

# CGF Forest Positive Coalition

## Intro to the Soy DCF Methodology

July 2025





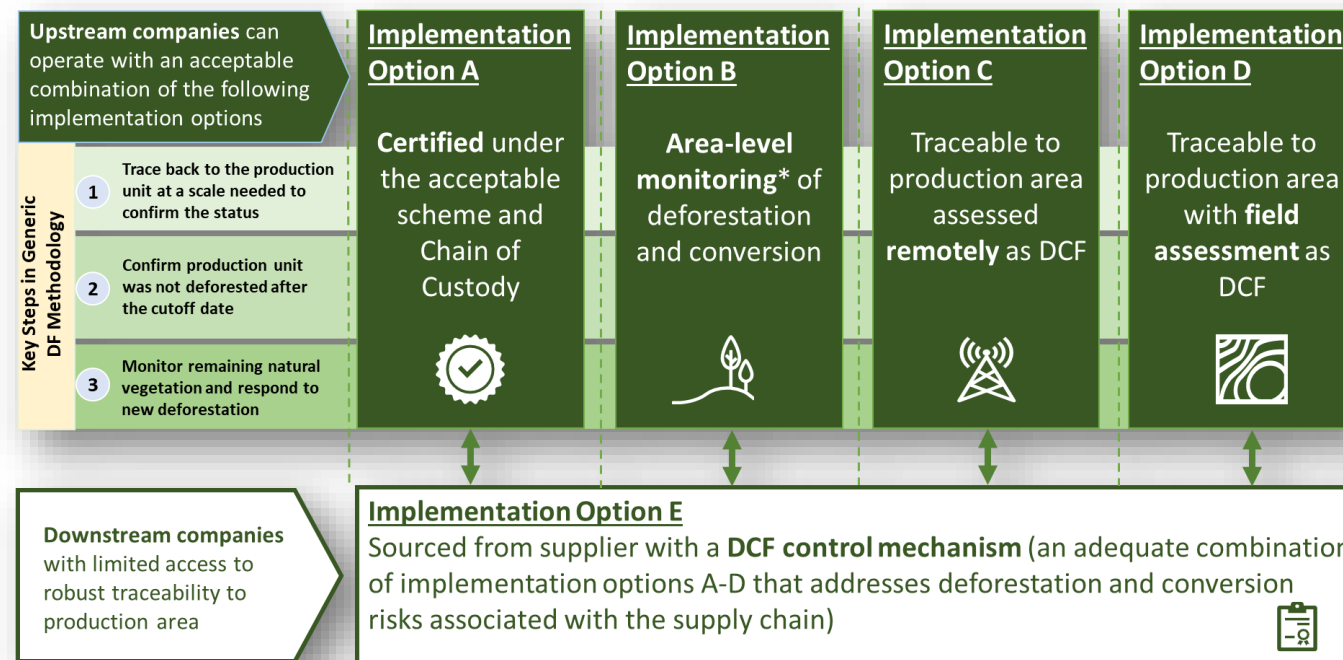


# Introduction

# Introduction

## Objective of the webinar

- Key users to understand the CGF Forest Positive Coalition's Deforestation and Conversion Free Sourcing Methodologies
- To improve key users' ability to support CGF-FPC member DCF reporting



\*Sectorally aligned language; formerly referred to as "negligible risk"



# CGF Forest Positive Coalition & Theory of Change



# The Consumer Goods Forum: Forest Positive Coalition



## Members:



## Partnerships:



# CGF Forest Positive Coalition: Theory of Change



# CGF Forest Positive Coalition: Commodity Roadmaps



## The Roadmaps



Palm Oil



Soy



PPP



Beef

## Five Elements of the Roadmaps

- Managing own supply chains;
- Working with suppliers, traders and/or meatpackers;
- Monitoring production bases;
- Engaging in production landscapes and regions; and
- Promoting transparency and accountability,

*With individual and collective commitments,  
actions, and KPIs for each element*

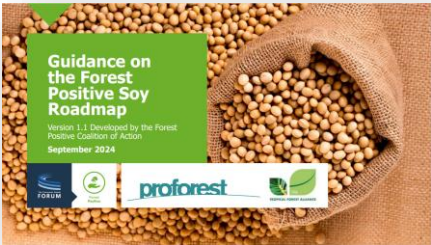
# CGF Forest Positive Coalition: Resources Available



