



Danube Soya for the Promotion
of European Soya Production

Press Release

“Ukraine’s Potential Role to bridge European Soya Demand - Economic and Environmental Chances for Ukrainian Farmers”

More than twice as much soya is cultivated in the Ukraine than in the entire Danube Region. In 2014 already on 1.8 Million hectares the green beans are growing, for 2015 even 2 Million hectares are estimated. Ukraine could become the most important supplier of the Danube Soya project, if safe and reliable value chains are established. Together with its members, the Danube Soya Association is actively starting its projects in the Ukraine and invites more partners to join the challenging but promising path.

Danube Soya, Kiev, 21th of April 2015

There is no doubt that Ukraine, with its 1,8 Million hectare of soya acreage is the biggest soya producing country in Europe and has the potential to become the most important trading partner for Western Europe. Currently, 5 Million tons of GMO-free soya are required in Europe each year, these are 15% of Europe’s total soya demand. Only one third, 1.5 to 2.0 Million tons, of the total demand can currently be covered from European production, mainly from Italy, Serbia, Austria, Romania and Croatia. At the same time, more and more retailers in Germany, Switzerland and Austria commit to changing their soya supply to sustainable and regionally certified soya, like Danube Soya it is. Hence an even higher demand can be expected in the next 10 years. „We expect to certify more than 150.000 tons of Danube Soya in 2015. Due to the growing importance of GMO-free, regional and sustainable products the demand is increasing and more projects are developing. Especially laying hens, chickens for fattening and pigs are fed with considerable amounts of soya: Austria alone requires 600,000 tons per year,” says Matthias Krön, president of Danube Soya. At the end of 2014 the Austrian companies Schirnhöfer and Hütthaler, which produce pork, changed parts of their production to Danube Soya. Also chickens for fattening of Coop in Switzerland are already fed with Danube Soya and Coops’ laying hens will be fed with certified soya by mid-2015. With the inclusion of Danube Soya products supermarkets in Austria and Switzerland contribute in promoting the European agriculture and reducing CO₂ emissions.

“The new soya markets in Western Europe are an opportunity for the Ukrainian economy and agriculture, and furthermore help to improve ecology and crop rotation. Local processing and production brings added value in rural areas and can also create new jobs. KTG Group welcomes a cooperation with Ukrainians farmers and processors through the Danube Soya project,” says Benedikt Förtig, Member of the Board of Managing Directors at KTG Group.

Page 1 / 3

The Danube Soya Guidelines

The first step to built up successful cooperations between Ukrainian farmers, companies and Danube Soya is the information and compliance with the Danube Soya Guidelines.

The two main criteria, besides labour rights, plant protection rules and the prohibition of cultivating soya in specific areas such as protected areas, are the GMO-free and regional sourcing of soya. For Ukraine this means only soya from Uschgorod, Tschernowzy, Winniza, Odessa, Lwow, Ternopol, Chmelnizkij and Iwano-Frankovsm can be certified as Danube Soya.

The provision of safe seeds is the foundation for a safe GMO-free production. "Besides the establishment of safe value chains, which includes segregation and inspections, a main factor will be the sourcing of GMO-free seeds. We are already working together with Ukrainian partners and provide several companies in the named regions with GMO-free seeds. Of course still some problems occur but we are eager to promote the production of 100 % GMO-free soya and therefor ambitiously prepare for the upcoming years," explains Felix Gohn, Director of Probstdorfer Saatzucht for Ukraine.

The Austrian company Saatbau established also its own office in the Ukraine and sees similar problems. Yurii Nesterenko, commercial director of Saatbau summarize the two main problems of the soya bean market. „The two major challenges at the soya bean market of Ukraine are the shortage of the quality sowing material supply, and the presence of GMO soybeans' varieties at some regions of Ukraine. We are able to solve the first problem but the second problem requests consolidation of the all market players efforts including support from the government of Ukraine.“ Due to this fact Danube Soya had to ranke Ukraine in the highest risk-level. "According to our Guidelines, countries of origin are divided into four risk levels; the highest level requires increased inspections because contamination with genetically modified soya in these countries creates several problems," says Matthias Krön. Further challenges, such as market challenges can only be overcome with professional and long lasting business relations between companies in Europe and the Ukraine. Danube Soya helps to establish safe supply chains, which brings advantages for both sides. „Svarog is prepared to deliver safe products to the western European but also to the Ukrainian market. We are aware that GMO-free and regional products are playing a significant role. We are delighted to be part of this project and we guarantee consumers GMO-free and European products when buying eggs, poultry or pork with the "fed with Danube Soya" label sourced from the Ukraine," emphasise Inna Meteleva, Deputy Chairman of Board, Svarog West Group Corporation.



Danube Soya Declaration



A first step could be a political acknowledgement by the ministry of agriculture in the Ukraine: Danube Soya is inviting the ministry to sign the declaration. Already 16 agricultural ministers and state secretaries from 14 different countries in the Danube Region have committed to the goals of Danube Soya. Croatia, Austria, Switzerland, Serbia, Slovenia, Hungary, Bosnia and Herzegovina, the Republika Srpska, Hungary, Germany (Bayern, Baden Württemberg), Romania, Bulgaria, Poland, Moldova and Slovakia welcome a European protein supply through their signature. The Declaration defines the necessary schedule for the implementation of an ambitious cultivation program in the regions along the Danube.

Cooperations with Ukraine entrepreneurs and farmers

To reduce the high imports of nearly 30 Million tons of soya, Danube Soya is strengthening research activities and working closely together with European Farmers as well as with processors and traders.

"In the first years, after we found the association we were focusing on Serbia, Croatia and Romania. After 3 years now we are pleased to announce, that from now on, we will be focusing on more Northern situated countries like Moldova and Ukraine. Their high potential and importance in the Western European Market makes it even more interesting to cooperate. We hope we can lay the first stone and new business partnerships will follow with traders, processors but mainly farmers," says Matthias Krön.

About Danube Soya:

Danube Soya is a non-profit, independent organization and represents Europe's most significant initiative in the agricultural sector. Danube Soya links civil society, politics and important businesses from all sections of the value added chain, ranging from GMO-free seed production to food of animal and vegetable origin. Danube Soya stands for GMO-free, origin-controlled quality soya from the Danube Region and incorporates about 175 members from all over Europe. The Danube Soya Association has made it's objective to improve the conditions for successful European protein cultivation and to minimize soya imports. The Danube Soya headquarters are located in Vienna; regional offices are currently set up in Novi Sad, Serbia and in Bucharest, Romania. Representatives are in Switzerland and Italy.

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

Requests:

Danube Soya Association
Mag. Ursula Bittner, MBA, Manager
<mailto:bittner@donausoja.org>
Tel: + 43 1 512 17 44 11
Mobile: +43 664 960 64 29