



SSAP/RED Protocol

SOYBEAN SUSTAINABILITY ASSURANCE PROTOCOL /RENEWABLE ENERGY DIRECTIVE

SSAP/RED

(SSAP/RED Protocol)

Document to be used by SSAP/RED system users

November 2018

Table of Contents

- Introduction and Scope**.....3
- Objective**3
- 1. Sustainability Requirements**.....4
 - Introduction**4
 - PILLAR 1: BIODIVERSITY AND HIGH CARBON STOCK PRODUCTION CONTROL MEASURES AND REGULATIONS**.....4
 - PILLAR 2: PRODUCTION PRACTICES CONTROL MEASURES AND REGULATIONS**7
 - PILLAR 3: PUBLIC AND LABOR HEALTH AND WELFARE CONTROL MEASURES AND REGULATIONS**8
 - PILLAR 4: CONTINUOUS IMPROVEMENT OF PRODUCTION PRACTICES AND ENVIRONMENTAL PROTECTION CONTROL MEASURES AND REGULATIONS**11
- 2.Chain of Custody**12
- 3. Mass Balance**.....14
 - 3.1 Mass Balance Principle14
 - 3.2 Mass Balance Claims15
 - 3.3 Mass Balance Period15
- 4. Risk Assessment and Mitigation**16
- 5. GHG Emissions**.....17
- 6. Recognition of other RED schemes**.....18
- 7. Compliance Table SSAP/RED Directives - RED**.....19
- Annex I Glossary**20
- Annex II Reference to U.S. Laws**24

Introduction and Scope

The more than 300,000 American soybean producers apply the principles of sustainability every day. Their production adheres to the U.S. federal, state and local laws and regulations, implemented using the best agricultural production practices.

The U.S. Soybean Sustainability Assurance Protocol/RED (SSAP/RED) has been developed to demonstrate compliance with the requirements of the European **Renewable Energy Directive 2009/28/EC (RED)** and its relevant EC Communications and Regulations.

Therefore, the U.S. SSAP/RED describes the regulations, processes and management practices that ensure both sustainable soybean production in compliance with the requirements of the RED as well as according to all relevant U.S. laws and regulations. The SSAP/RED forms part of the overall U.S. soybean producer sustainability program which includes a national monitoring and measurement system of positive environmental outcomes by producers.

Scope:

The applicable feedstock is soybeans cultivated in the United States for the production of biodiesel in the European Union. **Soybean waste and residual streams are excluded.** This scheme does not include ligno-cellulosic and non-food cellulosic material. The Chain of Custody coverage is the cultivation stage and transport to the First Gathering Point only, without having an option for individual farm or farm group certification. Both soybean processing steps, and the use of waste/residues are not covered in this scheme.

Objective

The aim of this voluntary scheme is to ensure that the certified soybeans meet the requirements of the European RED so that those soybeans can be used as feedstock for the production of RED compliant biomass, bioliquids and biofuels. The aforementioned products are defined as below:

'Biomass' is defined as the biodegradable fraction of products, waste and residues from biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste;

'Bioliquids' are defined as liquid fuel for energy purposes other than for transport, including electricity and heating and cooling, produced from biomass; and

'Biofuels' are defined as liquid or gaseous fuel from transport produced from biomass.

Additional terms used in this document are defined in the Glossary, Annex I. Where this document refers to specific U.S. laws and regulations, the respective regulations and paragraphs are also referenced to in Annex 2 at the end of this document.

1. Sustainability Requirements

Introduction

The SSAP/RED sustainability requirements are based on the national program SSAP, i.e. the U.S. Soybean Sustainability Assurance Protocol consisting of the following 4 PILLARS:

PILLAR 1: Biodiversity and High Carbon Stock Production Control Measures and Regulations

PILLAR 2: Production Practices Control Measures and Regulations

PILLAR 3: Public and Labor Health and Welfare Control Measures and Regulations

PILLAR 4: Continuous Improvement of Production Practices and Environmental Protection Control Measures and Regulations

In this section, it is described how the requirements as formulated by the RED are reflected in the above PILLARS whilst outlining the respective content of the RED requirements. All aspects as being required by the RED are referred to **in bold**.

PILLAR 1: BIODIVERSITY AND HIGH CARBON STOCK PRODUCTION CONTROL MEASURES AND REGULATIONS

Soybeans are produced only on existing agricultural land as defined in CFR Title 40 Part 80 Subpart M 80.1401 as cropland, pastureland, primary forest and land enrolled in the Conservation Reserve Program that was cleared or cultivated prior to December 19, 2007 and that, on December 19, 2007 was non-forested and actively managed as agricultural land, as evidenced by records traceable to the land in question.

For the specific purpose of demonstrating compliance with the land use requirements of **Article 17** of the RED and subsequent Commission communications and regulations, it is required that soybeans will not be produced in the following areas:

- 1.1 Soybeans are not produced on highly biodiverse grassland, (**Article 17 3 c**) defined as a terrestrial ecosystem dominated by herbaceous or shrub vegetation for at least 5 years continuously, including meadows and pasture that is cropped for hay but excludes land cultivated for other production and cropland lying temporarily fallow and grassland that is natural, namely that it would remain grassland in the absence of human intervention (defined as managed grazing, mowing, cutting, harvesting or burning) and which maintains the natural species composition and ecological characteristics and processes; or non-natural, namely that it would cease to be grassland in the absence of human intervention and which is species rich and not degraded. Species rich is defined as a habitat of significant importance to critically endangered, endangered or vulnerable species as classified by the International Union of the Conservation of Nature Red List of Threatened Species or other lists with similar purpose for species or habitats laid down in national legislation or recognized by a competent national authority, or a habitat of significant importance to endemic or restricted range species or a habitat of significant importance to intra-species genetic diversity or a habitat of significant importance to globally significant concentrations of migratory species or a regionally or nationally significant or highly threatened or unique ecosystem (**Article 17 3 b ii**).

- 1.1.1 Producers are in compliance with U.S. laws that prohibit altering the habitat where endangered or threatened species are found in such a way that disrupts essential behavioural patterns including but not limited to: breeding, feeding, sheltering (**Article 17 3 b i and ii**).

1.1.2 Producers are in compliance with U.S. Endangered Species Act to protect listed animal and plant species from extinction by preserving the ecosystems in which they survive.

1.1.2.1 A Habitat Conservation Plan is required as part of an application by private entities prior to undertaking projects that might result in the destruction of an endangered or threatened species (**Article 17 3 b ii**).

1.1.3 Producers are in compliance with Highly Erodible Land Conservation program (**Article 17 3 c i and ii**)

1.1.3.1 USDA maintains records of all land used and cultivated in the United States including land classified as highly erodible land. Producers may obtain aerial imagery of their farms and a printout of their farm and tract records from local USDA office administering their farm.

1.1.3.2 Producers will maintain compliance with highly erodible land regulations by creating a required conservation system plan.

