

## SOY MORATORIUM

### **Companies confirm: “Soybeans from deforested areas in the Amazon will not be accepted”**

This Tuesday, April 14th, after disclosing the results of the 2008/2009 crop monitoring, the main soybean trading companies and their associations (ABIOVE and ANEC) confirmed that they will not acquire soybeans produced in areas of the Amazon Biome that were deforested after July 2006. According to the data published today, based on this year's crop, 630 polygons were monitored in 46 municipalities in the Amazon Biome – a total of 156,714 hectares. Twelve areas, totaling approximately 1,396 hectares, were identified as having planted soybeans. In 2007, the Moratorium's monitoring, done by flyovers of the properties, did not identify any deforested areas planted with soybeans. The monitoring data indicate that soybean expansion is very low in that region.

Soybean trading will take into consideration the survey of properties that planted soybeans in new deforested areas, and any purchase will be conditional upon this consultation. Soybeans produced in areas deforested after the Moratorium will not be purchased. In cases where the farmers who did not comply with the Moratorium received prefinancing, the production proportional to the deforested area will be rejected, and the access of these farmers to credit for the 2009/2010 crop year will be restricted. A similar procedure will be followed for purchases made through third parties: production from areas deforested after July 2006 will not be accepted. “The Moratorium brought a new level of reliable information that ensures our consumers know the origin of the soybeans. The monitoring data are available on the site [www.abiove.com.br](http://www.abiove.com.br), and we are open to audits, all in the name of transparency”, (said ABIOVE's president – Carlo Lovatelli).

In effect since 2006, the Soy Moratorium represents the soybean industry's commitment not to acquire soybeans produced in the Amazon Biome in areas that were deforested after July 2006. “The Soy Moratorium has been an important strategy in the fight against deforestation of the Amazon. The industry reiterates its commitment not to acquire this production and we hope that the government also supports this initiative, by implementing the governance mechanisms that are necessary to strengthen this initiative operational”, (said Greenpeace Amazon campaign director - Paulo Adario).

According to the Minister for the Environment – Carlos Minc – the Soy Moratorium is a success. “I recognize its positive efforts, and credit the significant reduction in deforestation to pacts such as the Soy Moratorium. The joint work by the government, companies and NGOs to fight deforestation is working. In addition to the approval of an MP<sup>(\*)</sup> to regularize land use and to payment for environmental services, the government will allocate R\$5 million from PPG7 to accelerate rural environmental licensing.

(\*) MP (provisional measure) is a decree issued by the President of Brazil to deal with relevant or emergency matters. It has the force of law for a limited period of time (up to four months) and must be ratified by Congress within that timeframe.