



Soybean Plantations: A Threat to Communities in the Cerrado-Amazon Transition Zone

PHOTO: ROSILENE MILIOTTI/FASE

BACKGROUND

Not many people realize that currently the largest and most endangered ecosystems and cultural communities in South America are not in the Amazon, but instead the Brazilian Cerrado. The Cerrado is a biome that borders the Amazon and covers 20% of Brazil. *Cerrado* can be translated as “dense” or “closed” and refers to the natural vegetation of this type of savannah due to the diversity and density of the mix of trees, shrubs and grasses.

The Cerrado region is home to around 15 million inhabitants including both rural and urban settlements, and the land is used by 80 different indigenous peoples and many rural communities recognized under Brazilian law as “traditional peoples”. These traditional peoples often have centuries of cultural adaptation to making their livelihoods in the Cerrado environment through farming, herding, fishing, hunting, and harvesting wild products.

Traditional peoples in the Cerrado include Quilombolas, Afro-Brazilians who trace their heritage centuries back to communities that escaped slavery. The Babassu Nut Breakers (*Quebradeiras de Coco Babassu*) are also primarily Afro-Brazilian but base their group identity on their livelihood. Other traditional peoples are identified by their livelihoods or the ecological niche they occupy, including Ribeirinhos, Vazanteiros, Retireiros de Araguaia and Geraizeros. There are also camps and settlements of landless, or until recently landless, peasant farmers who have been displaced by large-scale agriculture.

Many of these local peoples are *posseiros*, meaning that they have established legitimate land tenure rights through their long term possession and use of the land, sometimes over generations. Many of the indigenous and traditional peoples have their dwellings in the lowlands along Cerrado rivers, where they have access to water, but the upland savannahs remain crucial to their livelihoods sustained by hunting, collecting food and fuel, and grazing animals.

LARGE-SCALE FARMING DRIVES OUT INDIGENOUS COMMUNITIES

Because their communities and families have never been able to obtain land titles from the state, they are vulnerable to land grabbers (*grileiros*), often regional elites or national businessmen who claim the land by force, through intimidation and pressure to sell, and through false claims and corruption at land offices. Land grabbers have often claimed the upland savannahs as “public land” available for cattle ranching and later converted it to mechanized farming. Once agribusinesses begin installing irrigation systems and polluting the rivers, they often deprive posseiros of water, creating conditions where they may be pressured to sell their remaining holdings and subsequently lose their livelihoods.

The large-scale production of agricultural commodities is used primarily for animal feed and provides cheaper meat for populations that already have enough food, and this large-scale soy farming is subsidized by biofuels markets created by policies promising false solutions to climate change. As seen in the Cerrado, large-scale industrial agriculture destroys the environment and displaces communities.

The Cerrado is the most biodiverse savannah region on Earth, containing five percent of the total biodiversity on the planet, including 12,000 species of plants, more than 800 species of birds, and thousands of species of fish and insects. However, human activity has already degraded more than half of the Cerrado. Only 48% remains covered with natural vegetation.

Beyond biodiversity the Cerrado is critically important for its water resources which feed into the Amazon as a main source of the rivers there. Unfortunately herbicides, insecticides and fertilizers used by agribusiness have polluted many of the rivers, and deforestation and crop irrigation are drying up as many as 10 small rivers every year.

The conversion of the Cerrado to massive soybean plantations is driven by global financial speculation in agricultural commodities, which provides incentive for increased production of crops, drives up land prices, and fuels additional cycles of land speculation supported by the credit available to large-scale agribusiness. Institutional investors such as pension funds have also gotten into the act, buying land from local and national businessmen who accumulate it by defrauding local people and by fostering corruption in government land offices.

SOY EXPANSION ATTRACTS PENSION FUNDS

With much of the Cerrado already overtaken by large-scale agriculture, the speculation-driven soybean expansion is now focused on the largest remaining Amazon-Cerrado transition area in the Brazilian northeast. In 2015 the Brazilian government declared support for further expansion of soy by proposing a MATOPIBA development initiative, an acronym that takes its name from the four Brazilian states affected: Maranhão, Tocantins, Piauí, and Bahia. The MATOPIBA initiative is still being debated in the Brazilian Congress, but agribusiness is aggressively proceeding with expansion plans.



