

Press release

Danube Soya for the Promotion of European Soya Production

"The Ukraine signs the Danube Soya Declaration"

The largest soya bean cultivating country in Europe signs the Danube Soya Declaration. Thus, together with its neighbouring countries, the Ukraine agrees to join the effort in establishing a GM-free European protein supply, as well as co-operating in mutual soya research and development. With currently over 2 million hectares of soya beans, and a potential of 5 million hectares, the Ukraine is a pivotal fountainhead for the European protein supply. The Danube Soya Declaration was signed by the Ukrainian Vice-Minister Vladyslava Rutytska during Danube Soya Chairman Matthias Krön's visit to the most important agricultural trade fair in the Ukraine, the AGRO Expo. This agreement is the initial step in establishing a series of joint endeavours for the Danube Soya Association and the Ukrainian Government.

Danube Soya, Vienna, 15 June 2015

With approximately 40 million hectares of farmland, the Ukraine is the third largest maize, and seventh largest wheat exporter in the world, holding a major position on the world agriculture market. This is due, in part, to the unique quality of Ukrainian soil. 56 percent of Ukrainian earth is black soil, one of the most fertile types of soil on the planet, replete with nutrients that render bountiful crops.

But not only has its rich soil made the Ukraine a global player, the Ukrainian soya bean market is also booming. Already, 60% of European soya bean cultivation is found here. Of 3.1 million hectares of acreage under soya bean in Europe, over 2 million hectares are located in the Ukraine. And that is not all. The upward potential is there for the taking, once the agricultural challenges are mastered. Securing GM-free production is now the biggest challenge. The Ukraine is already producing and exporting excellent Hard-IP GM-free soya beans, including in the organics and food industry sectors. The Ukraine has outstanding producers working with state-of-the-art technology and equipment, and even creating interesting technological innovations. The Danube Soya Association boasts of several exceptional Ukrainian members and partners such as *Svarog West Group*, *ATK*, *Grain Alliance* and *Tas-Agro*, pioneers in quality agriculture in the Ukraine. Danube Soya also co-operates with the *Ukrainian Agribusiness Club* (UCAB), an association of the most prominent agricultural producers and input suppliers in the Ukraine.

All the same, concerning GM-free production, there are still some vital issues to resolve. To meet the statutory demands that would declare the Ukraine as a GM-free country, enormous efforts must be made to remedy such problems as GM-contaminated seeds, lacking technical prerequisites to avoid GM contamination and the, as yet, lack of demand for products with the guarantee of being GM-free. This can only be achieved by a close partnership between farmers, processors and the legislative and executive levels in the Ukraine. Danube Soya Association has made it its mission to mobilise economic operators, ensuring a steady demand. Once these challenges are surmounted, the Ukraine will become the most important European trade partner.

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The needs of the new soya markets do not only bring momentum to the economy and agriculture, they also inspire support for the environment, GM-free production and crop rotation, as well as generating larger investments in means of production. This can lead to improved agricultural structures in the Ukraine. An increase in local processing and production automatically heightens the value of rural areas, creating new employment opportunities.

The Ukrainian potential is not even close to being exhausted

In 2014, soya beans were planted on 1.8 million hectares. Danube Soya Association projects that in the current year of cultivation alone, this can be increased by 37.5% to 2.15 million hectares. In 2015, the Ukraine could produce 5 million tonnes of soya beans. If the Ukraine proceeds with their current efforts, the result could be 4.5 million hectares of acreage, producing 13.224 million tonnes of soya beans by 2025.

Europe currently imports 40 million tonnes of soya beans, 7 million tonnes of which are processed as GM-free. The lion's share of soya beans is still being imported from overseas. The Danube Soya roadmap is driving for a "protein turnabout", whereby Europe covers 50% of its protein needs by 2025, instead of the prevailing 15.5%, while simultaneously increasing GM-free and sustainable soya bean imports from overseas.

