

PROMISES, PROMISES!



Retail Soy Group supermarkets and Carrefour's response

July 22, 2022

In Mighty Earth's recent soy report – *Promises, Promises!* – we found 27,000 hectares of deforestation which occurred on ten farms post 2020 in Brazil's Cerrado savannah linked to major global soy traders – such as Cargill, Bunge, COFCO, LDC and ALZ Graos. It's a shocking amount of deforestation in a critical threatened savannah and something major supermarket buyers should urgently act to stamp out. Key supermarkets have publicly committed to deforestation and conversion-free soy supplies with a cut-off date of January 2020 or earlier.

We sent our report to all members of the Retail Soy Group – who last year agreed a [Roadmap](#) for zero-deforestation soy supplies – and urged them to investigate our claims and to drop any of their soy suppliers linked to this deforestation.

To date, ASDA, Lidl and Migros have spectacularly failed to respond to our research. Below are the supermarkets' written responses to Mighty Earth's *Promises, Promises!* report to date:



- ✓ Investigating our claims?
- ✗ Public commitment to post-2020 deforestation free cut-off date?
- ✗ Intention to drop soy suppliers linked to deforestation post-2020?

Ahold Delhaize said:

“ We share your concerns about the Cerrado in Brazil and agree conversion of natural land for agricultural use should be ended.

As the secretariat and certain members of the Retailer Soy Group have pointed out to you the RSG Roadmap you refer to has not in any way been communicated, or implied to be, a commitment of the individual members of the RSG. In fact the Ahold Delhaize commitment is to have zero conversion in all its supply chains by 2025. To that end we are engaging with all operators in the relevant supply chains, as we believe that cooperation will yield the best results. We will therefore continue to work with all partners in our supply chain who are prepared to help us to deliver on our commitment. ”



- ✘ Investigating our claims?
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Aldi said:

“ Our Position Statement contains our commitment to deforestation- and conversion-free supply chains by 2030 incl. 01.01.2020 as latest accepted cut-off date and commodity specific milestones on the way to 2030. We have expanded our former commitment from deforestation-free supply chains to conversion-free supply chains to ensure important ecosystems such as the Cerrado are covered. Our commitment goes beyond soy and also includes palm oil, timber and paper products, wood-based packaging, cocoa, banana, beef, coffee, sugar cane and coconut.

In addition, we support the introduction of robust legislative frameworks, such as the EU Commission’s initiative to halt import-driven deforestation and to regulate deforestation-free products, and national manifestos. ALDI UK has signed the UK Soy Manifesto and ALDI NL the Dutch Soy manifesto.

Please find further information and the Position Statement as download on our websites:

- [ALDI SOUTH: Forest Protection | ALDI SOUTH Group](#)
- [ALDI Nord: Forest Protection at ALDI Nord \(aldi-nord.de\)](#)

We recognize the challenge that [soy] traders are still sourcing from recently deforested areas and are therefore lacking behind our expectations. To tackle this issue, ALDI SOUTH has co-founded the Soy Transparency Coalition (STC) in 2020.

Our approach is to communicate the aligned ask and expectations of many actors in the supply chain to the traders and engage with them on a basis of trust instead of excluding them or publicly shaming them. The STCs first assessment of traders’ policies and actions regarding deforestation took place in 2020 and the process for this years’ process just started. We want to continue on this path, which has only just begun, and focus on establishing cooperative relationships with the traders to achieve improvements.”



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Asda said:

“ We recognise the seriousness of the allegations of illegal deforestation in Brazil. We are in the process of developing a market-level monitoring, reporting and verification system.

The traders named are not direct suppliers to Asda of soy, but we have engaged with them for a number of years through the UK Soy Roundtable.

Our soy policy provides a transition pathway to deliver 100% verified deforestation and conversion free soy throughout the UK by 2025. Asda is a member of the Roundtable for Responsible Soya which is supported by the UK Government and offers financial incentives for soya farmers to encourage sustainable production methods.

We are working closely with our suppliers to ensure that they comply with our policies on soya as we work towards our target of 100% physically certified responsible soya by 2025. ”



Carrefour

- Investigating our claims?
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Carrefour said:

“ You mention the forthcoming publication by Mighty Earth of a report presenting the links between several soy importers in France and farms responsible for deforestation in the state of Cerrado, despite the signature of the soy “Manifesto for a mobilisation of French actors to fight against imported deforestation linked to soy” (hereafter “the Manifesto”). You ask Carrefour to implement urgent actions in response to the results of this survey.

In application of the commitments made in 2020, Carrefour has mobilised all its suppliers of Carrefour-branded animal products sold in France to commit to the Manifesto, including by adopting the deadline of 1 January 2020, through dedicated webinars, bilateral meetings or official letters. In parallel, Carrefour has contracted the Manifesto commitments for 385 of its products and verified their operational implementation.

