



GOOD
GROWTH
PARTNERSHIP

The Good Growth Partnership

Cultivating Sustainability in Commodity Supply Chains

Taking Deforestation Out of the Soy Supply Chain in Brazil

The Challenge

Brazil is one of the few countries in the world with the capacity to increase production of agricultural commodities in order to satisfy growing global demand. Over the past decades, a new agricultural frontier was opened up for the production of soy, corn and cotton in an area of the Cerrado savanna known as Matopiba. This frontier threatens some of world's most important biodiversity hotspots which include the headwaters of three South American major river basins (Amazon/Tocantins, São Francisco and Plata).

In addition to its unique environmental aspects, the Cerrado also has great social importance as it is home to several indigenous lands, conservation areas, land reform settlements and traditional communities.. These people and many more depend on the biome's natural resources for their subsistence.

Budget

GEF: USD \$6,600,000

Co-financing: USD \$28,204,678

Implementing Agencies

UNDP in partnership with Conservation International and with Sociedade Rural Brasileira (SRB), Fundação Brasileira para o Desenvolvimento Sustentável (FBDS) as grantees.

Countries and Regions in Scope

- Brazil: The Matopiba region was selected because it is the region where soy production has increased most over the last decades. Expansion of soy production in this region was twice as fast as in other regions in the Cerrado biome. It is also the region where most of the remaining native vegetation of the Cerrado is concentrated.

Project Overview

To reduce environmental threats in the Cerrado, and to promote sustainable soy production, this Good Growth Partnership project will seek to encourage soy cultivation in already converted or degraded lands. The project also seeks to support the restoration and creation of conservation areas and the implementation of Brazil's Forest Code.

In addition, the project will support farmers to adopt sustainable farm management and production practices.

Project Components

1. Dialogue, Policies and Enforcement

This component will provide support for the mobilization and engagement of public and private partners in an effort to define a vision for the development of the region and for the implementation of existing environmental legislation, in particular the Forest Code of 2012.

2. Farmer Support Systems

This component will increase awareness and provide support for sustainable management and the use of sustainable agricultural practices.

3. Land Use Planning

This component will work with stakeholders to identify and define sustainable landscapes in soy production areas located in the Matopiba.

4. Supply Chain Integration

This component aims to increase awareness of the market (processing industries, retailers and consumers) as well as the banking sector regarding sustainable production of soy and methods to promote it.

5. Knowledge Management and M&E

This component ensures that the project gathers and shares lessons systematically and effectively with a special emphasis on developing and disseminating knowledge.



Expected Results

At a minimum, **40%** of the Matopiba area will be covered with native vegetation and therefore protected as either conservation area, indigenous or traditional community areas or under the Forest Code.

Half of all properties in **10** focal municipalities will be regularized under the Forest Code.

A total of **5%**, or **2500ha** of the permanent protection areas (APP) deficit will be under restoration.

The low carbon programme (ABC) will **triple** participation in focal municipalities.

A total of **60** companies will increase their capacity to make and implement commitments to source reduced deforestation commodities with support from WWF via the Good Growth Partnership Demand Project.

A total of **six** companies will be supported to improve their sourcing and sustainability strategies through the development

of a transparency portal. This will be implemented by WWF's Demand Project, supported by the Good Growth Partnership.

A total of **5570** trade flow assessments from soy municipalities will be conducted and successfully shared with relevant stakeholders. This will be implemented and monitored by WWF's Demand Project.

One long-term finance product will be developed based on findings from a business case analysis, which will be implemented and monitored by the International Finance Corporations' Transaction Project, supported by the Good Growth Partnership.

Up to **eight** workshops will be held to test long-term finance products.

Four major lessons learned will be compiled and disseminated.



Stakeholders Engaged

- Farmers and farmer organizations
- Federal and state governments
- Traders and civil society
- Implementation of activities should help to further mobilize municipal governments, state secretariats for agriculture, the financial sector and others

Opportunities for Engagement

The Good Growth Partnership Demand Project provides partners with opportunities to engage with financial institutions and with key representatives, particularly those from European processing industries.



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About the Good Growth Partnership

Launched at the United Nations New York headquarters in 2017, the Good Growth Partnership works with the governments of Brazil, Indonesia, Liberia and Paraguay, as well as the private sector and civil society organizations, to put sustainability at the heart of commodity supply chains. The partnership is funded by the Global Environment Facility and also contributes to the GEF's commitment to assist the

objectives of multilateral environmental agreements. Led by the UNDP's Green Commodities Programme, the initiative was designed and is being implemented in partnership with Conservation International, the International Finance Corporation, UN Environment, the World Wildlife Fund and their respective partners.

Project Document

View the [project document](http://www.thegef.org) in full at www.thegef.org

Contact

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