive Board, and the next step is to have them approved by the members of RTRS at the next General Assembly.

4. Association Secretariat Affairs

a) Declaration of Vacancy – Industry Trade and Finance Constituency

Terence Baines has left Unilever and, therefore, there is a vacancy in the Industry Trade and Finance Constituency. Marcelo Visconti explains that if consensus is reached, the Industry Trade and Finance Constituency is entitled to appoint a new member to fill the vacant position.

The RTRS Executive Secretary also reports on his latest conversation with Leslie Leinders, at Unilever, regarding Terence Baines' replacement.

On the 13th of July, Terence Baines sent a resignation email. Additionally, Terence Baines sent an email informing that, from that moment on, Leslie Leinders and Adrián Candia should replace him at the Executive Board. However, Leslie Leinders was informed by RTRS that only one person can be appointed to replace Terence Baines as member of Executive Board. As the official decision has not yet been made by Unilever, this process shall be put on hold.

Olaf Brugman proposes giving Unilever two weeks to name a candidate.

RTRS Executive Board resolves the following:

"Due to Terence Baines's resignation (Unilever) to participate at RTRS Executive Board meetings, the declaration of vacancy of the seat of Unilever in the RTRS Executive Board is approved (by consensus)."

"The appointment of a replacement shall be deferred until Unilever has made an official decision."

b) Calendar Executive Board Meetings-Calls Update

Laura Villegas presents the calendar and focuses on the next Physical Meeting Proposal: *Next Executive Board Physical Meeting in November in Buenos Aires, Argentina.*

Belinda Hallam states that the meeting is close to her RSPO Executive Board meeting in Bangkok the following week.

There are no objections to the schedule.

NEXT EXECUTIVE BOARD PHYSICAL MEETING WILL BE HELD IN NOVEMBER, IN BUENOS AIRES, ARGENTINA. DATE: IN THE WEEK OF 31ST OCTOBER. [A2]

RT12

Marcelo Visconti gives an update about the contact made with CGF and RSPO to inform them about RTRS plans for RT12 and consider synergies when working together.

CGF is not keen on working together in Europe in the same way as it was done during the event in Brazil. An option could be to hold a smaller workshop together/ during the event.

Marcelo Visconti also mentions that the RSPO European Meeting will take place at the end of June or beginning of July.

There are two options for RT12.

- Having the RSPO conference and RT12 in the same week.

OK

- Planning the RTRS meeting for the end of May.

Location

France and Denmark are the two options.

Christophe Callu Mérite comments that Denmark places more importance on responsible soy.

Juliana Lopes adds that Denmark is Non-GM (Proterra) and that there will not be any change in the future

Ulises Martínez believes that it is better to organize the conference separately from the RSPO meeting.

Belinda Hallam has no strong preference. She believes that people either work with soy or palm, but not with the two of them. Belinda Hallam wonders who is the target audience for this meeting. Will be the feed industry?

Olaf Brugman agrees with Belinda Hallam. Olaf Brugman also says that end of May is the week people became accustomed with.

Olaf Brugman wonders about the reason behind the Denmark suggestion.

Marcelo Visconti answers that it was because of a conversation he had had with Arla Foods.

RTRS Executive Secretary also replies that the Feed Industry is our target. That is why France was suggested.

Olaf Brugman proposes holding RT12 during the week of 29th May in Paris. There are no objections.

RTRS Executive Board resolves the following:

"The scheduling of RT12 for the week of May 29th in Paris is approved (by consensus)."
[A3]

Christophe Callu Mérite adds that RSPO is linked to Food Industry, and not that much to Feed Industry.

Marcelo Visconti wants to determine the message RTRS would like to deliver during RT12, as that is of crucial importance for promoting RT12 prior to the event: [A4]

- RTRS new role as a platform.
- RTRS progress focusing on the Feed Industry.

Christophe Callu Mérite suggests working on these topics with Lieven Callewaert and within Task Force Europe. [A5]

OK

Christophe Callu Mérite will work with Lieven Callewaert and Belinda Hallam.

c) Status Presidency Handover

Olaf Brugman announces that he will be handing the presidency over to another Executive Board member by October 1st.

Olaf Brugman asks for any spontaneous candidates. There are no volunteers.

Belinda Hallam explains that she has exchanged emails with Marcelo Visconti to check if her status to be nominated as Executive Board President is legally possible. Belinda Hallam needs to have a conversation with some of the retailers in the Retailers' Soy Group that she represents.

