



**ENVIRONMENTAL, SOCIAL AND ECONOMIC
MANAGEMENT PROGRAM
FOR BRAZILIAN SOYBEANS**



1 – PRESENTATION OF PROJECT

Soybeans arrived in Brazil at the end of the 19th century as fodder for livestock and only became a grain-producing plant for the animal feed and edible oil industries in mid-20th century. In 1970, soybean acreage was 1.3 million hectares, increasing to a surprising 8 million hectares in 1980. Currently, 23 million hectares are under cultivation, representing 24% of global acreage and making Brazil the world's second largest producer of the oilseed. The recent 2009/2010 crop hit a production record of 67 million tons. Currently, soybeans are Brazil's main agricultural crop, in both volume and income generation, and represent 11% of total exports, with 250,000 rural producers in 17 states, generating 1.5 million direct and indirect jobs.

In view of the large number of rural enterprises in this sector and the need to meet new consumer demands, the soybean productive chain presents the Environmental, Social and Economic Management Program for Brazilian Soybeans – Soja Plus. The objective is to generate a continuous improvement process for soy production, contributing to the development of coherent values and attitudes with sustainability concepts

The Soja Plus Program will cover four distinct stages: (a) collection of field data to prepare regional diagnostics; (b) training rural producers through technical assistance and environmental education; (c) implementation and monitoring of best agricultural practices; and (d) optional verification to obtain the Soja Plus certification. This process is appropriate for the realities of Brazilian rural properties, meeting the wishes of domestic and international consumers. It will be simple, voluntary, participative, transparent and verifiable.

The producers who participate in Soja Plus will be encouraged to participate in state and federal environmental registration and regularization programs, such as the MT Legal and More Environment Programs. With this, all participating rural producers will be registered and will receive an adequate timeline to restore the Legal Reserve and the degraded permanent preservation areas.

After implementing sustainable practices and the environmental adaptation of the rural property, audits will be made for the purpose of emitting a Soja Plus Certificate to those producers that meet established indices. These producers will receive an award for a differentiated product, where the market should adjust the value of the remuneration. These producers will also receive a green incentive with a possible reduction in the interest rates on the financial cost of the companies.

2 – IDENTIFICATION OF THE PROJECT’S PARTNERS

Promoting Institutions	Technical Cooperation
ABIOVE	EMATER – Technical Assistance & Rural Extension Company
ANEC	Embrapa Soja
APROSOJA	FAMATO – Mato Grosso State Agricultural & Livestock Federation
ARES	INPE – National Spatial Research Institute
Banco do Brasil	SENAR – National Rural Learning Service
BNDES	UFMT – Mato Grosso Federal University
Civil Society Organizations	UFV – Viçosa Federal University

3 – PILLARS

The following best agricultural practice programs were consulted for the preparation of the requirements that will be audited in participating properties:

- Field to Market – Keystone Alliance
- ISGA
- Soy Moratorium
- RTRS
- Pact against degrading working conditions analogous to slave labor
- Brazilian environmental and social legislation
- MT Legal Program
- More Environmental Program

4 – JUSTIFICATION

The success of the production chain depends largely on the efficiency of its management, and the big success of Brazilian soy production in the last decades was the result of better coordination among the agents in this chain, i.e., the input industry, the rural producers and the processing industry.

The awareness process is on-going and end-consumers are beginning to change their behavior, restricting their consumption to products and services that are environmentally sustainable. This new requirement is making the production industry reorganize its processes to keep the consumer market.

Brazil has taken the lead as it has a differentiated environmental legislation that requires rural producers to comply with strict rules and reserve a good part of national territory for conservation purposes. From 2001 to 2010, the total area of conservation units increased over 80%. According to ICMBio (2010), there are 305 conservation units for integral protection and sustainable use in Brazil, totally 78 million hectares of protected areas, or nearly 10% of national territory (851 million hectares). It should be emphasized that conservation units represent one of the best natural equity protection strategies.

In rural properties, riparian areas alongside water bodies and courses, springs, hillsides and hilltops, must also be protected, as they are considered to be permanent preservation areas. In addition, a Legal Reserve of from 20% to 80% of the native vegetation must be preserved, according to the Biome. Compliance of these steps in the properties guarantees protection of the biodiversity, reconciled with sustainable agricultural production.

In the same way, compliance with Brazilian social legislation guarantees the rights of workers and social groups because Brazil has adopted the important international conventions.