1.2 Soybeans are not produced on wetlands (**Article 17 4 a and 5**)

1.2.1 Producers are in compliance with Section 404 of Clean Water Act regarding agricultural impacts on wetlands

1.2.2 Producers are in compliance with U.S. Wetlands Conservation provisions, which means:

1.2.2.1 USDA keeps record of Wetland Determinations. Producers may obtain aerial imagery of their farms and a printout of their farm and tract records from local USDA office administering their farm

1.2.2.2 Producers will maintain compliance with wetland conservation regulations by creating a required conservation system plan

1.2.2.3 Producers will not plant on a converted wetland

1.2.2.4 Producers will not convert a wetland to make possible production of agricultural commodity

1.2.2.5 Wetlands are defined as land that is covered with or saturated by water permanently or for a significant part of the year. In order to confirm if land complies to this definition, specific indicators are used to verify and reflect seasonal changes within a given year.

1.3 Soybeans are not produced on forest land; defined as a land cover/use category that is at least 10 percent canopy cover stocked by single stemmed woody species of any size that will be at least 4 meters tall at maturity. The minimum areas for classification as forestland is one acre and the area must be at least 100 feet wide. (**Article 17 3a, 4b,4c**).

1.3.1 Producers are in compliance with U.S. laws prohibiting conversion of primary forests to other uses. Primary forests are defined as forest or wooded land of native species where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed.

1.4 Soybeans are not produced on peatland; Producers shall not produce raw material obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil (**Article 17 5**).

1.4.1 Producers are in compliance with Section 404 of Clean Water Act regarding agricultural impacts on wetlands

1.4.2 Producers are in compliance with U.S. Wetlands Conservation provisions that prohibit production of an agricultural commodity of peatland converted after December 23, 1985

1.5 Soybeans are not produced on land that was primary forest (**Article 17 3 a**)

1.5.1 Producers are in compliance with U.S. laws prohibiting conversion of primary forests to other uses

1.5.2 Producers are in compliance with U.S. laws prohibiting the conversion of public lands in National Forests and National Grasslands

1.6 Soybeans are not produced on designated protected areas (**Article 17 3 b**)

1.6.1 Producers are in compliance with U.S. laws that prohibit the production of soybeans on land under federal protected status, land designated Wilderness or Research Natural Areas, protected land in National Forests and Grasslands, and land in the National Landscape Conservation System

1.6.2 Producers are in compliance with U.S. laws that prohibit production of soybeans on land protected by National Park Service

1.7 Producers are in compliance with Federal Migratory Bird Treaty for protection of shared migratory bird resource

1.8 Producers planning to remove fence rows, combine crop fields, divide a crop field into two or more fields, or improve or modify existing drainage must notify USDA-FSA for appropriate technical determinations and obtain prior approval. Improving or modifying existing drainage should not result in drainage of deeper soil layers compared to the drainage existing in January 2008, to stay in line with Article 17 (5) of the RED.

1.9 Should the European Commission recognized areas or lists for the protection of rare, threatened or endangered ecosystems or species recognized by international agreements or included in lists drawn up by intergovernmental organizations or the International Union for the Conservation of Nature in the context of Article 17 (3)(b)(ii) and/or Article 18 (4) those areas shall also be included in the SSAP/RED.

For the purpose of cross referencing, below the RED articles 17(1) – (5) are referred to in full. In case the above definitions and wordings differ from the RED definitions below, the RED definitions shall prevail.

Article 17

Sustainability criteria for biofuels and bioliquids

1. Irrespective of whether the raw materials were cultivated inside or outside the territory of the Community, energy from biofuels and bioliquids shall be taken into account for the purposes referred to in points (a), (b) and (c) only if they fulfil the sustainability criteria set out in paragraphs 2 to 6:

(a) measuring compliance with the requirements of this Directive concerning national targets;

(b) measuring compliance with renewable energy obligations;

(c) eligibility for financial support for the consumption of biofuels and bioliquids.

However, biofuels and bioliquids produced from waste and residues, other than agricultural, aquaculture, fisheries and forestry residues, need only fulfil the sustainability criteria set out in paragraph 2 in order to be taken into account for the purposes referred to in points (a), (b) and (c).

2. The greenhouse gas emission saving from the use of biofuels and bioliquids taken into account for the purposes referred to in points (a), (b) and (c) of paragraph 1 shall be at least 35 %.

With effect from 1 January 2017, the greenhouse gas emission saving from the use of biofuels and bioliquids taken into account for the purposes referred to in points (a), (b) and (c) of paragraph 1 shall be at least 50 %. From 1 January 2018 that greenhouse gas emission saving shall be at least 60% for biofuels and bioliquids produced in installations in which production started on or after 1 January 2017.

The greenhouse gas emission saving from the use of biofuels and bioliquids shall be calculated in accordance with Article 19(1).

In the case of biofuels and bioliquids produced by installations that were in operation on 23 January 2008, the first subparagraph shall apply from 1 April 2013.

3. Biofuels and bioliquids taken into account for the purposes referred to in points (a), (b) and (c) of paragraph 1 shall not be made from raw material obtained from land with high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:

(a) primary forest and other wooded land, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed;

(b) areas designated:

- (i) by law or by the relevant competent authority for nature protection purposes; or
- (ii) for the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the second subparagraph of Article 18(4);

unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;

(c) highly biodiverse grassland that is:

- (i) natural, namely grassland that would remain grassland in the absence of human intervention and which maintains the natural species composition and ecological characteristics and processes; or
- (ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and which is species-rich and not degraded, unless evidence is provided that the harvesting of the raw material is necessary to preserve its grassland status.

The Commission shall establish the criteria and geographic ranges to determine which grassland shall be covered by point (c) of the first subparagraph. Those measures, designed to amend non-essential elements of this Directive, by supplementing it shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 25(4).

4. Biofuels and bioliquids taken into account for the purposes referred to in points (a), (b) and (c) of paragraph 1 shall not be made from raw material obtained from land with high carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status:

- (a) wetlands, namely land that is covered with or saturated by water permanently or for a significant part of the year;
- (b) continuously forested areas, namely land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30 %, or trees able to reach those thresholds in situ;
- (c) land spanning more than one hectare with trees higher than five metres and a canopy cover of between 10 % and 30 %, or trees able to reach those thresholds in situ, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in part C of Annex V is applied, the conditions laid down in paragraph 2 of this Article would be fulfilled.

The provisions of this paragraph shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008.

5. Biofuels and bioliquids taken into account for the purposes referred to in points (a), (b) and (c) of paragraph 1 shall not be made from raw material obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil.

