



NEXTRA
CONSULTING



From Regulation to Reality:

Implementing the EUDR in
Brazilian-German Soy Supply Chains

ABOUT THE STUDY

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LIST OF ABBREVIATIONS

Abbreviation	Definition
ABC+	Plan for Adaptation and Low Carbon Emissions in Agriculture (Plano de Adaptação e Baixa Emissão de Carbono na Agricultura)
ABRAMPA	Brazilian Association of Members of the Public Ministry of the Environment (Associação Brasileira dos Membros do Ministério Público de Meio Ambiente)
AB+S	Agro Brasil + Sustentável
AFi	Accountability Framework initiative
APIB	Articulation of Indigenous Peoples of Brazil (Articulação dos Povos Indígenas do Brasil)
ASM	Amazon Soy Moratorium
ASV	Vegetation Removal Authorisation (Autorização de Supressão de Vegetação)
AUAS	Alternative Land Use Authorisations
BLE	German Federal Office for Agriculture and Food (Bundesanstalt für Landwirtschaft und Ernährung)
BMLEH	German Federal Ministry of Agriculture, Food and Regional Identity (Bundesministerium für Landwirtschaft, Ernährung und Heimat)
BMZ	German Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung)
CAR	Rural Environmental Registry (Cadastro Ambiental Rural)
CBD	Convention on Biological Diversity
CCIR	Rural Property Registration Certificate (Certificado de Cadastro de Imóvel Rural)
CCM	Cerrado Conservation Mechanism
CMA	Committee of the Environment
CNDH	National Human Rights Council
CNMP	National Council of the Brazilian Public Prosecutor's Office
CNPCT	National Council of Traditional Peoples and Communities
CNPJ	Corporate Taxpayer Registry
CPF	Individual Taxpayer Registry (Cadastro de Pessoa Física)
CPT	Pastoral Land Commission (Comissão Pastoral da Terra)
DCF	Deforestation and Conversion-Free
DDS	Due Diligence Statement

Abbreviation	Definition
EUDR	European Union Deforestation Regulation
FAO	Food and Agriculture Organization of the United Nations
FDaP	Forest Data Partnership
FPIC	Free, Prior, and Informed Consent
GFC	Global Forest Cover
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
IBAMA	Brazilian Institute of the Environment and Renewable Natural Resources (Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis)
ILO	International Labour Organization
ILPF	Integrated Crop-Livestock-Forest System
IPAM	Amazon Environmental Research Institute (Instituto de Pesquisa Ambiental da Amazônia)
IPLC	Indigenous Peoples and local communities
ISPN	Institute of Society, Population and Nature
MAPA	Ministry of Agriculture and Livestock (Ministério da Agricultura e Pecuária)
MATOPIBA	Maranhão, Tocantins, Piauí, and Bahia
MPF	Federal Public Ministry (Ministério Público Federal)
OCF	Forest Code Observatory (Observatório do Código Florestal)
RCF	Responsible Commodities Facility
SICAR	National Rural Environmental Registry System (Sistema Nacional de Cadastro Ambiental Rural)
SIGEF	Land Management System (Sistema de Gestão Fundiária)
SINAFLOR	System used for authorisations to remove vegetation (Sistema Nacional de Controle da Origem dos Produtos Florestais)
SME	Small and medium-sized enterprises
TFFF	Tropical Forest Forever Facility
UN	United Nations
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
Whisp	What is in that plot



1 EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

This study analyses the practical implementation of the European Union Deforestation Regulation (EUDR) in the Brazilian-German soy supply chain. It provides an overview of central challenges perceived in the preparations for the EUDR, as well as emergent solutions and overarching implications for stakeholders navigating this new regulatory landscape. With this, the study aims to bridge the gap between the regulatory text and on-the-ground realities, offering insights for the private sector, governmental bodies, civil society, and other stakeholders.

As an importer of soy, the EU has a particular responsibility. After palm oil (34%), soy is ranked second (32.8%) on the list of commodities where European consumption is directly linked to deforestation.

The findings are grounded in a multi-stakeholder analysis, drawing on qualitative questionnaires, semi-structured interviews and site visits with a broad range of actors. Participating stakeholders represent actors along the entire soy value chain, including producers, processors, traders, manufacturers, and retailers, as well as their respective associations. Perspectives from governmental organisations, civil society, and research institutions as well as from Indigenous Peoples and local communities (IPLC) directly affected by soy production and expansion have been incorporated to ensure a balanced view across stakeholder groups.

This executive summary mirrors the study's analytical framework. It begins with the key requirements of the EUDR and then broadens its view to the strategic imperatives necessary to maximise the regulation's positive impact beyond mere compliance. While stakeholders perceive multiple challenges, the EUDR has already proved a significant catalyst, advancing traceability and transparency while highlighting systemic hurdles. While some challenges stem from uncertainties in the interpretation of the EU's regulatory text, many are more closely linked to governance systems in producing countries or to shortcomings in ensuring a level playing field.

1.1 CENTRAL FINDINGS: NAVIGATING THE EUDR IMPLEMENTATION LANDSCAPE

1.1.1 A Shift Between Hurdles: Progress on Geolocation and Uncertainty on Legality

The implementation of the EUDR is a dynamic process, with primary hurdles evolving. In the early stages of EUDR preparation, stakeholders viewed the technical aspects of data collection as the biggest challenge. As many of these questions have since been clarified, the interpretation of the EUDR's legality requirements has now emerged as the foremost concern for those needing to demonstrate compliance.

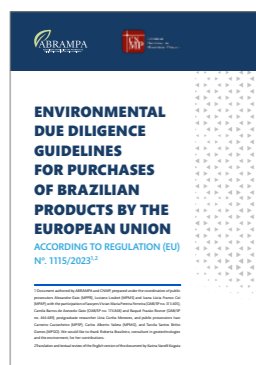
In the early stages of EUDR preparation, stakeholders viewed the technical aspects of data collection as the biggest challenge.

Prior to the regulation, numerous actors had already established their own targets for achieving deforestation and conversion-free (DCF) supply chains. Traceability was perceived as the major challenge, with shipments which shipments whose exact origins could be determined remaining a clear exception. The EUDR has given powerful regulatory impetus, accelerating and systematizing these pre-existing efforts. Even though some data-gathering and -management challenges persist, issues related to ensuring the deforestation-free requirement of the EUDR in particular are now widely considered solvable. This is also due to the efforts of single companies involving themselves more directly in their value chains, as well as the emergence of practicable tools and collaborative efforts in sector-wide approaches.

Whereas at first, stakeholders pointed to the requirements regarding geolocation data as the main challenge, now the 'legality requirement' has emerged as the foremost area of uncertainty in EUDR-compliance. Actors perceive dual uncertainties:

	
<p>1. Scope of legislation: There is still significant ambiguity as to which specific Brazilian laws the EU and the competent authorities of each Member State will deem relevant for compliance.</p>	<p>2. Sufficiency of evidence: It is unclear what levels and forms of evidence will be considered sufficient proof of adherence to these laws.</p>

This uncertainty shifts the burden of compliance from the ongoing exercise of geolocation data collection, management and analysis to a more qualitatively based analysis of legal risks, which requires an understanding of Brazil's domestic systems and challenges.



The study was able to gather valuable insights that help make the uncertainty surrounding legal criteria more approachable. In this context, the Brazilian association ABRAMPA, (Brazilian Association of Members of the Environmental Public Prosecutor's Office), developed a report mapping the Brazilian environmental regulatory framework for the EUDR and providing clear guidelines on due diligence systems for companies ([Environmental Due Diligence Guidelines by ABRAMPA](#)).





Adding a focus on social issues, the WWF developed a guide for companies operating in Brazil ([Human Rights Due Diligence Guide by WWF Brazil](#)). Although these documents help navigate this landscape, uncertainties regarding which criteria EU authorities will consider EUDR-compliant persist for value chain actors.

1.1.2 Systems Within Brazil: The Duality of Promising Tools and Gaps in Regulatory Systems

The only way to effectively implement the EUDR is to consider Brazil's domestic landscape of systems, including its regulatory frameworks, enforcement measures, tools, and sectoral approaches. This landscape is characterised by duality: promising systems such as monitoring tools coexist with gaps in legal frameworks and enforcement.

On the one hand, Brazil possesses advanced systems that can support EUDR compliance. Initiatives such as the national [Agro Brasil + Sustentável \(AB+S\)](#) platform, the national platform by the [Observatório Socioambiental](#), the federal-state-level [SIFMA Selo Verde](#) approach, and high-accuracy monitoring systems such as [PRODES](#) provide a strong basis and significant capacities to support compliance. On the other hand, structural weaknesses in regulatory frameworks, law enforcement, and implementation systems generate uncertainty about how to provide sufficient evidence of compliance:

	
<p>1. Lack of reliability in central systems: Persistent shortcomings in the context of the Forest Code, e.g. in the validating processes of the Cadastro Ambiental Rural (CAR), Brazil's system for environmental registration of rural properties, undermine its reliability. Similarly, irregularities have been observed in the processes for granting Vegetation Removal Authorisations (ASVs).</p>	<p>2. Land and human rights gaps: The expansion of soy cultivation remains linked to land grabbing and violent encroachment on the territories of IPLC. Visibility, legal recognition, and protection remain incomplete for many traditional communities.</p>



A soy farm in the Brazilian Cerrado.

While Brazil’s tools and stakeholder expertise in the context of the deforestation-free requirement should be acknowledged, the EUDR’s legal production requirement shines a spotlight on the remaining weaknesses of Brazil’s regulatory framework and enforcement of laws. As many of the identified hurdles are systematic, they should be addressed holistically through, for example, collaborations across stakeholders, advocacy by companies, and by the governmental organisations of Brazil. These challenges also show that due diligence systems that have been put in place by companies in order to comply with the EUDR should be tailored to the Brazilian context to address the remaining challenges.

1.1.3 Ensuring Impact: From Compliance of Volumes to a Holistic Alignment

The legislative text of the EUDR itself acknowledges that achieving its objectives to combat deforestation requires implementation at scale, which is why it operates at EU level rather than at the level of individual Member States. Even when the volumes of all EU Member States are combined, it remains apparent that additional, overarching actions need to be taken to achieve the regulation’s objectives and amplify its impact beyond EU supply chains. Some stakeholders perceive the risk that linking soy to deforestation or illegality could cause shifts and simply redirect cultivation from forests to other ecosystems or shift trade routes in areas with a higher risk of deforestation or illegality from Europe to markets with lower sustainability requirements. Addressing these potential dynamics requires a holistic approach to achieving DCF soy production, with the EUDR representing one element of a broader strategy. Comprehensive engagement, through DCF commitment, policies, and implementation measures that go beyond

individual EU volumes must be complemented by engagement with major consumer markets such as China, as well as by actions such as the development of incentive systems, sectoral collaboration, implementation of large-scale traceability tools, and support for landscape-level initiatives.

1.2 CONCLUSION: A PATHWAY TO RESILIENT AND RESPONSIBLE SUPPLY CHAINS

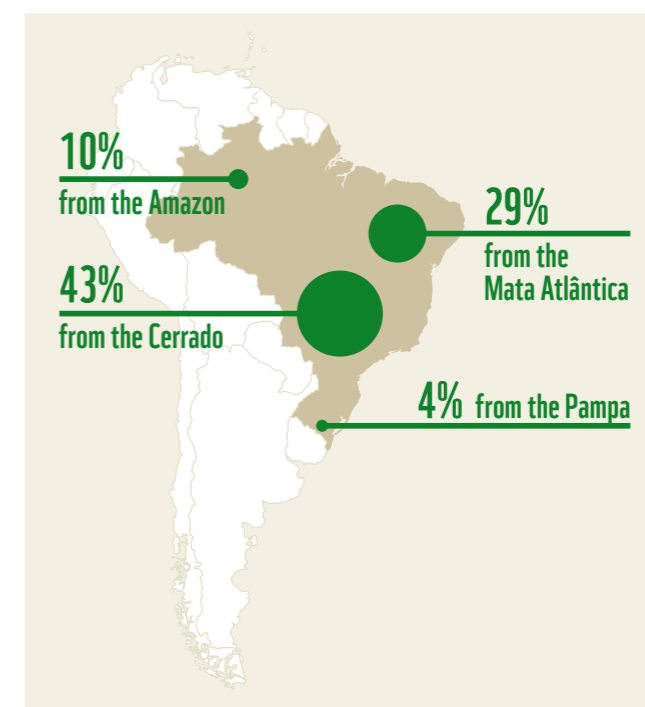
The EUDR has already catalysed substantial progress in supply chain traceability and system development.

The EUDR has already catalysed substantial progress in supply chain traceability and system development. The findings of this study confirm that, while challenges remain, particularly regarding the interpretation of legality, a general implementation is perceived as feasible by most actors. A wide range of solutions, tools, and collaborative approaches is rapidly emerging to address the remaining hurdles.

The regulation also serves to highlight long-standing, systemic challenges. Some of these hurdles stem from pre-existing weaknesses in governance and enforcement in producing countries, which the regulation now brings into sharper focus. This situation presents not just a challenge, but an opportunity as well.