For the purpose of preserving ever more of Brazil's natural reserves, ABIOVE and ANEC members established several initiatives that contribute to the control and monitoring of deforestation, allowing the maintenance of open markets. Among these initiatives are the Soy Moratorium and rural property registration. Member companies also intend to adopt the Soja Plus Program to stimulate good agricultural practices and social-environmental improvements of properties with soybeans.

5 – METHODOLOGY

The work methodology of the Environment, Social and Economic Management Program for Brazilian Soybeans – Soja Plus – is based on regional diagnoses and field tests in the Amazon, Cerrado and Atlantic Forest Biomes, which determine continuous improvement actions for productive practices. Applying a checklist to establish auditable references, the process will provide orientation for good agricultural and social practices adopted by enterprises. Among the items that will be monitored and audited are:

- Check-list 1 – Legal Compliance

- compliance with applicable Brazilian environmental and social legislation;
- updated documentation for the rural property.

- Check-list 2 – Social Responsibility

- properly registered contract workers who know their rights;
- absence of child and slave labor;
- guarantee of a safe environmental workplace with appropriate sanitary conditions;
- freedom of association and the right to collective negotiation;
- remuneration compatible with current legislation;
- consultation and dialogue with the local community;
- technical training and environmental education for contract workers.

- Check-list 3 – Environmental Sustainability

- mapping of permanent preservation areas, legal reserve, water resources, infrastructure and cultivated area;
- chemical residues properly handled and discarded;
- permanent preservation areas and legal reserves conserved;
- improved energy efficiency.

- Check-list 4 – Best Agricultural Practices

- monitoring water quality (oxygen, pH, nitrates, phosphates and coliforms);
- fertility of the soil conserved or improved through best agricultural practices;
- documented control of the use of chemicals;
- use of biological control agents monitored and documented;
- monitoring the spread of agricultural chemicals to neighboring rural properties;
- implementation of conservation techniques to control erosion (level curve, terracing, direct planting and minimum crop).

6 – AUDIT

The objective of auditing activities is to orient rural producers, technicians and auditors as to the different service levels needed to comply with the established principles and requirements. The audit consists of an audit team visiting the rural property, with the objective of verifying the consistency and performance of good agricultural practices and social-environmental handling.

The audit process covers the following activities: opening meeting; analysis of the documentation; obtaining evidence in the field; interviews and use of questionnaires; consultations with interested parties; analysis of the evidence and a final meeting to present results and recommendations.

The rural producers will make administrative and field personnel available for interviews and meetings. They will also supply all the documentation and information that is requested by the auditors. The evaluation system defines different types of non-conformities that can be encountered during field visits: critical non-conformity, greater non-conformity and lesser non-conformity.

To be awarded the “Soja Plus” certificate, the rural property must:

- comply with at least 80% of all applicable requirements on the checklist;
- does not have any greater non-conformity;
- be in compliance with critical requirements – highlighted in red;
- show continuous improvement in the lesser non-conformities found.

With the objective of differentiating market recognition and incentivating a continuous improvement process of the enterprise’s environmental and social aspects, the “Soja Plus” certificate will be divided into two categories, according to the degree of compliance. If the producer complies with 80% of all requirements, the “Silver Soja Plus” seal will be awarded and, for compliance with at least 90% of all requirements, the Gold Soja Plus” seal will be awarded.

At the end of the process, a report on the social, environmental and economic status of the rural property will be presented, as well as a listing of all participating properties, allowing comparative analyses among regions and orienting the producer on the development of continuous improvements of activities.

7 – BENEFICIARIES

- **Rural Producers:** Economic advantages defined by market; valuation of the rural property with the improvement of agricultural, social and environmental practices; conservation of natural resources, emphasizing the fertility of the soil; maintenance of native vegetation and water resources.
- **Rural Producer Associations and Cooperatives:** institutional strengthening;
- **Consumers:** satisfaction of consumption;
- **Public Sector:** environmental and social adequacy of the properties;
- **Companies in the Sector:** agribusiness sustainability and meeting market demands;
- **NGOs/Universities:** development of registration projects, technical assistance and environmental education;
- **Financial Agents:** increased partnership with the producer, credit offers, advertising and marketing.

8 – EXPECTED RESULTS

The general result expected from implementation of the Soja Plus Program is a contribution to the conservation of natural resources, governance of productive activities and the social well-being of the workers, rural producers and local communities. The Soja Plus was conceived to stimulate sustainable production according to environmentally correct, socially just and economically feasible performance requirements. Soja Plus will also increase economic opportunities and promote greater production efficiency for Brazilian soybeans.