ProTerra Webinar
The pathway to forest-positive supply chains
24.02.2022
Agenda

- Emese van Maanen, Managing Director ProTerra Foundation, Welcome
- Marco Daldoss Pirri, Regional Lead Forests at CDP Europe (Carbon Disclosure Project), Legislative developments and CDP’s approach
- Jasper Scholten, Principal Consultant at Blonk, Environmental footprint labelling
- Q & A
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

Who we are

The ProTerra Foundation is a non-for-profit organization, located in the Netherlands

We envisage a world where all businesses:
The ProTerra Foundation
Where we are today

Argentina, Austria, Belgium, Belize, Brazil, Canada, Colombia, Eswatini, Germany, Dominican Republic, France, Guadalupe, Guyana, India, Italy, México, Malawi, Mozambique, Netherlands, Norway, Peru, Philippines, Poland, Romania, Russia, South Africa, Switzerland, Thailand, Ukraine, United Kingdom, Uruguay and Zimbabwe.
The ProTerra Foundation in numbers

SUGARCANE 2020

[SUGARCANE ANNUAL CRUSH (mt)]

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<td>verification</td>
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<td>6.196.524,00</td>
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<td>Total</td>
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<td>21.299.160,91</td>
<td>35.018.645,44</td>
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Use the ProTerra Standard to manage and mitigate risks

- **GMO PRESENCE**
- **LAND CONVERSION**
- **LABOUR CONDITIONS**

- **PESTICIDE USE**
- **LAND CONFLICTS**
The SPC and soymeal exporters CJ Selecta, Caramuru and Cervejaria Petropolis-Imcopa, are committed to establishing an economical, environmentally sustainable and socially responsible supply chain, implemented 2020 as the cut-off date for their entire supply. The commitment calls for:

- Promote a soy supply chain free from illegal and/or legal deforestation.
- Respect the rights of workers, indigenous peoples and local communities.
- Ensure that sourcing is fully compliant national and local environmental laws and regulations including Forest Code.

ProTerra carbon and water footprint results.
Marco Daldoss Pirri is Regional Lead of Forests at CDP Europe. He drives effective private and public sector action to eliminate deforestation caused by the production of forest-risk commodities. He works with companies, investors, and policymakers to establish deforestation-free supply chains and to stimulate collective action to protect intact ecosystem and to restore the degraded ones for a nature-positive future.
Jasper is Principal Consultant at Blonk. He has over 12 years of experience in consultancy and research with regards to environmental and sustainability issues of food production systems. He graduated in Animal Sciences and Animal Production Systems from Wageningen University and Research in the Netherlands. At Blonk Jasper manages the consulting department, which includes LCA studies, development of LCI databases, (ISO critical) LCA reviews and LCA standard development, such as Production Environmental Footprint (PEF).
THE PATHWAY TO FOREST-POSITIVE SUPPLY CHAINS

Legislative developments and CDP’s approach

Marco Daldoss Pirri – Regional Lead Forests, CDP Europe
February 24, 2022
EU Commission released on November 17th a first draft of the legislation to reduce and reverse the impact of European consumption on global deforestation.

The legislation was informed by a public consultation which has been the second most popular in the history of the EU (high support (88%) for a regulatory measure.

Massive turning point as it encompasses both illegal and legal deforestation.
Companies and traders placing forest-risk commodities or products containing them in the EU market will have to prove that they are not linked to deforestation and forest-degradation (Articles 9 & 10).

To this aim, the legislation will introduce mandatory due-diligence that requires economic operators and large traders to provide geographical information on the plot of land of production.

Due-diligence will be accompanied by a country-benchmarking system.

For companies sourcing from “low-risk” countries and for SMEs the due-diligence requirement will be simplified.
SCOPE OF THE LEGISLATION

- Beef
- Palm oil
- Soy
- Wood
- Cocoa
- Coffee

The EU Commission will introduce a benchmarking system to assign to countries a level of risk (low, standard, high)

All operators and traders which are not SMEs will have to comply with the legislation.

