

Purpose, Governance and Definitions

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Introduction

The Swedish Platform on Risk Commodities has been formed to manage and develop Swedish organisations' joint commitments linked to risk commodities. The Swedish Platform is based on previous Swedish collaborations on soy and palm oil, is member-controlled and coordinated by Ethical Trade Sweden.

By risk commodities, the Swedish Platform refers to agricultural products that are manufactured in a way that entails unacceptable risks for the local and/or global environment, or for the people who are affected by the production in one way or another.

The Swedish Platform will initially focus on soy and palm oil, both of which are considered risk commodities.

The purpose of the platform

Vision

To contribute to sustainable production and consumption of risk commodities through cross-industry collaboration and joint responsibility.

For the members of the platform, sustainable production of risk commodities means that:

- Responsibility is taken at all stages of the production chain, full traceability and transparency prevail.
- Laws and agreements are followed. Production is documented and quality assured systematically. Deviations are rectified and continuous improvements are made.
- Risk analysis is carried out continuously to be able to act proactively to minimise social and environmental risks.
- The environmental impact of production is taken into account. Negative impact on climate, water, soil, air, and that biodiversity is counteracted. Species, populations, ecosystems, and biosphere are protected. This means, among other things, that emissions of greenhouse gases and harmful chemicals are minimised. Use and exploitation of land, water areas and airspace are done in a responsible way, production does not lead to deforestation or land conversion of natural ecosystems.
- Resources are used consciously and sparingly. Waste is minimised. Closed cycles and the principles of circular economy are sought.
- All actors in the supply chain respect the UN Universal Declaration of Human Rights, the ILO Core Conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This means, among other things, that the actors must work to ensure that freedom of association as well as the right to organise and bargain collectively, are respected throughout the value chain.
- The traditional rights of local communities and indigenous peoples to land and the use of natural resources are respected, as is the right to free informed prior consent (FPIC).

Purpose

The purpose of the Swedish Platform is, on the one hand, to provide members with knowledge and tools to reduce and manage business, environmental and social risks linked to risk commodities; on the other hand, to accelerate the transition to sustainable production of risk commodities through cross-industry work that includes the entire value chain.

Objective

1. The Swedish Platform's cross-industry efforts contribute to a more sustainable production of the risk commodities included in the members' value chains, reaching Swedish consumers.
2. The members ensure that the risk commodities prioritised by the Swedish Platform, reaching Swedish consumers, are produced more sustainably in accordance with the specific commitments.

Mission

The platform's mission is to create conditions for the members to fulfil their commitment so that the above objectives are achieved.

The platform shall:

1. Be a forum for the exchange of knowledge and tools so that members have the skills and support to contribute to a sustainable production of risk commodities.
2. Provide a structure for cross-industry collaboration on the risk commodities prioritised by the platform.
3. Develop a process and tools for following up members' individual work to achieve the Swedish Platform's objectives.
4. Drive demand for legally produced risk commodities in line with EU regulations and targets.
5. Work to increase support for producers who are committed to more sustainable production.
6. Conduct an active stakeholder dialogue to strengthen the work for more sustainably produced risk commodities.
7. Provide documentation so that members can communicate in an evidence-based way about the work with risk commodities.
8. Impose equal requirements on all actors and suppliers in the value chain, regardless of whether they are based in or outside of Sweden.
9. Support the development of systematic working methods that enable traceability, requirements setting, monitoring, and handling of deviations on risk commodities.
10. Actively contribute to risk assessments of prioritised supply chains and work with members to minimise risks.

Governance

The Swedish Platform is managed by the members through a steering group and executed by a coordinator.

Upon request of the Swedish Platform's members, the Platform's objective, commitment, and scope can be extended, for example to include additional risk commodities. In collaboration with the steering group, the coordinator prepares decision material for the members.