The results of the survey that you present in your letter, and which will be presented in more detail on 11 July [2022], are contrary to the objectives pursued by Carrefour within the

framework of the Manifesto and, more generally, of its policy to combat deforestation. These elements will be integrated into the Group's alert system and will be investigated. We already share the observation that there is a lack of mobilisation of the upstream actors of the soya sector and that there is currently a discrepancy between the objectives of the traders and those of Carrefour (particularly concerning the cut-off date).

Faced with this situation and in response to your request, you will find below the measures planned by Carrefour in the coming months.

Transparency: Carrefour will publish in the next few days the list of the main soy traders linked to its supplies of Carrefour branded animal products sold in France. In a second phase, the group will ask its suppliers for a list of the main import ports through which the soybeans used for animal feed for Carrefour-branded products in France transit.

Consideration of trader compliance in the supply of Carrefour suppliers: Carrefour has initiated, within the Consumer Goods Forum, joint work with other retailers and manufacturers to share an assessment of trader/importer performance based on common requests ("asks"). Carrefour will take into account the alert identified in the next Mighty Earth report and the risk assessment carried out by the SNDI's Scientific and Technical Committee to complete this assessment and direct its suppliers' purchases towards traders demonstrating a lower level of risk.

Mobilising our supply chain: In addition to its direct suppliers, Carrefour will focus in the coming months on mobilising the actors in its supply chain, in particular at the bilateral meeting of the main actors.

In addition to its direct suppliers, Carrefour will endeavour in the coming months to mobilise the players involved in its supply chains, in particular at the bilateral meeting of the main traders and animal feed suppliers involved in the marketing of soya, to increase the volumes of compliant soya imported into France and/or of alternative plant proteins. In this context, Carrefour supports the deployment of the "ZDC" method on a larger volume of soybeans, with a view to switching the market. ”



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Co-op said:

“ Co-op is committed to 100% deforestation and conversion free soy in our supply chain by 2025 and is working with its suppliers to achieve this - it recognises both the scale and urgency of the issues outlined in the report. The soy used in all Co-op food products is covered by zero deforestation and sustainable soy credits and with a shift needed at an industry level Co-op works with collaborative groups such as the UK Roundtable on Sustainable Soy, the Retail Soy Group and, is a signatory to the UK Soy Manifesto which works across the supply chain to develop improved monitoring, reporting and verification systems to support the ambition for deforestation and conversion free soy. ”



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Lidl failed to reply to our request to date.



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Marks & Spencer said:

“ Stopping deforestation is a priority for M&S, both in terms of tackling climate change to achieve our Net Zero target and preserving biodiversity. The companies named in the report are not direct suppliers of soy to M&S. We have already implemented the key report recommendations through our new animal feed policy and were one of the first retailers to disclose our verified 2025 deforestation free soy commitment through a third-party assurance process. We are currently on course to deliver our 2025 commitment and require all our direct suppliers to adopt the same commitment. ”



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Migros failed to reply to our request to date.



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Morrisons said:

“ The ongoing investment and expansion of soy production in the Cerrado is extremely concerning and in direct contravention of our zero deforestation policy and something we take extremely seriously. Deforestation forms a critical part of our ESG strategy and our CEO David is personally taking a keen interest and writing to key traders you mention in your report this week.

In addition to this, it is important to reiterate we remain in active engagement with traders, through the UK soy manifesto and the Soy Transparency coalition to help develop market solutions for deforestation and conversion free supply chains. It is also worth highlighting our activity in other projects is working on the removal and reduction of soy in animal feed, replacing soya with alternative proteins and further reducing demand.

Please be assured we remain committed to delivery of our 2025 zero deforestation target and providing public transparency, helping organisations understand the complexities of the issue, the work we are underway with and the progress we are making. ”

Sainsbury's

- ✓ Investigating our claims?
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Sainsbury's said:

“ In response to your request for comment on the report you shared, we wanted to share an outline of Sustainable Soy Transformation Roadmap.

- At COP26 we committed to ensuring none of our own brand products will contribute to deforestation or conversion of ecosystems by 2025 (with a cut-off date of 2020). Soy has become one of highest priorities in achieving this commitment.
- We recently published our Requirements for Sustainable Soy Feed, which outlines our roadmap to achieve 100% deforestation and conversion free soy supply chains by 2025.

Our ask to our suppliers is twofold: (i) match our ambition and adopt a deforestation-free policy that covers their entire operations, and (ii) improve the traceability of the physical soy used for our products to ensure it is deforestation and conversion free. We are explicit in the need to

move away from a credits-based system towards delivering real supply chain visibility. Please see our public supplier requirements attached.