Ultimately, the long-term success and scope of the positive impact of the EUDR depend on stakeholders using the regulation as a lever to address underlying issues, rather than simply establishing a parallel ‘clean’ supply chain for Europe. The greatest potential lies in acknowledging the EUDR as one of many instruments for more sustainability and embedding its

In 2022, Brazil exported almost 15 million tons of soy to the EU, a third of which originated from the Cerrado.



principles within broader, holistic DCF strategies that encompass all natural ecosystems and ensure the protection of social rights, such as human and IPLC rights.



2. INTRODUCTION

The aim of this study is to provide an overview of the main challenges stakeholders perceive in the successful implementation of the EUDR and to gather possible solutions for these challenges.

The study draws on findings from central research projects and pilot exercises as well as on interviews with stakeholders in Brazil and the EU.

The study draws on findings from central research projects and pilot exercises, including the [Olab Study 2024](#) and the [ProForest Study 2025](#), as well as on interviews with stakeholders in Brazil and the EU. Participating stakeholders represent actors across the entire value chain, including producers; processors; traders; manufacturers; and retailers; as well as their respective associations; governmental organisations; non-governmental organisations; non-profit associations; initiatives; research institutions; and IPLC affected by soy production and expansion. Through interviews, exchange formats and written inputs, stakeholders shared insights into their perceived challenges, ideas for solutions and the expectations of the stakeholder groups. These stakeholder perspectives were gathered throughout 2025. Reflecting the developments of the EUDR, the study takes into account the new EUDR amendments as of 19.12.2025 ([EUDR amendments 2025](#)). While the most recent changes within the regulatory text are expected to be accompanied with updated and additional documents including frequently asked questions (FAQ) and guidance, the study draws upon the most recent versions available: FAQ version 4 of April 2025 ([FAQ v4](#)) and the guidance document for the EUDR of April 2025 ([EUDR Guidance Document](#)).

The study is structured according to the key requirements of the EUDR, focusing on deforestation-free production, production in accordance with relevant legislation, and coverage by due diligence statements as well as a chapter on maximising the positive impact of the regulation. Many topics are interconnected, and results should be understood holistically, with cross-references to other chapters where especially relevant.

Within each chapter, the study outlines the main challenges to compliance with the EUDR and uses insights from stakeholder interviews to identify potential approaches for addressing them. For each hurdle, the study presents an aggregated overview of proposed solutions, which is based on contributions and expectations from different stakeholder groups. While these approaches may not fully resolve every challenge, they provide ways to mitigate them, acknowledging that this study represents the current situation at the time of research and that systems, practices, and learnings will continue to evolve during the preparation and implementation of EUDR.

Solutions are consolidated at the end of the study and linked to central stakeholder groups in the form of actionable asks. This structure provides a comprehensive understanding of both the challenges and possible approaches to support the effective implementation of the EUDR.



3 CHALLENGES AND SOLUTIONS

3. MEETING THE REQUIREMENTS OF THE EUDR: CHALLENGES AND SOLUTIONS

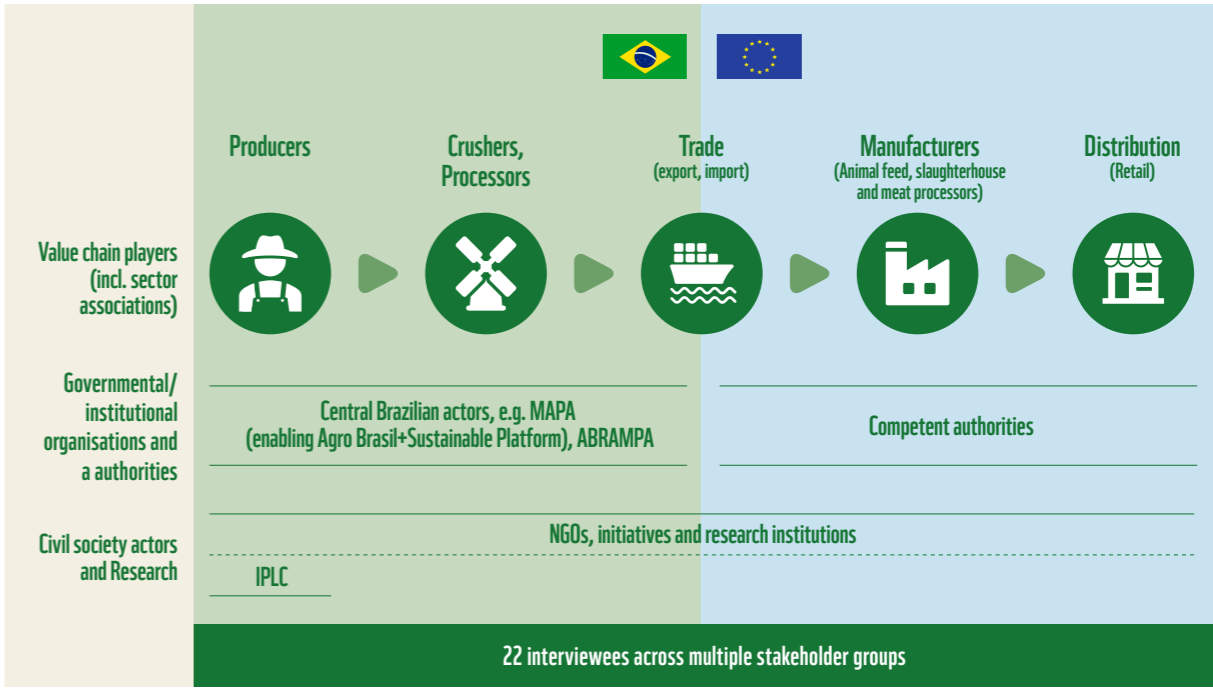
3.1 DEFORESTATION-FREE PRODUCTION

3.1.1 Data Collection

The EUDR defines clear data requirements (Art. 9). As a central factor for the analysis of deforestation risks, a production area's geolocation data must be provided in a GeoJSON format (polygon data; for areas below four hectares, the use of single geolocation points is optional). With regard to the process of gathering and sharing the geolocation data, different hurdles are perceived at different stages of the value chain.

With regard to collecting and sharing the geolocation data, different stages of the value chain experience different hurdles.

Upstream, at the producer stage, it has been found that some producers are currently not sharing the geolocation data of their production area with clients. One reported reason is that producers **lack knowledge of the market (and its requirements)** that their soy is ultimately supplied to. **A lack of knowledge and capacities to map and provide the required data** may also pose challenges for producers; however, this is perceived as a minor issue, as the mostly large size of the soy farms in Brazil, the use of the CAR system, and the strong articulation of soy farmers in associations contribute to a capacity to map and provide data. If asked to share geolocation data, further challenges can include resistance to transparency and accordingly **the lack of incentive** to make data available. This hurdle accounts not only for the producer itself but for the intermediaries involved as well.



22 interviewees across multiple stakeholder groups

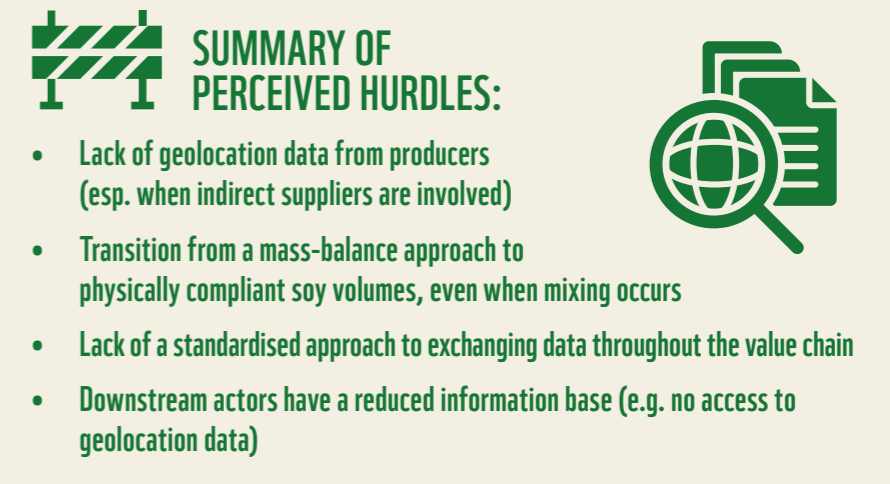
Along the value chain, a lack of information regarding geolocation data is perceived especially when intermediaries between farmers and soy traders are involved. **Indirect supplier relationships are frequently reported to lack traceability** of volumes. **Changes in the supplier base** can make it much more challenging to ensure traceability and compliance. Moreover, there is a concern that some producers, while being fully compliant with EUDR requirements, might still risk exclusion from value chains, not because of deforestation or illegal practices, but due to insufficient data or evidence demonstrating their compliance (see also [chapter 4.2 Risk of Circumvention and Shifts in Value Chains](#)).

Independently of the EUDR, as soy traders, many midstream actors have defined own targets to eliminate deforestation and conversion from their supply chains. Many of these companies' actions to achieve the targets they have set themselves go hand in hand with EUDR requirements. One of the biggest perceived hurdles is that within these activities, companies are currently also using **mass-balance options** (in the product portfolio in general but sometimes also in specific contexts, e.g. within regions that are perceived to have a low deforestation risk). The EUDR, on the other hand, **does not allow the mixing of volumes** for the EU market with volumes that are of unknown origin or non-compliant in the context of the EUDR (see [EUDR FAQ v4 1.4](#)). Some actors perceive this as challenging, as the soy supply chain involves **mixing at multiple stages** of the value chain.

Within the value chain, there are also uncertainties around which concrete data should be shared in which way and at which stage of the value chain to reduce the risk of non-compliant volumes. Stakeholders report the **lack of a standardised approach to exchanging data throughout the value chain**.

The first actor in the value chain that is required to complete a due diligence assessment under the EUDR is the entity that first places soy (or the relevant product) on the EU market: the operator. To exercise due diligence and submit a Due Diligence Statement (DDS), operators need to include geolocation data. In contrast to the operator, the obligations under the EUDR differ for the subsequent actors in the value chain. The operator is required to communicate the reference numbers of the due diligence statements and declaration identifiers to the next actor down the supply chain (downstream operator or trader) (EUDR Art. 4). Within the EU information system, operators have the **option to determine whether the geolocation data** contained in the DDS is **accessible and visible to downstream actors** (see [EUDR FAQ v4 3.6](#)). Actors that follow further down the value chain are not subject to the EUDR obligation of collecting or passing on reference numbers.

The EUDR, on the other hand, does not allow the mixing of volumes for the EU market with volumes that are of unknown origin or non-compliant in the context of the EUDR



SUMMARY OF PERCEIVED HURDLES:

- Lack of geolocation data from producers (esp. when indirect suppliers are involved)
- Transition from a mass-balance approach to physically compliant soy volumes, even when mixing occurs
- Lack of a standardised approach to exchanging data throughout the value chain
- Downstream actors have a reduced information base (e.g. no access to geolocation data)



Solutions gathered for perceived hurdles:

Lack of geolocation data from producers (esp. when indirect suppliers are involved)

Understand 'how': Build capacities and support producers during the transition

- **Inform and engage suppliers:** It is important to ensure that producers are made aware of which information and data need to be provided to ensure EUDR compliance. While geolocation data should be formally required for trade with the EU market, traceability may be requested from all suppliers, beyond volumes connected to Europe.

“ It will be possible to handle anything that’s technically doable and clearly defined, like collecting and managing geolocation data. The tricky part is when it’s unclear what information is actually needed.

(Soy trader)

- **Support suppliers:** Support producers in the preparation for requirements and ensure producers know how to collect geolocation data <https://openforis.org/> and how to register at the CAR; furthermore, provide knowledge of what is concretely required in terms of data. When engaging with suppliers, ensure that beyond requirements for compliance, also overall approach to achieve DCF production is in place.

- **Advocate for and implement governmental systems:** Advocate for and implement governmental policies and systems that improve transparency of environmental, agricultural, and supply chain data, as national or subnational traceability systems. Foster the mapping and management of geolocation data of not just farms but of rightsholders in the entire territory as well, and ensure the validation of said data (see [chapter 3.2.1 on issues related to the CAR system](#)). Moreover, to help improve decision-making and guarantee citizens have free access, act in line with the Escazú Agreement’s principles of environmental justice.

Understand ‘why’: Provide incentive and motivation

- **Implement incentive systems:** Develop and implement clear, accessible, and targeted financial and technical incentives for producers, prioritising high-risk areas, to enable a shift to DCF production while respecting human and IPLC rights. These can range from direct economic benefits defined between actors on the private sector (e.g. price premiums, contractual benefits, ...) to broader financial instruments that promote DCF production, trade, and sourcing at scale. Options include green and sustainability-linked loans and bonds, blended finance, and long-term facilities such as the [Tropical Forest Forever Facility \(TFFF\)](#). Recognising the perceived need for a cultural shift within production practices, multi-year incentive systems that offer economic benefits for protecting natural ecosystems are seen as promising measures to support the transformation. Incentive formats should be designed and supported by stakeholders on the soy and finance sectors, as well as by importing countries and regions ([see also chapter 4.1 for financial mechanisms in the context of protecting ecosystems and re-taking degraded areas](#)).

Stopping the destruction of ecosystems is essential for agricultural systems’ resilience to climate risk.