Olaf Brugman recommends putting the topic on hold until Belinda Hallam's answer.

d) Current Status of the Association/Secretariat

Key Performance Indicators & Memberships

Catalina Ale Monserrat presents the Key Performance Indicators. She shows the RTRS production, sales and membership figures year by year, explaining that RTRS expects a 37% increase in production and 30% in sales.

Catalina Ale Monserrat explains the figures from the beginning of the year to today and mentions they are at the same level but the breakdown is different, meaning that this qualitative difference explains there was an increase in sales for 2016.

Daniel Kazimierski comments that RTRS has held a training course for auditors in India.

Belinda Hallam asks if achieving the sales target is feasible.

Marcelo Visconti comments that although there are no fundamentals to demonstrate a change in the sales trend till the end of the year, it is not possible to confirm that RTRS will be able to achieve the sales target for 2016.

Olaf Brugman concludes that there is no evidence that the trend will be different than the one showed from the beginning of the year to today.

Catalina Ale Monserrat explains that the main buyers of credits come from the Netherlands and the Scandinavian countries.

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Olaf Brugman comments that responsible soy is not on top of the buyers' minds. He proposes doing something to make RTRS figures more transparent and accessible, such as through newsletters, in order to find quick answers.

Marcelo Visconti says that RTRS has the tools to increase transparency and have better information to update about the demand and supply market. RTRS should combine the work being done by the secretariat team - including our external consultants - and the inputs of the Executive Board members involved in the business. In doing so, he thinks that RTRS can refine its vision and gain a better understanding of what happens in the market.

Budget

Fernando Olivieri presents the Financial Standing Position as of July 31st. He shows a chart with the Profit and Loss Statement for the first seven months of 2016. He also explains that the main sources of revenue are certification fees and membership fees. While 63% of the budget for membership fees has already been collected, a plan has already been established to collect the remaining amount.

Fernando Olivieri adds that there are other sources of revenue, such as project funding from 3FI.

With regards to the expenses, he splits them into 8 different categories. The main categories of expenses are:

- Professional services (Human Resources; Legal advice: Switzerland, Europe, Paraguay, Brazil and Argentina and Communication Fees: Futureye and Alfapress)
- Salaries
- RT11
- Market Development.

Olaf Brugman highlights that although the RT11 was a success, the expenses almost double what we have planned and the income was almost half of what we have planned.

Marcelo Visconti comments that the expenses for RT11 were 68 % above budget and at the same level at the former RT Conference.

Marcelo Visconti explains the reason why RTRS was over budget and with less income: RT11 was planned in a hectic and concentrated pace, with not enough time. That is the main reason why there were fewer assistants and sponsors than at RT10. Furthermore, there was an over budget from the communication agency. He admits that there are many things to improve in the next conference, and also remarks that the financial standing is healthy.

5. Paraquat Working Group

OK

Action plan & approval of the participants

Martin Descalzo and Cecilia Gabutti introduce themselves. Their responsibilities will be:

Martín Descalzo, Group Coordinator main responsibilities:

- Communicating with the group.
- Preparing and moderating group meetings and calls.
- Researching and preparing working documents and PPTs before meetings or calls.
- Preparing the minutes of the calls and meetings.
- Communicating with the Technical Coordinator and RTRS.
- Preparing the Executive Board reports.

Cecilia Gabutti, Technical Coordinator main responsibilities:

- Ensuring that ISEAL procedures are followed.
- Preparing technical documents for the group.
- Supporting the process and the Group Coordinator when needed.
- Communicating with the Group Coordinator and RTRS.
- Preparing the Executive Board reports.

Cecilia Gabutti explains the working plan:

- The Expected duration of the review will be eight months: August 2016 – March 2017
- Kick-off call: September
- Meeting: October (proposed)
- 2 Possible Scenarios:
 - Scenario 1: Agreement is reached and the prohibition of the Paraquat stands → the note in indicator 5.6.2 is eliminated
 - Scenario 2: No agreement is reached → the group works on a new alternative and wording for indicator 5.6.2
- Comprehensive public consultation is required (ISEAL considers this a partial review on an important topic)
- A second discussion will be needed (the comments received during the public consultation have to be processed and discussed).
- Final draft submission: end of February 2017.
- Endorsement by GA 2017.
- Timeline for activities is proposed in the document " Methodology & Working Plan".

Ulises Martínez asks why two coordinators are needed and which documents will they be using.

Cecilia Gabutti explains that they will conduct research prior to each meeting, that will be presented to the Working Group in order to work better and easier.