## Roadmap Implementation Guidance



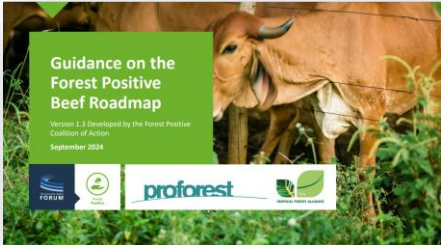
Palm Oil



Soy



PPP

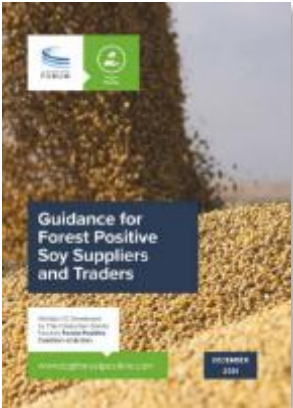


Beef

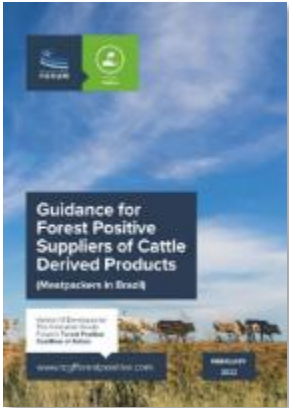
## Guidance for Forest Positive Suppliers



Palm Oil



Soy



Beef (EN)



Beef (PT)

## Palm Oil Monitoring & Response Framework





# FPC Roadmaps: Element 1



Element 1 covers members' own supply chains and volume sourcing, including a commitment to be deforestation and conversion free with corresponding KPIs to track progress to DCF.



## DCF COMMITMENT

Public commitment to eliminate legal and illegal deforestation and conversion of natural ecosystems in the commodity supply chain



## KPI REPORTING

**KPI:** % DCF for commodity volume using FPC commodity specific DCF Methodology

**SCOPE:** Report on full commodity scope, and disclose any exclusions

# FPC Roadmaps: Element 2



Element 2 covers how members' suppliers can be 'forest positive' across the supplier's commodity business, not just for volumes sourced by FPC members.



## COMMITMENT

Members communicate and implement the 'forest positive approach' with suppliers and collaborate with them to address barriers to sector-wide progress.



