

Dear MEPS, dear Guests,

As your programme for today indicates, I want to talk about the role of soya in European agriculture, based on the practical experience of Danube Soya, an international, non profit NGO with 245 members in 19 European countries.

What motivates us in Danube Soya? We want a better and more diverse crop rotation worldwide, as a basis for more sustainable farming systems. Currently in Paraguay, cropping systems are $\frac{3}{4}$ soya – in other words almost continuous soy. In South America as a whole soya accounts for nearly 40% of annual cropping. This is unhealthy, it is too much. On the other hand, European soya constitutes less than 0.9% of arable land in the EU, and legumes play a tiny role in Europe with only 2% of arable land. This is unhealthy, too. We need more legumes in Europe – not only soya, but all kind of legumes. Soya and other legumes are neither good nor bad – they are only good if they are part of a good farming system. This farming systems and science based approach is the key to understand our Danube Soya idea. We are not a commercial company, nor do we want to promote soya production as an end in itself. We want to have a better, more sustainable agriculture worldwide and see our initiative as a major driver for change here in Europe.

Our efforts are driven by five observations:

One

The movement to grow more legumes is not only the idea of organic farmers or agronomists, but is increasingly coming from farmers who see that they can re-introduce legumes into their systems to raise yields, reduce pest, disease and weed problems, and improve their soil and benefit from reduced input costs. One only has to look at the agricultural press to see that the performance conventional intensive cereal-dominated cropping systems is suffering from the consequences of their simplicity – increased weed and disease problems and plateaued or declining yields. French research confirms this scientifically.

Two

The European Commission recognizes the importance of more diverse cropping systems in Europe. The current CAP includes nitrogen producing plants in the greening areas, which has helped to reverse a downward trend for legumes. We hope and expect that the next CAP will include more measures that either directly or indirectly encourage more legume production. I firmly believe such measures will bring better farming systems – and more

leguminous crops over the next years to European fields. This is an opportunity for all who work in seed production, inputs, machinery, collection, for small and medium farmers.

Three:

We need to reduce our dependency on overseas plant protein.

The current level of dependency in soya is too high to be sustainable. Currently Europe needs around 35 Million tons of soya equivalent per year, and produces roughly 2,5 Million tons. On the other hand, Central and Eastern Europe including [Ukraine](#) has roughly 110 Mio. hectares of arable land. Agronomists agree that food output in this area can grow by 40% over the next 20 years without any land use change, without affecting high-nature value land,, forests and without harming valuable natural resources. All achieved using only existing dedicated agricultural land and with good agricultural practice. And this is happening already. Agricultural output in the CEE countries is growing faster than in Western Europe, and this will continue over the next years with additional investment. Currently the CEE area is already exporting wheat, sunflower and corn, mainly via the Black Sea. The integration of the vast agricultural lands of CEE into European Food Systems is weak.

If we grow soya on only 5% of CEE arable land we can produce nearly 45% of European soya needs. This would mean a production of 12-14

mio. tons per year. A huge increase from current levels. Without monoculture, without land use change and in a sustainable and healthy way – and without GMOs. When we started in 2011 we had 550.000 hectares of soya in the Danube Region (excluding Ukraine, including Serbia and Bosnia – in 2015 we stood at 1 Mio hectares in the same area. The Ukraine produces roughly 2 Mio. hectares. So European Soya already stands at 3 Mio. hectares and we firmly believe this acreage will grow to more than 5 Mio. hectares in the next five to six years. This is a huge opportunity for all of us here and a big chance for the integration of Europe.

Four:

We want to improve the livelihood of farmers and revitalize rural economies. The rural economies need investment, jobs, social recognition and perspective. The major soya growing areas in Europe very often have high unemployment especially for young people. Every hectare of soya we produce also produces investment and jobs. This is because the soya we produce will be processed and used in Europe, while ever more cereal grain exports do not produce a lot of down-stream jobs in Europe. We already observe this effect with increased investment in new processing facilities, additional capacity installed, people hired, research done. Much more needs to be done to collect, clean and process 12-14 Mio. tons of soya in the next five

six years. Our job is to make sure investment benefits those who need it most: Small and medium farmers, small and medium businesses. Quality programmes and certification have a natural bias towards larger entities, because it is cheaper to control big amounts in one big farm or big collector than many smaller farms. So we are working hard to reduce these costs for small and medium farmers and processors, too. In the last few years we have had the tremendous support from the German development cooperation GIZ in Serbia and Bosnia, and we have developed skills and know how to effectively build value chains with companies in the rural economy there. We are planning to continue this cooperation with GIZ and are also planning a strategic partnership with the Austrian Development Agency ADA for Serbia, Bosnia, Moldova and Ukraine for 2016-2020.

Five:

Consumers around the world want local food, food they can trust, transparency. They do not want pesticide residues, they do not want to be responsible for land use change, unsustainable practices, and by and large European consumers reject GMO-food and feed. 15 governments in Europe have signed the Danube Soya declaration – the Ukraine joined in 2015 – and no GMO-Soya is approved for production in any European country including Russia and Ukraine.

Soya from Europe is not automatically good by itself – deforestation takes place, illegal pesticides are used, illegal GMO-plantings have been found, social standards are not always met and also in Europe some people get creative when there is money to be made. Our experience is that a multi-stakeholder partnership like Danube Soya can control the integrity of the whole chain of production.

In spring 2016 we are launching our new Europe Soya certification scheme. Many farmers, producers and crushers outside the Danube Soya Region have asked us to introduce a second certification scheme for them. Europe Soya has exactly the same standards and procedures, the only difference is that it serves the whole European geographical area as defined by the UN. All Danube Soya is automatically also Europe Soya, but Europe Soya cannot be used for Danube Soya products, as it is a wider geographic area.

Retailers, producer organizations, and brand owners all over Europe have committed to get rid of deforestation soya and improve the sustainability of their soya supply chain.

Our medium term goal is to certify one third of European soya production. This means we need to make Danube Soya and Europe Soya into a European brand recognized by consumers and users, with a clear public profile.

All the benefits of our program will only work if we create this public awareness and raise the profile of our certification. This will be a major job for all of us during the next two years. We will work hard to explain the Danube Soya system and certification to all stakeholders and consumers in Europe.

Our ambition is to support European agri-food integration with special emphasis on cropping systems that supports on one hand economic integration within Europe (East-West) and on the other reduces Europe's dependence on imported soya.