

EU-Brazil trade perspectives on agriculture in the context of EU- Mercosur agreement

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About ABIOVE



- ABIOVE, the Brazilian Association of Vegetable Oil Industries, was formed in 1981 and has 9 members companies who are responsible for about 70 percent of Brazil's soybean processing volume
- Some of ABIOVE's objectives are:
 - a) Represent the vegetable oil industries;
 - b) Cooperate with the Brazilian government as regards policies related to this sector;
 - c) Promote Brazilian products;
 - d) Generate statistics;
 - e) Prepare sectorial studies.

Soy Complex in Brazil

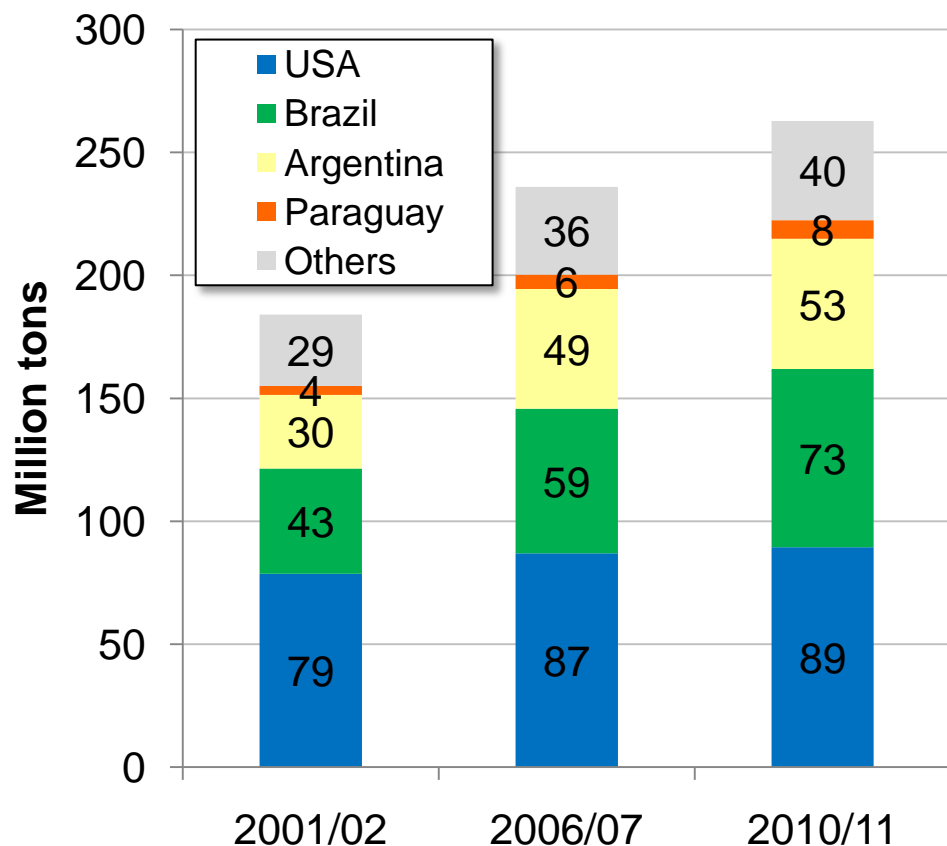


- Soy is Brazil's main agricultural crop in area, volume and income generation.
- The soy complex (beans, meal and oil) is responsible for about 1.5% of Brazil's GDP.
- The soy complex is one of the country's main sources of foreign currency (about 10% of total exports).
- This sector has generated about 1.5 million jobs – direct, indirect and those impacting income.
- There is a direct partnership relationship between industry and producer – approximately 1/3 of the crop is financed by the industry.