## KPI REPORTING

**KPIs:** Suppliers engaged on the elements of the Forest Positive Approach as well as supplier performance

**SCOPE:** Suppliers commit and implement the approach across their commodity business





# Generic FPC DCF methodology

# Generic DCF Methodology

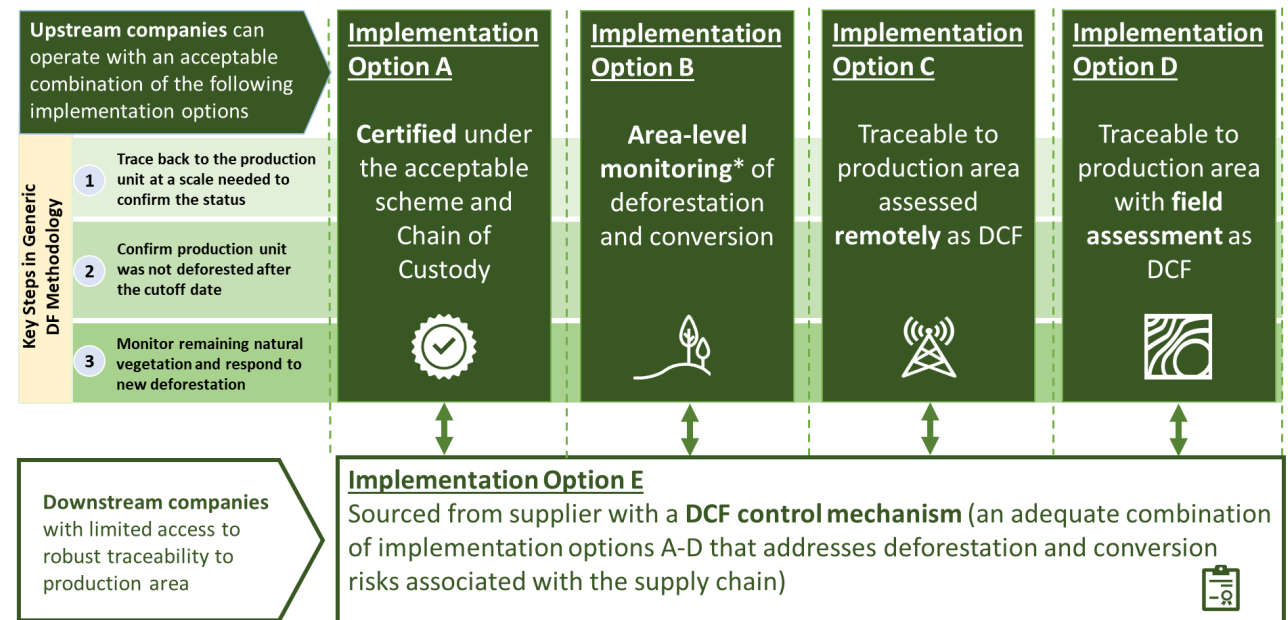


Developed in consultation with key partners, including:



**Alignment:** The coalition has worked to achieve an aligned approach to DCF to provide greater consistency and credibility for reporting on %DCF volumes across members and in the sector. By socialising the methodology, the coalition can support wider uptake and alignment across the sector.

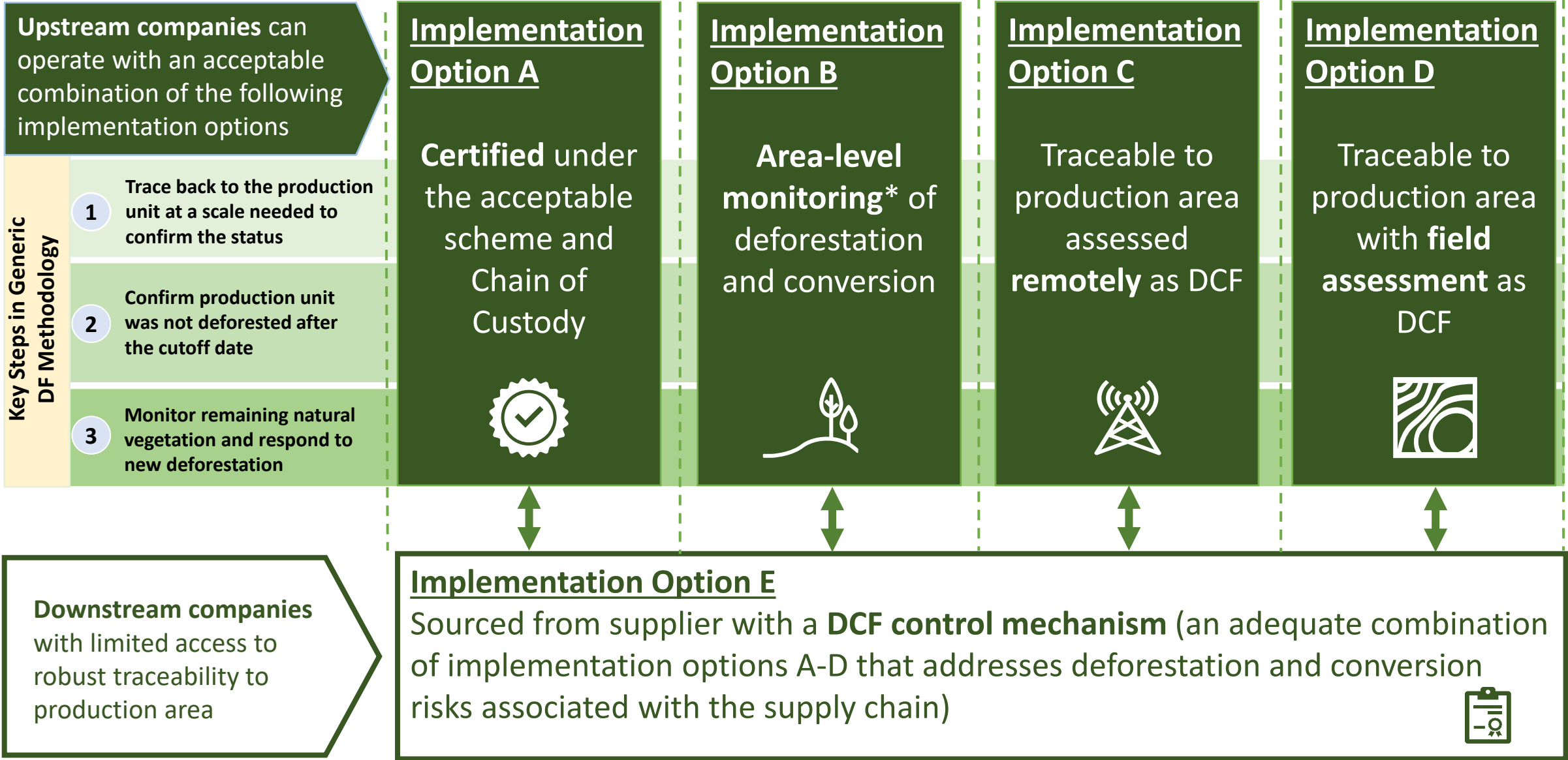
**Transparency:** The coalition has a commitment to report transparently on DCF, with the intention to engage suppliers to uptake these same principles.



