

**Socio-Environmental Criteria for Management,  
Promotion of Production and Purchase of  
Soybeans in Brazil**



**ABIOVE**  
Associação Brasileira das  
Indústrias de Óleos Vegetais



# Introduction

This booklet has the merely didactic purpose of ensuring the wide dissemination of socio-environmental obligations and responsibilities related to the management, promotion of production and purchase of soybeans in Brazil. The objective is to disseminate consolidated information regarding the socio-environmental criteria currently observed by ABIOVE and ANEC members in the origination of grains.

The following criteria were considered: Embargoed Areas, Slave Labor, Conservation Units, Indigenous Lands, Soy Moratorium, Green Grain Protocol, National legislation on conservation areas (aka Forest Code), and Authorized Suppression Control in the Cerrado biome. The “socio-environmental criteria”, for the purposes of this publication, are rules, norms, laws, and commitments, established through specific legislation or private sector agreement. Member companies are responsible for their respective business practices and decisions.



## 2 Rural Environmental Registry (CAR)

The publication of the Forest Code and, subsequently, Decrees No. 7,830/2012 and No. 8,235/2014 present important advances to territorial planning and are essential both for environmental conservation and for the regularization of rural properties. These advances can be evidenced by the adhesions to the Rural Environmental Registry (CAR) and the Environmental Regularization Program (PRA).

The Brazilian Central Bank published BCB Resolution No. 140/2021, which created a section in the Rural Credit Manual (MCR) inserting rules involving social, environmental, and climate issues. This resolution aims to establish restrictions on access to rural credit

and commercial relations motivated by social, environmental and climate issues based on Brazilian legislation.

MAPA (Brazilian Ministry of Agriculture, Livestock and Supply) published Ordinance No. 121/2012, which establishes general procedures for the analysis of CAR data and for the integration of the results of the analysis into SICAR.

Consequently, CAR becomes a fundamental instrument in the analysis of the process of granting rural credit and commercial relations between rural producers and private companies.



### Procedures

For the purchase or financing of soybeans, companies must consult the regularity of the CAR of the rural property, observing the status of the registration with the competent environmental agency.

There are two situations in which financial institutions and companies cannot grant rural credit or sell agricultural products:

**a** - Rural producer who is not enrolled in the CAR;

**b** - Rural producer whose registration in CAR is suspended or canceled: meaning that, according to SICAR, the information declared by the rural producer was identified as being totally or partially erroneous, existence of non-compliance with the deadlines established in the notifications, or that the CAR was canceled due to a judicial/administrative decision of the competent body, duly justified.

For cases in which the CAR status is listed as ACTIVE or PENDING, commercialization with the rural producer is allowed. When the status is PENDING, it is recommended that the regularization process be evaluated by the environmental agency.



### 3 Embargoed areas

Embargo is the interdiction of a certain area or activity by the environmental agency. Any area where harmful actions against fauna and flora, such as illegal deforestation, unlicensed hunting, and pollution harmful to the environment and human health, are subject to this restriction.

Embargoes have a legal basis in Decree No. 6,514/2008. The environmental agency with the competence to carry out an embargo can be municipal, state (State Secretariats of the Environment – SEMA) or federal (IBAMA/ICMbio). When applied, the embargo prevents the use of a demarcated area and/or the continuation of a certain harmful activity. The list of areas embargoed by IBAMA is updated

daily and is available for consultation through its official website.

Embargoed areas cannot be destined to any use, precisely to provide for their environmental recovery (which is evaluated by the environmental agency) and the purchase of agricultural and forestry products from these areas is considered an environmental infraction. In case of non-compliance with the embargo, the offender will be subject to an environmental fine of R\$ 500.00 (five hundred Reais) per kilogram or unit of the product or by-product that has been acquired, intermediated, transported and/or marketed (article 54 of Decree No. 6,514/2008), among other penalties.





## Procedures

Before each purchase negotiation, the existence of an embargo should be consulted in the IBAMA official database and also by the state environmental agency, when available (for Mato Grosso, it is recommended to consult the SEMA and SIGA lists). In addition to consulting the list, we recommend consulting the map of polygons embargoed by IBAMA, to avoid divergencies between the CPF/CNPJ whose embargo was originally applied, and the actual producer and seller of soybeans.

To ensure safe commercialization, it is advisable to block the farm if the crop to be purchased is produced in areas under embargo due to deforestation.

If the embargo is itemized with only one “pin” on the map, it is recommended to ask the producer for the embargo term or notice of infraction to verify if there is further information regarding the delimitation of the embargoed area. Otherwise, one should not proceed with the purchase from the farm.