- **Educate on risks & benefits:** Exchanges and capacity building carried out to implement the EUDR should strengthen the stakeholders’ understanding of the risks of deforestation and the benefits of protecting natural ecosystems. Actors along the soy value chain should have a genuine interest in preserving land and avoiding purchases from land grabbers or of converted areas – not just because of the social and ecological benefits but also for strong economic reasons. Stopping the destruction of ecosystems is essential for agricultural systems’ resilience to climate risk: it ensures climate stability, supports successful harvests, and prevents water scarcity, all of which ultimately secure the long-term viability of businesses at all stages of the supply chain. Data transparency and traceability are key enablers, and the EUDR can act as a driver for the necessary systems. Actors who are motivated by genuine commitment rather than only by compliance pressures are crucial for achieving a broader impact. Strengthening an awareness and understanding of the risks and benefits among producers and companies should therefore be a priority.
- **Foster collaboration between the EU und Brazil:** The dialogue between EU bodies and producing countries such as Brazil should be intensified to improve acceptance and buy-ins by agricultural actors, as well as to strengthen impact and practicability within the implementation of the regulation. Multi-stakeholder platforms, initiatives, tools, and systems should be fostered to enable a transparent supply chain with traceability from its origin, secure DCF supply chains, and eliminate the related abuse of human and IPLC rights.



Soy cultivation in the Brazilian Cerrado.

- **Implement holistic strategies:** Ensure holistic approaches to achieving DCF supply chains and respecting social rights that go beyond securing limited DCF volumes for the EU or focusing only on direct suppliers (aligned with the [Accountability Framework initiative \(AFi\)](#)). The priority should be on enabling the transition of entire businesses across all operations, rather than isolated product streams. This requires applying the same criteria to both direct and indirect value chain partners and cascading requirements upstream (greening suppliers), engaging the full value chain with particular attention to non-compliant and high-risk actors, which include indirect suppliers ([see example on factory-level of a Unilever plant in Brazil’s Pouso Alegre region](#), where supply conditions were enlarged to indirect suppliers to enable a DCF-factory).
- **Engage indirect suppliers:** Midstream companies are implementing multiple strategies in parallel to improve traceability in indirect supply chains, including setting clear targets for traceability on indirect supply chains, engaging and supporting suppliers and intermediaries to implement traceability systems and provide data as well as engaging in sectoral and landscape approaches to improve practices on larger scale. Investments and a long-term strategy are needed to engage with indirect suppliers. Companies should monitor and publish their action plan regarding their engagement with both the direct and the indirect supply chain and report on progress (e.g. reporting and monitoring the share of products whose origin is to a production unit, such as a farm or plot of land ([see also Imaflora, TNF, WRI, the WWF Brazil guide on Minimum Monitoring Criteria for DCF Products 2025](#))).

Certification cannot replace due diligence obligations but it can strengthen sustainability when applied as a complementary tool.



- **Develop sector-wide solutions:** Sector-wide solutions to manage geolocation data and increase traceability ease the burden on individual companies and are necessary to broaden the positive impact. They should be developed and supported actively by value chain actors along the entire supply chain. Positive examples include the SIFMA system ([see Annex I: Tools in Brazil](#)), which holds significant potential for being scaled up into a broader federal approach.
- **Use ambitious certification systems as supportive measure:** Certification schemes with supply chain models with physical traceability can support risk assessment and mitigation under the EUDR. The criteria and level of ambition of each certification scheme should be assessed carefully to ensure the latter covers DCF requirements and social rights aligned with the [AFi](#) (for further guidance, see also the study of benchmarking soy sustainability standards by [Boev et al. 2025](#)). While certification cannot replace due diligence obligations, and companies remain fully liable for compliance, it can strengthen sustainability when applied as a complementary tool.

Transition from a mass-balance approach to physically compliant soy volumes, even when mixing occurs

- **Use a ‘declaration in excess’ for compliant volumes:** To ensure credible DCF claims, physical traceability is a necessity. Methods such as mass balance remain inadequate in fighting deforestation, conversion, and human rights violations, as abuse remains unchallenged at the origin while products are traded as compliant (see also [AFi on mass-balance in the context of the consultation brief](#) and in the [guidance on land use change and emissions](#)). In the context of the EUDR, the regulation prohibits a mixing with volumes that are of unknown origin or non-compliant with the EUDR. If companies work towards a general increase in volumes that are traceable and were produced legally and without deforestation before 2020, the mixing of different volumes is not a problem. The EUDR explicitly permits a ‘declaration in excess’, allowing companies to include more land plots in their DDS than are actually used for producing the specific volume they have declared ([see chapter 3.3.1](#) and the [ISEAL report](#) for further information). To facilitate the mixing and trading of volumes between different actors (as is currently done within the soy trading market), companies should engage in the development of sectorial approaches at a deeper level to align on how to meet EUDR criteria and automate processes.



Lack of a standardised approach to exchanging data throughout the value chain

- **Use standards for base data:** As part of the Data for Sustainability Program, GS1 Germany teamed up with companies from trade and industry to develop an approach that aims to enable a much more standardised procedure for companies dealing with the EUDR. The GS1 EUDR guidelines describe concrete data attributes that need to be communicated between supply chain partners to comply with the EUDR. It differentiates between different scenarios: 1) non-EU farmer to EU importer; 2) EU importer to EU non-SME manufacturer; 3) EU non-SME manufacturer to EU non-SME retailer. When using the standardised data and its attributes, it should be taken into account that the guidelines serve as a baseline, and that additional data and information need to be gathered depending on context and risk.
- **Test and roll-out suitable technologies:** Blockchain technology has not just been discussed within the sector, it has also been implemented successfully in different pilot projects, e.g. a [project by CJ Selecta, Wholechain and Biomar](#). These approaches should not merely be scaled up at company level; instead, the sector should collaborate to reach industry-wide solutions.
- **Data protection:** When developing approaches to share data and information throughout the value chain, it is essential to respect data rights and the ownership of data, especially regarding relevant stakeholders at the beginning of the value chain, including IPLC.



Downstream actors have a reduced information base (e.g. no access to geolocation data)

- **Ensure access to core information for downstream actors:** Some operators are considering providing downstream companies with a general due diligence report, outlining the data sources and methodologies applied in their processes, without passing on primary information. These types of report can serve as a first step in assessing the quality of the due diligence approach. To improve credibility and ensure sound due diligence systems, downstream companies should in general still request access to core data (such as geolocation information) and additional data, for example in the context of random samplings or upon request.

Downstream actors should take action themselves instead of relying on the due diligence systems of suppliers.

- **Check the due diligence systems of suppliers:** Instead of relying on the due diligence systems of suppliers, downstream actors should take action themselves and verify whether an operational and up-to-date due diligence system is in place at supplying companies. GS1's EUDR questionnaire can help downstream actors collect additional information from their suppliers (e.g. in regular reviews for ascertaining due diligence systems) while minimising the effort required from the companies surveyed through this standardised approach. Comparable to the GS1 Standards on the EUDR, it should be taken into account that the GS1 EUDR questionnaire also serves as a baseline, and that additional data and information need to be gathered depending on context and risk (e.g. by refining the questionnaire and adding questions specific to the Brazilian context).
- **Require the sharing of geolocation data:** As operators already provide geolocation data within the DDS, they should use the option of making geolocation data accessible and visible for downstream actors to increase the credibility of their own due diligence systems and to enable downstream actors to exercise their responsibility along the value chain. Downstream operators, on their part, should actively engage and ask for geolocation data to be shared with them (e.g. in contractual documents) in order to gain transparency on sourcing regions, maintain the option for their own analysis of deforestation risks (e.g. regularly or in specific contexts) and to strengthen sustainability in supply chains.

A truck leaves a soy farm in Mato Grosso, Brazil.



3.1.2 Data Analysis for Deforestation


To check if farms and products are deforestation-free (cut-off date of 31 December 2020 according to Art. 2 (13) of the EUDR), spatial imagery tools can help actors to fulfil their due diligence obligations and to ascertain commodities are produced without causing deforestation. Because the EUDR does not require the use of specific satellite images or thresholds for the resolution of satellite images (see EUDR [FAQ v4 5.18. and 9.10.](#)) and only focuses on the outcome of assuring the absence of deforestation, different tools and forest cover maps are evolving on the market (see the [tool overview by Preferred by Nature](#)). Spatial imagery tools also help determine compliance and assess risks by providing maps of soy plantations within the farm and estimating yields. This provides relevant information for assessing the risk of soy laundering and the level of non-compliance in the region surrounding the farm sourced.

Spatial imagery tools can help actors fulfil their due diligence to check if farms and products are deforestation-free.

The EU Commission itself produced a map on global forest cover which aims to portray the state of global forests at a spatial resolution of 10 metres by the EUDR cut-off date. This tool can support the implementation of the EUDR and is hosted on the platform of the EU observatory on deforestation and forest degradation ([GFC 2020](#)). Created for the purpose of informing the risk assessments of operators, traders, and competent authorities, the map is non-mandatory, non-exclusive, and not legally binding (see [EUDR FAQ v4 9.10.1](#)). An accuracy assessment of the map showed an overall accuracy of 91%; however 18% of the areas were wrongly shown as forests when they are not, while 8% of actual forest areas were missing. Clusters of errors also appeared in places such as Eastern Brazil, where forests are dry and more open ([Colditz et al. 2025](#)).


Actors are **uncertain about which base map to use** to analyse deforestation and **how to handle differences between maps and analysis methodologies** as these can result in different outcomes in risk analyses along the supply chain and between actors.

Additionally, exchanges across the value chain showed hurdles regarding the **different levels of knowledge about how to handle and analyse geolocation data throughout the supply chain stages**. Considering and handling resulting differences in methodologies and analysis approaches is perceived as an additional effort.



SUMMARY OF PERCEIVED HURDLES:

- Uncertainties about which forest map to use as a base for analysis and how to handle differences between maps and analysis methodologies used.
- Different levels of knowledge about how to analyse geolocation data



Solutions gathered for perceived hurdles:



Uncertainties about which forest map to use as a base for analysis

• **Include high-quality data sources from production countries:**

From the regulatory side, there is no guidance on which forest map to use to ascertain the absence of deforestation. It is the responsibility of the value chain actors to ensure deforestation-free production and to implement systems that guarantee this. When it comes to satellite analysis, multiple options exist on the market. Reported practices, for example, use the GFC as one source and add further data and analysis steps to improve data quality. In Brazil, the Brazilian National Institute for Space Research (INPE) is responsible for monitoring deforestation

through the PRODES programme, which can serve as one important source of input. The PRODES database is available on the [TerraBrasilis platform](#) and covers different biomes within Brazil. The PRODES system shows a high level of accuracy in detecting the loss of native vegetation in Brazil and maps a minimum area of one hectare. As soybean cultivation usually

takes place in areas much larger than one hectare, the PRODES data can serve as a valuable analysis base to ascertain the absence of deforestation. Additionally, programs such as DETER-B can inform actors of deforestation alerts in the Legal Amazon and Cerrado to support monitoring. The detected results, ordered by class, state, municipality, and federal conservation units, are [available at the TerraBrasilis portal](#). In October 2025, the INPE published a refined map to distinguish between deforestation that occurred before and after the cut-off date of 31 December 2020. This effort aims to provide a baseline that is compatible with the requirements of the EUDR. The mapping meets the 0.5 ha minimum area criterion of the forest definition used in the regulation, and the data is [publicly available](#).

“**Nobody understands deforestation analysis better than Brazil.**
(Governmental organisation in Brazil)

Cross-checking their data with sound national or regional data sets can help actors to ensure compliance with due diligence obligations.

- **Consider following additional remote sensing systems in Brazil:** MapBiomass, Alerta, Brasil MAIS, SAD Imazon, GLAD, JJ-FAST, and SIPAMSAR (see also [ABRAMPA guidance](#), Appendix 3)

- **Combine and overlap maps:** Supply chain actors and competent authorities should use methodologies to address the differences between base maps and overlap different maps within their risk analysis, taking into account sound, local systems, such as PRODES for Brazil. To address the issue of different map contents, the Forest Data Partnership (FDaP) and AIM4Forests Programme, for example, developed the open-source solution ‘[What is in that plot](#)’ ([Whisp](#)), which assists in complying with deforestation-related regulations by analysing several data sets together. It is designed for any actor along the supply chain and third parties as well as for relevant governments and authorities.

- **Prepare processes for handling deviating risk analysis results:** Supply chain actors and tool providers should also prepare for how to handle deviating risk analysis results (e.g. if clients’ risk analyses come to different conclusions or competent authorities come to different results in their reviews). Actors should clearly define processes for the steps which need taking and determine which additional analyses and maps need to be considered in the event of deviation. A conservative approach should be followed to ensure that if multiple systems show no risk but even one system detects a deforestation event, actors should conduct further analyses based on finer spatial resolution and tailored satellite imagery.



Different levels of knowledge about how to analyse geolocation data

- **Train value chain partners:** To reduce deviations in analysis results and efforts required for the validation thereof, it is in the interest of the actors that have already gathered experience and learnings in the context of satellite image analysis to train other supply chain actors in the handling and analysis of the respective data. Mutual learning and exchange between different supply chain actors can improve best practice with regard to risk analysis processes and sound methodologies.

