



**Soybean Working Group Meeting
WWF Headquarters, Brasília, Brazil
December 19, 2006**

Participants:

ABIOVE: Carlo Lovatelli, Fabio Trigueirinho
ABAG: Monika Bergamaschi
AMAGGI: Ocimar Villela
AMATA: Roberto S. Waack
ANEC: Sergio Mendes
BUNGE: Michel Santos
CARGILL: Afonso Champi, Marcello Moreira (telephone)
CI BRAZIL: Paulo Gustavo Prado
FDA SANTAREM: Edilberto Sena
GREENPEACE: Paulo Adario, Sergio Leitão, Tatiana de Carvalho
IPAM: Oriana Almeida
TNC: Carlos Klink
WWF BRAZIL: Carlos Scaramuzza, Mauro Armelin

SUBGROUP PRESENTATIONS

1. Mapping and Monitoring

The Mapping and Monitoring subgroups will be united.

1. Biome

Until the Biome maps ordered by the MMA (Ministry of the Environment) are ready, the 2004 IBGE (Brazilian Geographic & Statistics Institute) map will be used (scale 1:5 million) to define the Amazon Biome limits. As this map is not on an adequate scale, a 5 km (3.1 mile) strip zone on each side of the boundary line was established. In this area, field visits will define the Biome's limits.

The MMA is preparing maps on a 1:250,000 scale and, when they are ready, they will be used to identify the areas that do not have forest vegetation. Doubts still exist about the "islands" of cerrado and fields that lie within the Amazon Biome, and their relationship with the moratorium.

2. Deforestation after August 2006

In January 2007, the MMA will publish maps showing the deforestation up to August

2006, as part of the government's annual deforestation historical series – (PRODES system). These maps, covering 95% of the deforestation will be the baseline for the moratorium. These data are public and available on the Internet.

A working meeting will be set up with Dr. Gilberto Camara of the INPE (National Space Research Institute), which will provide the Biome deforestation map in August 2006, based on 110 satellite images in the PRODES system. This map will be considered the baseline for deforestation. Images from the DETER system will be used as an auxiliary tool to preselect areas for field inspections to check the post-August 2006 deforestation.

Any soybean planting in newly deforested areas will be identified by fieldwork done by the companies. The subgroup will study the possibility of having an independent audit process to complement the proposed system, as well as the possibility of using algorithms as auxiliary information.

The priority for field visits will be to areas that have warehouses and adequate topography for soybeans (agricultural capabilities). Other criteria for establishing priorities include the presence of producers who are not members, INCRA (National Institute of Colonization and Agrarian Reform) settlements and intense forest vegetation.

After deforestation has been identified, and if the crop is soybeans, their destination needs to be identified. One alternative for doing this is to use fiscal notes.

Monitoring is easier when there is a relationship with the producer, the prefinanced producer. Problems arise with producers financed by input suppliers such as Syngenta, BASF, etc. These companies need to be brought into the discussion.

Actions:

- 1) Prepare a Protocol of Intentions (ABIOVE and ANEC) with INPE for monitoring soybeans. INPE needs support to get US\$60 million to prevent satellite data failure in 2009.
In-charge: Former Mapping Group
- 2) File formal requests with the MMA, on behalf of the soybean subgroup. The subgroup will prepare the requests, ABIOVE will sign them and the NGOs will endorse them.
In-charge: Former Mapping Group
- 3) Study an independent audit process to complement the proposed system.
In-charge: New Mapping & Monitoring Group
- 4) Develop an algorithmic methodology, but this will only work after harvest. This methodology will be re-examined and presented again to the group.
In-charge: Carlos Scaramuzza
- 5) Involve input suppliers in the discussions regarding the moratorium on soybeans in the Amazon.
In-charge: ABIOVE
- 6) Traders need a common monitoring format; this will be consolidated by ABIOVE.

In-charge: ABIOVE

- 7) In the next meeting, the subgroup will present a work plan and the latest data on deforestation (baseline and DETER). The companies will present a report on deforestation and critical areas.

In-charge: New Mapping & Monitoring Group

- 8) Define a timetable for monitoring actions and priority areas for field visits.

In-charge: New Mapping & Monitoring Group

- 9) Present a preliminary budget, before the next meeting. A definition is needed regarding how to finance the mapping and monitoring process.

In-charge: New Mapping & Monitoring Group

- 10) Pending is the redefinition of the participants and who will coordinate the Mapping & Monitoring Group.