Financial institutions are excluded
The benefits of this legislation are estimated in “well above 71,920 hectares of forest less affected by EU-driven deforestation and forest degradation annually by 2030.

This would also mean a reduction of at least 31.9 million metric tons of carbon emissions to the atmosphere every year due to EU consumption and production of the relevant commodities, which could be translated into economic savings of at least 3.2 billion EUR annually.”
WEAK SPOTS

- Natural rubber is not included, despite its contribution to deforestation, especially in South-East Asia.

- Important ecosystems such as the savannah of the Cerrado region, massively deforested and degraded for soy production, are not covered by the proposal.

- The proposal does not consider how to ensure smallholders will be able to comply with the regulation, therefore an impact assessment on the impact on smallholders and local communities is needed and social safeguards should be strengthened.

- Financial and banking sectors are not included; therefore, the proposal fails to address the impact that these institutions have through their investment.

- The legislation prescribes minimum sustainability requirements, but does not encourage companies to adapt best-practices needed to achieve a nature-positive, climate-safe world.
CDP’S WORK ON FORESTS
Companies take action to tackle climate change, safeguard water resources and prevent the destruction of forests.

CDP DISCLOSURE MODEL

Use CDP to make informed decisions, reward companies with superior performance and drive action.

680+ Institutional Investors

200+ Supply Chain Members

20,000+ Companies requested

Measure their impact to improve performance

Provide data on environmental impacts, risks, opportunities, investments and strategies.

Companies take action to tackle climate change, safeguard water resources and prevent the destruction of forests.
AN UNPRECEDENTED LEVEL OF TRANSPARENCY

Number of Forests Disclosures per Year

Disclosure through CDP from 2013
SECTORS DRIVING DEFORESTATION

x30
30 football fields of rainforest are lost every minute

40% of tropical deforestation is driven by production and trade of just four commodities: CATTLE, PALM OIL, TIMBER and SOY
FORESTS QUESTIONNAIRE FRAMEWORK

- Provides logical structure to improve understanding of forests related risks and opportunities
- Guide companies through the journey of removing commodity-driven deforestation and forests degradation from their value chain
- Encourage effective engagement with suppliers and other stakeholders
- Allow companies to demonstrate progress and good practice
THE PATHWAY TO A FOREST-POSITIVE FUTURE
CDP SUPPLY CHAIN MEMBERSHIP
One response. Multiple stakeholders.

Customers
- Identify & engage strategic suppliers
- Evaluate climate, forests and water risks
- Quantify scope 3 emissions and other impacts

Suppliers
- Disclose qualitative and quantitative information
- Improve performance and learn best practices

200+ customers
Request information

Data and insights

24,000+ suppliers

Information
Questionnaires
CDP SUPPLY CHAIN FORESTS MEMBERSHIP

Leveraging the power of procurement

- Supplier’s list selection to map the key actors in supply chain
- Supplier engagement through CDP platform and capacity building webinars
- Definition of pathways for deforestation-free supply chains
- Data collection through the CDP Forest questionnaire and SC module
- Receive actionable and tailored data outputs and feedback to selected forest KPIs
- Assess supplier performance and their level of maturity on environmental action
THE NATURE POSITIVE CHALLENGE
Driving collaboration for deforestation-free, restorative supply chains
WHO CAN TAKE PART?

To take part, companies must be a CDP supply chain forests member or be a disclosing company to CDP on forests.

Implementing collaborative forests and land use projects

CDP plays an active matchmaker role to streamline the process and identify relevant projects in line with the challenge’s guiding principles, based on data already disclosed.

For more information visit the challenge’s website:

https://www.cdp.net/en/forests/nature-positive-challenge

What is the challenge?