PILLAR 2: PRODUCTION PRACTICES CONTROL MEASURES AND REGULATIONS

2.1 Producers apply conservation tillage methods as appropriate. Conservation tillage control measures will:

- 2.1.1 increase soil health and organic matter
- 2.1.2 increase moisture retention
- 2.1.3 reduce soil compaction and soil erosion
- 2.1.4 reduce water and nutrient runoff
- 2.1.5 reduce energy use

2.2 Soybean seed commerce is in compliance with the Federal Seed Act regarding fair trade and proper labeling

2.3 Producers are in compliance with Plant Protection Act regulation importation of plants and plant products

2.4 Producers apply crop rotation to improve soil health and biodiversity

2.5 Producers apply Precision Farming Techniques as appropriate utilizing Global Positioning System (GPS) and other advanced technologies

2.5.1 variable rate fertilizer and herbicide application

2.5.2 field mapping for seed planting and herbicide and pesticide application

2.5.3 field mapping for fertilizer application

2.5.4 grid soil sampling

2.5.5 yield mapping

2.6 Producers will limit irrigation and comply with all applicable water conservation efforts in their irrigation districts to ensure effective and equitable allocation of water resources.

2.7 Producers apply measures to reduce and recycle waste and meet all local regulations as related to waste recycling

PILLAR 3: PUBLIC AND LABOR HEALTH AND WELFARE CONTROL MEASURES AND REGULATIONS

3.1 Producers are in compliance with U.S. Environmental Protection Agency (EPA) Worker Protection Standard for Agriculture Pesticides meeting regulations for: pesticide safety training, notification of pesticide application, use of personal protective equipment, restricted-entry intervals after pesticide application, decontamination supplies, and emergency medical assistance

3.1.1 An application exclusion zone of 100 feet horizontally from application equipment is required whether the pesticide is applied by air blast application, as a spray or fumigant, mist, or fog. Applicators must suspend application if they are aware of any person in the application exclusion zone per regulation in Worker Protection Standard by Environmental Protection Agency

3.2 Producers are in compliance with Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) maintaining compliance with agricultural chemical handling, storage, and application regulations

3.2.1 All pesticides are registered with EPA with proper labels and used in accordance with specifications including how and under what conditions chemicals can be applied

3.2.2 Certification and training required for pesticide applicators using restricted use pesticides

3.2.3 Producers adhere to EPA regulations concerning rotation of chemical active ingredients

3.2.4 Requires that pesticides be classified for general or restricted-use

3.2.5 Provides that pesticides in the restricted category may be used only under the direct supervision of certified applicators, or under such other regulatory restrictions as the EPA administrator may require

3.2.6 Establishes general categories of certified applicator: private applicator and commercial applicator

3.2.6 U.S. regulation provide penalties for violations of FIFRA regulations and violation of these instructions is equivalent to violating the law; consequences can include criminal prosecution, civil remedies for damages, and loss of license

3.2.7 Provide states the authority to regulate the sale or use of any federally registered pesticides in that state

3.2.8 Producers adhere to all Federal regulations and guidelines on farm chemical application and producers observe best management practices. Additionally, producers who apply WHO Class Ia, Ib, and II pesticides shall not apply them within 500 meters of populated areas or water bodies

3.3 U.S. is signatory to Rotterdam Convention of the Prior Informed Consent (PIC) Procedure for Certain Hazardous Chemicals and Pesticides in International Trade enforcing a banned list of chemicals for producer use

3.3.1 Producers are complaint with Toxic Substances Control Act to regulate chemicals that pose an unreasonable risk to health or to the environment and to regulate these chemicals' distribution and use

3.4 Producers are in compliance with Fair Labor Standards Act which prescribes standards for basic minimum wage and prohibits the employment of children under age 16 during school hours and in certain jobs deemed dangerous

3.5 Producers are in compliance with Federal Equal Employment Opportunity Law

3.5.1 Prohibits discrimination against:

3.5.1.1 prohibits employment discrimination based on race, color, religion, sex, or national origin

3.5.1.2 protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination

3.5.1.3 protects individuals who are 40 years of age or older

3.5.1.4 prohibits employment discrimination against qualified individuals with disabilities

3.5.1.5 prohibits employment discrimination based on genetic information

3.5.1.6 provides guidelines on employee selection procedures

3.6 Producers are in compliance with Occupational Health and Safety Act (OSHA) to assure safe and healthful working conditions including workplace violence guidelines

3.6.1 OSHA provides ability to:

3.6.1.1 Request OSHA to inspect workplace

3.6.1.2 Employees may use rights under law without retaliation and discrimination

3.6.1.3 Employees receive training about hazards, methods to prevent harm, and the OSHA standards that apply to their workplace

3.6.1.4 The training must be in a language employees understand

3.6.1.5 Employees can be terminated for noncompliance with safety regulations and employers are at risk when employees don't follow OSHA regulations

3.7 Producers are in compliance with Migrant and Seasonal Agricultural Worker Protection Act which provides safeguards to migrant and seasonal agricultural workers

3.8 Producers are in compliance with the Abolition of Forced Labor Act in that they shall not make use of any type of forced or compulsory labor including:

3.8.1 As a means of political coercion or education or as a punishment for holding or expressing political view or views opposed to the established political, social or economic system

3.8.2 as a method of mobilizing and using labor for purposes of economic development

3.8.3 as a means of labor discipline

3.8.4 as a punishment for having participated in strikes

3.8.5 as a means of racial, social, national, or religious discrimination

3.9 Producers are in compliance with Victims of Trafficking and Violence Protection Act providing protection and assistance for victims of trafficking regardless of immigration status

3.10 Producers follow federal and state regulations prohibiting assault and battery

3.11 Producers will recognize the Right of Association for workers, including the right to unionize or engage in collective bargaining in accordance with applicable federal and state laws.

3.12 Producers are in compliance with the Clean Air Act and its amendments to protect and enhance air resources to promote public health and welfare

3.13 Producers are in compliance with the Resource Conservation and Recovery Act which controls hazardous waste, non-hazardous solid waste, and underground storage tanks

3.14 Producers are in compliance with Safe Drinking Water Act to protect public health by preventing contamination of surface and ground sources of drinking water

3.15 Producers shall have documented evidence of land ownership, leases, or other legal agreements to utilize land for purpose of soy production and land owners were compensated with prior and informed consent.

3.15.1 The Federal Land Policy Management Act protects public lands for exploitation without authorization or rental agreement

3.15.2 Land use contracts are governed by state statutory and U.S. common law

3.15.3 The U.S. court system is the mechanism for mediating land use disputes

3.16 Producers shall engage with local communities including traditional land users to ensure that communications of concerns, complaints, or other grievances between community members and producers are understood and addressed in a collaborative manner

3.16.1 The Emergency Planning and Community Right-to Know Act supports community awareness and response to hazardous substances used in society

3.16.2 USDA cooperative extension system office is nationwide educational network that provides research based information regarding standard agricultural practices

3.16.3 Producers will follow all local regulations pertaining to burning crop residue leaving crop residue in place to provide desirable agronomic advantages including water storage and soil fertility

3.16.4 The Environmental Protection Agency Surf Your Watershed provides information about potential watershed contamination

3.17 Producers will comply with Clean Water Act Law 40 parts 116-117 which regulate discharges of designated hazardous substances. Facilities must immediately notify the National Response Center and State Agencies of any unauthorized discharge of reportable quantity of designated hazardous substance into navigable waters, the shorelines of navigable waters and contiguous zones. Discharge of harmful quantities of oil must also be reported immediately.