As founding members of the UK Soy Manifesto, we are harmonising our asks with the rest of the industry, to send a clear market signal that deforestation and conversion free (DCF) soy must become the norm in the UK. All signatories to the manifesto share the goal of ensuring all soy imports to the UK are verified DCF by 2025, and pledge to take action in their supply chain to achieve this. We recognise that we cannot tackle this issue alone and need to drive an industry-wide shift towards deforestation-free soy.

- As well as our direct suppliers, we've been engaging with the traders and importers in our supply chain. In March this year, our CEO Simon Roberts joined other UK retail CEOs as part of the WWF Nature Commitment in signing a letter to the major soy traders, calling on them to become signatories to the UK Soy Manifesto.
- We are also founding members of the Soy Transparency Coalition, a group of manufacturers and retailers that have set out to evaluate individual traders on their environmental management of their soy operations, by comparing their pledges and efforts in tackling deforestation in their supply chains. ”



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Tesco said:

“ At Tesco we are committed to eliminating deforestation in the sourcing of soy, including sourcing all the soy for our UK business from whole regions that are verified as deforestation-free by 2025. In line with this, we are engaging with all our suppliers who use soy, to ensure they can comply with our target.

We welcome the findings in the 'Promises, Promises!' report and where the traders concerned are known to be present in our supply chains we have asked them to investigate the claims that farms they are buying from are responsible for deforestation

With regard to the allegations against Cargill and Bunge's local producers, we require any supplier to Tesco to thoroughly investigate any such accusation, and to take appropriate action including immediate suspension of supply from the listed farms. We await further information from both traders in response to our request for answers.

More broadly, we continue to engage with traders and suppliers as the starting point in supporting industry transformation towards zero deforestation. This approach is even more important as all soy traders still have some way to go to meet our shared goal of halting further deforestation and conversion. Our position has been reconfirmed through extensive consultation with independent expert advisors and trader transparency initiatives in which we actively participate.

As part of this contribution to wider industry transformation, we are signatories of the UK Soy Manifesto - a collective industry initiative working to ensure all shipments of soy to the UK are deforestation and conversion-free. Signatories have also committed to a deforestation

and conversion cut-off date of January 2020 or earlier, asking direct suppliers to adopt and cascade the same commitment and integrating Manifesto commitments within direct supplier commercial contractual requirements. All signatories are required to fully implement the Manifesto commitments immediately where possible and no later than 2025.

As the principal driver behind the Manifesto's creation, we convened other leading companies collectively representing 60% of UK's soy demand, to commit to working together to achieve its goals. As discussed on our recent call, the soy supply chain is incredibly complex and as yet doesn't enable those at the end of the value chain, for example retailers such as Tesco, to have full visibility back to farm.

This makes our ability to influence change and build accountability back up the supply chain challenging, but not impossible. We have introduced a requirement that all Tesco suppliers with soy footprints over 250 tonnes share their roadmaps to deliver verified deforestation and conversion free soy to Tesco, in line with our 2025 commitment and the requirements of the UK Soy Manifesto. This is just one example of how we are taking action to build shared accountability back up the supply chain. However, we know that there's more work to do and we're working against the clock to deliver on our commitment.

As part of the Consumer Goods Forum Forest Positive Coalition of companies, we are also leading efforts to create new financial incentives mechanisms that will directly reward producers for conserving forests in soy-producing regions. We believe the combination of engagement with traders and suppliers as well as the actions set out above, supported by upcoming UK and EU anti-deforestation legislation - which we support - is the best way to drive the industry change required in the soy sector. We know we cannot eliminate deforestation risk from soy supply chains on our own, and always look for opportunities to collaborate and lend our voice to driving the changes we require. I hope this letter clearly sets out the importance we place on this issue and the continued urgent action we and others are taking to ensure positive change in the soy industry. ”

WAITROSE & PARTNERS

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Waitrose said:

“ We remain committed to deforestation-free soy, as well as reducing the usage of soy in animal feed wherever possible. We're working together with our suppliers on sustainable sourcing of all our soya, as well as supporting projects and trials into alternative feeds. We are members of the Soy Transparency Coalition which aims to drive transparency around traders' performance; we are also signatories of the UK Soya Manifesto and have advocated for strong legal due diligence on forest-risk commodities in the UK and EU. We will carefully review the findings of your report, and in due course would be pleased to meet with you to discuss your report further. ”

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Woolworths said:

“ We acknowledge receipt of the *Promises, Promises!* report and thank you for engaging Woolworths on this important issue. We are working on addressing the impacts of soy cultivation as part of our commitment toward net-zero deforestation in our Sustainability Plan 2025. We are approaching this in a range of ways including through our Sustainable Soy Sourcing Policy, engaging our supply partners through market incentivisation to support better sourcing practices, and through our membership of groups such as the Retail Soy Group to support knowledge sharing. ”