For joint decisions and at the Swedish Platform's annual meeting, each member has one vote. The members appoint a steering group at the Swedish Platform's annual meeting. The steering group is chosen among the members and must represent the stakeholders represented in the Platform. The steering group consists of three to five people and is appointed for two years. A seat in the steering

group is set aside for a board member of Ethical Trade Sweden. The steering group sets the frameworks and priorities for the Swedish Platform's ongoing work and activities.

As the Swedish Platform is a member-driven project within Ethical Trade Sweden, objectives and activities must be in line with Ethical Trade Sweden's declaration of principles.

Organisation

The ongoing work is coordinated within the framework of Ethical Trade Sweden's operations. A coordinator is responsible for managing and developing the Swedish Platform, engaging existing members in the Platform, and ensuring the increase of its membership base for an even greater impact of the work.

To support the strategic and ongoing work, the Swedish Platform's steering group can choose to appoint an advisory expert group consisting of independent representatives from, for example, universities and research institutes. The expert group can assist with advice, external monitoring, or other relevant expertise.

Membership

Companies, industry associations, trade unions and non-profit organisations that undertake to the Swedish Platform's commitments can all become members. This includes participating in membership activities, promoting more sustainable production of and trade with risk commodities, contributing with knowledge sharing, and paying the stipulated membership fee.

Non-compete clause

The members of the Swedish Platform undertake to comply with EU guidelines on competition law. This means that no discussions about price, market shares and business development may occur within the framework of this collaboration.

Membership fee

Members pay an annual membership fee based on revenue (for companies) and number of employees (for non-profit organisations and industry associations). Participation in the Swedish Platform is included in the membership fee of Ethical Trade Sweden. Any adjustment of the fee levels is decided in consultation between the Swedish Platform's steering group and Ethical Trade Sweden's board.

Definitions

All goods handled by the company

All goods passing through the company, including both private label and branded products. Goods where the company only provides logistics solutions are excluded.

For *manufacturing companies*, products produced on behalf of an ordering company are also included.

For *wholesale/retail companies*, products for which the company does not have producer responsibility are also included.

All markets

All markets that the member of the Swedish Platform on Risk Commodities is active on and/or exports to.

Animal products

- **Meat** (beef, pork, lamb, poultry)
- **Aquaculture seafood** (fish, shrimp)
- **Eggs**
- **Animal-based dairy products** (milk, buttermilk, yoghurt, butter, cheese, cream cheese, sour cream, cream, or equivalent products)

Deforestation

The loss of natural forest as a result of conversion to agriculture, plantation, other non-forest land use, or severe or persistent degradation. See Accountability Framework¹ for complete definition.

Direct use

Products from soy or palm oil purchased directly by the company for use in feed, food, or cosmetics, hygiene, laundry, and cleaning products. This also includes the purchase of derivatives.

Embedded use

Products from soy or palm oil that are embedded through animal feed for the production of animal-based products.

External brands

For *manufacturing companies*, this includes products that the company produces on behalf of another company. For *wholesale/retail*, this includes products for which the company does not have producer responsibility.

Imported raw material

Includes both entry from the EU/EFTA and imports from outside the EU/EFTA.

Land conversion

Change of a natural ecosystem to another land use or profound change of the natural ecosystem's species composition, structure or function. See Accountability Framework² for complete definition.

¹ <https://accountability-framework.org/use-the-accountability-framework/definitions/>

² <https://accountability-framework.org/use-the-accountability-framework/definitions/>

Mass balance

A general term for different types of custody of chain models that all involve balanced volume reconciliations, where an equivalent volume of certified product that enters the operation can be sold as a certified product when it leaves the operation. Physical mixing of non-certified product is allowed at all stages in the supply chain, provided that the quantity is controlled and documented to maintain the original proportions. For example, 100 tons of certified product and 200 tons of non-certified product can be mixed and transported together, where 100 tons are ultimately sold as certified and 200 tons are sold as non-certified. See Accountability Framework³ for complete definition and different variants of mass balance.

Other goods for which the company has producer responsibility

Goods for which the company has producer responsibility due to import from a country outside the EU/EFTA.

Palm oil

Palm oil is used as an abbreviation and refers to all products derived from the oil palm.