3.17.1 Watershed with stream reaches with demonstrated water quality concerns are listed by each state government on the U.S. EPA Clean Water Act 303 list

3.17.2 State governments may require monitoring under Clean Water Act section 319 to insure the implementation of Best management practices and to determine how conservation measures affect water quality

3.17.3 Producers will comply with National Pollutant Discharge Elimination System (NPDES) requirements on discharges of biological pesticides, and chemical pesticides that leave a residue, into waters of the U.S.

PILLAR 4: CONTINUOUS IMPROVEMENT OF PRODUCTION PRACTICES AND ENVIRONMENTAL PROTECTION CONTROL MEASURES AND REGULATIONS

To ensure producers continually seek improvement to production practices and environmental protection, a variety of regulated Conservation programs and technology transfer systems for best management practices have been established.

- 4.1 Conservation Reserve Program to protect the most sensitive areas by providing financial assistance to set aside on a long-term basis for cropland vulnerable to soil erosion or critical to wildlife habitat
- 4.2 Conservation Stewardship Program to reward producers for overall conservation performance across entire operations
- 4.3 Environmental Quality Incentive Program to provide financial and technical assistance to increase environmental quality of farmland still in production
- 4.4 Regional Conservation Partnership Program provides financial and technical assistance for multi-state or watershed-scale projects.
- 4.5 Conservation Effects Assessment Project to quantify the environmental effects of conservation practices and programs on the environment and develop the science base for managing the agricultural landscape for environmental quality
- 4.6 Cooperative Conservation Partnership Initiative to provide financial assistance for partnerships between producers and Indian Tribes, state and local government units, producer associations, farmer cooperatives, institutions of higher education, and NGOs
- 4.7 The National Sustainable Soybean Initiative will develop Best Management Practices (BMP) by region and determine BMP adoption rates
- 4.8 Producers apply technology transfer of Best Management Practices available in numerous informational mechanisms such as: Certified Crop Advisors, Discovery Farms, on-line crop rotation data for specific geographies and soil types, plot tours, experimental field and research field days, Tactical Agriculture Programs
- 4.9 Producers and grain handlers utilize transportation methods such as barge and rail to reduce greenhouse gas emissions and fossil fuel use
- 4.10 Technology transfer and conservation programs are available to all producers regardless of size
- 4.11 Field Office Technical Guides customized for local soil and conditions are available to enable better production and conservation measures by producers
- 4.12 Development of Additional Performance Metrics Scalability of Performance Metrics – raw data used to provide aggregated national data can be scaled down to state, or even district level crop reporting. Additional information is available to customers of U.S. soy willing to collaborate on development of quantifying smaller scale sustainability metrics
- 4.13 The National Association of Conservation Districts represents the United States' 3,000 conservation districts and the 17,000 men and women who serve on their boards. Conservation districts are local units of government established under state law to carry out natural resource management programs at the state level.

2.Chain of Custody

This version of the SSAP/RED will only focus on chain of custody from farm to First Gathering Point (FGP), as per below diagram:

The chain of custody consists of the following supply chain elements:

a. Farmer – compliance with self-assessment and self-declaration

Each farmer that supplies under the SSAP/RED Protocol has to execute a self-assessment and sign a self-declaration, confirming his compliance with the sustainability requirements of this protocol. A template for this self-declaration is attached. Farmers must maintain all relevant documents, including self-declarations, delivery notes and Conservation Plans, for at least five years and need to make this available during an audit (their signature on the self-declaration confirms their commitment to this obligation).

To demonstrate compliance with the land-related sustainability criteria specified in section 1 of the SSAP RED Protocol, farmers supplying an elevator/FGP must be located in areas that are near each other and have similar characteristics.

b. The First Gathering Point (FGP)- first certified entity in the supply chain

SSAP/RED considers the FGP as the first SSAP/RED certified entity in the supply chain. The company operating the FGP is responsible to collect the farmer's self declarations and to keep mass-balance registrations for all elevators where it owns soybeans in their elevators/storages, for all the soybean that will be traded with an SSAP/RED compliant claim. The volumes delivered by the farmers that signed the declaration (volumes to be checked on the delivery notes) can be claimed as SSAP/RED compliant. For outgoing shipments, the FGP can obtain the SSAP/RED Sustainability Declaration (which can be the annex of the Export Certificate for overseas shipments). Requirements for this document are attached to this protocol. The FGP will provide copies of farmer self-declarations to the SES.

The FGP needs a documentation management system that provides the following aspects, in such a way that they are auditable:

- SSAP/RED scope certificate or scope certificate of other RED voluntary scheme (if they have other than SSAP/RED);
- Make available to the auditors all relevant information, including the mass balance data and the auditing reports from other RED voluntary scheme certifications;
- Assurance mechanism and procedure that the same soybeans do not get marketed twice as RED compliant, or if farmers supply twice under different voluntary schemes;
- List of all farms supplying soybean including, at least the full names and addresses of the farms;
- Self-declarations of farms delivering soybeans for the respective certification period. At the date of the audit at least one self-declaration must be in place;
- Certificate numbers, the name of certification scheme (SSAP/RED, or reference to other RED voluntary scheme);
- List of all storage facilities which store soybeans on behalf of the first gathering point with names and addresses;
- Contracts with all elevators/storage facilities which include their confirmation to relevant obligations to compliance with this protocol, detailed contractual terms in the contract between Elevators and certified FGPs are given in "SSAP/RED Requirements for elevators operating under the scope of certified FGPs". Alternatively, the FGP can prove this is covered by having ownership on the respective elevator, and assure that contractual requirements are embedded in the internal quality management system;

- Quantity bookkeeping: If elevators/dependent storage facilities are used, individual quantity bookkeeping is necessary for each storage facility. This is further explained in chapter 3 of this protocol;
- The FGP will maintain a documentation management system that ensures transparency and commercial viability; and prevents double counting of SSAP/RED, or another EU recognized voluntary scheme, claims.

The FGP may delegate execution of tasks to soy elevators or crop reporting districts, but it remains responsible for correct implementation of SSAP/RED requirements. Examples of delegated tasks to elevators are listed in SSAP/RED Requirements for elevators operating under the scope of certified FGPs, and could be the collection of self-declarations of farmers, and operating the management system that stores transport documents. Examples of delegated tasks to crop reporting districts could be providing (historical) data on compliance of sustainability requirements in the district.

c. Trader – certified entity after the FGP

All companies that wish to trade soybeans with an SSAP/RED compliant claim but are not buying the material directly from farmers, but from SSAP/RED certified FGPs or other SSAP/RED certified traders, must be certified under the SSAP/RED Protocol with the trader scope.