*\*Sectorally aligned language; formerly referred to as "negligible risk"*



# Generic DCF Methodology



\*Sectorally aligned language; formerly referred to as “negligible risk”

# Generic DCF Methodology



The generic methodology is adapted into commodity specific interpretations for each of the four CGF-FPC commodities



*Palm  
Oil*



*Soy*



*Pulp, Paper, and  
fibre-based  
packaging*



*Cattle  
Derived  
Products*



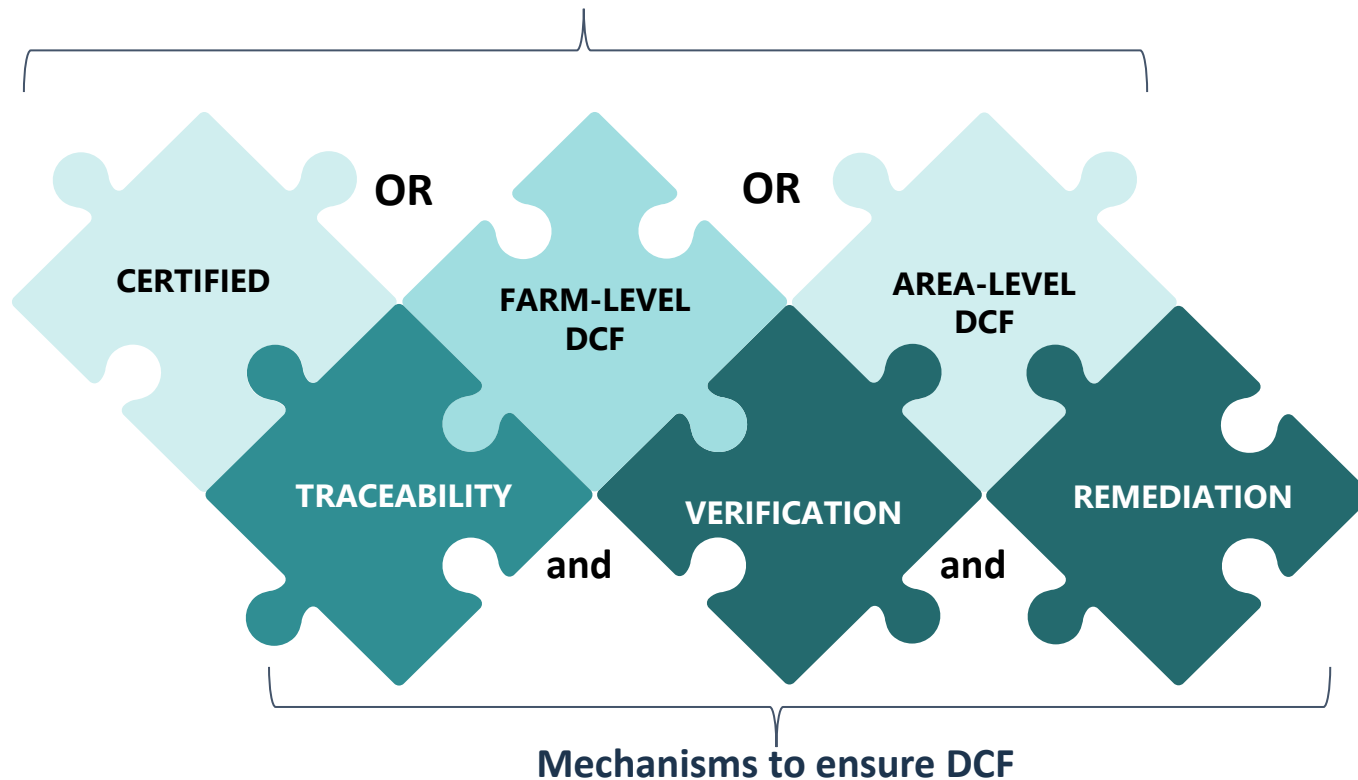


# **Proposed CGF FPC Soy DCF Methodology**

# Proposed Soy DCF Methodology



## DCF implementation options



Soy sourced volumes can be classified as DCF via one of the implementation options:

