Agenda

• Emese van Maanen, ProTerra Foundation
  Introduction and the ProTerra Indian Interpretation

• Stefan Ludwig, ADM
  India & Indian Markets

• Beatrix Richards, Solidaridad
  Development of a Sustainable and Traceable Supply Chain for Organic Soybean in India

• Emese van Maanen, ProTerra Foundation
  Certification challenges in India

• Q & A
The ProTerra Foundation is a non-for-profit organization, located in the Netherlands. We envisage a world where all businesses:

- Contribute to the protection of biodiversity by e.g. switching to non-GMO production
- Conserve natural resources and
- Ensure that workers and local communities are treated with dignity and respect
The ProTerra Foundation
Where we are today

Argentina, Austria, Belgium, Belize, Brazil, Canada, Colombia, Eswatini, Denmark, Dominican Republic, France, Finland, Germany, Guadeloupe, Guyana, India, Italy, Mexico, Malawi, Mozambique, Netherlands, Norway, Paraguay, Peru, Philippines, Poland, Romania, Russia, South Africa, Switzerland, Thailand, Egypt, United Arab Emirates, Ukraine, United Kingdom, Spain, Uruguay, Paraguay and Zimbabwe.
The ProTerra Foundation in numbers
SOY 2021

CERTIFIED SOY VOLUME

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The ProTerra Foundation in numbers
SUGARCANE 2021

SUGARCANE ANNUAL CRUSH (mt)

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- verification
- certification
Supply Chain Risks
Use the ProTerra Standard to manage and mitigate risks

- **GMO PRESENCE**
- **LAND CONVERSION**
- **LABOUR CONDITIONS**
- **PESTICIDE USE**
- **LAND CONFLICTS**
The role of certification

- For a consumer company, **sustainably certified materials** bring several advantages in the supply chain.
- The ProTerra Standard only certifies producers who meet requirements (a range of environmental and social criteria) including deforestation and land conversion, biodiversity, agricultural practices (including bans on the use of harmful pesticides and GMO crops), labour practices and FPIC.
**Benefits of certifying against ProTerra**

- Protection of biomes and any other High Conservation Value Areas
- Protection of the rights of communities, indigenous people and smallholders
- Promotion of good labour practices such as workplace safety, equal opportunities and particular attention to preventing child and forced labour
- Promotion of good agricultural practices, particularly regarding soil fertility, water management and continuous efforts to reduce the use of fertilisers and pesticides
- Protection of biodiversity, particularly through rigorous Non-GMO requirements.
- All companies certified under ProTerra have a traceability system, guaranteeing sustainable sourcing (environmental, social and GMO-free).
Benefits of certifying against ProTerra

- Improve sustainability and traceability, decrease risk (social, reputational, environmental, economical) within the supply chain
- Demonstrate to buyer market a differentiated product, opening possibilities for new markets
- Help to preserve biodiversity and valuable habitats for future generations
- Implement one standard that is globally applicable for all crops and origins
ProTerra Standard V4.1
India Interpretation
We recognise that in many parts of the world there is a gap between the reality and requirements of ProTerra sustainable agricultural practices and food/feed production. Therefore, regional interpretations are necessary to help businesses engage and ultimately implement over time a sustainable approach to their activities.

The concept of continuous improvement is an essential aspect of any regional interpretation. In the ideal scenario, organisations would reach a full alignment with the ProTerra Standard in the long run (understood as the full version of the document).
Soybean contributes significantly to the Indian edible oil pool. Presently soybean contributes 43% to the total oilseeds and 25% to the total oil production in the country.
The ProTerra India interpretation will be applicable only to smallholders

- A smallholder in India is considered to be any agricultural property owned by an individual or a group of individuals (not a company) with less than 2 hectares.
- Reduced set of indicators applies
ProTerra Interpretation for smallholders

Stepwise approach:

- A set of ProTerra requirements are to be met in the initial certification (entry level of ProTerra India Smallholder Interpretation);

- An additional set of requirements must be met by the beginning of the third year of certification (intermediate level of ProTerra India Smallholder Interpretation), and

- All requirements to be met by the end of the fifth year of certification (advanced level of the ProTerra India Smallholder Interpretation).
• At the end of the initial certification, participants may reach intermediate or advanced level (should they meet all the necessary requirements)

• For terms and definitions, GMO risk in crops and listing of forbidden pesticide should refer to ProTerra Standard version 4.1

• ProTerra Certification Protocol applies and a specific farm sampling approach will be defined
ADM India Overview

25 Years present in India
1700+ employees

Core Business Segments We Operate In

AS&O Human Nutrition Animal Nutrition

Corporate Office
Own Processing Plant
Oilseed Crush & Refining
Human Nutrition
Tolling Location
Oil Packaging
Animal Nutrition
Trading Location
Aqua Warehouse
Ports

68 Procurement Centers in Maharashtra & Karnataka
Serving Customers Across the Value Chain with Unmatched Products & Services

Origination of Crops
- **Origination**
  - Procurement

Processing
- **Oilseeds**
  - Soybean Crush
  - Sunflower Crush
  - Meal
  - Lecithin

Specialties
- **Nutrition**
  - Human Nutrition Ingredients
  - Animal Nutrition Ingredients