The Trader needs a documentation management system that provides the following aspects, in such a way that they are auditable:

- SSAP/RED scope certificate or scope certificate of other RED voluntary scheme (if they have other than SSAP/RED);
- Make available to the auditors all relevant information, including the mass balance data and the auditing reports from other RED voluntary scheme certifications; Assurance mechanism and procedure that the same soybeans get marketed twice as RED compliant, or if farmers supply twice under different voluntary schemes;
- Certificate numbers, the name of voluntary scheme (SSAP/RED, or reference to another RED voluntary scheme);
- Once obtained, the sustainability declarations numbers for all SSAP/RED compliant and other RED compliant consignments (chapter 3 provides more information on the different compliance claims);
- List of all storage facilities which store soybeans on behalf of the trader with names and addresses
- Contracts with all Elevators/storage facilities which include their confirmation to relevant obligations to compliance with this protocol;
- Quantity bookkeeping: If elevators/dependent storage facilities are used, individual quantity bookkeeping is necessary for each storage facility, this is further explained in chapter 3 of this protocol;
- The trader will maintain a documentation management system that ensures transparency and commercial viability; and prevents double counting of SSAP/RED, or another EU recognized voluntary scheme, claims.
- The trader will maintain all documents for no less than five years.

The trader may delegate execution of tasks to soy elevators, but it remains responsible for correct implementation of SSAP/RED requirements. Examples of delegated tasks to elevators could be operating the management system that stores transport documents.

d. Elevators– operating under the scope of a certified FGP

The elevator needs to have a management system in place to record incoming and outgoing delivery notes, based on which the FGP can operate the mass balance system for the product with an SSAP/RED compliant claim. Further requirements for elevators operating in the scope of a certified FGP are set in “SSAP/RED Requirements for elevators operating under the scope of certified FGPs”. These requirements recognise a different process of implementation for elevators in case they are owned or not owned by the company certified as FGP. Individual certification of the elevator, then becoming the certified FGP, is voluntary under SSAP/RED. Delivery notes should at least contain information on the type of product, quantity, and delivery or dispatch date. In order to determine the quantity upon delivery and dispatch, the elevator needs to have access to an independently calibrated weighbridge. When desirable, FGPs can delegate the collection of self-declarations to the elevators that source the soybean locally and forward this to the FGP. By doing so, the elevators act as mass-balance location of the soybeans, under the responsibility of the certified FGP. The FGP shall therefore take elevators they use into account in the chain of custody section of their risk assessment and internal audit procedures. The elevator is obliged to provide above documentations and give insight in its management system (which must be covered in its contract or other written confirmation with the Certified FGP) when requested by the SSAP/RED auditor.

The elevator will maintain documents for at least five years and in a format available for auditing purposes.

e. Storage locations – operating under the scope of a certified Trader

The storage location needs to have a management system in place to record incoming and outgoing delivery notes, based on which the Trader can operate the mass balance system for the product with an SSAP/RED compliant claim. Delivery notes should at least contain information on the type of product, quantity, and delivery or dispatch date. In order to determine the quantity upon delivery and dispatch, the storage location needs to have access to an independently calibrated weighbridge. The storage location is obliged to provide above documentations and give insight in its management system (which must be covered in its contract or other written confirmation with the Certified FGP) when requested by the SSAP/RED auditor.

Documentation on above chain of custody requirements needs to be maintained for at least five years and in a format available for auditing purposes.

3. Mass Balance

This section describes which procedures should be followed to preserve the SSAP/RED compliant claim throughout the supply chain. In Figure 1, the elevators and the FGP act as physical collecting point, and are therefore subject to implementing a correct mass balance, they are together referred to as Mass Balance Location in Annex I of this protocol. The mass balance system operates at the level of a site which is defined as a geographic location with precise boundaries within which products can be mixed. If more than one legal entity operates at a given site, then each entity is required to operate their own mass balance system. The certified entity is responsible for correct implementation. In the section below, the mass balance principles, calculation rules, different types of claims and mass balance period are described.

3.1 Mass Balance Principle

The mass balance principle is widely used in supply chains through which material with a certified chain physically flows through several locations. It is very common that the different companies are trading material with a certified claim simultaneously with a non-certified claim. In order to avoid limitations in storage facilities, the certified claim can be disconnected from the physical soybeans, when mass balance calculation rules are followed, as per **Article 18 1** in the RED.

- (a) allows consignments of raw material or biofuel with differing sustainability characteristics to be mixed;
- (b) requires information about the sustainability characteristics and sizes of the consignments referred to in point (a) to remain assigned to the mixture; and
- (c) provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture.

To summarize: the main principle of mass balance is:

Amount of outgoing soybeans ≤ Amount of incoming soybeans per location.

It has to be assured that the company owning the soybeans stored in a mass balance location never sells more soybeans with a SSAP/RED compliant claim than they have on stock within the relevant period.

3.2 Mass Balance Claims

As per above mass balance definition point (a) above, there are different sustainability characteristics that should be registered. One of these characteristics is the sustainability claim of the product. The SSAP/RED Protocol considers two different sustainability claim options:

1) SSAP/RED compliant claim

For all material included in a soybean export that was received under the control of the SSAP/RED Protocol. If this is not specifically defined on the sustainability declaration, the receiver must assume option 2

2) RED compliant claim

For all material included in a soybean export that was received by the exporter with a claim from another RED voluntary scheme that meets SSAP/RED recognition requirements.

More information on recognition of other RED schemes within SSAP/RED can be found in chapter 6 of the protocol.

Whenever the mass balance location also stores soybeans certified under another RED sustainability scheme, proof should also be shown that the balance prevents double counting on the sustainability requirements (e.g. applying sustainability characteristics from SSAP/RED soy to soy from other RED compliant soy and to soy from non-sustainable sources). This must be proven by administrating unique reference numbers in outgoing batches that are linked to the different soy purchase batches with these different claims. Allocating unique reference numbers to all outgoing batches is considered best practice with respect to the prevention of multiple counting. The same would apply when soybeans without a sustainability claim are part of the mixture. This means that soybean can be stored with a SSAP/RED compliant claim, a RED compliant claim or without any sustainability claim. Physical mixing of soybean with different claims is allowed, as long as the mass balance administration proves that no more soybean with SSAP/RED claim is shipped out, than the amount that entered the location.

3.3 Mass Balance Period

In order to assure practical implementation of mass balance rules, the RED allows the mass balance principle to be applied on a periodic basis of maximum 3 months, rather than real time application (**Article 18 1**). The length of the period can be chosen freely but consequent, up to a length of 3 months. Within such a period it is allowed to sell and ship material from the location with an SSAP/RED compliant claim in advance of the physical arrival of the incoming material carrying that claim. However, it has to be assured that before the end of the mass balance period, enough compliant soybean physically entered the mass balance location to represent the volume of the material sold and shipped from the location. Furthermore, it is possible to transfer

mass balance claims to the next mass balance period up to the amount of soy that is physically in stock at the moment the new mass balance period starts.

By implementing above mass balance rules, it is prevented on a periodical basis that more material with a SSAP/RED compliant claim is sold than physically available. Another important aspect is, the certified entity should prevent multiple claiming, in the event that the entity is certified under multiple RED schemes. For the SSAP/RED recognition on other RED schemes, see chapter 6.

