



Meeting with BUNGE

Meeting date and place

Meeting held on 22/07/2019 11:00 in Charlemagne

Participating organisation(s) & representative(s)

- - Bunge Ltd Participant,

- - Bunge Ltd Participant,

Main issues discussed

introduced Bunge. It is a large and well-established agricultural commodity trading business with substantial operations in Latin America. They emphasised that it is a very competitive business and that the low margin per ton has driven efficiency within the company, including energy-efficiency. Bunge has set a target of sourcing entirely from deforestation-free supply chains by 2025. However it is caught in the middle: on the one hand buyers want sustainability assurances but are not willing to pay extra for them, while on the other hand producers feel that they should receive a financial premium if they go beyond legal requirements on environmental protection, which Bunge cannot provide if buyers won't pay. Bunge had, however, teamed up with Santander Bank Brazil and The Nature Conservancy to launch a US\$50 M facility to provide long term loans for farmers willing to invest in sustainable / zero deforestation agriculture.

Segregation of commodities such as soy originating from more "sustainable" sources from commodities from other sources is virtually impossible as they are mixed in silos and in large ships along the supply chain. However this can be addressed through the mass balance approach, as per the EU biofuel rules. Regarding the role of governments they suggested that governments could facilitate dialogue between stakeholders and between producers and consumers to try and arrive at workable solutions.

provided an overview of the Mercosur trade agreement. In response to a question from Bunge he stated that the Annexes with details of the tariff schedules were still being checked, but would be published as soon as possible. He encouraged Bunge to interact with policy makers in the EU and suggested that climate change was an issue that would probably increase in importance in the next Commission. [out of scope]

Directorate or unit

TRADE C/3

Internal participants

TRADE C/3 Participant, Notetaker,

TRADE C/3 Participant,

TRADE C/3 Participant,

Author(s) of minutes

Validator and validation date

validated the minutes on 25/07/2019 15:48