- **Certification**
- **Farm-level DCF**
- **Area-level DCF**

The compliance of DCF implementation options is ensured through a combination of **systems for traceability, verification and remediation.**

### Note:

- **DCF implementation options can be implemented by suppliers**
- When a direct supplier is DCF across their entire business, all and any soy volume sourced from them can be considered DCF

# Mapping soy origins using risk-based approach



Within the generic DCF methodology, *‘tracing back to production area at a scale needed’* is the first step within each DCF implementation options. Traceability is critical for understanding the status of companies’ volumes and where to address risks. However, building traceability systems can be resource intensive, so it is key to obtain data at a granularity level that allows managing and mitigating risks within the supply chain.

## For direct soy:

Work towards having **traceability to the granularity level that allows to ascertain DCF compliance.**

- ▶ Ensure country of soy harvest is known for 100% of purchased volume
- ▶ Ensure material is traceable to municipality/district or aggregation point (crusher, cooperative) and supply base area in at-risk countries
- ▶ Ensure material is traceable to farm in at-risk municipalities, districts or aggregation area

## For embedded soy:

At least, country of origin of raw material is known for 100% of purchased meat (beef, pork, chicken, fish and seafood), dairy and eggs volume.

- ▶ Estimate potential soy origins and risk
- ▶ Ensure material is traceable to country of soy harvest if potential soy origin countries is at-risk
- ▶ Ensure material is traceable to subnational level or aggregation point (crusher, cooperative) and supply base area in at-risk countries
- ▶ Ensure material is traceable to farm in at-risk municipalities or districts

**Note:** traceability requirements are more stringent in EUDR





# Implementation option: Certification



## What are DCF standards?

- There are many soy standards. They can be certification schemes (RTRS, Proterra, ISCC, and others) or private voluntary standards (many soy traders have their own).
- When soy volume is certified or verified as compliant with a DCF standard, these volumes can be classified as DCF.

Certification schemes and some private standards have traceability and verification mechanisms embedded in their structure, so they do not need additional assurance.

## How to define DCF Certification Standards?

- Proposed criteria to accept certification schemes and Voluntary Sustainability Standards as DCF are in the [Soy DCF Methodology](#).
- **Current recommended DCF standards when Chain of Custody is Segregated or site-level Mass Balance:** RTRS, Proterra, ADM Responsible Soybean Standard, Amaggi Origins Field, Cargill Triple S, Bunge Pro-S Assuring Sustainable Sourcing, LDC Program for Sustainable Agriculture, and COFCO International Responsible Agriculture Standard
- Meanwhile, companies can use the criteria to select standards themselves.

# Implementation option: Certification

*What may FPC company buyers request from suppliers?*



## Certification certificate or evidence that include:

1. Identification of the supplier and of the customer
2. Date of issue
3. Volumes/quantity of products
4. Type of product (oil, meal, soybean grains, etc)
5. Chain of Custody Model
6. Chain of Custody Information

**Note:** Certification schemes have their own procedures and rules on making DCF claims, for example, for RTRS (see [item 2.2.1 and 2.2.2](#)) and Proterra (see [item 3.3.3](#))

## What questions to make when analyzing evidence:

1. Is the supplier or the customer your direct supplier?
2. Is the date aligned with your purchases?
3. Is the volume sufficient to cover your purchases?
4. Is the type of product the same or less processed than what you purchased?
5. Is it Identity Preserved, Segregated or site-level Mass Balance?
6. Does it include the intermediary supplier directly linked to the farms (i.e., 1st aggregator)?



# Implementation option: Farm-level DCF



## What is farm-level DCF?

- Companies can monitor deforestation and conversion in soy farms or soy planted areas and prevent purchases when there are non-compliances
- When soy volume can be demonstrated as traceable to a monitored farm that had no recent conversion to soy, these volumes can be classified as DCF.