Customer
- **Customer**
  - Crude Oil Bulk Sale • Packaged Refined Oil
  - Lecithin • Beverages • Alternate Proteins • Flavors

Farmers & FPO's
- 300k+ Individual Farmers & 180+ FPOs
- 68 Direct Procurement Centers in Maharashtra & Karnataka
- Procured 70% soybean in CY 2021 directly from farmers (60%) & FPOs (10%)
- 6.5k growers under certified organic program, plan to cover 15k farmers by 2026.
- 25k farmers in ADM Sustainability Program, ProTerra Certified

Customer Logos
ADM’s Program Overview

ProTerra Project Location - Maharashtra

- Beed
- Latur
- Osmanabad

- 39 procurement centers
- 14 clusters

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<td>35,969 Hectares</td>
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**Partnerships on Sustainability Initiatives**

**Bayer Food Chain Partnership**
To build and implement a Sustainable Crop Protection Model

**Coromandel Fertilizers**
For Soil Nutrition Management

**University College of Agriculture, Latur**
For developing package of practices to reduce chemical usage in phased manner.

**Swayam Shikshan Prayog (Local NGO)**
For promoting water harvesting and conservation of Natural water resources for development of farm ponds.
## Indian Meal Exports to Europe

in 1000mt

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Any questions?
Contact me:

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Customer Relationship Manager
stefan.ludwig@adm.com
0049-6131-895374
Solidaridad – ADM Collaborative Programme

Development of a Sustainable and Traceable Supply Chain for Organic Soybean in India

To increase farmer income and health
Improved farming practices of 2000 smallholders in 3 Districts of the state of Karnataka
4 Key Work Packages

1. Farmer enrolment and ToT
2. Development of farmer learning materials
3. Preparation of farmers for Organic Certification
4. Organic soybean products available

Cross cutting themes

Farmer income
Human health
Agroecology
Ecosystem services
Empowerment of women
Farmer Enrolment & ToT
Development of IEC Materials in Local Language
Registered Farmer Trainings
Kharif Season Demonstration Plots Set-up
SOIL ANALYSIS REPORT PUBLISHED FOR EACH CLUSTER

Bailhongal Cluster

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Farmer Field Day
NPOP Training
External Audit - July 2022

External Auditors:
Ecocert Agency
Project Monitoring and Support Visits

KVK Mattikopp visit

Bailhongal cluster visit

Demo field visit

ADM office visit at Dharwad
Key Challenges

1. Covid
2. New project geographies
3. Infection of soybean plants by rust
4. Setting up Farmer Producer Companies
5. Farmers need to follow use of certified organic inputs
6. Heavy rains in October/November 2021
7. Complexity of the programme – there’s so much going on!
Key Success Criteria

1. The quality of initial outreach by ADM and Solidaridad and local partners
2. Ability to communicate a clear business case to farmers
3. Selection of lead farmers
4. Quality of the training provision
5. Practical, hands on training
6. All documents and trainings done in local language
7. Provision of women only training programmes
8. Ongoing project monitoring and support
9. Effective project management structure
10. Quality of inputs
Certification challenges in India
Challenges

• Only a **few companies control** most of the exports
• **Limited flow of information**
• **The need for transparency: Transparency and traceability** within the soy supply chain remain key barriers for companies to fully understand their own potential impacts
• **Complexity**
• **Number of farms** in the supply chain
• The need for **training**
• Businesses have **no certainty** about how responsible their supply chain is
• Making **informed decisions** is a challenge
• **Record-keeping**
The ProTerra farm audits in India started in 2020.

The Smallholders Interpretation of the ProTerra Standard in India is used for farm audits of 2 hectares or less independently or as a part of the certification of sites that have or buy from farms.
ProTerra farm audits in India
Overview

• Around 80000 farmers participating in ProTerra certification in India, and increasing.

• The major issues identified during the farm audits:
  • Record keeping for seed, harvest yields not maintained by most of the farmers in 1st year. For 2nd year, we seen that more than 50% farmers have started keeping farm records with details.
  • Use of own seed for next year. Hence no proper test of fertility done.
  • In few cases, use of PPE’s while using insecticides was not consistent.
  • Most of the smallholders, do not hire external workers or very minimal seasonal labour. However, formal pay register or records are not maintained.

• Overall, it was seen that record keeping is a grey area and it is mainly due to the literacy level among the farmers.
The initial challenge was to make the sites understand the farm audit requirement and get engaged.

The site’s also found it difficult to convince the smallholder farming community to have the audit team visit their farms, have a discussion and a verification carried out.

A challenge during the actual audit was the non-availability of sufficient documents and records of seeds, use of fertilizers, etc.
Challenges in the farm audits

• Communication with farmers was also little challenging due to the language barrier in certain parts. India has a large number of local languages, which are very different from each other, auditors need an interpreter or mediator for communication.

• Due to the small size of farms, the farmers are engaging all family members in farm activity. Hence, during the harvesting period, visiting the farms and having discussions with them is a challenge. Few farmers were not ready to dedicate time to talk with auditors.
Thank you for your attention!

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CONNECT ON SOCIAL MEDIA

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