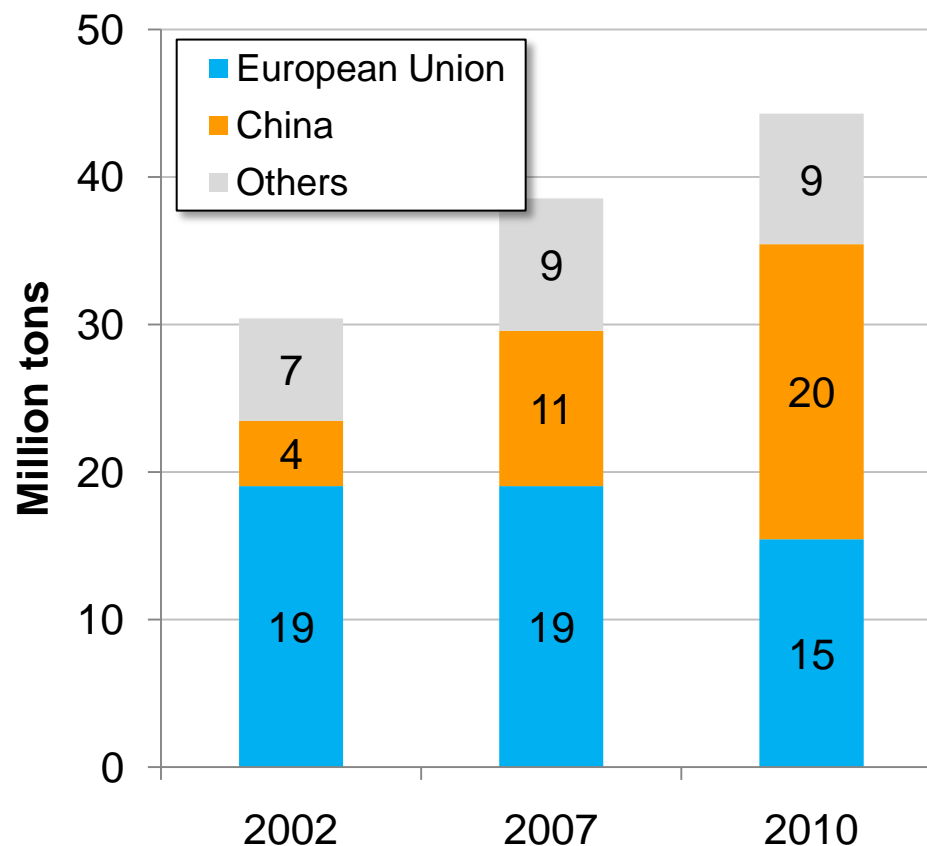
Soy Complex in Brazil



Mercosur responded for about 72% of supply increase of the last 10 years



But the EU has reduced its share on Brazilian exports of soy complex

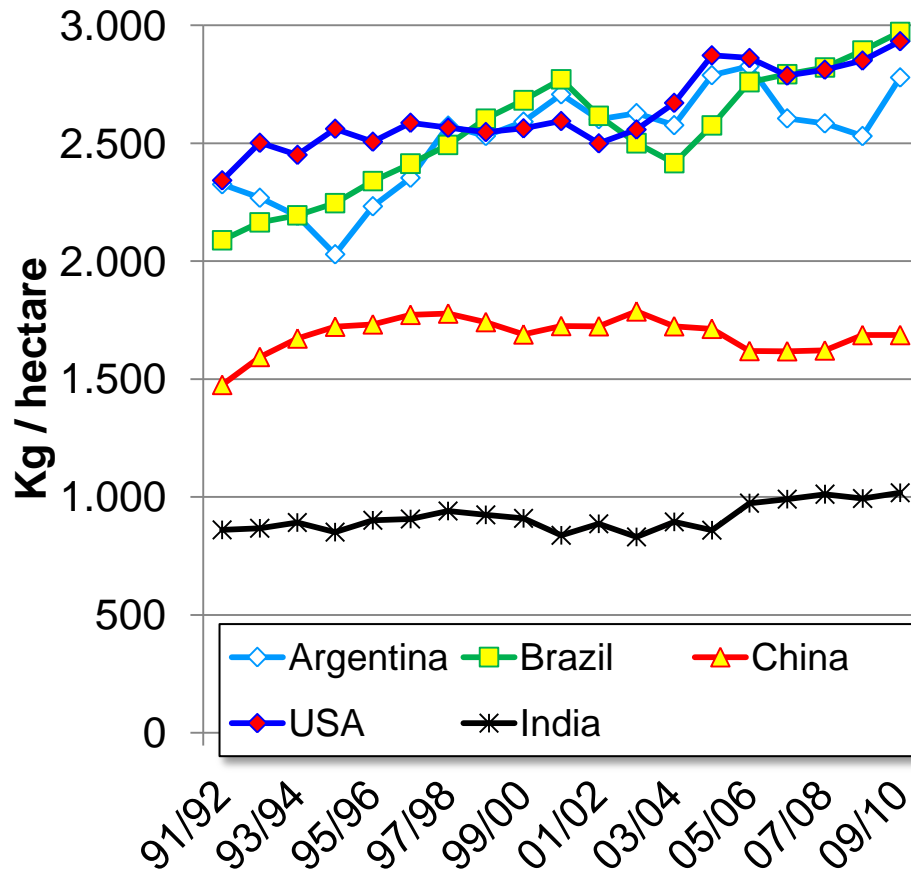


Sources: ABIOVE and USDA.