3.2 PRODUCTION IN ACCORDANCE WITH THE RELEVANT LEGISLATION OF THE COUNTRY OF PRODUCTION

One EUDR requirement defines that products and commodities must be produced in accordance with the relevant legislation of the country of production (according to Art. 3 lit. c EUDR). To answer the question of which legislation is relevant, the regulation lists several areas of law without specifying particular laws per country. These areas cover: land use rights, environmental protection, forest-related rules, third party rights, labour rights, human rights protected under international law, and the principle of free, prior, and informed consent (FPIC) as well as tax, anti-corruption, trade, and customs regulations (EUDR Art. 2 (40)). The [EUDR Guidance Document](#) (Chapter 6) provides some examples and further explanations to help specify the relevant legislation.




In Brazil, legality is anything but black and white.

(Civil society organisation)

Nevertheless, the question of which concrete legislation is relevant for specific countries such as Brazil leaves room for interpretation. Actors in Brazil, but also in the EU, therefore face **uncertainty about which legislation is relevant** under the requirement of the

EUDR and which evidence and measures (e.g. concentrating on general indicators, random tests to verify due diligence regarding human rights, ...) **are sufficient** to ascertain that the EUDR legality requirement is met.

In a Brazilian context, actors report that the many questions around the topic of legality cannot be easily answered in terms of 'black and white'. While legal instruments exist in many areas relevant to the EUDR, **weak legal provisions and poor enforcement of laws** remain major challenges, and administrative measures often fall short of ensuring effective implementation. Central issues in Brazil include land rights and related conflicts (see the following Chapters 3.2.1 and 3.2.2). Land grabbing, the violent encroachment into traditionally occupied territories, displacement of families, and destruction of livelihoods are still ongoing in connection with soy expansion. Some actions are illegal but remain without legal consequences due to a lack of enforcement of laws, while other actions exploit loopholes or deficiencies in existing legal systems to override human, land, and labour rights, particularly affecting IPLC. Even though IPLC are identified



The question of which concrete legislation is relevant for specific countries such as Brazil leaves room for interpretation. Actors in Brazil, but also in the EU, therefore face uncertainty about which legislation is relevant under the requirement of the EUDR.

as highly relevant to protecting ecosystems and to supporting crucial ecosystem services, the EUDR is criticised for lacking concrete requirements and measures for the private sector to actively ensure integration, support, and protection ([see Chapter 3.2.2](#)).



The cost of getting it wrong under the EUDR is high, yet what constitutes 'correct' compliance remains unclear.

(Soy trader)

Stakeholders that must assure compliance with the EUDR are seeking a clear list of regulatory requirements as well as defined evidence and criteria against which they will be assessed by competent authorities. In response to the perceived lack of clarity, both tool providers and companies are developing their

own approaches in an attempt to comply with the requirements. Yet uncertainty remains as to whether these measures are sufficient. While some stakeholders not directly affected by the EUDR argue that courts will ultimately determine what is permissible, and that best practices for meeting legal requirements will gradually emerge after implementation, many affected companies stress that the regulation's severe sanctions and the long-term nature of supplier planning prohibit an inclusive learning-by-doing approach. They highlight their request for planning security, legal certainty, and a concrete list of requirements to adequately prepare their value chains for the EUDR. This is especially relevant as sanctions can be severe, and the risk of substantiated concerns being raised is seen as significant. Companies report that they would welcome concrete feedback from the competent authorities regarding their measures and the due



diligence systems they have implemented, as well as on the scope of improvement required to achieve compliance. To enable mutual learning and provide feedback, some competent authorities offer to conduct dry runs with companies; however these authorities emphasise that their feedback is not legally binding. Moreover, the feedback is only accessible to selected companies. This leaves one option for obtaining concrete feedback on whether the systems that have been put in place are compliant, namely, the monitoring procedures of the competent authorities. This in turn has given rise to criticism from companies, who state that it may be months before the practices implemented (and contracts negotiated and concluded for future volumes) are reviewed and feedback obtained.

“ In a way, what we, as value chain actors, consider ‘correct’ evidence of legality is irrelevant. What truly matters is what the monitoring competent authority deems relevant. (Soy trader)

When companies develop good practices or gain valuable insights during dry runs, many lack incentive to share them with peers. The exchange of best practices remains limited, as EUDR compliance is seen as a competitive advantage by many value chain actors, given the significant investments companies have made to meet the requirements and the access it provides to the EU market.

Moreover, stakeholders emphasise the need to **specify the data and evidence required for compliance** not only according to **sourcing country and the respective legal system**, but regarding potential **regional differences** and particularities of the respective **commodity** as well. They note that it would be unfeasible for competent authorities to demand identical evidence and systems for EUDR compliance for different commodities. For example, sector-specific solutions and the accompanying evidence developed to demonstrate EUDR compliance for soy may not be applicable to or available for other commodities, such as cocoa produced in agroforestry systems by smallholders and traded through cooperatives.

“ **Lawmakers should be aware of, and clarify, what it takes to follow a regulation they have designed. And this has to be applied to create a level playing field within the EU.** (Soy trader)

Additional uncertainties arise from the fact that **competent authorities across Europe may accept different approaches, qualities, and forms of evidence** as compliant under the EUDR. Companies report that this issue has already surfaced during dry runs, where the same set of data was submitted to various competent authorities across Europe, resulting in differing responses and interpretations. Moreover,

competent authorities have expressed criticism of certain approaches and systems within these dry runs without providing clear guidance on which alternative information or approaches would be acceptable, leaving companies uncertain of which changes need to be made.



SUMMARY OF PERCEIVED HURDLES:



- Limitations of the regulatory framework and enforcement of laws in Brazil
- Lack of clearly defined criteria to reach compliance with legality requirement
 - Uncertainty around which legislation is relevant and which measures and evidence are sufficient for EUDR compliance
 - Country-, region- and commodity-specific monitoring criteria for legality aspects are perceived as necessary
 - Risk of inconsistent legality monitoring across competent authorities



Strengthening Brazil’s legal and monitoring systems can support EUDR compliance and reduce private sector due diligence risks.

Solutions gathered for perceived hurdles:

Limitations of the regulatory framework and enforcement of laws in Brazil

- **Advocate for and strengthen the legal system across Brazil:** Chapter 3.2.1 and 3.2.2 give a deeper insight into specific issues within the legal system in Brazil. Generally, robust national regulatory frameworks, incentives, and investments need to be established and implemented by the Brazilian government to end the deforestation and conversion of natural ecosystems, as well as the associated human rights violations. National policies, participatory land use planning, and measures to enforce laws should be strengthened and developed to ensure that actors within Brazil meet legality criteria and are able to provide evidence thereof. Federal systems to ensure the provision of reliable data on legality aspects should be improved to facilitate the due diligence measures of the private sector. Moreover, transparent monitoring and verification systems should be developed and scaled up. Within these measures, alignment with the AFi and other international standards should be ensured. Private sector actors should advocate for governmental institutions in Brazil to ensure the effective implementation of relevant regulations. Political engagement by companies and collaboration with the EU can help strengthen both legislation and enforcement. This not only supports successful EUDR implementation but reduces corporate risks and the need for costly individual due diligence systems to compensate for regulatory gaps.



Lack of clearly defined criteria to reach compliance with the legality requirement

- **Use existing guidelines on relevant laws and evidence in a Brazilian context:** To tackle the question of which Brazilian environmental legislation is relevant for the EUDR and how to provide evidence of its compliance, comprehensive [guidelines have been developed by ABRAMPA](#) (Brazilian Association of Members of the Public Ministry of the Environment) and CMA (Committee of the Environment), a body of the CNMP (National Council of the Brazilian Public Prosecutor's Office). The text offers:
 - an overview of relevant national environmental laws and tools that are available and necessary for verifying product compliance;
 - an analysis of the main challenges in applying and enforcing these instruments; and
 - guidance on due diligence measures to help prevent the purchase of goods linked to breaches of environmental law, particularly those involving deforestation and forest degradation.
- **Use additional sources to identify relevant laws:** As the above mentioned guideline focuses on environmental legislation, use additional sources that can be employed to provide information on the identification of relevant laws within the Brazilian context, such as the [WWF guide on human rights due diligence for companies operating in Brazil](#). **Another source of information is for example:** the [Danish Institute for Human Rights](#) and its [general guidance on human rights impact assessment](#). When addressing violations of the human rights of traditional communities, the [reports and recommendations from the Brazilian National Human Rights Council \(CNDH\)](#) can also be considered, as they advocate for protective and reparative measures.
- **Level the playing field across the EU:** At EU level, three central measures should be taken to level the playing field envisioned for the EUDR:
 - EU should provide guidance on legality criteria to ensure impactful approaches and to level the playing field during implementation and within monitoring in EU countries. This guidance should reflect country- and commodity-specific particularities.
 - Moreover, it is important to ensure sufficient capacities and resources within the competent authorities across the EU to be able to effectively enforce the EUDR.



Harvested soy beans ready to be transported.

- The exchange of information between competent authorities should be further strengthened. Competent authorities have established various official and informal working groups to exchange information on monitoring approaches, including questions of interpretation and application, and to disseminate best practices. While stakeholders positively acknowledge these efforts, both competent authorities and EU institutions are encouraged to further enhance such formats to ensure consistency and to level the playing field in monitoring, the handling of violations, and EUDR implementation.
- **Keep and strengthen exchanges between stakeholders to ensure mutual learning and the development of aligned and impactful approaches:**
 - Stakeholders acknowledged the cooperative approach and close collaboration with the German competent authority, the Federal Office for Agriculture and Food (BLE), and the Federal Ministry of Agriculture, Food and Regional Identity (BMLEH) in preparing for legislative requirements. Platforms such as the German [National Multistakeholder Forum](#) provide valuable opportunities for sharing information and collectively preparing for the EUDR.
 - When competent authorities conduct dry runs with companies, it should be ensured that the main results and learnings are shared with other competent authorities and the private sector.
 - Private sector actors also share an interest in establishing aligned criteria to ensure compliance with deforestation-free and legal requirements across all stakeholders and states in Brazil. Such

harmonisation would facilitate the use of a shared infrastructure (e.g. silos) and enable the flexible trading of volumes between actors, without the need for additional data collection efforts or adjustments to differing methodologies and legal frameworks. It is crucial to include public actors with a high level of expertise regarding legality in Brazil in the development of such aligned cross-sectorial criteria, as is the case in ABRAMPA.

Downstream actors should conduct an independent verification of upstream due diligence.

- **Do not blindly rely on the legality monitoring of upstream partners:** Downstream actors should define processes to monitor approaches to and the quality of due diligence systems. Instead of limiting this monitoring to aggregated reports summarising the methodology and conclusions on compliance with the legality requirement by operators, downstream companies should ensure they retain and use their right to access the original documentation (while respecting data protection laws) to review samples, verify analysis results by upstream partners, and support their own due diligence systems. Downstream companies can enhance their credibility on the market by defining controls and implementing additional measures (e.g. audits, collection of additional documentation, ...).
- **Use certification systems as a supportive measure:** Within the context of legality, certification schemes with supply chain models with physical traceability to the plot of land can support sustainability efforts as well as risk assessments and mitigation under the EUDR. The criteria and level of ambition covered by a certification scheme should be carefully assessed to ensure it covers DCF requirements and social rights in line with the AFi (see study on benchmarking soy sustainability standards by [Boev et al. 2025](#)).



Limited accessibility of socio-environmental data

- **Use central platforms:** A platform by the [Observatório Socioambiental](#) consolidates data on aspects such as human rights violations, deforestation, and commodity production across Brazil. The platform aims to enhance the visibility and understanding of socio-environmental impacts associated with economic activities, fostering greater transparency and responsibility in supply chains.
- **Follow central guidelines to identify data sources:** To identify data sources, central documents such as [ABRAMPA's due diligence guidelines](#) and the [WWF's guide for human rights due diligence](#) offer input. The following chapters ([Chapter 3.2.2](#) and [3.2.3](#)) address topic-specific issues in more detail.

- **Ensure continuous learning to develop impactful systems:** Private actors remain responsible for ensuring legality under the EUDR. Demonstrating legality with sound evidence requires close collaboration with value chain partners and Brazilian stakeholders to continuously strengthen and establish systems that provide evidence of the protection of relevant rights, such as human rights and IPLC rights. Within due diligence systems, the absence of documented information (such as an absence of records of human rights violations) should not be interpreted as proof of compliance or a negligible risk. Wherever documentation is limited or lacking, additional measures should be undertaken, since the risk of fraud or circumvention (such as non-compliant volumes being laundered through compliant farms) can be particularly high (see Chapter 4.2). In cases where relevant rights are violated, connected soy volumes cannot be traded under the EUDR. Beyond the question of EUDR compliance, a violation of relevant laws (directly or indirectly linked to the production, processing, or trade of soy) should be addressed through effective and fair remediation measures.

3.2.1 Land Use Rights and Environmental Protection

One of the central instruments in the context of land use rights in Brazil is the CAR. It is a nationwide electronic system designed to consolidate environmental information on rural properties and possessions. Its purpose is to enable the monitoring of the environmental compliance of such properties. The connected Forest Code (Federal Law No. 12.651/2012, also known as the Native Vegetation Law) determines that all rural properties must be registered in the CAR; it also establishes rules on the protection of vegetation (regarding Permanent Preservation Areas and Legal Reserve areas) and requires authorisation for the removal of vegetation and conversion of land use. The information provided to the CAR is self-declared, meaning property owners or proprietors should register information in the

Landscape image taken in the Amazon biome.