The Global Environmental Facility (GEF), a multi-lateral donor agency supported by member countries and housed at the World Bank, has approved a MATOPIBA-related project at the request of the government of Brazil with a \$6.6 million grant and \$28 million of expected co-financing. The stated aim of the project is to facilitate soy expansion without causing new deforestation in the region, but the project focuses on commitments from agribusiness to avoid deforestation, and there are no details on whether the project will ensure that indigenous and community land rights will first be assessed and then recognized.

The prospect of soy expansion in the region has attracted not only Brazilian land grabbers but also international investors. The largest pension fund in the United States, TIAA-CREF, has purchased 15 large farms in the MATOPIBA region totaling at least 64,850 hectares, according to the limited information available.¹ TIAA, which claims to be a responsible investor, reportedly purchased some of its land from Brazilian businessman Euclides di Carli, who has been accused of land grabbing and has had some of his land sales overturned in court. This type of investment creates incentives for unscrupulous actors to acquire land by whatever means they can.

¹ TIAA. 2017. “Farmland Location Map.” <https://www.tiaa.org/public/assetmanagement/strategies/alternatives/agriculture/farmlandmap>



BABASSU NUTS ARE HARVESTED AND PROCESSED IN THE MATOPIBA REGION OF BRAZIL.
PHOTO: LUCA ZANETTI/ACTIONAID

THE BABASSU NUT BREAKERS MOVEMENT

One of the strongest organizations among traditional communities in the MATOPIBA region is the Interstate Movement of Babassu Nut Breakers. The movement has been formed by 300,000 women who support their families by harvesting and processing wild babassu nuts, which provide food, fiber, and an edible oil that can be used for fuel or in cosmetics. The women are mostly from Afro-Brazilian communities that have not had their land rights adequately recognized, while the government has awarded “public” lands to ranchers in the region.

For centuries these communities have collectively managed babassu palm groves, and only since the beginning of the soy expansion have large land title grantees begun to deny them access to their palm groves and forests, which cover a total of 25 million hectares in northeastern Brazil, mostly in the Cerrado-Amazon transition zone of MATOPIBA.

Numerous Brazilian municipalities have passed laws protecting the babassu trees and the rights of the women to access them even when land has been titled to others. The UN Guidelines on the Governance of Land Tenure state that governments can recognize such shared use and should recognize all legitimate tenure rights holders whether or not they have titles.

The Brazilian government has yet to pass legislation protecting the majority of the babassu forests, even though it has committed to using the UN land tenure guidelines.



A VILLAGER IN MATOPIBA HOLDS TWO BOTTLES OF WATER. THE ONE ON THE RIGHT SHOWS POLLUTION BY SOY PLANTATIONS.
PHOTO: ROSILENE MILIOTTI /FASE



COMMUNITY MEMBERS DISCUSS THE IMPACTS OF AGRIBUSINESS IN THE CERRADO REGION.
PHOTO: ROSILENE MILIOTTI /FASE

POLICY RECOMMENDATIONS²

- Governments and investors should **stop supporting the expansion of soy and the acquisition of land in new areas of the Cerrado** by agribusiness.
- The **Global Environmental Facility** should focus on **securing the land rights of indigenous and traditional peoples** rather than on deciding which lands agribusiness can take based on tree cover.
- The Government of Brazil should make good on its commitment to the UN Tenure Guidelines (the VGGTs), by **securing the land rights of all indigenous and traditional communities in the areas they have historically used**, both in the uplands and the lowlands of the Cerrado.
- Based on its commitments to agrarian reform and the UN Tenure Guidelines, the Government of Brazil should **secure land for landless peasants and family farmers** rather than promoting further expansion of agribusiness.
- In all projects affecting their communities in the Cerrado region and elsewhere, **the right of indigenous peoples to give or withhold Free Prior and Informed Consent must be respected**, and the same principles should be implemented for traditional communities and other marginalized or vulnerable groups.

² November 18, 2016. Open Letter of the Campaign in Defense of the Cerrado: <http://www.stopcorporateimpunity.org/wp-content/uploads/2017/02/CERRADOingles.pdf>

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