



Risk related to Soy Expansion in the Cerrado : Urgency of Deforestation & Conversion-Free (DCF) supply chains

WWF Japan Workshop

Global Soy Lead

# What is Cerrado ?



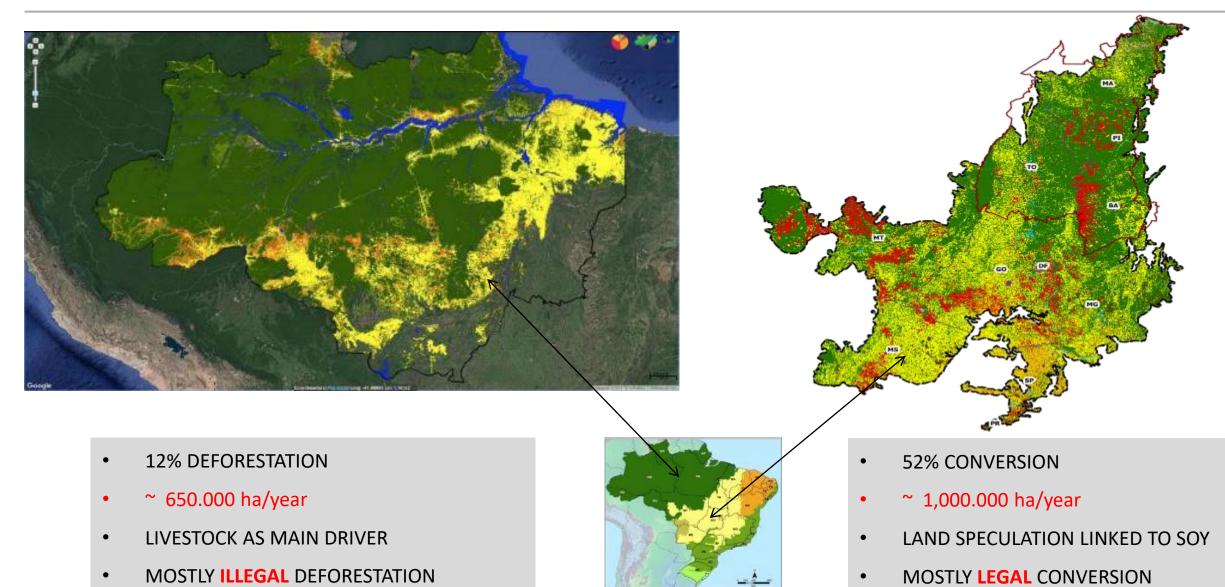


- Vast ecoregion of tropical savannah in eastern Brazil with a total size of 1,910,037 km2, representing five time the size of Japan
- The main ecosystem types of the Cerrado consist of forest savannahs, wooded savannahs, wetlands and grasslands
- The Cerrado has a tropical climate, with two well-defined seasons – one dry and one rainy, both with high temperatures.

# AMAZON



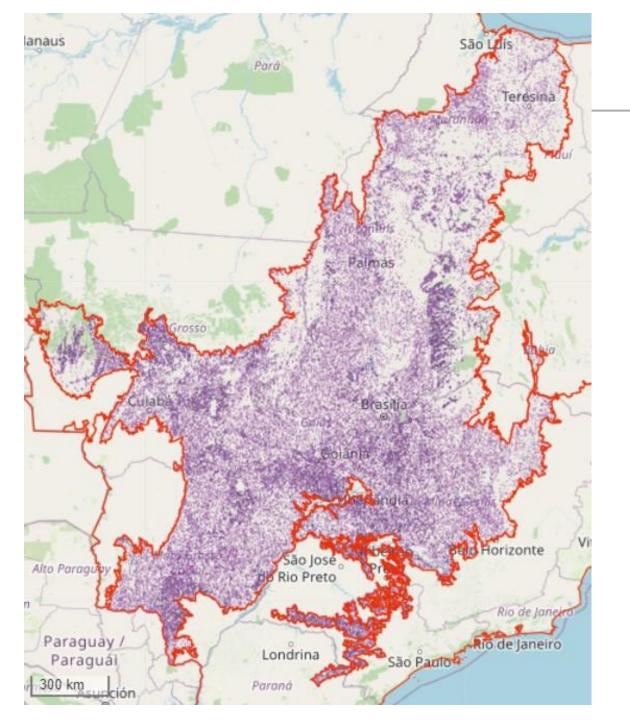




# Cerrado is the world's biggest conversion frontier



- 52% of the Cerrado has been cleared (most for soy, cattle) - twice the size of France
- The remaining 48% are now under threat (from increasing global demands for soy and cattle)
- The Cerrado is <u>half the size of the Amazon but</u> has <u>double the amount of conversion</u>
  - 250 million tonnes of carbon are released annually from conversion in the Cerrado - annual emissions of 53 million cars