"To reach these goals, five essential changes must occur. In addition to empowering European soya bean cultivation, we support the use of certified sustainable soya beans from overseas and alternative protein sources such as rapeseed, peas, lupines, etc. Then, feed rations have to be improved, with the subsequent reduction of protein sources, while strengthening vegetable proteins for human sustenance," Matthias Krön, Chairman of Danube Soya Association explains. "But also the commitment of national agriculture politics influences how confidently the European protein strategy proceeds, encompassing Europes independence and freedom from GM products. By signing the Danube Soya Declaration, the Ukraine has taken a clear stand," Matthias Krön adds.

Ukraine's signing exceeds the recognition of Danube Soya's aims

Ministers of Agriculture and State Secretaries from 14 countries in the Danube Region have already made their commitment to Danube Soya's objectives. Austria, Germany (Bavaria, Baden Wuerttemberg), Hungary, Serbia, Croatia, Slovenia, the Republika Srpska/Bosnia and Herzegovina, Switzerland, Bulgaria, Romania, Poland, Slovakia and Moldova welcome the Danube Soya concept of a European protein supply. The Ukraine, the 15th Danube Region country to sign the declaration, commits to more than Danube Soya's aims. The signature communicates and fosters the GM-free path for Ukrainian agriculture, supporting the regional cultivation and marketing of quality soya beans.

"The Ukraine has a huge potential for export of soya to Europe. This agreement will open new opportunities for expansion of sales markets, European partnerships, and will also initiate the growth of standards, quality and safety profiles of Ukrainian products".

The declaration defines the necessary steps to implement this ambitious cultivation programme in the regions along the Danube river. GM-free production, traceability, regional cultivation and sustainable production are Danube Soya's pivotal quality criteria. In the Ukraine, Danube Soya is licensed for cultivation in the Uschgorod, Tschernowzy, Winniza, Odessa, Lwow, Ternopol, Chmelnizkij and Iwano-Frankovsm regions. The country is still

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classified at risk level 3, but this can change quickly with monitored flows of produce, safe seeds and political commitment. "This is where Danube Soya can help. Danube Soya brings producers together with new business partners, secure suppliers and buyers. More and more retailers in Germany, Switzerland and Austria have committed to converting their soya supply to sustainable and regional soya beans. The Danube Soya certification guarantees GM-free, safe and regional products to both consumers and all partners in the value chain," Matthias Krön confirms.

Danube Soya opens new markets for Ukrainian soya

Danube Soya intends to generate an even higher demand over the next 10 years. "We expect to harvest 150,000 tonnes of certified Danube Soya in 2015. Due to the burgeoning priority for GM-free, regional and sustainable products, demand is growing and new projects can be developed. Enormous amounts of soya are particularly required for laying hens, fattening poultry and fattening pigs. In Austria alone, 600,000 tonnes of soya are needed annually," Matthias Krön explains.

At the end of 2014, the Austrian pork producers *Schirnhofer* and *Hütthaler* converted parts of their production to Danube Soya. The Swiss company *Coop* is now feeding their fattening poultry and laying hens on Danube Soya. As Austrian and Swiss supermarkets began offering Danube Soya products to their customers, they initiated their support for European agriculture as well as contributing to a reduction of CO_2 emissions. When consumers buy eggs, poultry or pork bearing the "Fed with Danube Soya" logo, they can be sure to have bought a GM-free, European product. Soon, the first load of Ukrainian soya will be flowing into certified projects in Austria, Switzerland and Germany.

About Danube Soya

Danube Soya is a non-profit, independent organisation, constituting the most essential European agricultural initiative. Danube Soya brings together civil society, politicians and major commercial enterprises from every link the value chain, from GM-free seed production to animal-based and plant-based foods. Danube Soya is the byword for GM-free, origin-controlled quality soya from the Danube Region, encompassing nearly 190 members throughout Europe. Danube Soya Association has taken on the task of improving the conditions for successful soya bean cultivation in Europe and minimising dependency on soya imports. The Danube Soya Headquarter is located in Vienna. Regional offices are currently located in Novi Sad, Serbia, and Bucharest, Romania. Representative offices can be found in Switzerland and Italy.

Further information on Danube Soya can be found at www.donausoja.org.

Inquiries:

Danube Soya Association

Mag. Ursula Bittner, MBA; Association Manager

mailto:bittner@donausoja.org Tel: 0043 1 512 17 44 11

Mobile: 0043 664 960 64 29