In case the associated company decides to buy grains from a property that plants soybeans outside the embargoed area, it is recommended that a report be prepared by a specialized or professional company with the signature of a technical responsible to demonstrate that product sold does not derive from the blocked area. The report must contain georeferenced photographs by means of on-site inspection or satellite images. It should be noted that the analysis of compliance with the embargo must be carried out both at the signature of the contract and at the time of receiving the product.

In regards of adjacent rural properties, owned by the same grower or family members, when there is an embargo that is not being respected, we recommend hiring a third-party company to monitor all grain shipments.

On occasions, producers with embargoed areas obtain court decisions on a preliminary basis that authorize the removal of growers data from the Official List. In these cases, we recommend that negotiations are discontinued for as long as the areas appear on the IBAMA or SEMAS embargo list.



## 4 Slave Labor

According to Article 149 of the Penal Code, regulated by Law No. 10,803/2003, and Ordinance No. 1,129/2017, it is provided that work analogous to slavery occurs in the following situations, with one or more of them occurring:

- Subjection of workers to forced labor;
- Submission of a worker to exhausting working hours;
- Subjection of workers to degrading working conditions;
- The restriction of the worker's locomotion, whether due to a debt contracted, or by restricting the use of any means of transportation by the worker, or by any other means with the purpose of retaining one in the workplace;
- Overt surveillance in the workplace by the employer or his agent in order to retain one in the workplace;
- The possession of documents or personal belongings of the worker, by the

employer or his agent, for the purpose of retaining the worker in the workplace.

The penalties resulting from a crime are increased when committed against a child or adolescent or due to prejudice based on race, color, religion or origin.

ABIOVE is a signatory to the National Pact for the Eradication of Slave Labor. This commitment provides that the negotiations of its member companies must be preceded by consultation of the Registry of Employers who have subjected workers to conditions analogous to slavery, which is published by the Ministry of Labor and Social Security, following MTE Ordinance No. 1,129/2017.



### Procedures

Companies should check if the employer's CPF/CNPJ is included in the "Register of Employers". If so, a member company should not proceed with the negotiation of products tied to this CPF/CNPJ. It is recommended to block these employers in the company's information system.



## 5 Conservation Units

Conservation Units (UCs) are defined as territorial spaces that have environmental resources with relevant natural characteristics, legally established by the Government, with conservation objectives and defined limits, under a special administration regime, to which adequate protection guarantees apply. There are 2 types of Pas: state (state environmental agency) or federal (ICMbio).

According to the National System of Conservation Units (SNUC – Law No. 9,985/2000) there are 12 categories of Conservation Units, divided into two groups: Full Protection Conservation Areas (Ecological

Station, Biological Reserve, National Park, Natural Monument and Wildlife Refuge) and Sustainable Use Areas (Environmental Protection Areas, Areas of Relevant Ecological Interest, National Forest, Extractive Reserve, Fauna Reserve, Sustainable Development Reserve and Private Natural Heritage Reserve).

In case of deforestation within the PAs, there may be a fine of R\$ 500.00 (five hundred Reals) per kilogram or unit of the product or by-product that has been acquired, intermediated, transported and/or sold (article 1 of Decree No. 11,080/2022), among other penalties.



### Procedures

Associate companies must verify whether the area of origination of the traded product is entirely or partially in a Conservation Unit area. In case it is, check the UC classification. The only category that allows planting is the Sustainable Use Conservation Area (APA), upon approval of a Management Plan or Environmental License issued by the competent environmental agency.

To certify that the APA in question has a management plan, access the list of Conservation Units in Brazil. In positive cases, find out if the use of the land for agricultural production is allowed and if the producer is complying with any eventual restrictions foreseen in the management plan, through the issuance of a report by a specialized company. If there is a restriction in the management plan or in the law creating the UC or the producer does not have an Environmental License authorizing the activity, it is recommended not to originate grains from this rural property.

## 6 Indigenous Lands

According to the Constitution of the Brazilian Republic, native Brazilians are recognized for their social organization, customs, languages, beliefs and traditions. They also have original rights over the lands they traditionally occupy, those used for their productive activities, and those essential for the preservation of environmental resources, and it is up to the Union to demarcate and protect them.

The usufruct guaranteed to the native people includes the right to possession,

use and perception of the natural resources and all the utilities existing in the occupied lands.

