



Collaborative  
Soy  
Initiative

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# CSI-ProTerra Dialogue Session on Soy Volatility and its effects on sustainability.

July 1st 2021, follow-up of June 2 info webinar.



Highlights  
insights/  
remarks

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Solidaridad:

The main difference between buyers, farmers and seed developers relates to time:

buyers work on maximum one year long premium agreements,

farmers need at least twice as much time in advance to produce the demanded volumes and

seed developers need at least three years ahead to supply farmers with the required seed quantities.





Soja Livre:

Late or no clear market signal for non GM soy has chain reaction:

- no preparation by farmers for non GM cultivation---
- low seed demand in year X
- low/no GM seed offer in year Y—
- less non GM seed development in year Z.

Downward spiral.



Change requires long term partnerships, while soy is governed mostly by spot markets where enduring relations are scarce.

But soy is also sellers market: high demand so producers can play hard to get.

Constant changes in the supply base occur as buyers respond to the fluctuating market and price changes.

Consequently long-term contracts with producers and clear aggregation points are not usual in the soy supply chain.



Brand: we expect the trader to convince farmers to produce more sustainably.

Trader: if we support farmers , we run the risk they sell the sustainable soy to our competitors next year. So why would we do so?

Farmers: if we cannot sell soy as responsible/sustainable, why would we do the effort= make the costs?



Supply chain cost sharing complicated in soy chain: long supply chain and hardly long term relations.

High prices however, also do not automatically lead to more sustainable practices: investment goes to intensification or expansion.

**Premiums is not the right word for financial solution: it should be about joint supply chain responsibility to share costs and to internalize costs of sustainability**



Focus on positive engagement and long term cooperation with suppliers/traders in landscapes where action is most needed, to promote continuous improvement in high priority origins.

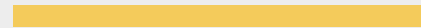
This can be combined with traceable physical supply chains or added landscape value to certificates.

E.g. “premium contract” as proposed by Soja Livre.





# Dialogue among participants





# Collaborative Soy Initiative

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With thanks to ProTerra and all of you.

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