Cecilia Gabutti states that having a team of two was an RTRS Secretariat decision; RTRS took into consideration Cecilia Gabutti technical background and Martín Descalzo experience for the overall Working Group process.

Marcelo Visconti adds that RTRS Secretariat have decided for the most suitable working proposal, from a technical and financial point of view.

Ulises Javier Martínez Ortiz remarks that the objective of the process is to analyze the technical comments already received. The work should be done based on the technical comments previously received.

Olaf Brugman finally asks Ulises Javier Martínez Ortiz if the answers given were clear enough. Ulises confirms that they were.

Candidates:

The candidates for each constituency are presented.

A brief description of each candidate is provided.

For the Producers' constituency, the candidates are Alejandro O'Donnell, from Aapresid, with Rocio Belda and Jose Luis Tedesco as alternates; Earle Gastaldi, a producer from the Buenos Aires province; Cynthia Cominesi, from sustainability at CAT Sorriso (RTRS certified producers), and presented out of term, but included as a candidate, is Roseli Muniz Giachini from Aprosoja, Deputy Director and Coordinator of the Agricultural Defense Commission.

For the Industry, Trade and Finance constituency, 5 candidates from Syngenta were presented; only one from each organization is allowed to participate as an active member of the working group. Nidera presented Ezequiel Paul, who participated in the Standard review Working Group, and the corresponding alternates.

Federico Elorza, from Casafe which is a chamber that represents the agrochemicals' companies - was also presented as candidate.

Fefac sent an email stating that they were still deciding on a participant to represent them in this Working Group. The same situation applies to Swiss retailers Coop and Migros,

who still need to appoint a representative but have already stated their willingness to participate.

From Civil Society, the candidates are Harry Van der Vliet from Solidaridad Brazil, with experience in RTRS activities on Paraquat use. From WWF, we have Edegar de Oliveira Rosa from Brazil and Birgit Wilhelm from Germany as alternate. The Berne declaration (Public Eye) has also stated their willingness to appoint a candidate to represent them in this Working Group.

The RTRS Executive Board resolves the following:

The representatives from Solidaridad, WWF and the Berne Declaration (Public Eye) are confirmed by consensus by the Executive Board.

The observers are presented. Cecilia Gabutti explains the basis upon which candidates should be selected, according to the Terms of Reference. The members should be selected based on:

- Expert knowledge and/or experience in the topics addressed by this Working Group.
- Representation of the views of the correspondent constituency.
- The ability to review and comment the documents in the working language.
- When possible, RTRS will seek a balance in the geographical representation of Working Group participants.

The Executive Board has to select 9 organizations, 3 per constituency.

Selection and voting:

-There are 4 candidates for the Producers' constituency: Aapresid, Estudios BPL, CAT Sorriso and Aprosoja.

Belinda Hallam asks if the Executive Board is expected to vote for their own constituency, as with the appointment of board members, or if all board members will be voting for everyone. It is explained that usually the selection should be by consensus and, if that is not reached, then each constituency will vote within its own constituency.

Olaf Brugman asks why cannot there be more than 3 people per constituency. The response was that this is part of the Terms of Reference. If this is changed, Civil Society will be missing one candidate.

Marcelo Visconti adds that, in his opinion, it is a minimum of 3. Cecilia Gabutti explains that this will alter the balance of the group, the number of participants per constituency should be equal.

Olaf Brugman asks if the candidates are listed in order of application date. The response is that they are listed in order of application.

The Terms of References state that if a selection cannot be reached, the candidates can be selected on a first-come-first-served basis.

Olaf Brugman adds that he finds it almost impossible to select people in such a short time while hardly knowing them, or to exclude them automatically; that is why he was actually looking for ways to have more people in the group.

Looking at the candidates from the producers, Olaf says that he doesn't know Estudios BPL and asks whether anyone knows them well.

Martin Descalzo adds that the director of Estudios BPL was the marketing director of Bayer and that he has a good background.

Aapresid will be represented by Alejandro O'Donnell.

Ulises Martinez states that he does not know Estudios BPL and that all of the candidates seem to have a good technical background. He adds that, based on what he has learned from the P&C review Working Group, Paraquat is an issue mainly in Brazil, not as much for soy in Argentina; for that reason, he would rather have a Brazilian producer. He adds that CAT Sorriso will meet the geographical requirement and will also bring the small producer perspective.

It is agreed that Estudios BPL is ruled out - not because of competence, but Aapresid and Aprosoja are big players and Cat Sorriso will bring the perspective of a certified cooperative.