In-charge: New Mapping & Monitoring Group

2. Education, Information and Forest Code

The objective of the subgroup's work to educate the rural producer about sustainability, with emphasis on the moratorium, was approved (explain why purchases are not made from legal deforestation areas, why the moratorium). A proposal was made that the work be structured into two scopes: campaign for compliance with environmental legislation and oriented participative planning. Ways for advertising the program have been suggested: guide of best practices, publishing in the media and training. Specific programs should be defined for each region. Priority will be given to the boundary areas.

The environmental legislation was debated. Because the legal reserve is still undefined, pending a vote by the National Congress on the 1998 Provisional Measure altering the Forest Code, it is felt that rural producers will be reluctant to make the legal registrations.

Another sensitive point for the producer is the discussion on acquired rights, since several soybean farmers complied with the legislation of the time and don't have the legal and economic conditions to replant deforested areas. A suggestion was made that the focus be on the areas of permanent preservation.

Governance in the field needs to be balanced with the moratorium commitment. The soybean group does not need to resolve everything, only point out the grey zones and demand a solution.

Actions:

- 1) The subgroup should define what the priorities are, as well as a timetable for the work, taking into consideration the producer's calendar.

3. Relationship with the government and legislation

A decision was made to await the definition of the new Ministry to start contacting government authorities. The first meeting should be with Minister Dilma Rousseff, Administration. She will be asked to indicate government representatives for

sustainability.

Greenpeace met with Minister Guedes, Agriculture (he's not expected to remain in his post). The agenda was conservation, moratorium and the next government. Even though he is leaving, he is still an important player. ABIOVE said they also have close contacts with Dr. Guedes. Dr. Guedes spoke of several forums that are revolted with the European proposition to accompany the situation of our forests, linking it to non-tariff barriers. EMBRAPA prepared a study on the situation of the world's forests.

Greenpeace also reported contacts with the German government. They will be leading the G-8 and the COP for biodiversity, and they want forests on the G-8 agenda. They see the moratorium as an excellent tool. The German government has shown strong interest in forests and development, and would be willing to collaborate in financing the moratorium project. The German President will come to Brazil in March and could visit the Amazon. Germany is entering the Round Table with resources.

The Ethos Institute has been contacted and they are willing to moderate the Soybean Working Group. We can invite them after the next meeting.

Greenpeace released a letter to consumer companies in Europe. ABIOVE registered the Brazilian industry's dissatisfaction with the letter sent by Greenpeace in the U.K. to European importers, containing incomplete information about the moratorium and incorrect information about the Round Table's principles. All agreed that it is important to have a common communications agenda.

Actions:

- 1) Prepare an agenda for communications regarding the Soybean Working Group, and publish it (see following item).
- 2) Set up a meeting with Minister Dilma Rouseff.

4. Communications

It was decided that the Soybean Working Group will have a pro-active position as regards the press. In addition, an informative bulletin on each meeting will be prepared, which will also explain what the moratorium is, what is being done and what the next steps are. Every two months, after each meeting, a newsletter will be produced to disclose the results.

Actions:

- 1) ABIOVE's communication office will prepare a draft of the newsletter to be submitted to the Soybean Working Group for approval. The newsletter will be translated into English.
- 2) Hold a workshop for reporters, after the Soybean Working Group's work plan is ready (after March). This is not a press conference.

5. Financial resources

All the subgroups agreed to prepare a detailed plan of the strategic actions to be developed, with a corresponding budget estimate, and send it to the facilitators by February 20. This material will be discussed and consolidated in the next meeting. Then, sources of financing will be sought, such as companies, NGOs, international cooperation and the Brazilian government.

One proposal is to create a fund to implement the moratorium, with an induced edict. The World Bank, for example, can place funds in INPE to facilitate the process. The matching fund proposal should exist for international cooperation.

To bring the social movement into the discussion, mechanisms are needed to fund the trips. The FSC experience is the creation of a social participation fund to pay for the participation of the movement in the forum. One fund would be enough for this. Everyone is willing to help seek funds.

Actions:

- 1) Each subgroup presents a work plan and a draft budget by the end of February.

6. Agenda for the next meeting

- Subgroup presentations
- Discussion of the creation of a subgroup on financing
- Discuss and define “islands” of cerrado, fields, etc.
- Discuss the RTRS and Soybean Working Group relationship
- Discuss how to manage the differences regarding the forest code, within the Soybean Working Group.

The next meeting will be held on March 14, 2007, in Sao Paulo. The meeting after that will be held in Manaus, AM.