



ABIOVE NEWSLETTER ON SOY SUSTAINABILITY

May 29, 2008

FACTS & DATA

The article published in the newspaper Financial Times of May 27 and quoted in the newspaper Valor Econômico contains important considerations of the well-known and respected environmentalist Daniel Nepstad, of IPAM and of the Woods Hole Research Center, on the controversy involving deforestation figures for the State of Mato Grosso and the actions taken by the Brazilian Government on a data base that is still weak.

He pondered that the INPE data (probably referring to the DETER monthly system) should only be used after going through a field confirmation and alerted, "To define government actions based on imprecise information is an error."

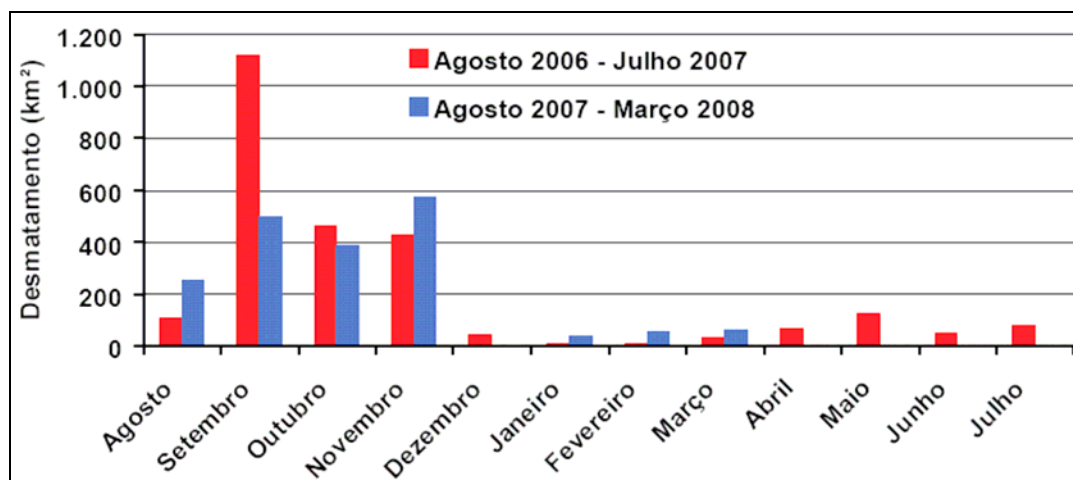
He reported that a real battle began between government and rural sector after the DETER system data on deforestation for the end of last year was announced. He considered the punitive measures that criminalize the productive sector of 36 municipalities unreasonable, because of the alleged increase in deforestation dimensions and of the quality of the available information. In his opinion, it is very important to know the Amazon region and the productive sector very well. IPAM is a member of the Soy Moratorium Workgroup, a strategic partnership between productive sector and civil society organizations with the objective of improving Amazon Biome governance, initiative to which he referred to as a major experiment. At the end, Daniel Nepstad reminded that if economic incentives were created deforestation would decline.

All those that read the full Financial Times article may reflect and perceive how important it is not to take severe punitive actions without a precise knowledge of recent facts. Soy is usually a "escape goat", accused of being an important vector of deforestation, although it occupies only three thousandths (3/1000) of the Amazon Biome, and the monitoring of the Moratorium did not identify any soy planting in 193 selected polygons object of documented field visits.

The Government of the State of Mato Grosso strongly questioned the DETER generated data reliability. The Deforestation Warning System of the NGO Imazon indicates that from August 2007 to March 2008, Mato Grosso deforestation did not increase; to the contrary, it was reduced by 16 percent. In this same period of time, the State of Pará's deforestation expanded 76 percent. After all, in which state was deforestation recently intensified? We should clarify urgently if there is deforestation, where it is located and what is the dimension of the actual problem, in order not to penalize rural producers that in most properties are non-compensated environmental service providers. Environmental management must necessarily be based on reliable information.

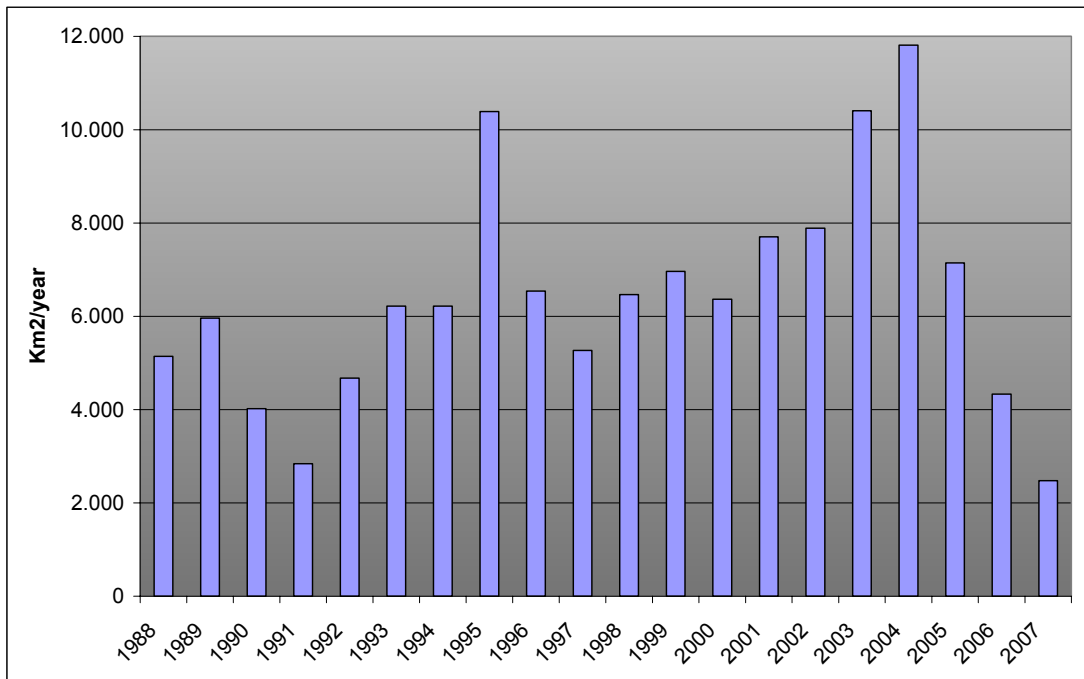
The new Minister of the Environment anticipated that INPE will announce shortly new increases in Mato Grosso deforestation, based on the DETER system, which — according to INPE — does not have the objective of estimating the deforested area, and is subject to errors. Once again, the DETER tools will be inappropriately used, i.e., like trying to change a flat tire with a screwdriver. Much prudence is required in the relative numbers technical analysis, since in the first half of the year the absolute data are very low (Graph 1), especially for last year, which registered the lowest deforestation rates for the State of Mato Grosso in the last 20 years, according to INPE (PRODES annual system) shown in the Graph 2.

Graph 1 – Deforestation in the Mato Grosso state from August, 2006 to March, 2008



Source: Imazon / Sistema SAD – Boletim Transparência Florestal: Estado do Mato Grosso, Janeiro a Março de 2008. Available at: <http://www.imazon.org.br/publicacoes/publicacao.asp?id=539>. Access in: May 29, 2008.

Graph 2 – Annual deforestation in the Mato Grosso state – 1988 to 2007
(in Km²/year)



Source: INPE – PRODES. Available at:

http://www.obt.inpe.br/prodes/prodes_1988_2007.htm. Access in: May 29, 2008.

Elaboration: ABIOVE.