According to Law No. 6,001/1973, indigenous lands cannot be subject to lease or any legal act or transaction that restricts the full exercise of direct possession by the indigenous community itself, and third parties are prohibited from hunting, fishing or gathering fruits, as well as agricultural or extractive activities.



### Procedures

It must be verified whether the area of origin of the traded product is entirely or partially within approved Indigenous Lands, so that the production and purchase of soy in indigenous areas improperly exploited by third parties is not encouraged.

Para verificar se há sobreposição do imóvel rural objeto de negociação com TIs, deve-se consultar o Portal da Funai. Se houver confirmação, recomenda-se não originar do imóvel rural.

To verify whether there is an overlap between the rural property subject to negotiation with TIs, the Funai website should be consulted. If there is confirmation, it is recommended not to originate from that rural property.

## 7 Soy Moratorium

The Soy Moratorium initiative is a commitment not to acquire or promote the production of soybeans grown in deforested areas in the Amazon biome after July 2008, the reference date adopted in accordance with the current Forest Code. The Soybean Working Group (GTS), which coordinates the Moratorium pact, brings together the private sector, civil society, financial institutions, and the Brazilian government.

Established in July 2006, it is a pioneering initiative recognized nationally and internationally for its great contribution to the struggle against deforestation associated

with soybean cultivation in the Amazon biome. To carry out this monitoring, data from the Brazilian Amazon Forest Deforestation Monitoring Program by Satellite (PRODES), coordinated by the National Institute for Space Research (INPE) in seven states: Amapá, Mato Grosso, Maranhão, Pará, Rondônia, Roraima and Tocantins, are used. The identification of producers and the blocking system of the companies that are signatories to the pact are audited annually and compliance with this rigorous commitment to “zero deforestation” is evaluated by civil society, which makes the Moratorium an efficient and transparent mechanism.





## Procedures

Non-compliant rural properties that are on the current list of the Soy Moratorium must be blocked in the companies' system so that there is no purchase or financing of soy on such properties.

For the purposes of regularization, the producer must sign a Term of Commitment (TC) in which one commits to:

- a** - No planting of soybeans in deforested polygon(s) after July 22, 2008;
- b** - No deforesting any additional areas within the rural property;
- c** - Present the Rural Environmental Registry (CAR); and
- d** - Present a copy of the digital map used to prepare the CAR.

For growers who do not honor the commitments listed above after the signature of the TC by July 22, 2022, the GTS grants an opportunity for new regularization by signing a TC for repeat offenders that includes the commitments listed below:

- a** - Isolate the polygon deforested after July 22, 2008 and recover it with native species, according to the delimitation identified by PRODES/INPE;
- b** - No deforesting any other area of the property regardless of the purpose;
- c** - Present the Rural Environmental Registry – CAR;
- d** - Present a copy of the digital map, preferably in shape or kml files, used for making the CAR;
- e** - Present a technical project (PRAD) of the recovery process with ART (Technical Responsibility Note), including: schedule, recovery methodology, list of species to be used and strategy for protecting the area over time;
- f** - Present an annual technical report of the recovered area showing its progress, including the registration with satellite images and georeferenced photographs of the area for a minimum period of 5 years;
- g** - Provide for the isolation of the area at the time of signing this term and the planting of native forest species in the subsequent rainfall cycle.

After forwarding the documents required by the Terms of Commitment, the GTS executive committee will carry out the necessary analyses to validate the exclusion of the non-compliant rural property

## 8 Green Protocol for Pará Grains

The Green Protocol for Pará Grains is a commitment made in 2014 by ABIOVE and ANEC with the Federal Public Prosecutor's Office of Pará (MPF), which aims to enable sustainable production, ensure market and legal certainty for the grain production chain, strengthen the CAR as an environmental planning tool, meet demanding markets regarding sustainability criteria and maintain the good image of Brazilian agribusiness.

This Protocol establishes that the signatories trade exclusively from rural producers/properties that comply with the following socio-environmental criteria for the cultivation of grains:

- Active Rural Environmental Registry (SiCAR), which regularity must be consulted, as well as the proportionality between the volume produced and the productive area included in the registry;
- Products accompanied by the respective invoice;
- Are not on the list of embargoed areas of IBAMA or SEMAS;
- Do not appear in the Register of Employers who have subjected workers to conditions analogous to slavery, of the Ministry of Labor and Social Security;
- Do not overlap with approved Indigenous Lands;
- Do not overlap with Conservation Units;
- Do not have areas detected by the official data of PRODES/INPE as of July 22, 2008, except when authorized by the competent environmental agency.



