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HOW THE EU CAN HELP SLOW DEFORESTATION IN THE TROPICS: Q&A WITH BJØRN THOMSEN

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For more than two decades, Bjørn Rask Thomsen helped make sustainability a pillar of international trade policy in Norway and across much of Europe. As the former CEO of Denofa, a key European importer of sustainable soy, Thomsen brought climate change to the core of the company's growth strategy. He now continues that work as Europe Director for EII, where he will focus on fostering partnerships and collaboration between business, governments and non-profits working to reduce commodity-driven deforestation and biodiversity loss in tropical forest regions.

What lessons do you bring from your previous position to your new role at EII?

As the CEO of Denofa [which is owned by one of the largest Brazilian soy producers and exporters, Amaggi Group] I strived to bridge the cultures of Brazil and Norway, or rather of Brazil and Europe. It was a key element, understanding their position, explaining the position of Europe, explaining the sentiment of consumers and how that translates into business commitments, and why Brazilians needed to take this seriously. Over the years I continued to deliver aspects of that message. There is a lot of good work happening in Europe, a lot of commitments to sustainability but few direct links with local communities in tropical forest regions, which is something that EII has. I would like to build bridges that allow the parties to get to know each other and to form region-to-region collaborations that increase the chance of success.

Deforestation rates in Brazil are on the rise. How can Europe help bring them down again?

In 2015, Norway implemented a zero-deforestation commitment for certified sustainable soy (PDF) across its entire feed industry. I was part of that process and traveled to Brazil to meet with representatives from the state of Mato Grosso [Brazil's largest soy producing state]. And their message to us was, we need you here, we need those responsible companies to stay engaged to help us find a way forward, to keep the dialogue going, to maintain the trust and to share insights. Regulation only works when it is really precise, and for it to be precise you need dialogue, otherwise policies—no matter how well intentioned—fail.

Image available online: view image

Forests abut cleared fields in Brazil. (Photo credit: Paulo Brando)

British and EU kamagra uk review policymakers are considering moves to eliminate deforestation from their supply chains. Does this threaten to close off that dialogue?

I'm not worried about that. On the whole, I'm mostly encouraged by the willingness to regulate, and that is for the simple reason that it's more effective. A decade ago, we saw a lot of commitments to sustainability from private companies. Then, about five or six years ago, we saw a lot of PR around climate goals in 2020, 2030, and even 2050. But there was no reliable control mechanism to determine whether companies were delivering on their promises. And even now companies that operate outside commitments enjoy a competitive advantage simply because they avoid the added costs. This is where legislation comes in, including the pending Mercosur-EU trade agreement. We need to move from PR messaging around future commitments to binding agreements, signed and implemented. And we need the commitment to apply to every business in that particular market, be it within national borders or wall-to-wall across the EU. That is what we did in Norway, where the entire food industry signed on to a binding agreement that became part of all commercial soy contracts. But you have to get the language of the legislation correct, and again, to do that you need to remain engaged.

Europe and Brazil seem to be moving in opposite directions, the one emphasizing sustainability and the other development and agricultural expansion. Where do you see things headed?

What I see happening in Europe now, under the European Green Deal, is that EU countries are pursuing their own national protein strategies as alternatives to imported soy used in feed for livestock. EU countries are investing billions in R&D for new and more sustainable sources of protein, whether that's from algae, or sea grown sources. In Denmark, they are talking about protein from grass for pig and dairy cow feed. R&D takes time… but it will arrive. It's like sowing a seed. These things will come and will one day compete with soy. Brazil, which supplies nearly a third of the world's soy, needs to take that seriously. Otherwise, EU demand for soy will stagnate or diminish over the coming decades.

And is Brazil taking the potential loss of the EU market seriously?

When I was at Denofa, I traveled to Brazil several times a year to meet with company executives, who at one point expressed irritation at the endless demands for sustainability from Norway and Sweden. But then, about three or four years into my work there, they acknowledged to me that what they were hearing from Norway was a sign of future demand from the rest of the EU. That changed their perception and they moved accordingly. Today, there are companies and farmers in Brazil who are

receptive to these same demands, they are convinced it is the right direction and despite the hurdles—both bureaucratic and financial—they believe in it. What troubles me is that these champions for sustainability get lost in the story that is being told now about Brazil. Farmers who try to do the right thing get tarnished with the same broad brushstrokes that paint Brazil as a lost cause.

How can companies that are trying to do the right thing be supported?

The financial sector is hugely important. In Brazil, bank lending is part of what finances deforestation in the first place. The finance sector led by Norway's Storebrand Asset Management and a large group of pension funds recently wrote a letter to Brazilian President Jair Bolsonaro calling for a change of policy. The more we can get the banks and the finance sector to align priorities and responsibilities with other stakeholders (including by recognizing 2009 as the cutoff date for deforestation as other certification mechanisms do) the faster we can start to move things.

Which brings me to the next point. In Nordic regions, we pay extra for sustainable, deforestation-free soy. I am convinced that with accurate data on farmers' cost structures, legislation could be drafted to create financing mechanisms to help farmers make the transition to sustainability, and to help producer countries reduce the cost of sustainable and deforestation-free farming, while at the same time increasing the costs for farmers and others that do not comply. That would give deforestation-free commodities a price advantage, and with a competitive edge, market forces would suddenly work in favor of forest preservation. Sustainability goes hand in glove with competitiveness, and in Europe the demand for sustainability is there and it is only growing stronger.