## How to define DCF farm-level systems?

- Some criteria to accept farm-level monitoring systems as DCF in [Soy DCF Methodology](#).
- Amazon Soy Moratorium (ASM) accepted as DCF system if soy is traced to Brazilian Amazon via trading company that is signatory and verified compliant with ASM.





# Implementation option: Farm-level DCF

*What may FPC company buyers request from suppliers?*



## Examples of evidence can include:

- Declaration stating compliance with **Amazon Soy Moratorium (Brazil)**: supplier is a signatory and shows full compliance with its commitments based on the latest audit report
- Declaration stating compliance with **Supplier's own sustainability or traceability programmes/protocols/standards**: supplier has independent verification methods, traceability systems and risk classifications in place
- **Farm-level DCF Assessment Report/Results**: the parameters used and the results of the assessment that demonstrate the DCF status of the area are presented by supplier

Reference documentations on methods and definitions to also be provided.

## The evidence to include the following information:

- Programme/Assessment methodological reference, including at least:
  - Coverage of both deforestation and conversion of any natural ecosystem
  - Cut-off date: aligned with legal and sectoral cut-off dates where they exist and no later than 2020 for the rest
  - DCF verification method

# Implementation option: Area-level DCF

## What is area-level DCF?

- Area-level monitoring is a recommended resource that can be used when other DCF solutions are not available or feasible
- It is sometimes not possible or appropriate to assess land use change at the scale of specific production units
- When soy volume can be demonstrated as traceable to a sourcing area (e.g., subnational level) where it can be shown that there has been no or negligible recent deforestation or conversion to soy, these volumes can be classified as DCF.

**Note: Purchases from at-risk (non-negligible risk) origins should not be avoided!**

## How to identify negligible risk of deforestation and conversion soy origins?

- A [recommended methodology](#) to assess the risk of soy origin being associated with recent ecosystem conversion to soy was developed in collaboration with Trase and support from AFI Secretariat
- List of no or negligible risk municipalities for soy in Brazil developed
- Companies can use the methodology to classify other regions

# Implementation option: Area-level DCF

*What may FPC company buyers request from suppliers?*



## Examples of evidence can include:

- Traceability evidence of origin, such as shipment documents, health/sanitary certificates, contracts, invoices, or similar document

## The evidence to include the following information:

- Destination of soy (should reflect suppliers' location)
- Origin(s) of soy (e.g., municipalities)
- Volumes amount
- Type of product

*Any confidential information, such as prices or personal IDs, may be hidden.*

- The FPC have developed a list of 'DCF (no or negligible risk)' and 'at-risk' municipalities of conversion to soy in Brazil for 2024
- When sourcing soy and/or when asking suppliers about soy origins, FPC members can share this list with suppliers and ask 'what % of volume supplied through site X was produced in no or negligible risk municipalities'
- To report volumes produced in no or negligible risk municipalities as DCF, traceability to these municipalities needs to be verifiable

**Note:** *This list should not be used to avoid sourcing from at-risk municipalities, but only to facilitate reporting.*





# Mechanisms to ensure DCF: Traceability Systems



Regardless of the DCF implementation option, volumes are only considered DCF when there is a system in place to control supply chain flows.

This can be achieved when:

- The animal product/soy supplier is DCF across their entire business; or
- Soy volume is certified Identity Preserved (IP), Segregated (SG) or **Site-Level** Mass Balance (MB) Chain of Custody models; or
- Supplier has systems to control supply chain flows that ensure segregated or mass balance accounting of DCF volumes at site-level.

**MB CoC or equivalent systems that allow mix of DCF and non-DCF soy only at site-level accepted until 2025.**

**When sourcing MB, companies are still at risk for no-compliant volumes and can take steps to control the risk (e.g., through supplier management systems).**

**Buyers may request independent audit to review suppliers' traceability system and verify traceability data. Where no traceability information is available the buyer may engage supplier to support gaining further visibility.**





# Mechanisms to ensure DCF: Verification



## Guidance for reporting

- **Verification is considered good practice** but is not a requirement for reporting on DCF
- Companies to state if reporting data is **self-declared or verified**
- To report as verified data – verification to be completed by a **3<sup>rd</sup> party**
- **The Accountability Framework Initiative (AFi)** has [general guidance](#) available on verification and is currently developing guidance on when to use verification for different reporting contexts