The challenge effectively supports global businesses to work together to realize projects, achieve zero-deforestation commitments, and work towards a nature-positive impact.
Environmental footprint labelling

Presentation 24 Feb 2022 – Jasper Scholten
Contents

• Introduction Blonk
• Overview of label initiatives
• Footprinting: The building blocks
  • Standards
  • Data
• Policy developments
• Considerations & limitations
Introduction Blonk
Team Blonk

Introduction

• Our expertise:
  • Agri-food and sustainable diets
  • Environmental footpringing, life cycle assessment (LCA)
  • Development and implementation of software solutions and data(bases)

• Growing team (> 40) of agri-food sustainability experts, software developers and data and model specialists.

• Our clients: (Multinational) companies, governments, public organizations, universities, research institutes, industry associations, NGOs.
What do we offer you?

Products & services

Consultancy & advice
- Environmental footprinting and LCA
- Sustainability Target Setting
- Research into sustainable diets

Software tools, data & databases
- Tailored environmental calculation tools
- (Tailored) software solutions
- Environmental database development
- Environmental data development

Capacity building
- Secondment / Assignment placing
- Capacity building: Training & Courses

Creating level playing field
- LCA standards development

Consultancy & advice
- Consultancy & advice

Software tools, data & databases
- Software tools, data & databases

Capacity building
- Capacity building

Creating level playing field
- Creating level playing field
Overview of label initiatives
The year 2015: Lifecycle footprints for every product?
Now:
Environmental footprint label initiatives

An overview

**European EcoScore** (link / link)
- European citizens’ initiative
- No specific content yet

**Planetscore**

**EcoScore**
- Implemented by;
  - Colruyt
  - Lidl

**Foundation Earth**
- Pilot phase
Footprinting

Impact throughout the whole life cycle

$\text{N}_2\text{O}$

$\text{CO}_2$

$\text{CH}_4$
Footprinting: The building blocks
Building blocks
For footprint labelling

1. LCA standards
   - Road & traffic rules

2. LCA tools
   - Vehicles
   - Fuels

3. Company specific data
3. LCA background data
Product Environmental Footprint

Summary

- 2013: start with ‘Building the Single Market for Green Products’
- European harmonized environmental calculation rules
  - Based on the LCA methodology
  - Product Environmental Category Rules (PEFCRs): *specific calculation rules for product groups*
- Aim: consistency, transparency, more clarity on sustainability of products and organisations
- Multi-impact (GHG, land, water, etc)
- Future: Policy framework -> Green claims initiative
Product Environmental Footprint

Product Environmental Footprint (PEF)

- 2013-2016 (officially completed in 2018)
  - PEF pilot phase
    - Sector PEFCR & OEFSR published & available online
    - Valid until 31/12/2021

- Now - 2022 (expected to be finished)
  - Transition phase
  - Policy implementation
    - Monitoring the implementation of PEFCRs and OEFSRs;
    - Developing new PEFCRs/OEFSRs;
    - New methodological developments.

Policy action already starting in 2019 with the EU Green Deal

2013-2016 (officially completed in 2018)
2013-2016 (officially completed in 2018)
**Impact categories in EF method**