Soy Complex in Brazil



Brazilian Soybean yield is among the world's largest



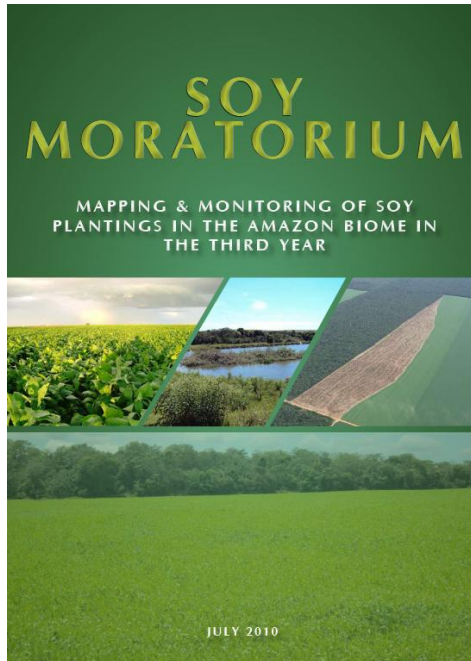
And receive little government support

Year	AMS as % of Value of Production
2004/05	0,00%
2005/06	0,17%
2006/07	1,27%
2007/08	0,00%
2008/09	0,00%

Soy and Sustainability



The Soy Moratorium brought transparency and has confirmed the low participation of soybean cultivation in deforested areas in the Amazon Biome after July 2006



8 July 2010

[2010 Joint Statement of the European Soy Customer Group](#)

The European Soy Customer Group (Ahold, ASDA, Carrefour, Co-operative, Kraft, Marks & Spencer, McDonald's, Nutreco, Ritter-Sport, Sainsbury's, Waitrose and Wal-Mart Brazil) applauds another year of positive progress of the GTS (Soy Working Group).

In particular, we would like to acknowledge the further improvement of the mapping and monitoring system, now supported by the involvement of National Institute of Space Research (INPE) in Brazil.

We see the moratorium as a powerful and essential tool to enable all of us to achieve our ultimate goal of sustainable sourcing. We encourage other companies and other sectors to engage in similar efforts to ensure that the Amazon is not cleared for the production of any commodities.

We renew our commitment to remaining actively engaged. We all agree that the process needs to continue and some key challenges need to be addressed.

We understand the registration of farms in the Amazon biome is a crucial element of the process. It will enable monitoring and auditing to continue to be more effective, helping to ensure that soy production does not drive deforestation in the Amazon.

We feel confident that GTS will continue to address the necessary challenges ahead to strengthen the moratorium – a key tool in protecting the Amazon.

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Soy and Sustainability



The soy sector has started a capacity building program for farmers



**Economic, Social &
Environmental
Management Program for
Brazilian Soybeans**

WORLD TRADE
ORGANIZATION



Reference
ISO/PC 248



**DIRECTIVE
2009/28/EC**



**Renewable Fuel
Standard (RFS)**

**And keep constant monitoring of
international discussions on the
subject**

Brazilian Legislation



Legal Reserve Areas (20% to 80%) and **Permanent Protection Areas** (riparian areas, hilltops and areas with slopes greater than 45°)