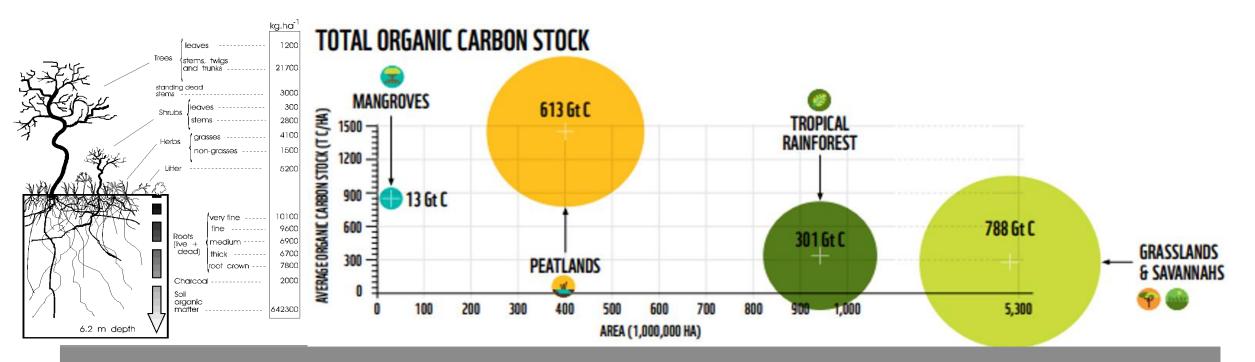
# Conversion in the Cerrado



- The main cause of conversion in the Cerrado is the expansion of agribusiness.
- Only 8.7% of Cerrado is legally protected. Less than 3% strictly protected.
- The FAO Forest definition covers only 26% of the Cerrado – 74% remain unprotected.

### Savannahs and grasslands represent huge carbon sink





- Grasslands and savannahs = 20% of the total carbon in terrestrial ecosystems<sup>2</sup>
  - Cerrado accounts for 26% of Brazilian emissions from land-use change<sup>3</sup>
- Carbon footprint of MATOPIBA states is 2–6 times larger than Brazil average<sup>4</sup>

# **Deforestation goes far beyond forest**



- Cerrado is world's oldest and richest savannah, with more than 11.430 plants (40% endemic), 1.800 tree species, 250 mammals, 856 birds, 262 reptiles, 204 amphibians, 1300 fishes etc...
  - Cerrado is far richer than most of the world's forests and under threat of massive extinction
  - It is also a prominent watershed, of 8 of total 12 Brazilian river basins, essential for the Pantanal and supply of most of Brazilian largest and most populated cities.

### Soy as the main driver of deforestation in Cerrado



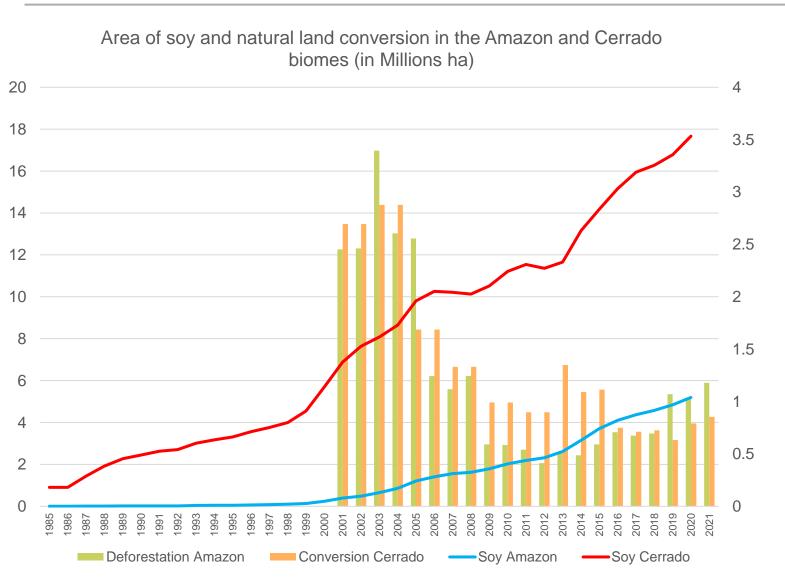
Soy expansion is the main driver of conversion in the Cerrado