More specific requirements on this topic can be found in the audit procedures of SSAP/RED.

4. Risk Assessment and Mitigation

The SSAP/RED is only applicable to soybeans with a U.S. origin. Therefore, this section sets out a list of U.S. specific aspects to be taken into account by the SSAP/RED 3rd party auditor. All items refer specifically to U.S. based regulators and control bodies, that verify compliance with requirements relevant to the RED. Those aspects can therefore contribute to the risk assessment, when the data referred to is made available to the auditor. More information on applicable U.S. laws can be found in Annex II of this document.

- Soybean producers file annually form AD-1026 (Conservation Plan), self-certifying compliance with all U.S. land use and conservation regulations. Forms AD-1026 are subject to random auditing by the Natural Resources Conservation Service (NRCS).
- Annual data collection and analysis of satellite imagery will confirm compliance with the land use requirements of the RED.
- USDA will monitor soil erosion and maintain several programs to incentivize soil erosion reduction.
- USDA will monitor fossil fuel use by producers and maintain several programs to incentivize fossil fuel reduction.
 - Producers will monitor and reduce fossil fuel use for management records and to increase enterprise viability
- Producers crops will be grown under the Federal government Coordinated Framework for Regulation of Biotechnology which is a coordinated, risk-based system to ensure that new biotechnology products are safe for the environment and human and animal health.
 - The USDA's Animal and Plant Health Inspection Service (APHIS) is responsible for protecting agriculture from pests and diseases including regulatory oversight over products of modern biotechnology that could pose such a risk.
 - The Environmental Protection Agency (EPA) through a registration process regulates the sale, distribution and use of pesticides in order to protect health, and the environment, regardless of how the pesticide was made or its mode of action. This includes regulation of those pesticides that are produced by an organism through techniques of modern biotechnology.
 - The Food and Drug Administration is responsible for ensuring the safety and proper labeling of all plant-derived food and feed, including those developed through genetic engineering.
 - Additional federal guidelines are in consideration under the by USDA as presented by the Advisory Committee on Biotechnology and 21st Century Agriculture report: Enhancing Coexistence.
- Complexity of the audited system user should be checked, based on the following indicators
 - Amount of farmers and their spread in size, homogeneity, spread over different regulatory areas, risk of non-compliance to the key RED sustainability requirements as in RED Article 17
 - Amount of elevators and level of proof of control of the operations on these locations with regard to SSAP/RED sustainability requirements by the FGP or Trader audited.
 - Present or past participation of the system user or any of its farmers or elevators.

- Transparency on other voluntary scheme participation
 - All SSAP/RED system users need to declare the names of all voluntary schemes approved by the European Commission under the Directive 2009/28/EC they have or have been participating in.
 - If the system user is using multiple schemes, the audit findings of these schemes need to be available prior to the onsite audit of the SSAP system user the risk assessment of the SSAP/RED audit. The risk level of the SSAP/RED will at a minimum be the same as the highest risk level of the other schemes and extra.
 - During the onsite audit, the auditor needs to have access to the full mass-balance to also check double claiming of the same soy under the different voluntary schemes.
 - If the system user has failed previous audits under other voluntary schemes but successfully passed the SSAP/RED audit, the SSAP/RED certification body shall inform all other voluntary schemes the system user has or has been operating prior to issuance of the certificate.
- Rigourness of the internal audit procedures and execution of the SSAP/RED system user with respect to all above mentioned risk indicators, but specifically related to key sustainability requirements of RED Article 17.

5. GHG Emissions

This version of the SSAP/RED Protocol only supports the use of disaggregated default values for Cultivation and Transport & Distribution as determined according to RED methodology. The values determined by the European Commission must be applied by the European buyers of the soy with an SSAP/RED compliant claim. Note: EU based importers may require maximum GHG values to assure that they meet the minimum GHG savings on the final biofuel (as presented in table 1 below) produced from U.S. soybeans against the fossil fuel references. These values are given in table 2. The use of disaggregated default values for Cultivation and Transport & Distribution is proven to be within the limit of reaching the GHG saving threshold for soybean based final biofuels.

Table 1: Emission values for fossil references

| Biofuel/bioliquid end use purpose | Reference value |
|---|---|
| Biofuels for transport: | 83.8 g CO ₂ eq/MJ fossil fuel* |
| Bioliquids used for electricity production: | 91 g CO ₂ eq/MJ fossil fuel* |
| Bioliquids used for electricity production in CHP plants: | 85 g CO ₂ eq/MJ fossil fuel* |
| Bioliquids used for heat production: | 77 g CO ₂ eq/MJ fossil fuel* |
| *These values shall be used until a new value according to Directive 98/70/EC is available which supersedes the value of 83.8 g CO₂eq/MJ fossil fuel. | |

Table 2: Minimum GHG saving threshold for Sustainable biofuels under the RED

| Requirement | Minimum saving potential |
|---|--------------------------|
| Biofuel production installation in operation on or before 15th of October 2015 | 50% |
| Biofuel production installation in operation after 15th of October 2015 | 60% |

SSAP/RED is only focussing on soybeans that are exported to Europe before processing, therefore the element processing is not included in the scope of this protocol. The soybean exporter will have to declare GHG emission values for Cultivation and Transport & Distribution.

GHG emission values can be determined by:

- 1) Referring to default values as written in the RED Annex V section D
 - a) Total default value (not used on SSAP/RED sustainability declarations)
 - b) Disaggregated default value per supply chain element
- 2) Individual calculated GHG emission value per SSAP/RED certified operator (not used as no individual calculated value methodology is included in this SSAP/RED Protocol)

In order to give the final biofuel producers the option to calculate their processing emissions, reference to total default value will not be allowed under SSAP/RED. The U.S. exporter only has to confirm the use of disaggregated default values by adding the following claim on the Sustainability Declaration:

E_{cc}: “Use of disaggregated default value for cultivation”

E_{td}: “Use of disaggregated default value for transport and distribution”

The requirements for Sustainability Declarations as well as the audit procedures determine the requirements for companies in order to assure the correct declaration of GHG values.

6. Recognition of other RED schemes

SSAP/RED is a scheme that is focusing on soybeans from U.S. origin. In case U.S. soybeans are bought with a claim of another RED voluntary scheme recognized and approved by the European Commission under the Directive 2009/28/EC which includes all SSAP/RED scope elements of this protocol (e.g. soybeans from U.S. origin), and sold by companies operating under SSAP/RED, it is allowed to use the RED compliant claim. The SSAP/RED compliant claim is only allowed when the full supply chain up to the soybean exporter is covered under the SSAP/RED protocol. It is explicitly not allowed to:

- Bring other feedstocks than soybean under the scope of SSAP/RED
- Import soybeans from outside the U.S. (with another RED claim) and sell those soybeans with a SSAP/RED claim.

7. Compliance Table SSAP/RED Directives - RED

This figure depicts where the relevant paragraphs of the RED text can be found within the SSAP/RED Protocol.