### Procedures

For companies associated with ABIOVE and ANEC, the criteria mentioned above are compiled in two lists: State and Federal Green Grain List. These lists are updated monthly and made available by the company Agrottools. Public databases are used, such as INPE, IBAMA, Ministry of Labor and Social Security, Funai, SEMAS, MMA and MAPA.

In the event that producers with restrictions request guidance to regularize themselves with the Green Protocol for Pará Grains, companies must direct them to proceed with the necessary procedures, according to the restrictions identified, with the respective competent institutions listed above.



## 9 Authorized Suppression Control in the Cerrado – CSA Cerrado

The CSA Cerrado is a commitment by companies associated with ABIOVE and ANEC not to acquire or finance soy grown in deforested areas without Vegetation Suppression Authorization (ASV) in the Cerrado as of August 1, 2020 (“cut-off date”), with a commitment for the 2023/24 harvest onwards.

CSA Cerrado is an institutional and sectoral strategy that has great potential to eliminate

unauthorized deforestation associated with soy cultivation in the Cerrado biome, which results in a relevant legitimate interest of the sector and society.

CSA Cerrado will include eleven states + DF, which are part of the Cerrado biome, namely: Bahia, Goiás, Maranhão, Mato Grosso, Mato Grosso do Sul, Minas Gerais, Paraná, Piauí, Rondônia, São Paulo and Tocantins.





## Procedures

Companies will receive annually from ABIOVE and ANEC the shapefiles referring to the crossing of the polygons identified by PRODES Cerrado 2020 onwards with the mapping of areas with soybean planting from the 2023/2024 harvest. With this data, companies must verify that the deforested area has public ASVs, that it corresponds to the deforested area and that the period authorized for suppression has been respected. In case the ASVs are not included in accessible public sources, they must be requested from rural producers.

Once the ASVs of the producers are received, for companies that do not have an internal structure to process the file in shapefile format to verify that the ASVs correspond to the PRODES polygons with soybean planting in deforested areas, this analysis will be carried out by the contracted specialized company. The flow of information and documents will be carried out directly between the requesting member and the specialized company.

In the case of an area deforested without authorization, it will be considered that the regularization of the property is conditioned to the presentation by the producer of an Environmental Regularization Program (PRA) with the signature of the technical responsible. The implementation of the PRA will be monitored through satellite images via a specialized company.

The measures adopted to comply with the CSA Cerrado by ABIOVE and ANEC members will be submitted to an annual independent audit in order to attest compliance with the agreed procedures. The audit will follow the guidelines contained in the Term of Reference prepared by the Technical Committee, which in turn will evaluate the quality of the reports and the management of the companies.

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## 10 General Recommendations

### Multiple constraints

All socio-environmental criteria must be consulted before proceeding with a negotiation. The same rural property and/or producer may have more than one restriction and its regularity with one of them does not exempt it from its pending issues with other commitments. The pendency with each criterion must be analyzed individually.

### Analysis to avoid triangulation

Despite the difficulty in controlling soybean triangulation by companies, there are procedures to reduce this risk:

- Analyze the routes between the embargoed rural property and the delivery location;
- Analyze the distance between rural properties, using a radius of 150 km;
- Perform the proportionality calculation, using Conab as a reference according to the municipality;
- Carry out monitoring through a specialized company, when the supplier has many restrictions;
- Investigate the commercial and/or kinship relationship between neighboring areas to which they present socio-environmental problems.



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## Systems for the Management of Social and Environmental Criteria