 People's livelihoods have been increasingly affected by the intense expansion of agricultural crops imported and consumed by the industry and population of other countries

 This expansion of agricultural areas over native vegetation generates environmental degradation and also causes social impacts through landgrabbing, disrespect for traditional territories and weakening traditional food production systems

# Soy plantation VS conversion rate

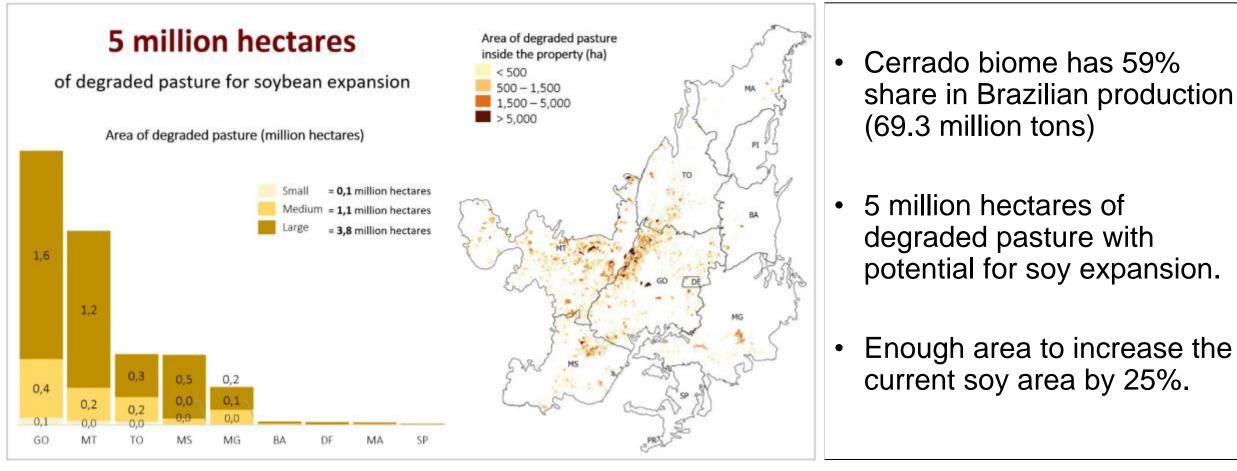




- Soy expansion in Cerrado (MapBiomas):
  - From 2000/01 to 2019/20: 6.9 to 17.7 Mha
  - From 2018/19 to 2019/20: 0.88
    Mha of soy expansion (+5.4%)
- Conversion in Cerrado (PRODES):
  - From 2001 to 2021: 29.0 Mha converted
  - From 2020 to 2021: 0.9 Mha of natural vegetation converted (+7.6%)

# **Degraded pastures for soybean expansion**





#### How to continue soy expansion without conversion



- Establish ASAP deforestation and conversion-free (DCF) commodity supply chains by 2025 (target date), grown on land that was deforested or converted no later than 2020 (cutoff date)
- Establish transparent traceability, monitoring, and reporting systems for direct and indirect suppliers, to all production farms and plantations
- Adopt these DCF policies at the group level, across all forest and non-forest natural ecosystems, all commodities, all geographies independent of their risk, and to all processed and embedded products



### How to continue soy expansion without conversion



 Ensure fair and efficient support and incentives to smallholders, including capacity building and access to technology

Adopt a clear time bound implementation plan and publicly and frequently report on progress

Businesses should also prioritize executing transparently disclosed strategies aligned with the Accountability Framework to eliminate all deforestation and conversion from their supply chains as soon as possible, over offset and niche approaches



#### HELP US SAVE THE CERRADO BY TAKING DEFORESTATION AND CONVERSION OUT OF THE SUPPLY CHAINS

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