

## **Soy in the Cerrado: Sustainability without a Moratorium**

**Carlo Lovatelli**

**President, ABIOVE (Brazilian Vegetable Oil Industries Association)**

For several years, Brazil debated its Forest Code until, in May 2012, it was approved and replaced the Code that had been in effect since 1965. The new Forest Code is one of the strictest environmental legislations in the world, setting the criteria for conservation of high conservation value areas in all of Brazil's biomes. At the same time as the Brazilian government has shown the world its commitment with conservation of the natural resources in the main biomes – Amazon, Cerrado, Pampas and Atlantic Forest – the private agribusiness sector is displaying a growing awareness of what is needed to produce food in a sustainable manner.

In this sense, the Soy Moratorium in the Amazon Biome has had auspicious results. Now celebrating ten years in existence, this Moratorium is the commitment made by ABIOVE (Brazilian Vegetable Oil Industries Association) and ANEC (National Grain Exporters Association) not to purchase or finance soy crops in areas of the Amazon Biome deforested after July 2008. The satellite monitoring of the 2015/2016 crop showed that the 37,200 hectares (143.6 square miles) of soy that did not comply with the Soy Moratorium represent just 1.1% of the deforested area in the Amazon Biome and that this oilseed is not an important vector in the deforestation of the region.

The success of this zero deforestation pact in the world's largest tropical forest, however, does not mean that this model should be applied in the Cerrado. The current debate of this theme is seemingly obfuscating one fundamental aspect of the problem: The environmental legislation has to be enforced in all economic sectors, with no individual sectorial scheme being superimposed on the country's laws.

Furthermore, when the private sector decreed the Soy Moratorium in the Amazon Biome, in mid-2006, creating the GTS Soy Task Force with the participation of companies, civil society and the federal government, represented by the Ministry of the Environment and the Bank of Brazil, the government's public environmental governance was just beginning and deforestation was at a very high level. The Amazon Biome was living an emergency situation that required the private sector's quick and robust

participation to overcome the deficiency of public policies destined to inhibit deforestation in that region.

In the last ten years, public governance has improved substantially, leading to a marked reduction in Amazon Biome deforestation. As regards the Cerrado, we emphasize the role of the soy private sector in contributing to a reduction in deforestation, but not in the form of a moratorium. The private sector needs to promote Brazil's Forest Code and its main tools, the CAR (Rural Environmental Registration) and PRA (Environmental Regularization Program). Brazil now has strict and comprehensive environmental legislation, and has the means of fighting illegal deforestation. It is the private sector's duty to acquire or finance soy from farms that are registered with CAR, that issue the proper invoices for their products, that are not included in the embargoed areas listing published by IBAMA (Brazilian Environmental & Renewable Natural Resources Institute) and that are not included in the degrading working conditions listing published by the Ministry of Labor & Jobs.

In addition, the Cerrado has considerable acreage of degraded pastures that could be used for soy crops, without needing to clear new areas. According to an Agrosatélite study, there are 25.4 million hectares (98,070 square miles) in this Biome that are highly suitable for the expansion of agricultural expansion. Between 2000 and 2014, over 5.5 million hectares (21,236 square miles) of pastures were converted to annual crops, with particular emphasis on soy. Let's not forget that soy production in Brazil currently occupies 33 million hectares (127,414 square miles), little more than the area to be freed up by cattle farming.

The sustainability actions of the Brazilian soy chain are an example for the world. Brazil is a large service provider of environmental services and it is time that the world, especially the Europeans, recognizes this, and that effective payment is received for these environmental services. ABIOVE's member companies are committed to the sustainability of Brazilian soy and require their suppliers to comply with the country's environmental and social legislations.

## **ABIOVE COMMUNICATIONS DEPARTMENT**

**mariahelena@abiove.org.br**

**Tel: +55-11-996-440-363**

**Tel: +55-11-5536-0733**

**<http://www.abiove.com.br>**

**Twitter - @abiovebr**