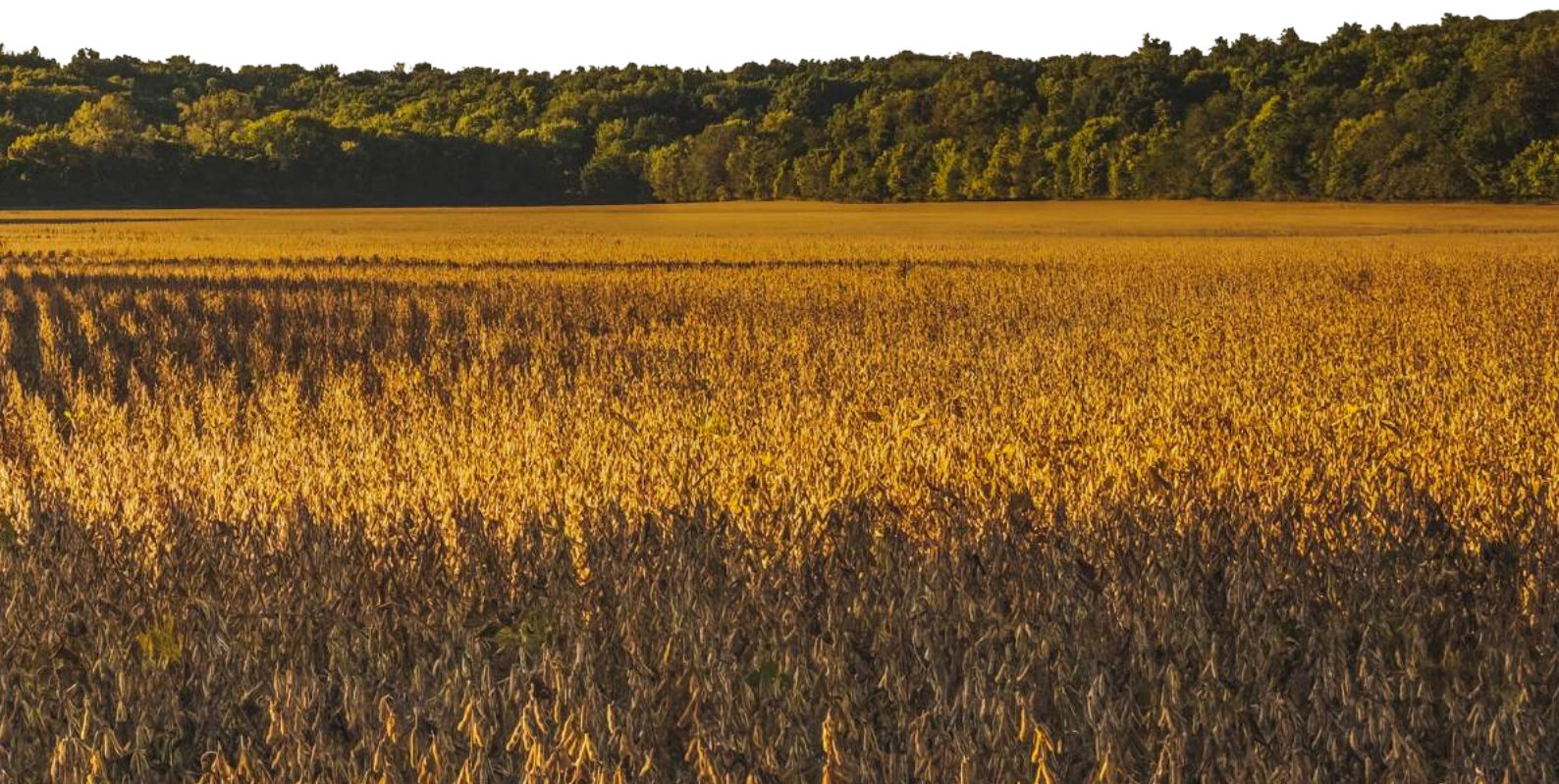
Having computerized systems with georeferenced data from direct suppliers is the best protection for companies not to fail to comply with current social and environmental commitments and, therefore, to ensure that their commercialization is in accordance with the standards established by the sector and legally.

Therefore, if the company does not yet have these systems, it is recommended to adopt them for the proper management of socio-environmental criteria regarding the management, promotion of production and purchase of soybeans in Brazil.

### Indirect Suppliers

Controlling of indirect suppliers, such as cooperatives, is an essential challenge for full traceability of the products purchased. To do this, we recommend the following controls:

- Define procedures for the management of indirect suppliers, with the implementation of an efficient system for identifying the farms that supply soybeans to them;
- Identify the share (in % of volume) of indirect supplier purchases over the total purchases made by the company;
- Define standard contract templates or supplier's declaration of product origin according to the criteria set forth in this Playbook;
- Establish a clause in the contracts that prohibit the purchase of products from deforested areas in the Amazon biome as of July 2008, as well as from areas with an environmental embargo due to deforestation by Ibama and SEMAs, without overlapping with TI and UC, without PRODES that do not have ASV and from producers who are on the Dirty List of Slave Labor.



## Annex I – Access Links:

### Access links.

Click on each one to access each of the tools.

- [Public Consultation on IBAMA's Embargoed Areas](#)
- [IBAMA polygon map](#)
- [Conab's productivity index](#)
- [Grain Protocol - State of Pará](#)
- [Funai – Indigenous Lands](#)
- [List of Conservation Units](#)
- [Information on Environmental Conservation Units](#)
- [Panel of Brazilian Conservation Units \(Power BI\)](#)
- [Register of Employers who have subjected workers to conditions analogous to slavery](#)