National Rural Environmental Registry System (SICAR). Public authorities are responsible for subsequently analysing the accuracy and adequacy of the information provided. The system shows one of the following statuses: active (directly after registration as well as after analysis by the authority, provided obligations are met); pending (when non-compliance with upcoming deadlines is detected); suspended (by court order or justified administrative decision); or cancelled (in the event of false information, by court order or administrative decision or upon request of the owner/proprietor).

One of the main persisting challenges is that these **validations of registration have not been carried out satisfactorily on a national scale** due to delays and limited capacities within environmental agencies as well as due to inaccurate information submitted by those responsible for registration. Tools such as the [Thermometer of the Forest Code](#), developed by the organisations of the technical committee of the OCF, allow users to monitor implementation of the law. Currently, more than seven million CAR registrations still await analysis ([OCF 2025](#)). Another key issue is that within the CAR registration system, the **‘active’ status is displayed immediately upon registration, regardless of whether analysis has already been completed** or is still pending. This even occurs in cases which present clear irregularities such as overlaps with public lands.

Although CAR is intended solely as an environmental tool, it has been misused in numerous cases by land grabbers seeking to legitimise claims of possession or ownership and often encroaching illegally on protected forest areas. The question of land rights is also strongly connected to issues in the context of IPLC rights ([Chapter 3.2.2](#)).

Moreover, [ABRAMPA](#) has summarised issues with the CAR that are associated with illegalities in the context of the EUDR where areas registered in **CAR overlap with Indigenous and Quilombola territories and where properties have been superimposed on public lands and on conservation units**.

Beyond the CAR, other laws and systems are relevant in the context of land use rights and environmental protection. Central elements for the legal removal of vegetation in Brazil include obtaining environmental licences and ensuring authorisation (especially ASVs) for deforestation has been granted.

Environmental licensing is usually a multi-phase process carried out by specific competent authorities at the national, state, or municipal level, depending on the nature of the activity or enterprise. Unlike the CAR, there **is no centralised platform**. As a result, verifying such information first requires identifying the responsible federal authority and consulting its corresponding database. Currently, additional risks arise from Bill 2159/2021,

“
The CAR system is central to ensuring legality, but in its current form, it also helps legalise illegality.
(Civil society organisation)


Deforestation authorisations (ASV) in Brazil face significant governance challenges, including irregular procedures, weak oversight, and potential illegalities despite formal approval.

often referred to as the ‘Devastation Bill’. Although the most contested provisions were vetoed, the enacted text of the bill still contains measures that could undermine environmental licensing, potentially reducing the state’s capacity to prevent socio-environmental harm and weakening safeguards for vulnerable communities and IPLC ([WWF Brazil 2025](#)).

The ASV defines the administrative procedure that authorises deforestation in a specific area. Key challenges connected to the authorisation of vegetation removal **are irregularities regarding the analysis and implementation of defined processes and minimum quality criteria** (see [IMATERRA 2022a](#) and [2022b](#)). There are various known issues with the monitoring mechanism, particularly in connection with, for example, deviating competence, non-compliance with legal requirements, violation of the limits of authorisations, lack of supervision and transparency of information ([ABRAMPA 2024](#)). Local organisations, for example, have reported cases where permissions are granted without monitoring, even though conflicts or human rights violations exist in the respective area. Moreover, there are irregularities regarding **authorisation by actors that do not have the right to conduct the process** (esp. when processes are conducted at municipal level without respecting Complementary Law No. 140/2011) and **regarding lacking, incomplete or outdated registrations within the systems** ([ABRAMPA 2025](#)). According to the data of the Federal Government itself, half of the deforestation in the Cerrado had been authorised, however, there were indications of illegalities ([ABRAMPA 2024](#)). Connected problematics exist with water abstraction licences issued by the state, including in areas inhabited by IPLC or designated as extremely high priority areas for conservation ([IMATERRA 2022b](#)).


Regarding other biome-specific laws and related risks of illegality, ABRAMPA highlights that there was a high **risk of illegality when deforestation occurred** without proof of authorisation from the competent environmental agency **in the biomes of the Amazon, Cerrado, Pantanal, Caatinga, and Pampa** after 22 July 2008 and in the Atlantic Forest after 25 September 1990 ([ABRAMPA 2025](#)).

To ensure legality, **environmental infraction reports, environmental embargoes, and legal action** should also be included in the analysis. However, one major challenge is the absence of a centralised national platform to unify the data from federal entities. With over 5,500 municipal federative entities in Brazil, it is currently impractical to consult every existing system. Lastly, there is a risk of individuals or legal entities circumventing stricter environmental licensing processes by splitting activities or projects, since the size of a project determines which federative entity is responsible for granting the licence ([ABRAMPA 2025](#)).



SUMMARY OF PERCEIVED HURDLES:

- **Illegal deforestation and challenges within the CAR system in Brazil**
 - Lack of validation of CAR registrations
 - “Active” CAR status for areas that have not yet been analysed
 - CAR overlap with IPLC territories, public lands, or conservation units
- **Challenges in the context of environmental licensing and ASVs**
 - Weak environmental licensing
 - Lack of analysis and implementation of minimum quality criteria
 - Unauthorised actors issuing environmental licences and ASVs
- **Lack of a central platform for tracking environmental infractions, embargoes, and legal action**




Solutions gathered for perceived hurdles:

Illegal deforestation in Brazil and challenges within the CAR system in Brazil

- **Ensure the legality requirement of EUDR is also met for deforestation before 2020:** Even if no deforestation occurred after 2020 and the EUDR requirement of deforestation-free production is fulfilled, it is relevant to check for illegal deforestation and the conversion of other ecosystems before 2020 to comply with the legality requirement of the EUDR. In this context, [ABRAMPA \(2025\)](#) also highlights the need to implement context-specific measures:
 - Considering the higher risk of illegal deforestation in the Amazon, Cerrado, Pantanal, Caatinga, and Pampa since 22 July 2008 as well as in the Atlantic Forest since 25 September 1990, additional measures should be integrated into the risk analysis to ensure that no illegal deforestation or conversion has taken place.
 - Generally, proof of authorisation from the competent environmental agency should be obtained. Given the higher risks, additional attention should be paid to verifying whether the property overlaps with public lands (in the Amazon) and to confirming that the body issuing the authorisation to remove vegetation is legally entitled to do so (in the Cerrado).

Mandatory and effective validation by environmental authorities would counteract false declarations and misuse of the CAR.

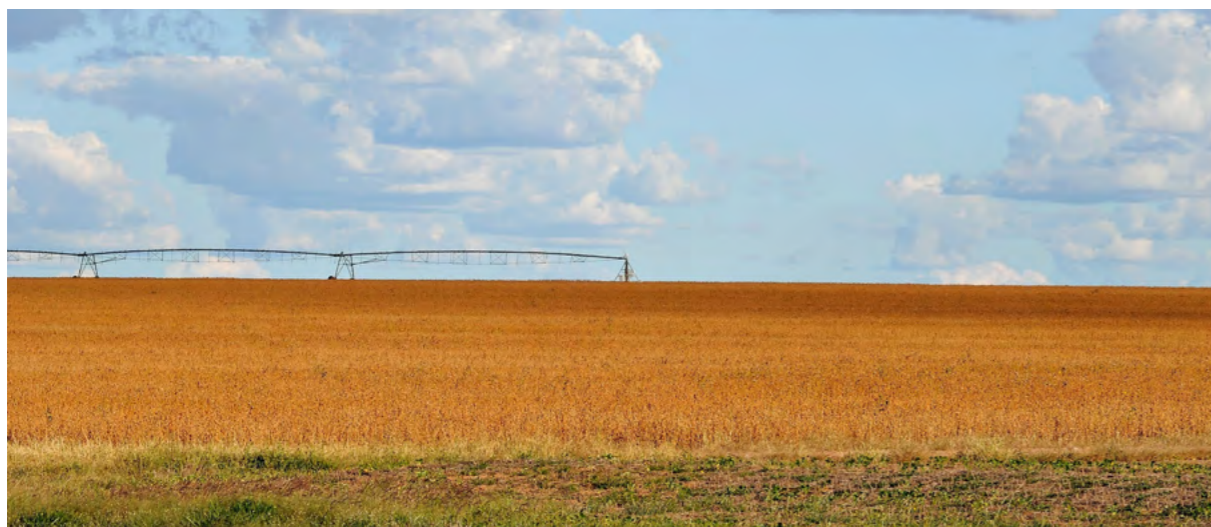
- **Strengthen legal frameworks to stop illegal deforestation:** Legal frameworks and their enforcement must be strengthened to ensure that illegal deforestation is halted and addressed effectively. Initiatives supporting these efforts should be promoted, such as one project by ABRAMPA, which aims to combat deforestation and strengthen the performance of the Public Ministry in the MATOPIBA region (territories of the Brazilian states Maranhão, Tocantins, Piauí, and Bahia) through the [MATOPIBA Alert Project](#) and the implementation of the transparency platform ‘Plataforma de Transparência’. Additionally, efforts to monitor and prevent illegal deforestation in the MATOPIBA region and Mato Grosso do Sul can be supported through platforms such as ‘[MP Desmate Zero](#)’.
- **Apply cut-off dates aligned with the AFi:** The cut-off date defined by the EUDR is 31 December 2020. Nevertheless, the EUDR does not prevent companies from adopting or maintaining earlier cut-off dates within their practices. To uphold central achievements in the protection of ecosystems, companies should follow the [guidance of the AFi](#) to establish cut-off dates for different contexts, e.g. July 2008 for the Amazon biome (in accordance with the Amazon Soy Moratorium), and December 2020 for other natural ecosystems.
- **Implement the CAR effectively:** From a governmental perspective in Brazil, there should be clear measures to significantly strengthen the effective implementation and validation processes of the CAR in alignment with the requests and recommendations of relevant stakeholders such as the [OCF](#). Instead of enabling self-declaration within the CAR, mandatory and effective validation by environmental authorities would counteract false declarations and misuse of the CAR. To facilitate the collection of CAR numbers and traceability, CAR numbers should automatically be included in electronic invoices (Nota Fiscal eletrônica). Positive learnings from automated approaches such as the CAR 2.0 in Pará or other promising approaches such as AB+S and SIFMA Selo Verde ([see Annex I: Tools in Brazil](#)) should also be scaled up and rolled out, ensuring interoperability between federal and state data bases. Companies should actively advocate strengthening the CAR. Midstream actors such as traders are currently investing in parallel systems and capacities to establish their own approaches to check information connected to the CAR. Improved systems also offer companies significant benefits, as more reliable public systems can substantially reduce the need for their own due diligence efforts.



Challenges in the context of environmental licensing and ASVs

- **Implement due diligence measures that reduce risks associated to CAR shortcomings:** As part of traceability within the supply chain and risk assessments, CAR numbers should be requested for all properties through which a product has passed. Moreover, the geographic identities in the official land registry should be verified against the CAR record and the CAR registration status checked via the SICAR platform. The registration should be confirmed as ‘active’, and a review must be conducted as to whether the environmental agency has validated the CAR by assessing the fields ‘Registration Status’ and ‘External Condition’. If the status has not been set to ‘active’, the transaction should be avoided. In cases where the status has been set to ‘active’ but validation has not yet been carried out, the regular monitoring of the validation status on the SICAR platform should be ensured and additional due diligence measures must be taken, such as (see also [ABRAMPA \(2025\)](#)):
 - adequate preservation of Permanent Preservation Areas and Legal Reserves
 - no territorial overlap with IPLC territories (see Chapter 3.2.2)
 - no territorial overlap with Public Land Plots or Non-Designated Public Forests
 - no territorial overlap with Conservation Units
 - no territorial overlap with Agrarian Reform Settlements and Rural Properties
 - Collect and verify CCIR (Certificado de Cadastro de Imóvel Rural; Rural Property Registration Certificate) and SIGEF (Sistema de Gestão Fundiária; land management system) data and analyse alignment with CAR

CAR numbers should be requested for all properties through which a product has passed.



- **Advocate for and implement strong governmental systems for environmental protection:** Take a position for and implement an efficient, transparent, and participatory environmental licensing system which tackles environmental and social challenges while offering a robust process for ASVs. Push for the implementation of systems that respect defined processes and quality criteria for granting ASVs (e.g. as identified in Bahia, also with regard to strengthening processes for water abstraction licences, [IMATERRA 2022b](#) and [2022c](#)). Furthermore, support and promote the analysis of the CAR becoming a mandatory prerequisite for issuance of an ASV.
- **Implement due diligence measures covering ASVs and environmental licensing:** Develop and roll out strong due diligence systems that ensure the protection of land use rights and the environment, including practices such as [ABRAMPA \(2025\)](#):
 - As part of the due diligence process, it is necessary to verify whether the property complies with environmental regulations applicable to economic activities that may have an environmental impact (subject to environmental licensing). If environmental licensing is required, confirm that the necessary licences have been issued by the responsible authority. For cases under federal jurisdiction, verification should be carried out using the [IBAMA licensing platform](#). For state or municipal jurisdiction, consult the respective local platforms.
 - In addition, it is important to verify compliance with the legal requirements for vegetation suppression. For authorisation granted from 2018 onwards, information can be accessed through [IBAMA’s open data platforms on ASVs and on Alternative Land Use Authorisations \(AUAS\)](#). For authorisation issued prior to 2018, or where data is missing from the databases, confirmation must be sought directly from the responsible environmental authority.
 - Where environmental licensing is required, ensure that the ASVs were granted by the same authority that issued the environmental licence. If no licensing obligation exists, it is essential that the ASVs were issued by the relevant state environmental agency.