Chapter 1 Sustainability requirements

| Pillar 1 | Pillar 2 | Pillar 3 | Pillar 4 |
|--|---|---|--|
| <ul style="list-style-type: none">● RED 17, 3● RED 17,4● RED 17, 5 | <ul style="list-style-type: none">● RED 17, 6 | <ul style="list-style-type: none">● RED 17, 7 | <ul style="list-style-type: none">● RED 17, 3● RED 17, 4● RED 17.5 |

Other chapters

| Chapter 2/3 | Chapter 4 | Chapter 5 | Chapter 6 |
|---|---|--|--|
| <ul style="list-style-type: none">● RED 18, 1 | <ul style="list-style-type: none">● Annex IV, relevant RED requirements | <ul style="list-style-type: none">● RED 17, 2● RED 19● Annex V C | <ul style="list-style-type: none">● Annex IV |

Annex I Glossary

Continuously Forested Land

Continuously forested land is defined as a land cover/use category that is at least 30 percent stocked by single stemmed woody species of any size that will be at least 4 meters tall at maturity. The minimum areas for classification as forestland is 1 acre and at least 100 feet wide. (**Article 17 3a, 4b**).

Other Forested Land

Other forested land is defined as land cover/use category that is between 10 and 30 percent stocked by single stemmed wood species of any size that will be at least 4 meters tall at maturity. (**Article 17 3a, 4c**).

Crop reporting District

This is the regional administrative office at county level in the U.S.. Data from crop reporting districts can be helpful to cross check compliance of farmers in the area against specific SSAP/RED requirements. Certified FGPs may use this information in their internal audits, but remain responsible for their conclusions based on information provided by the crop reporting district.

Certificate Holder

The legal entity responsible for making an SSAP/RED compliant claim on soybean needs to be certificate holder of a valid SSAP/RED scope certificate. This certificate confirms the legal entity has procedures and system in place for correct implementation of SSAP/RED requirements. The document also assures buyers that the legal entity is able to sell them the soybean with a RED compliant claim.

Certificate Scopes

Each SSAP/RED scope certificate mentions the certification scope of the legal entity, which describes the activities of the company. Together, they are referred to as “Certified Main Entity” SSAP/RED has defined 2 different scopes:

-First Gathering Point (FGP) – buying material based on farmer self-assessment, selling material with a SSAP/RED compliant claim.

-Trader – buying and selling material with a SSAP/RED compliant claim.

Certified Main Entity

This is the company that applies for SSAP/RED certification, acting either as certified FGP or Trader. The certified FGP can include Elevators and Farms in its certification scope. The certified Trader can only buy material from certified FGPs and can have Storage locations in its scope.

Default Value

Means a value derived from a typical value by the application of pre-determined factors and that may, in circumstances specified in this Directive, be used in place of an actual value.

Elevator

The elevator acts as the first physical collection point of the Soybean. It will act as a mass-balance location in the SSAP/RED supply chain under the responsibility of a certified FGP. Individual certification of the elevator, then becoming the certified FGP, is voluntary under SSAP/RED. Administration responsibility of the mass balance location is with the certified legal entity (e.g. FGP), but administration should always be linked to information collected at the elevator. The elevator may take up delegated tasks from the FGP, such as the collection of self-declarations to the elevator, but the FGP remains responsible for the internal monitoring system.

Export Certificate

This is the document created by the soybean exporter, which confirms U.S. legal requirements for the export of soybean are met.

Degraded

Is grassland that is characterised by long-term loss of biodiversity due to for instance overgrazing, mechanical damage to the vegetation, soil erosion or loss of soil quality.

FGP (First Gathering Point)

This is the first SSAP/RED certified entity in the supply chain, normally the soybean exporter. This entity is buying soybean and receives Self-declarations from the farmers that produced the soy. The entity is certified and can therefore bring the soybean to the market with a SSAP/RED compliant claim. The FGP may delegate execution of tasks to soy elevators or crop reporting districts, but it remains responsible for correct implementation of SSAP/RED requirements. Examples of delegated tasks to elevators could be the collection of self-declarations of farmers, and manage the system that stores transport documents. Examples of delegated tasks to crop reporting districts could be providing (historical) data on compliance of sustainability requirements in the district.

Grassland

Means terrestrial ecosystems dominated by herbaceous or shrub vegetation for at least 5 years continuously. It includes meadows or pasture that is cropped for hay but excludes land cultivated for other crop production and cropland lying temporarily fallow. It further excludes continuously forested areas as defined in Pillar 1 paragraph 1.3 unless these are agroforestry systems which include land-use systems where trees are managed together with crops or animal production systems in agricultural settings. The dominance of herbaceous or shrub vegetation means that their combined ground cover is larger than the canopy cover of trees

Human Intervention

Means managed grazing, mowing, cutting, harvesting or burning

Mass Balance

Each physical location that stores soybean that is no longer in legal ownership of the farmer is subject to mass balance and its calculation rules. A mass balance system a) allows consignments of soybeans with differing sustainability characteristics to be mixed; b) requires information about the sustainability characteristics and sizes of the consignments referred to in point (a) to remain assigned to the mixture; and c) provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture. Whenever the physical location also stores soybeans certified under another RED sustainability scheme, proof should also be shown that the balance prevents double counting on the sustainability requirements (e.g. applying sustainability characteristics from SSAP/RED soy to soy from other RED compliant soy and to soy from non-sustainable sources). This must be proven by administrating unique reference numbers in outgoing batches that are linked to the different soy purchase batches with these different claims. The same would apply when soybeans without a sustainability claim are part of the mixture. This means that soybean can be stored with a SSAP/RED compliant claim, a RED compliant claim or without any sustainability claim. Physical mixing of soybean with different claims is allowed, as long as mass balance administration proves that no more soybean with SSAP/RED claim is shipped out, than the amount that entered the location.

Mass Balance Location

The physical location where soybean are stored that is no longer in legal ownership of the farmer. The mass balance system operates at the level of a site which is defined as a geographic location with precise boundaries within which products can be mixed. If more than one legal entity operates at a given site, then each entity is required to operate their own mass balance system.

Peatland

Peatland soils are soils with horizons of organic material (peat substrate) of a cumulative thickness of at least 30 cm at a depth of down to 60 cm. The organic matter contains at least 20 mass percent of organic carbon in the fine soil

Primary Forest

Primary forests are defined as forest or wooded land of native species where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed.

Producers

This term is not referring to a group of farmers associated with each other as a group or managed by a group manager, but merely referring to a multitude of single farmers operating independent from each other. The SSAP/RED Protocol does not include farm group auditing and certification, as farmer compliance is covered as part of the scope of the FGP audit.

Self-Declaration

This is the document that shall be filled out and signed by the farmer representing the trading entity of the farm. The document confirms the soybean are grown in compliance with the SSAP/RED requirements. The declaration also confirms that the farmer accepts additional evidence requests and/or onsite audits.