# Efforts towards addressing non-DCF Volumes

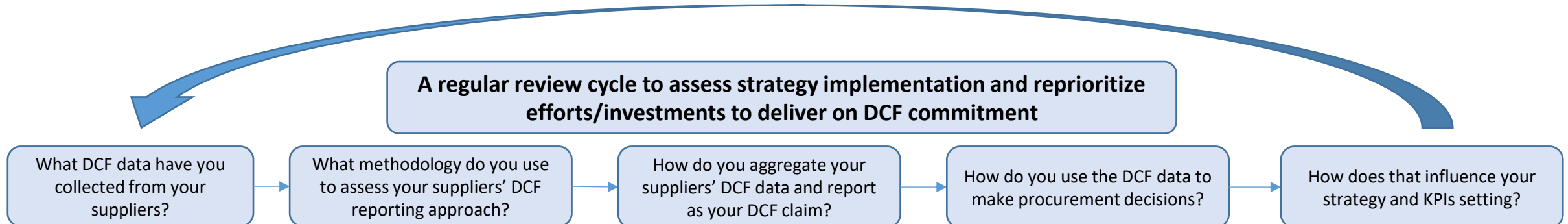


## Working with suppliers within supply chains:

- To effectively manage deforestation and conversion risk within supply chains
- Where no DCF approaches can be applied, material cannot be considered as DCF, and engagement is crucial to collaboratively mitigate risks

## Working beyond supply chains:

- Engage in production landscapes to collaboratively transform soy production (see [Element 4 of the FPC Soy Roadmap](#) and [FPC Landscape strategy](#))



# Efforts towards addressing non-DCF Volumes: Classifying volumes as ‘progressing towards DCF’



## What are ‘progressing towards DCF’ volumes’?

- These are volumes that are not yet DCF, so cannot be reported under the % DCF KPI, but are under some action towards becoming DCF
- Volumes sourced can be classified as ‘progressing towards DCF’ if under any of the following situations:

Standards considered  
DCF by FEFAC  
benchmarking exercise  
but not by FPC, with IP,  
SG or MB (site or  
country/group level) CoC

DCF solutions  
recommended by FPC  
but with DCF control  
systems as  
country/group MB,  
area level MB

For embedded soy,  
combination of action  
and traceability (*see  
next slide*)

**‘Progressing’ is a temporary stage to get to delivery of DCF. Companies should not aim to stay in it and should include in their timebound action plan how they will move volumes to DCF.**



# Classifying volumes as ‘progressing towards DCF’: Embedded Soy Approach



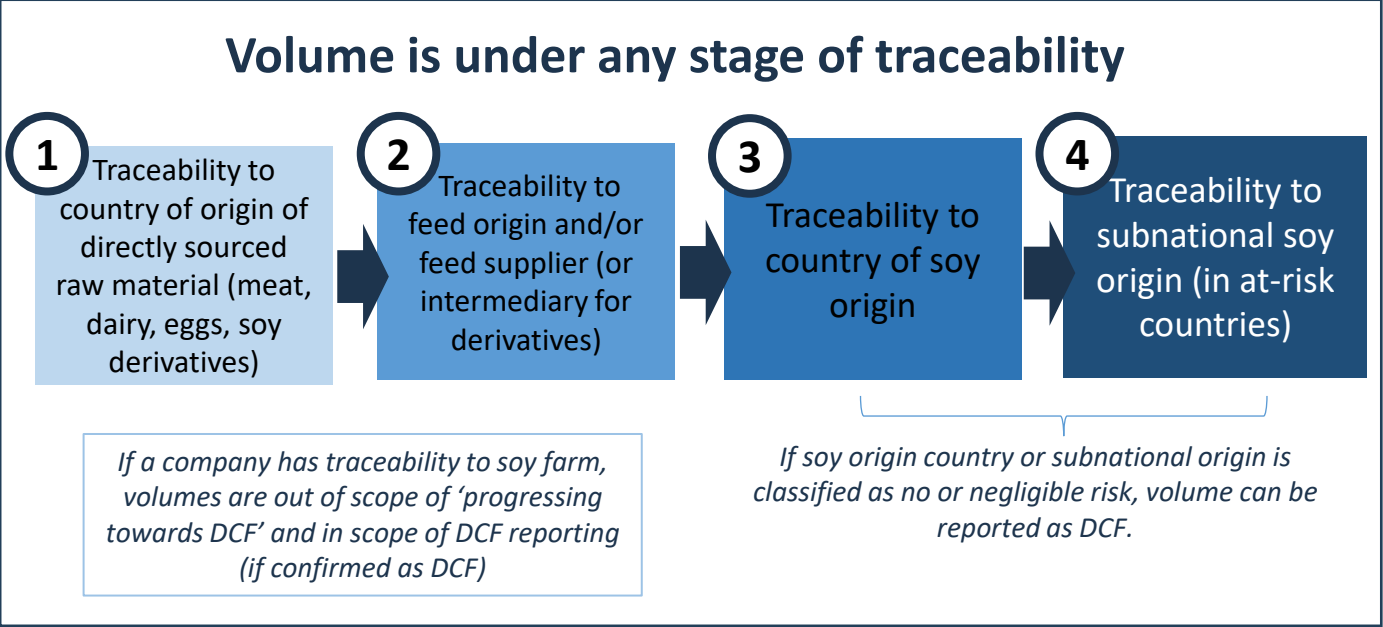
For embedded soy, volumes can be classified as **progressing towards DCF** if they are under **one stage of traceability** and **one type of at scale-action**.