Lack of a central platform for tracking environmental infractions, embargoes, and legal action

- **Advocate for and implement central governmental platforms:** Advocate for and implement a federal system to unify the data of federal entities and allow for efficient analysis of information such as infraction reports, environmental embargoes, and legal action.
- **Use and strengthen existing platforms:** Examples of platforms to use and strengthen are: Selo Verde, which provides a platform in selected states (see Annex 1: Tools in Brazil on [SIFMA Selo Verde](#)) and the platform of the [Observatório Socioambiental](#), which consolidates data on selected aspects across Brazil.
- **Check compliance at farm-level:** Ensure that compliance is not just achieved at plot level, but for the entire farm, as otherwise parts of the property outside the assessed plot could be violating relevant rights (see related [AFi guidance](#)). Collect relevant numbers of the CPF (Individual Taxpayer Registry)/ CNPJ (Corporate Taxpayer Registry) as well as the relevant base information on the actor to check IBAMA's public systems for environmental infraction notices and embargoes ([Embargo Lists](#) and [Vector Layers of Embargoes](#)) or the respective

state and municipal databases based on the property's location. Also request the submission of civil and criminal background certificates (first and second degree) from all relevant courts, for both the legal entity and the individual owners or proprietors. In addition, request a certificate disclosing the subject matter and legal basis of all lawsuits involving environmental crimes and illicit acts. It is essential to evaluate infraction notices, embargoes, and legal action not only for the specific property that has been identified as the production site but for those connected more broadly to the producer as well; this helps detect potential irregularities on other properties that could indicate fraud within the supply chain ([ABRAMPA 2025](#)). Potentially consider a risk-based approach to focus information-gathering efforts at the state and municipal levels where the likelihood or impact of non-compliance is highest.

Compliance at farm-level should not just be achieved at plot level, but for the entire farm, as otherwise parts of the property outside the assessed plot could be violating relevant rights.

3.2.2 Third Party Rights, Labour and Human Rights and FPIC

Deforestation and conversion are closely linked to serious social impacts and illegal practices. The expansion of soy cultivation is repeatedly associated with encroachment into areas of traditional land use, resulting in land grabbing and the displacement of communities and families. IPLC play a crucial role in the protection of ecosystems but face significant threats to their rights. Under the EUDR, the relevant legislation of the country of production also covers legislation regarding third party rights (incl. traditional land use rights of IPLC), labour rights, and human rights protected under international law and the FPIC principle. The shortcomings in the implementation of the CAR system and ASV processes discussed above are closely linked to these rights, as they can lead to violations of IPLC land rights, for example, through land grabbing or the approval of ASVs despite ongoing conflicts.



IPLC are protecting the Cerrado with their own bodies.
(Civil society organisation)

With regard to ensuring compliance with third party and IPLC rights in the Brazilian context, some stakeholders also perceive existing definitions and systems as posing uncertainty. Firstly, there is the need for the soy sector to have an understanding of

which peoples, communities, and groups generally to be considered rightsholders. To comply with the respective legislation, Brazilian actors see hurdles in how current practices, tools, and systems reflect the reality of conflicts and the violation of IPLC rights. This is especially important as IPLC play a crucial role in protecting ecosystems and should be fully integrated into strategies for safeguarding forests and other natural vegetation. However, agricultural expansion is putting increasing pressure on land, leading to land grabbing, disputes, and violence. Even on land where IPLC rights are legally recognised, human rights violations and conflicts persist and are reported in Brazil; however, the actual number of cases is likely much higher due to underreporting. **A central platform or channel for grievance mechanisms and substantiated concerns is lacking.**

IPLC perspectives should be fully integrated into strategies for safeguarding forests and other natural vegetation.

Stakeholders identify different issues within existing state systems that focus on Indigenous Peoples and Quilombola communities. One central challenge is that the governmental **systems to map Indigenous lands and Quilombola territories is criticised as being incomplete and lacking comprehensive implementation** (e.g. through bureaucratic hurdles and delays in the process of land recognition; lacking capacities in agencies responsible for implementation). Recognising and including respective areas in these systems is a multi-stage process for [Indigenous lands](#) and [Quilombola territories](#). At the current stage, hundreds of territories are still pending within their administrative process ([FUNAI](#)



Aerial view showing the line formed between the preserved forest inside the Indigenous land and the deforested areas used for cattle pasture.

2024). Independent of which stage of the land recognition process has been reached, IPLC are legally protected through various legal instruments at both international and national levels such as ILO (International Labour Organization) conventions (also ratified by Brazil), the UN Declaration on the Rights of Indigenous Peoples (supported by Brazil), the Convention on Biological Diversity (ratified by Brazil), Nagoya protocol (signed by Brazil), and multiple federal laws.

Another key issue is that systems established by the government focus solely on Indigenous Peoples and Quilombola communities and do not reflect other local or traditional communities within the context of IPLC. Various organisations and initiatives are working to expand the mapped areas and address the lack of transparency affecting IPLC. While increased visibility can help protect community rights, exposure is also perceived as posing risks, particularly in contexts where violations of human and IPLC rights are prevalent. As a result, some communities may hesitate to start registration processes in systems provided by the government or civil society organisations. Moreover, IPLC can show a limited awareness of the need for registration (often only initiating the registration process after conflicts have begun), as well as a lack of understanding of administrative procedures and benefits.

In addition, the EUDR clearly states that the FPIC principle is to be respected. In the practical implementation of the EUDR, there is uncertainty on how to ensure relevant actors within the supply chain have carried out FPIC processes and collect evidence thereof.

Governmental systems established to protect IPLC rights are incomplete since they do not reflect local or traditional communities.



SUMMARY OF PERCEIVED HURDLES:



- Scope of definition of IPLC and identification of rightsholders
- Lack of visibility and protection of IPLC
 - Existing systems are criticised as being incomplete and lacking comprehensive implementation
 - Only limited subsections of affected groups covered in governmental systems (Indigenous lands and Quilombola territories are currently covered)
 - Lack of a central platform for grievance mechanisms and substantiated concerns
- Uncertainty on how to ensure the principle of FPIC

Solutions gathered for perceived hurdles:

Scope of definition of IPLC and identification of rightsholders

- **Ensure rightsholders are mapped:** Map all rightsholders affected by, or at risk of being affected by the production of soy and midstream activities (or ensure that a process has been completed in the upstream supply chain) to identify rightsholders that were, are, or might be affected in the future. This information serves as the foundation for understanding which human, third party, or IPLC rights are at risk. Remediation systems based on the perspective of the affected rightsholders should also be ensured.
- **Implement a definition of IPLC:**
 - **Base definition on international laws and jurisprudence:** General definitions of IPLC are provided by organisations such as the AFi provide general definitions of IPLC; AFi also offers respective [operational guidance](#).
 - **Reflect the Brazil-specific context:** Make sure to include IPLC definitions for a Brazilian context. For example, the Articulation of Indigenous Peoples of Brazil (APIB) was created by an Indigenous movement in 2005 as an instance of national reference in Brazil. It brings together indigenous regional organisations and represents around 1.5 million IP and 350 different ethnic groups ([APIB 2025](#)).

- Respect IPLC rights:** Under the EUDR, all rights and territories traditionally occupied or used by IPLC must be protected, irrespective of their formal registration status, since non-compliance with international or national law also constitutes non-compliance with the EUDR. This obligation is grounded in international instruments such as the Paris Agreement and ILO Convention No. 169 (ratified by Brazil and incorporated through Decree No. 10.088/2019), which recognises the right of Indigenous and tribal peoples to the lands they traditionally occupy, based on self-identification and customary use. In addition, the Convention on Biological Diversity (CBD) (ratified by Brazil and incorporated through Decree No. 2.519/1998) and the Nagoya Protocol (signed and ratified through Law No. 13.123/2015) provide for the protection of IPLC rights (see [overview of respective rights](#)). Furthermore, international declarations such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), which Brazil supported by vote in 2007, reinforce the obligation to respect IPLC rights ([UN 2007](#)). At the national level, Brazil's Federal Constitution (notably Art. 215, 216, 231, and ADCT Art. 68) and other regulations such as Decree No. 7.747/2012 (National Policy for the Territorial and Environmental Management of Indigenous Lands), Decree No. 6.040/2007 (National Policy for the Sustainable Development of Traditional Peoples and Communities), and Decree No. 4.887/2003 (Regulation for Titling Quilombola Lands) further recognise and protect IPLC land rights, for example by determining self-identification as a key criterion for recognising territorial rights. Therefore, it is necessary to also include untitled IPLC territories in EUDR due diligence procedures to ensure compliance with the EUDR's legal requirement to respect all applicable laws in the producer country.

Official Indigenous Land demarcation sign, marking the boundaries of the traditional territory of the Paiter Suruí people.



Lack of visibility and protection of IPLC

The engagement of governmental actors needs to be strengthened to achieve more visibility for thousands of communities.

- Ensure IPLC are covered by federal systems:** Of the numerous IPLC identities in Brazil, only a fraction (Indigenous and Quilombola) are covered by federal systems. A federal organisation for local and traditional communities (beyond Indigenous and Quilombola) should be established to ensure rights are protected and to tackle their current vulnerability to processes such as land grabbing, deforestation, and land conflicts. The engagement of governmental actors needs to be strengthened to achieve more visibility for thousands of communities. Unrepresented IPLC include groups such as babassu coconut breakers, artisanal fishermen, the riverine people, and pantaneiros ([ISPN 2025](#))
- Advocate for and strengthen a regulatory framework for IPLC:** Strengthen legislation and justice for IPLC at governmental level (see e.g. the [asks of Indigenous Peoples by APIB](#))
- Integrate information from official systems into due diligence processes:** Use and check governmental and official systems such as by IBAMA and ICMBio (responsible for environmental inspections and the management of conservation units, respectively, these bodies play an important role in protecting traditional territories that overlap with conservation areas) as well as the [Slave-like Labour List](#) and analyse overlaps with [Indigenous Lands](#), [Quilombola Territories](#), and [Agrarian Reform Settlements and Rural Properties](#).
- Integrate additional IPLC information into due diligence processes:** In addition to official sources, further investigations and literature should be used to identify potential overlaps of soy production with IPLC areas and to identify and monitor conflicts. To address shortcomings in the implementation of official systems, initiatives and NGOs are gathering information to increase visibility and protection. To ensure that soy volumes are produced while respecting the rights of stakeholders, and also to reduce the risk of non-compliance with the EUDR or of potential, substantiated concerns, sources such as the following should be considered in the analysis:
 - Use platforms such as that of the [Observatório Socioambiental](#), which consolidates data on selected aspects across Brazil.
 - The [Traditional Territories Platform](#) (Plataforma de Territórios Tradicionais) is an initiative of the National Council of Traditional Peoples and Communities (CNPCT) and the Federal Public Ministry (MPF) to merge information about territories customarily occupied by traditional peoples and communities. The Platform

systematises data from traditional territories, whether they are subject to official recognition or not, including delimitation of the area, conflicts faced, and historical aspects of the community. In doing so, the platform aims to give visibility to IPLC and provide concrete subsidies to allow the MPF and other public agencies to take more effective action where the human and IPLC rights of these populations are concerned. In addition, the tool creates a georeferenced social base that allows users to identify the different stages of recognition of each territory.

- The initiative ‘[Tô no Mapa](#)’ provides a tool and map to increase the transparency of IPLC areas and strengthen non-recognised territorial rights. Tô no Mapa intends to create a georeferenced and up-to-date database of traditional territories to close the current gap in official data. Tô no Mapa is a mobile phone app that allows users to map the collective territories on which they live. It was developed by two Brazilian NGOs, the Amazon Environmental Research Institute (IPAM) and the Institute for Society, Population and Nature (ISPN), with support from the Cerrado Network. The Tô no Mapa app has been integrated into the Traditional Territories Platform of the CNPCT and thus allows users to opt to send their registration to the CNPCT platform.



- The work and reports provided by the [CPT \(Pastoral Land Commission\)](#) share insights gained working in the fields in the context of land, water, and human rights as well as associated conflicts. Further information on struggles for land, forest and water, on slavery and violence against people, and forms of resistance and the defence of rights can be found in the annual report ‘[Conflicts in Brazil’s Fields](#)’ ([Conflitos No Campo, Brasil](#)), compiled by researchers, government instances, social movements, and members of the media.
- **Support independent, participatory monitoring mechanisms to safeguard both ecosystems and social rights:** Support initiatives and projects that promote IPLC rights and development, as implemented by [ISPN](#), for example, with projects such as the Community Initiatives Program, which seeks to strengthen



IPLC play a crucial role in the protection of ecosystems.

community organisations through a funding mechanism called [Ecos Fund](#). This independent mechanism provides direct funding to civil society organisations led by Indigenous peoples, traditional communities, and family farmers. ISPN also works with local initiatives such as [ACA \(peasant association\)](#), which engages in social work that specifically helps smallholders to fight for their rights and provides supporting services such as building schools and organising logistics, joining forces against land grabbing, supporting local communities, and implementing agro-ecological production systems.