Ecological-Economic Zoning to discipline sustainable development



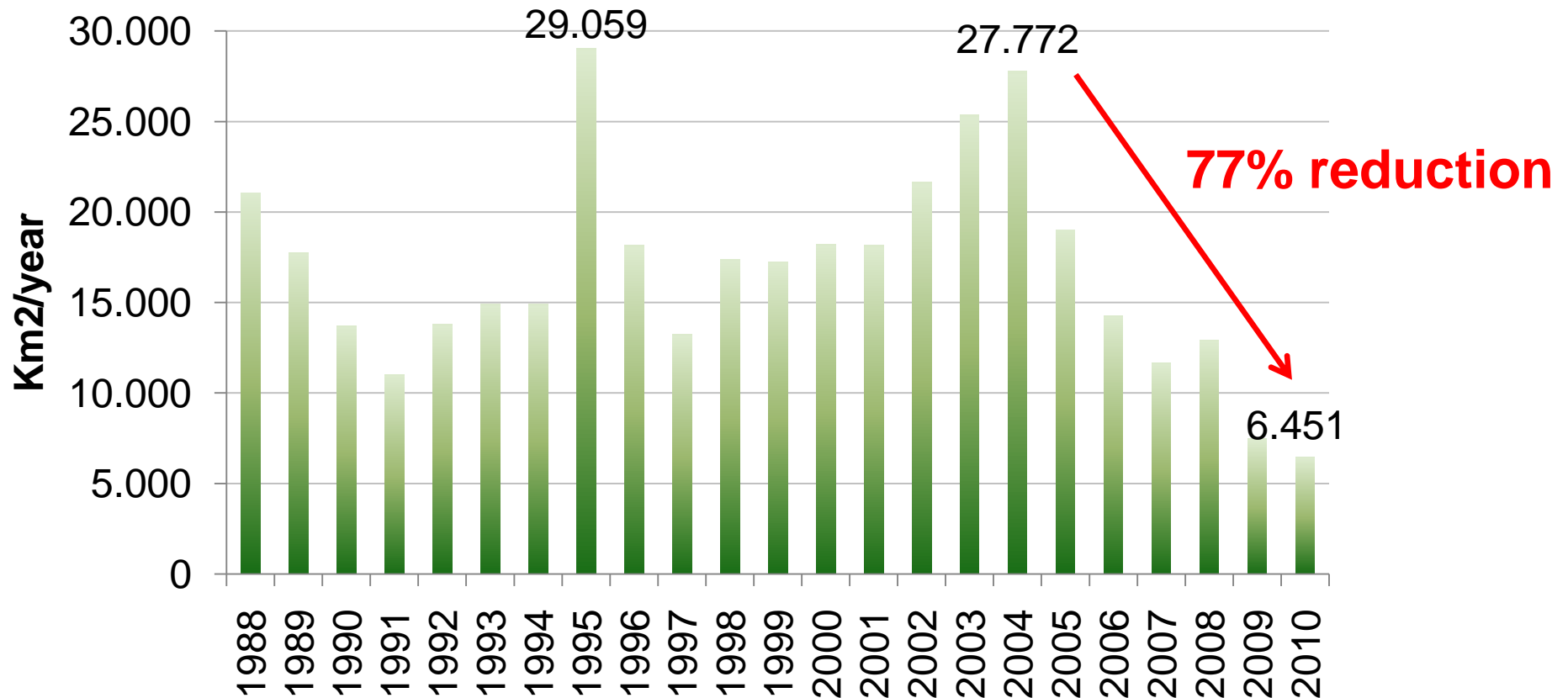
National Program for encouragement of Palm Oil by smallholders and in areas deforested before 2008

Plus all Conservation Units and Indian Reservations, which cover a large area of Brazilian territory

Brazilian Legislation: Results



Sharp drop in deforestation of the Amazon Biome: Brazil has already achieved its goal taken at COP-15 five years in advance



Conclusions



- Brazil is a reliable business partner, provides products of excellent quality and at an appropriate scale
- Mercosur and the European Union can only win with the intensification of agricultural trade: it will foster closer trade ties between the two blocks
- This will serve to counterbalance the influence of new trading partners which now have greater share
- Europe will benefit from greater security in the domestic supply of products and greater access to the Mercosur market, today's booming economy and consumer products with high added value, such as those with protected origin or geographical indication

Conclusions



- Brazilian agriculture works in an institutional framework that seeks sustainability of production and processes
- The soy complex is proactive and has implemented successful initiatives: future expansion will mostly occur in pastures
- It is important to enhance trade liberalization in order to promote the exchange of products, especially vegetable proteins, meats, vegetable oils and biofuels
- This will provide more choices to consumers, foster competition, create a downward pressure on prices and upward on quality
- It will also reduce inefficiencies on logistics, reduce GHG emissions and create jobs

Bilateral Cooperation



We can cooperate to achieve our targets of low food prices, higher consumption of biofuels and increase in the supply of environmental goods and services

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Recomendar 31 recomendações. Cadastre-se para ver o que seus amigos recomendam.

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French Rapeseed Suffers as Drought Causes Wilting, Cetiom Says

By Rudy Ruitenberg - Apr 22, 2011 11:19 AM GMT-0300

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French rapeseed crops in the northeast of the country are suffering from a drought that is causing plants in some fields to wilt, the country's technical center for oilseed crops said.

A lack of rain is reducing the yield potential for the oilseed crop, the Paris-based center, known as Cetiom, said in a [report](#) on its website today.

However, we can only do that if we minimize climatic problems and enhance our comparative advantages through the elimination of all barriers to free trade

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