RTRS Executive Board resolves the following:

"The representatives from Aapresid, Cat Sorriso and Aprosoja are chosen by consensus by the Executive Board".

-Three organizations presented candidates for the Industry Trade and Finance constituency: Syngenta, Casafe and Nidera. Fefac and the Swiss retailers have yet to appoint a candidate.

Cecilia Gabutti explains that it will be difficult to make a selection given that the Swiss retailers and Fefac have yet to appoint a candidate. Daniel Kazimierski adds that Fefac had sent an email stating that they would appoint a person by Friday.

Christophe Callu Mérite adds that an email was sent to 2 specific Fefac members asking if they would like to represent Fefac in this Working Group, because they wanted to be in the group in order to try to work on the Paraquat position.

There is one Biotech Company, one biotech/trader, one product producer and the market side.

Olaf Brugman believes that it would be almost impossible to make a choice among them and proposes to select Fefac, Nidera, Syngenta and the retailers.

Christophe Callu Mérite remarks that this will mean having four.

Olaf Brugman states that this would cause trouble for us and that the meeting is already past the scheduled time. Another meeting would probably be needed because this one is not leading to a valid, thorough, decision-making process. It is turning into a random selection process.

Belinda Hallam states that this is probably the larger constituency by far - and the most diverse in many ways - and asks if this should not enable it to have 4 participants instead of 3.

Olaf Brugman asks Belinda Hallam if Switzerland is Non-GMO.

Belinda Hallam explains that they are completely Non-GMO and that they are interested in participating because RTRS is one of the standards they support and they are interested in agrochemicals in general, specifically Paraquat.

Olaf Brugman suggests selecting Syngenta, Nidera and Fefac and he remarks that this is an impossible choice. Fefac is European and Switzerland will represent only the Swiss point of view while RTRS is trying to expand; then it will be one biotech, one biotech/trader and one market member, representing Latin America and Europe.

Christophe Callu Mérite adds that Fefac is linked to Fediol, which will also bring the crushing industry on board.

Olaf Brugman proposes Syngenta, Nidera and Fefac.

Debora Telles states that Casafe is a very well-known organization in connection with agrochemicals. And although Nidera is not a part of Casafe, Nidera can step out and relinquish its place to Casafe, which is a larger, more experienced organization in this field.

Olaf Brugman states that the proposal is very honorable and proposes that the Industry Trade and Finance Constituency be composed of representatives from: Syngenta, Fefac and Casafe.

There are no comments when Olaf Brugman asks if anyone disagrees with this and Olaf Brugman states that this is accepted.

RTRS Executive Board resolves the following:
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"The representatives from Syngenta, Fefac and Casafe are chosen by consensus by the Executive Board".

Civil society is already complete, with three candidates and three vacancies. There is no need to deliberate.

Solidaridad, WWF and Berne declaration (Public Eye) are the ones that will participate.

Olaf Brugman says to Belinda Hallam that by selecting the Berne Declaration (Public Eye) Switzerland will be represented. Belinda Hallam adds that this is something she was considering in the previous constituency and that, if possible, she would like to have the details of the Berne Declaration (Public Eye) candidate so she could share them with the Swiss retailers.

It is clarified that Berne Declaration (Public Eye), is a well-known NGO.

Organizations that applied and were not selected will be contacted to become observers, following the requirements stated in the Terms of Reference.


The meeting ran out of time. An extraordinary Executive Board call was suggested for the middle of September to discuss pending topics. [A6]

Ulises Javier Martínez Ortiz stresses that it is very important to have the candidate for the presidency and the approval of the RTRS maps ready by the next meeting.

-15:50 CET-
----- MEETING CLOSED -----

Activity	Responsible Party	Deadline
[A1] Upload Alex Ehrenhaus' profile to the RTRS website.	RTRS Secretariat	-
[A2] Set a date for the Physical Meeting.	RTRS Secretariat	-
[A3] Inform RT12 to RSPO and CGF.	Marcelo Visconti	-
[A4] Work on the RT12 message during the next Physical Meeting in Argentina.	Executive Board members + RTRS Secretariat	-
[A5] Work on the RT12 message in the Task Force Europe.	Christophe Callu Mérite + Lieven Callewaert	Next Physical Meeting
[A6] Schedule an Executive Board Call for mid-September.	RTRS Secretariat	First week of September

August 31st, 2016


Marcelo Visconti
Executive Secretary of RTRS