- **Align efforts with established guidance on respecting IPLC rights:** The AFi, for example, provides general [guidance on respecting the rights of IPLC](#).
- **Develop central platforms for grievances and concerns:** There is a pressing need to develop a robust platform for monitoring human rights violations and cases of non-compliance, both at the state level and within the private sector. Currently, this gap is addressed primarily by NGOs, which highlights the importance of the engagement of and pressure from other stakeholder groups. In addition to governmental organisations and Brazilian actors, downstream companies can also play an important role by establishing reliable communication channels for affected stakeholders. From the companies’ perspective, this not only helps to protect rights but also reduces their risk of non-compliance with the EUDR and other regulatory instruments. From an IPLC perspective, however, channels provided by midstream actors, such as traders or companies with a history of being associated with the abuse of IPLC rights, are often mistrusted. Therefore, trustworthy platforms are central, and downstream actors are also in an excellent position to engage in the implementation of grievance mechanisms and platforms for substantiated concerns that respect the necessary safeguards.

There is a pressing need for a robust platform to monitor human rights violations.



- **Use and roll out effective formats:** Projects that have developed effective formats should be supported. For Indigenous Peoples, for example, the [Observatory of Criminal Justice and Indigenous Peoples](#) created a platform to receive and systematise information on cases of criminalisation of Indigenous Peoples in Brazil.

Uncertainty on how to ensure the FPIC principle

- **Align efforts with established guidance on FPIC:** The AFi, for example, provides general [guidance on the FPIC process](#).
- **Ensure implementation and evidence of FPIC process:** Generally, the EUDR guidance document states that ‘guidance as to the application of the FPIC principle can e.g. be found through the UN Office of the High Commissioner for Human Rights’. The right to free, prior, and informed consultation is primarily guaranteed by Convention No. 169 of the ILO, ratified by Brazil in 2002 (by means of Legislative Decree No. 143). Community protocols for FPIC represent an important measure that upholds the right to self-determination of traditional peoples and communities. By defining their own rules for dialogues with the state and other actors, IPLC strengthen their autonomy and contribute to a more democratic and culturally appropriate decision-making process. Community protocols are offered by initiatives such as the ‘[Oberservatório](#)’, which provides an overview of protocols in Brazil and Latin America; these can serve as key tools to ensure that the FPIC process is properly respected in relevant situations, whether in the implementation of local projects or when overlaps with IPLC lands are identified. In such cases, community protocols should be followed, or (if an upstream partner claims that an FPIC process has been carried out) documentation of the respective protocols should be requested.

By defining their own rules for dialogues with the state and other actors, IPLC strengthen their autonomy and contribute to a more democratic and culturally appropriate decision-making process.

3.2.3 Excursus: The Local Community of Bom Acerto

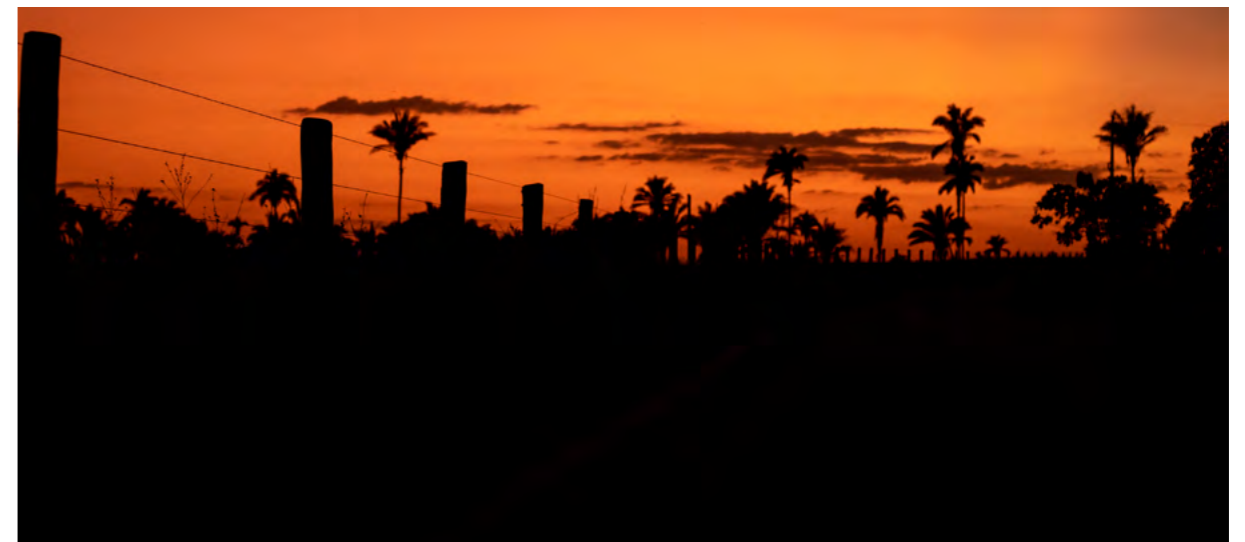
The traditional community of Bom Acerto, located in the rural area of the Balsas municipality in the Southern Maranhão region of Brazil, was embroiled in a severe land conflict which lasted for more than seven years and threatened the homes and livelihoods of its residents. In 2020, the homes and plantations (e.g. cashew) of the community were destroyed by fire and machinery ([Globo Notícias 2023](#)). The families were left landless and lost many of their personal

belongings as well as their plantations and livelihoods and felt that their lives were under threat. Following this violent eviction, the displaced families were forced to live on the outskirts of Balsas under canvas tarps provided by the local government. This situation led to severe conditions, especially during the COVID-19 pandemic; these included living under intense heat and dust, sleeping on hospital cots, facing severe food limitations, and being without work, land, or income. Some community members developed depression and severe psychiatric problems due to the trauma ([Ribeiro Cabral 2020](#)).

A significant resolution was announced in June 2024. The judiciary and the municipality of Balsas developed a land regularisation project for the Bom Acerto community. The families received a notarised land deed for a property acquired through an agreement facilitated by the Maranhão Court of Justice’s Land Solutions Commission. The agreement involved the acquisition of a 70-hectare area of agriculturally viable land to permanently house the Bom Acerto families. The community, which once comprised over 100 people, now lives on the new area with around 30 individuals across 8 families. The families described their struggles, while expressing gratitude that no lives were lost in the fires that destroyed their homes. They report that, due to the influence of the powerful agricultural lobby, their hopes for justice remain low.

This conflict is emblematic of the broader agrarian struggles in Brazil and especially in Maranhão; part of the MATOPIBA region, this area is an agricultural frontier marked by agribusiness expansion. With 363 incidents in 2024, the state of Maranhão has the highest number of registered land conflicts in the rural area ([CPT 2024](#)).

Land conflicts and agrarian struggles are common in the state of Maranhão.



3.3 COVERAGE BY DUE DILIGENCE STATEMENT

3.3.1 Mixed Soy Volumes and Declaration in Excess

Soy is traded as a bulk commodity and mixed throughout the value chain, making it difficult to determine the final market destination during production and early trading stages.

Soy is traded as a bulk commodity. On the global market, soy volumes are generally treated as interchangeable and are **mixed at multiple stages and among different actors** throughout the value chain. At present, when soy is planted, cultivated, and even traded at intermediary steps, it is often not clear to which market (e.g. EU, Asia) the soy will ultimately be supplied. Trading via **spot markets and immediate transactions** in ports and even during shipments further increases the complexity of the value chain and data management and reduces transparency regarding the origin of the products. As a bulk commodity, soy is blended repeatedly at each step of the value chain, from post-harvest storage to intermediate steps such as drying, transport, and silo storage to port management and shipment to processing. Additional hurdles arise when volumes are mixed among different actors, as companies often develop **company-specific (and potentially incompatible) approaches** to ensure compliance with the EUDR.

The EUDR only imposes regulatory requirements on volumes that enter the EU market. Since it does not allow the mixing with volumes that are of unknown origin or not compliant with the regulation, the sector faces two theoretical options: (1) to establish **segregated value chains for the EU market** in which all requirements are met (without necessarily applying EUDR requirements to value chains serving other markets), or (2) to **apply EUDR requirements to more than just volumes bound for the EU**, so that the respective soy can still be mixed along the value chain (employing the EUDR provision for ‘declaration in excess’).

According to value chain actors, both options have advantages and disadvantages in the context of effort (see further implications on impacts in [Chapter 4](#)). The first option (EU-segregated volumes) is seen as more manageable in terms of collecting geolocation data and ensuring EUDR compliance for a limited part of the supply chain. However, it is also viewed as resource-intensive, as it requires the establishment of a segregated infrastructure and trade routes. In Brazil, such EU-segregated supply chains could be created either by adapting existing supply chains, some of which operate in areas with risk of deforestation and social issues, or by shifting soy production destined for the EU to areas where EUDR compliance has already been, or can more easily be, achieved. The latter, however, would risk reducing the positive ecological and social impacts that the EUDR aims to promote (see [Chapter 4](#)). The second option (applying EUDR requirements to the broader or entire supplier base) reduces the need for additional infrastructure and trade routes but requires greater efforts to ensure compliance across a broader supply base.

Both options are currently being discussed in the sector, as are hybrid approaches. The feasibility of each depends on factors such as the sourcing region, the degree of traceability that has already been achieved (often linked to the share of indirect suppliers), the level of non-compliance within the supply base, and the logistics used.



SUMMARY OF PERCEIVED HURDLES:



- Complexity of soy supply chains:
 - The mixing of soy volumes at multiple steps along the value chain
 - Transactions between actors (incl. spot market) with different EUDR-approaches
 - Segregated value chains for the EU market vs. application of EUDR requirements to more than just EU-bound volumes



Solutions gathered for perceived hurdles:

Complexity of soy supply chains

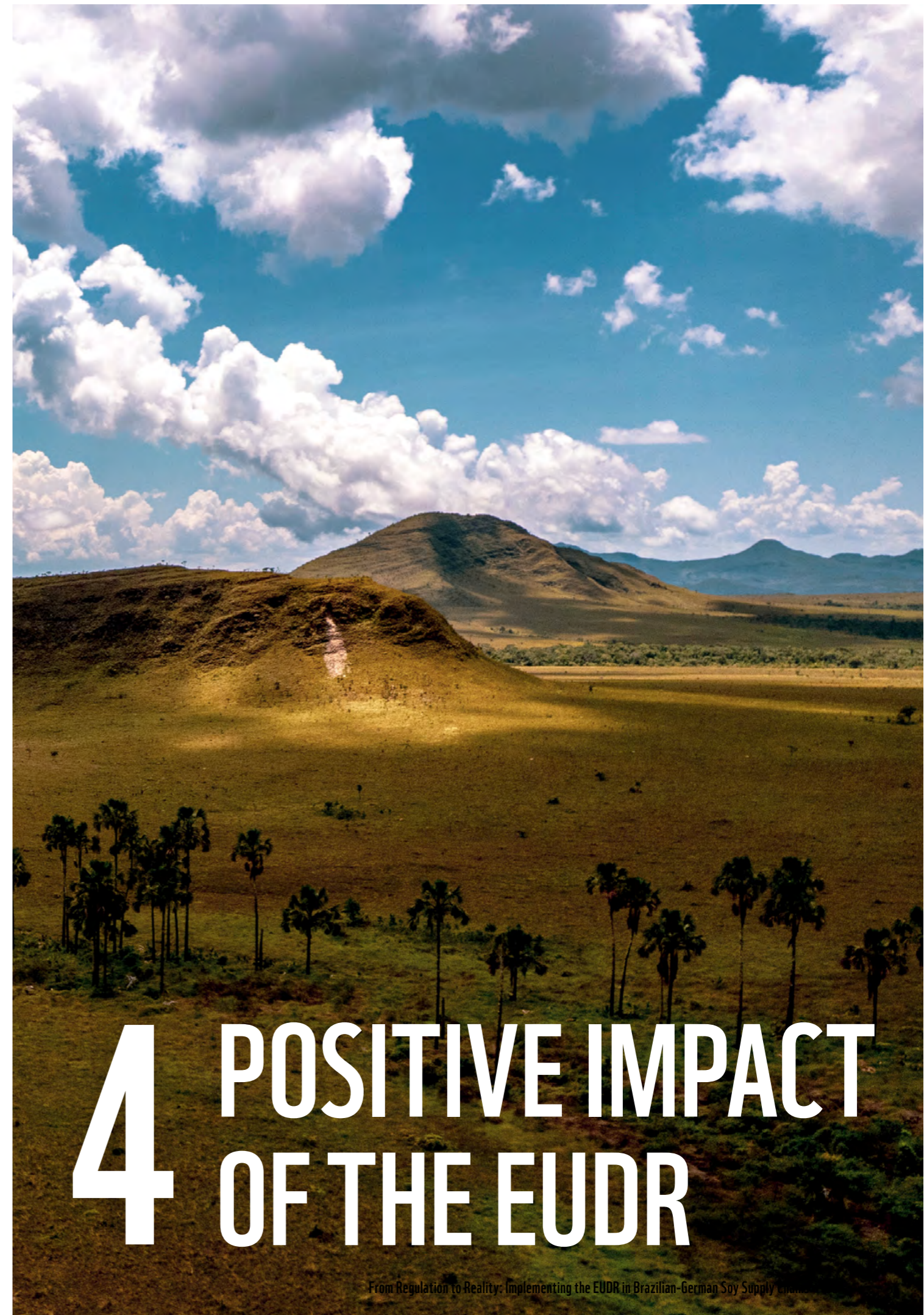
- **Make use of ‘declaration in excess’ and harness momentum for DCF implementation beyond EU supply chains:** Under EUDR requirements, the mixing of soy volumes, whether in silos used continuously or at other stages of the value chain, such as during transport, is permissible as long as traders ensure all relevant plots potentially used for the volumes declared to be fully traceable and compliant. The ‘declaration in excess’ option allows actors to declare more plots in a DDS than are directly involved in the production of the specific volume placed on the EU market. In practice, this means that actors can provide geolocation data for a larger number of plots of land than those from which the commodity originated, provided all are compliant (see also the [ISEAL report on ‘declaration in excess’](#) for more information). This also applies to the management of silos that are filled with volumes from different plots and used continuously: if operators use a first-in-first-out system, they must ensure that the geolocation data of all previous goods that entered the silo up to at least 200% of the silo capacity are compliant and declare these goods accordingly (see [EUDR FAQ v4 1.17](#)).