Soy Farmer

Person that represents the legal entity responsible for growing the soy. This may be done on own land or subcontracted/leased land. This person is responsible for the Self assessment/declaration.

Species Rich

- a) a habitat of significant importance to critically endangered, endangered or vulnerable species as classified by the International Union for the Conservation of Nature Red List of Threatened Species or other lists with a similar purpose for species or habitats laid down in national legislation or recognised by a competent national authority in the country of origin of the raw material; or
- b) a habitat of significant importance to endemic or restricted-range species; or
- c) a habitat of significant importance to intra-species genetic diversity; or
- d) a habitat of significant importance to globally significant concentrations of migratory species or congregatory species; or
- e) a regionally or nationally significant or highly threatened or unique ecosystem

SSAP/RED scope certificate

Legal entities that wish to collect and or trade soybean with a SSAP/RED compliant claim need a SSAP/RED scope certificate. This document is the proof for its buyers that it can supply soybean with an SSAP/RED compliant claim, including a Sustainability Declaration (as annex to the Export Certificate).

Sustainability Declaration

For all SSAP/RED compliant soybean exported, a Sustainability Declaration will be added to the Export certificate, to assure the buyer the soybeans are produced and gathered in line with the SSAP/RED requirements. This document will also provide the buyer with the necessary information that needs to be passed on to the final user of the biofuel produced from the soybean.

Storage location

This is the location where soybeans are stored which are under legal ownership of a SSAP/RED certified Trader. It will act as a mass-balance location in the SSAP/RED supply chain under the responsibility of a certified Trader. Individual certification is voluntary under SSAP/RED. Administration responsibility of the mass balance location is with the certified legal entity (e.g. Trader), but administration should always be linked to information collected at the elevator.

Tract

Field on which soybean are grown. One farmer can have different tracts. Tracts can be in legal ownership of the farm trading entity, or they can be subcontracted leased from other land owners.

Trader

This is a legal entity that wish to trade soybeans with an SSAP/RED compliant claim but are not buying the material directly from farmers, but from SSAP/RED certified FGPs or other SSAP/RED certified traders, must be certified under the SSAP/RED Protocol with the trader scope. The trader may delegate execution of tasks to soybean storage locations, but it remains responsible for correct implementation of SSAP/RED requirements. Examples of delegated tasks to storage locations could be operating the management system that stores transport documents.

Verification / 3rd party Assessment

All SSAP/RED certified legal entities (e.g. FGPs, traders) are subject to an annual 3rd party assessment that will verify if they act in compliance with the SSAP/RED requirements. After a completed verification without unsolved non-conformities, the legal entity receives a SSAP/RED scope certificate.

Wetland

Land that is covered with or saturated by water permanently or for a significant part of the year. In order to confirm if land complies to this definition, specific indicators are used to verify and reflect seasonal changes within a given year.

Annex II Reference to U.S. Laws

SSAP/RED is referring to the following U.S. federal regulations:

Clean Air Act of 1990
Clean Water Act of 1987
Endangered Species Act of 1973
Federal Insecticide, Fungicide and Rodenticide Act
Federal Land Policy and Management Act of 1976
Fish and Wildlife Conservation Act of 1980
National Environmental Policy Act of 1969
National Trails System Act of 1968
National Wildlife Refuge System Act of 1966
National Forest Management Act of 1972
Occupational Safety and Health Act of 1970
Renewable Fuel Standard (CFR Title 40 Part 80 Subpart M 80.1401)
Soil and Water Conservation Act of 1977
Wild and Scenic Rivers Act of 1968
Wilderness Act of 1964

CFR Title 40 Part 80 Subpart M 80.1401 (the Renewable Fuel Standard), as amended, defines **existing agricultural land** as cropland, pastureland and land enrolled in the Conservation Reserve Program that was cleared or cultivated prior to December 19, 2007 and that, on December 19, 2007 was non-forested and actively managed as agricultural land as evidenced by records traceable to the land in question.

Clean Water Act Section 404 prohibits discharged of dredged or fill material into water including wetlands with perm it of the Army Corp of Engineering. Permit can be vetoed by the Environmental Protection Agency under Section 404 of the Clean Water Act.

[Section 404 of the Clean Water Act](#) (CWA) establishes a program to regulate the discharge of [dredged](#) or [fill](#) material into [waters of the United States](#), including wetlands. Activities in waters of the United States regulated under this program include fill for development, water resource projects (such as dams and levees), infrastructure development (such as highways and airports) and mining projects. Section 404 requires a permit before dredged or fill material may be discharged into waters of the United Stated.

The basic premise of the program is that no discharge of dredged or fill material may be permitted if: (1) a practicable alternative exists that is less damaging to the aquatic environment or (2) the nation’s waters would be significantly degraded. In other words, when you apply for a permit, you must first show that steps have been taken to avoid impacts to wetlands, streams and other aquatic resources; that potential impacts have been minimized; and that [compensation](#) will be provided for all remaining unavoidable impacts.

Proposed activities are regulated through a permit review process. An individual permit is required for potentially significant impacts. Individual permits are reviewed by the U.S. Army Corps of Engineers, which evaluates applications under a public interest review, as well as the environmental criteria set forth in the CWA Section 404(b)(1) Guidelines, regulations promulgated by EPA.

Endangered Species Act of 1973 Sec 9 (a) 1 (G) and Sec 9 (a) 2 (e) as amended makes it unlawful for any person – including private and public entities – to “take” individuals of an endangered or threatened species. “Take” means to “harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct.” “Harm” is further defined to

include significant habitat modification or degradation which “actually kills or injures fish or wildlife by significantly impairing essential behavioral patterns, including, breeding, spawning, rearing, migrating, feeding or sheltering.”

Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) was first passed in 1947. It established procedures for registering pesticides with the U.S. Department of Agriculture and established labeling provisions. The law underwent major revision in 1972 and has been amended numerous times since including some significant amendments in the form of the Food Quality Protection Act (FQPA) of 1996. In 1972, FIFRA transferred responsibility of pesticide regulation to the Environmental Protection Agency (EPA) and shifted emphasis to protection of the environment and public health.

FIFRA mandates that EPA regulate the use and sale of pesticides to protect human health and preserve the environment. The EPA is specifically authorized to: strengthen the registration process by shifting the burden of proof to the chemical manufacturer and enforce compliance against banned and unregistered products. Further Amendments have strengthened the regulatory framework, including the authority to oversee the sale and use of pesticides, the registration process and determination of effectiveness for its intended use, appropriate dosage, and hazards of the particular material. FIFRA established a system of examination and certification both at the private level and at the commercial level for applicators who wish to purchase and use restricted use pesticides. The distribution of restricted pesticides is also monitored.

Food Security Act of 1985, as amended, suspends subsidies to farmers who covert wetlands to agricultural production. Wetlands are defined as an area that: has a predominance of hydric soils; is inundated or saturated by surface or groundwater at a frequency and duration sufficient to support a prevalence of water tolerant vegetation typically adapted for life in saturated soil conditions.