Over time, members can improve traceability by both moving volumes from ‘unknown’ to first stage of traceability and moving volumes through traceability stages, getting more granular.

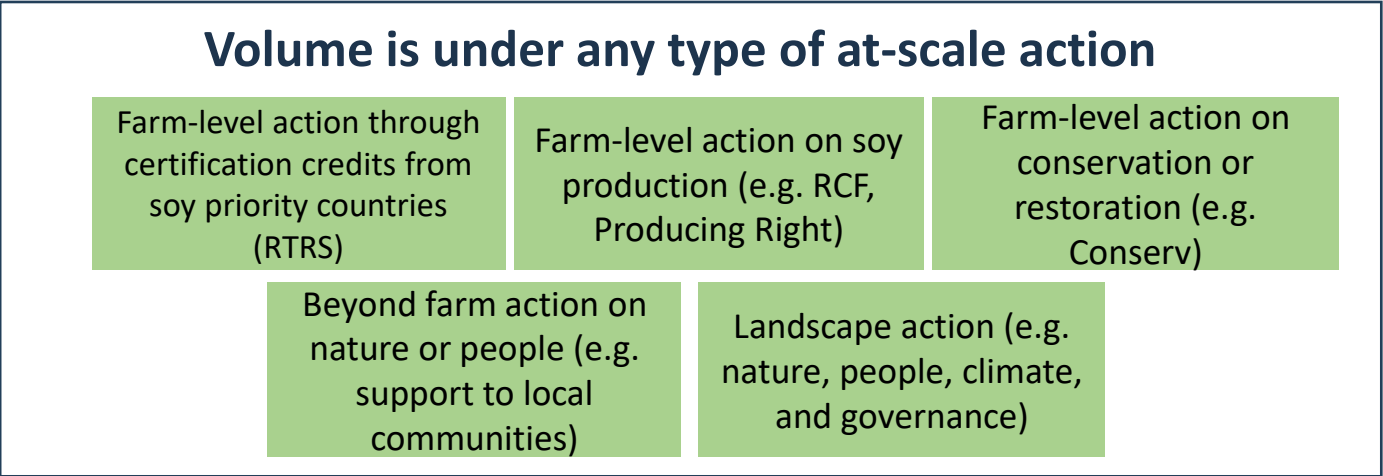
For at-scale action, members can increase volumes covered by at-scale actions. Over time, members to individually work towards nesting credits into landscape initiatives or investing in more advanced actions (e.g., farm-level action, landscapes) and collaboratively engage with scheme owners to develop transition pathway for physically DCF supply chains.

**Overall, the recommended approach involves increasing volumes that are traceable in combination with investing at-scale for equivalent volumes.** For example, if 20% of volumes are traceable to raw material origin and 30% of volumes are covered by farm-level action, only 20% of volumes can be reported under progressing.

The diagram on the right details the stages of traceability and the types of at-scale action.



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# Resources

# Resources



For further information on the following topics, visit the links below:

- For the DCF Soy Methodology follow this [link](#)
- For the Soy Roadmap follow this [link](#)
- For the Soy Roadmap Guidance follow this [link](#)
- For the Guidance for Forest Positive Suppliers follow this [link](#)





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**Thank you!**