Different aspect of environmental consequences

<table>
<thead>
<tr>
<th>Impact category</th>
<th>Indicator</th>
<th>Unit</th>
<th>Robustness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change</td>
<td>Radiative forcing as Global Warming Potential (GWP100)</td>
<td>kg CO2 eq</td>
<td>I</td>
</tr>
<tr>
<td>Ozone depletion</td>
<td>Ozone Depletion Potential (ODP)</td>
<td>kg CFC-11eq</td>
<td>I</td>
</tr>
<tr>
<td>Ionising radiation, Human Health</td>
<td>Human exposure efficiency relative to U$^{235}$</td>
<td>kBq U$^{235}$</td>
<td>III</td>
</tr>
<tr>
<td>Photochemical ozone formation, Human Health</td>
<td>Tropospheric ozone concentration increase</td>
<td>kg NMVOC eq</td>
<td>III</td>
</tr>
<tr>
<td>Respiratory inorganics</td>
<td>Human health effects associated with exposure to small particulate matter (PM$_{2.5}$)</td>
<td>Disease incidences</td>
<td>I</td>
</tr>
<tr>
<td>Non-cancer human health effects</td>
<td>Comparative Toxic Unit for humans (CTUh)</td>
<td>CTUh</td>
<td>II</td>
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<tr>
<td>Cancer human health effects</td>
<td>Comparative Toxic Unit for humans (CTUh)</td>
<td>CTUh</td>
<td>II</td>
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<tr>
<td>Acidification terrestrial and freshwater</td>
<td>Accumulated Exceedance (AE)</td>
<td>mol H+ eq</td>
<td>II</td>
</tr>
<tr>
<td>Eutrophication freshwater</td>
<td>Fraction of nutrients reaching freshwater end compartment (P)</td>
<td>kg P eq</td>
<td>II</td>
</tr>
<tr>
<td>Eutrophication marine</td>
<td>Fraction of nutrients reaching marine end compartment (N)</td>
<td>kg N eq</td>
<td>II</td>
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<tr>
<td>Eutrophication terrestrial</td>
<td>Accumulated Exceedance (AE)</td>
<td>mol N eq</td>
<td>II</td>
</tr>
<tr>
<td>Ecotoxicity freshwater</td>
<td>Comparative Toxic Unit for ecosystems (CTUe)</td>
<td>CTUe</td>
<td>III</td>
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<tr>
<td>Land use</td>
<td>Soil quality index (Biotic production, Erosion resistance, Mechanical filtration and Groundwater replenishment)</td>
<td>Dimensionless</td>
<td>III</td>
</tr>
<tr>
<td>Water scarcity</td>
<td>User deprivation potential (deprivation-weighted water consumption)</td>
<td>kg world eq. deprived</td>
<td>III</td>
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<tr>
<td>Resource use, energy carriers</td>
<td>Abiotic resource depletion (ADP ultimate reserves)</td>
<td>kg Sb eq</td>
<td>III</td>
</tr>
<tr>
<td>Resource use, mineral and metals</td>
<td>Abiotic resource depletion (ADP ultimate reserves)</td>
<td>MJ</td>
<td>III</td>
</tr>
</tbody>
</table>
EU Food Consumption Database

Highlights
- # products > 170
- Farm-to-fork database
- Consistent & Transparent
- Continuous improvement & updates

Multi-impact database

EFSA Food Consumption Database
FoodEx Level 2
For some food products level 3, with > 80% coverage.
Read more

Formats:
- Datasets in LCA-software
- Footprint results Excel

Food losses

Compliant
EU Product Environmental Footprint (PEF) method
Policy developments

- **EU Green Deal**
  Umbrella strategy with the goal of making the EU’s economy more sustainable
  Goal: to make EU carbon neutral by 2050
  - **Farm-to-Fork** (part of EU Green Deal)
    Holistic strategy that aims at accelerating the transition to sustainable food systems.
    10 year strategy, 27 measures to make the food system more sustainable
  - **European Green Claims Initiative** – upcoming legislation
  - **Country specific policy** (e.g. climate law in France)
Considerations & limitations

• Understand the limitations of footprinting – not everything can (yet) be measured.

• Focus on supply-chain specific data. Footprints based on default data do not;
  • provide enough robustness, granularity and quality needed for consumer communication.
  • provide the opportunity to implement reductions.

• Offsetting (e.g. carbon credits) are not allowed in environmental footprinting

• More consistency needed in methodology (e.g. PEF vs FLAG / PEFCR X vs PEFCR Y).

• Please avoid political involvement (footprint labels shall be based on data vs opinions)
Thank you

Jasper Scholten
Business Unit Manager Consultant
jasper@blonksustainability.nl
More about Blonk

Read further

Blonk general:

• [www.blonksustainability.nl](http://www.blonksustainability.nl)
• [www.blonksustainability.nl/publications](http://www.blonksustainability.nl/publications)

Blonk’s products:

• [www.agri-footprint.com](http://www.agri-footprint.com)
• [www.optimeal.nl](http://www.optimeal.nl)
Thank you for your participation!

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