Palm oil products⁴

Palm oil	Extracted from the pulp.
Palm kernel oil	Extracted from the palm kernel.
Palm kernel expeller	Residual product from the production of palm kernel oil. Also called press cake and palm kernel flour. Mainly used for animal feed.
Fractions and derivatives	Palm oil and palm kernel oil are separated (fractionated) into liquid palm olein and solid palm stearin. Further refining and fractionation create hundreds of derivatives with different properties and uses such as fatty acids and glycerin.

Processed food and ready meals

Processed food and ready meals that contain directly purchased soy/palm oil or embedded via animal feed for the production of animal products. The roadmaps contain different threshold values for which processed food products are covered by the different levels. The threshold values provided are not for each individual ingredient but for the combined quantity of direct and/or embedded use. For example, with a threshold value of 50%, a sausage containing 30% beef, 15% pork, and 5% soy would be included.

Own brands

For *manufacturing companies*, this includes products that the company produces to sell under its own brand (branded products). Products produced on behalf of another company are not included. For *wholesale/retail*, this includes products sold under private label.

Segregated

Certified product that is kept separate from non-certified product at each stage of the supply chain, but can be mixed with certified product from other sources certified to the same standard. Identity

³ <https://accountability-framework.org/use-the-accountability-framework/definitions/>

⁴ See the roadmap for which products are covered by the commitment.

Preserved is segregated product from a certified location that is stored separately throughout the supply chain without any mixing with other certified product, allowing for traceability back to the cultivation. See Accountability Framework⁵ for complete definition and different variants of mass balance.

Soy

Soy is used as an abbreviation and refers to all products derived from the soybean.

Soy products⁶

Soybean	The ripe bean typically purchased dry.
Soybean oil	Oil extracted from soybeans through pressing or extraction.
Soybean meal	Used to produce products such as soy grits, flakes, and fine soy flour, as well as soy protein.
Soybean press cake	By-product of soybean oil production through pressing.
Soybean hulls	By-product of soybean processing consisting mainly of the outer shell of soybeans or seed coats.
Lecithin and other derivatives	Further refining and fractionation of soybean oil create derivatives with different properties and uses, such as soy lecithin.

Sustainable and more sustainable

The long-term goal of the Swedish Platform on Risk Commodities is sustainable risk commodities meaning that:

- Responsibility is taken at all stages of the production chain, full traceability and transparency prevail.
- Laws and agreements are followed. Production is documented and quality assured systematically. Deviations are rectified and continuous improvements are made.
- Risk analysis is carried out continuously to be able to act proactively to minimise social and environmental risks.
- The environmental impact of production is taken into account. Negative impact on climate, water, soil, air, and that biodiversity is counteracted. Species, populations, ecosystems, and biosphere are protected. This means, among other things, that emissions of greenhouse gases and harmful chemicals are minimized. Use and exploitation of land, water areas and airspace are done in a responsible way, production does not lead to deforestation or land conversion of natural ecosystems.
- Resources are used consciously and sparingly. Waste is minimised. Closed cycles and the principles of circular economy are sought.
- All actors in the supply chain respect the UN Universal Declaration of Human Rights, the ILO Core Conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This means, among other things, that the actors must work to ensure that freedom of association as well as the right to organise and bargain collectively, are respected throughout the value chain.
- The traditional rights of local communities and indigenous peoples to land and the use of natural resources are respected, as is the right to free informed prior consent (FPIC).

⁵ <https://accountability-framework.org/use-the-accountability-framework/definitions>

⁶ See the roadmap for which products are covered by the commitment.

Until the risk commodities are sustainable according to the definition above, the term "more sustainable" is used.

Verified more sustainable

Risk commodities that are verified as being more sustainably produced, as opposed to mass balance and credits where the actual commodities may not necessarily be more sustainably produced. For the verifications of more sustainable risk commodities accepted by the Swedish Platform on Risk Commodities, see the document "Verification and Tools for More Sustainable Risk Commodities" available at www.riskgrodor.se/english.