Actors across the supply chain perceive the use of ‘declaration in excess’ as an important step towards making the EUDR more practicable. In many parts of the supply chain, declaring volumes in excess will be almost unavoidable (e.g. in the context of silos). In other contexts, such as strategic decisions on whether to segregate supply chains for the EU or to apply EUDR requirements more broadly, ‘declaration in excess’ can function as a facilitating practice.

Actors should use the EUDR, and, where relevant, the option to ‘declare in excess’, as additional impetus to develop their entire supply base (beyond EU-destined volumes) to be at minimum traceable, free from deforestation and human rights violations, and legally compliant. Applying a holistic approach makes the segregation of EU volumes unnecessary, facilitates the mixing of volumes in supply chain management, while simultaneously enabling companies to meet the overall commitment to ethical DCF supply chains and generate a broader positive impact. This also aligns with initiatives such as the company-led Forest Positive Coalition of the Consumer Goods Forum, which shifts the focus away from single DCF volumes toward DCF actors (see also the CGF’s [Forest Positive Soy Roadmap](#)).

Many actors report that they have a genuine interest to work together, as this helps to more easily assess the trustworthiness of the approaches of connected actors.

- **Work together with other stakeholders:** To facilitate transactions, including spot market trades, among traders and other actors and to enable the use of ‘declarations in excess’ where necessary, soy market participants report that many actors have a genuine interest in align their practices with the approaches of each other, as this helps to more easily assess the trustworthiness of the approaches of connected actors. To ensure comprehensive ecological and social safeguards, actors should therefore:
 - share best practices, lessons learned, and successful approaches
 - collaborate on developing sectoral approaches to EUDR criteria and compliance
 - jointly advocate for robust regulatory systems, including legal frameworks, a public data infrastructure, and enforcement mechanisms
- **Participate in landscape initiatives:** Actors should participate in landscape initiatives (especially in high-risk areas) to maximise the positive ecological and social impact, while at the same time facilitating EUDR implementation and making practical use of instruments such as ‘declarations in excess’.



4. MAXIMISING THE POSITIVE IMPACT OF THE EUDR

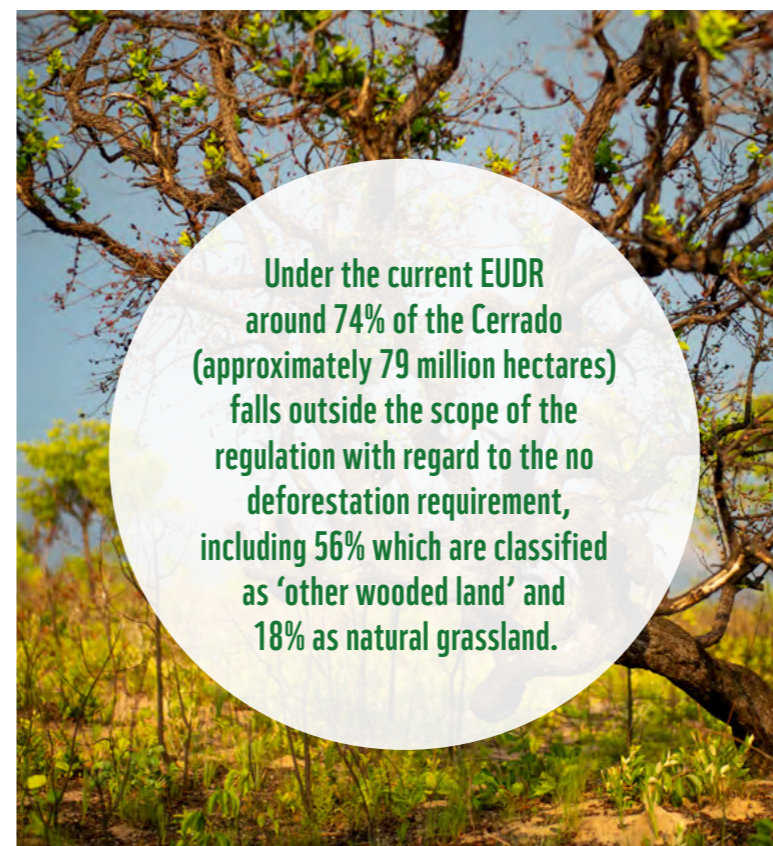
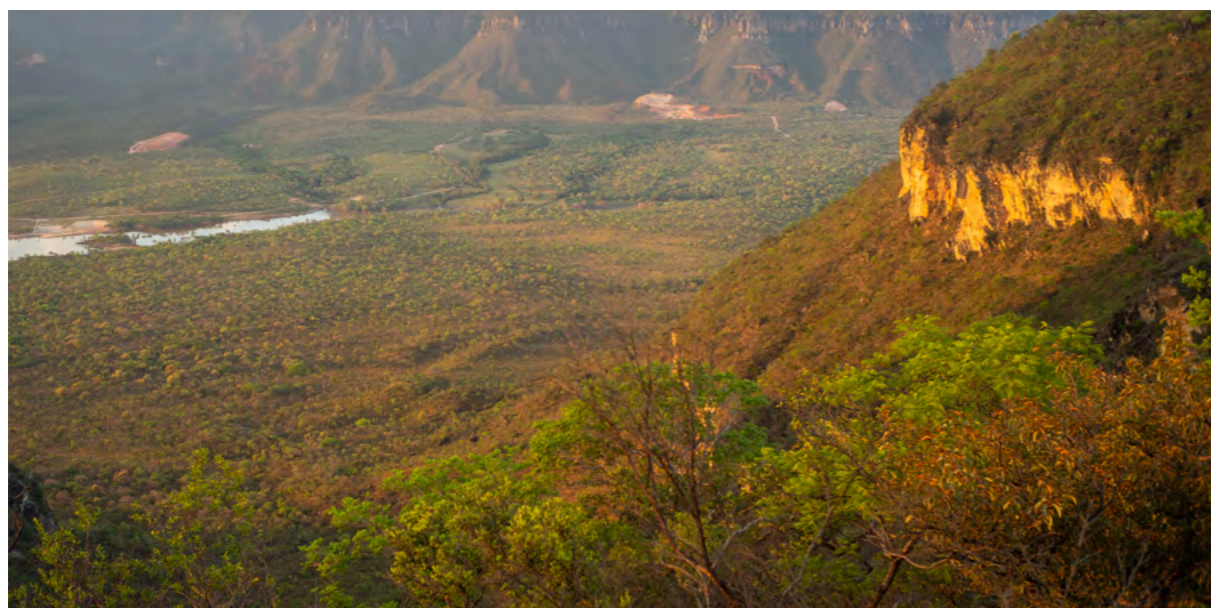
4.1 CONSERVATION OF OTHER ECOSYSTEMS

Within its current scope, the EUDR focuses on forest biomes, which, according to FAO classification, are defined as ‘spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10%, or trees able to reach those thresholds in situ, excluding land that is predominantly under agricultural or urban land use’ (EUDR Art. 2 (4)). This leaves large areas of woody landscapes, such as savannahs and grasslands, out of the regulation’s scope.

The former version of the regulation defined two review processes to assess the impact and potential extension of this scope, both of which have both been delayed and not conducted. The current version provides for a general review of the EUDR by June 2030 and at least every five years thereafter (EUDR Art. 34). Among other items, the general review focuses on **evaluating the possible extension of scope to include other wooded land and ecosystems.**

When looking at soy production in Brazil, the limitations of the EUDR’s impact become especially visible in the Cerrado biome. Even though in 2025, the annual deforestation rate within the Cerrado was the lowest in five years, it accounted for over 7.200 km² (compared to around 5.800 km² in the Legal Amazon) (PRODES 2025). Growing soy drives deforestation and conversion both directly and indirectly; the former as ecosystems need to be cleared for its cultivation, the latter by occupying pastures and pushing cattle ranching into natural ecosystems (trase 2022a). Furthermore, issues of land appreciation in agricultural regions, speculative incentives, and land grabbing amplify the chain reaction of land use displacement (Richards et al. 2014).

The Cerrado, one of the world’s oldest and most diverse tropical ecosystems, is currently not included in the scope of the EUDR.



The Cerrado is the world’s most biodiverse savannah biome; it provides important ecosystem services and is of high relevance for climate systems. It encompasses a diverse range of ecosystems including forests, woodlands, and open savannah. According to MapBiomas vegetation mappings, under the current EUDR around **74% of the Cerrado (approximately 79 million hectares) falls outside the scope of the regulation with regard to the no deforestation requirement**, including 56% which are classified as ‘other wooded land’ and 18% as natural grassland (Greens/EFA 2022 and Mapbiomas 2023). Consequently, conversion that occurs within these ecosystems is not covered by the deforestation-free requirement of the EUDR.

Additionally, the enforcement of laws is challenging and inconsistent, **as Brazilian biomes such as the Cerrado consist of a mosaic of various types of vegetation**, including tropical forests, dry forests, savannahs, grasslands, and wetlands, **as well as transition zones.** A definition based on

thresholds such as potential tree height and canopy cover poses a challenge for classifying complex mosaic ecosystems, where different types of vegetation often blend and transition gradually. As a result, it can be extremely complex to accurately classify areas as either within or outside the scope of the EUDR when mapping areas via remote sensing (MightyEarth 2023).

Pressure on the Cerrado biome remains high: most soy imports from Brazil and Paraguay to the EU originate in the Cerrado, and there are still large areas of native vegetation that are both suitable for agriculture and legally eligible for conversion (trase 2021). Under Brazil’s Forest Code, private landowners must reserve 20 to 35% of their property in the Cerrado biome for native vegetation as Legal Reserves, with the exact percentage depending on whether the property is located within or without the Legal Amazon region. Even if this is a vegetation that is not forest, these percentages are included in the scope of the EUDR under its legality requirement (see aspects related to land use rights in Chapter 3.2.1). For those areas protected under Legal Reserves, stakeholders report practices that undermine the Forest Code’s requirements; farmland is converted entirely to agricultural use while, where agriculture is not feasible, new land is appropriated as the farm’s Legal Reserve (see also ‘green grabbing’ Silva et al 2023). If the requirement for Legal Reserves is fully respected, it must also be noted that only a relatively **small share of the biome is protected under Brazilian law** and

therefore covered by the EUDR legality requirement. Consequently, large parts of the Cerrado remain legally convertible, despite their high ecological value.

Moreover, the EUDR could unintentionally increase pressure on biomes such as the Cerrado, as large areas not covered by the regulation may become target zones for expanding production, **shifting deforestation from protected areas such as the Amazon forest to less regulated ones** ([MightyEarth 2023](#) and [Mofette, Gibbs 2021](#)). This dynamism between the two biomes has already been observed in the past, after the Amazon Soy Moratorium (ASM) was implemented. It was found that almost half of the deforestation avoided in the Amazon shifted to the Cerrado biomes ([Villoria et al. 2022](#)).

Furthermore, soy expansion is occasionally justified as promoting necessary development, even on lands used by IPLC. Nonetheless, multiple stakeholders question who truly benefits, as large-scale soy production fails to improve local food security, local economies, or inclusiveness. Instead, it concentrates land, wealth, and power, while limiting access to vital resources such as water and excluding rural communities ([Lopes et al. 2021](#)).

Stakeholders perceive a lack in **incentives** for producers to protect areas beyond legal requirements and to focus the **expansion** of agricultural areas on lands that **have already been cleared or are degraded** ([The Nature Conservancy 2020](#)).




Solutions gathered for perceived hurdles:

Focus of EUDR on protection of forests

- Advocate for and improve governmental systems to protect ecosystems and provide incentives for farmers:** From a governmental perspective, priorities in Brazil include increasing the protection of natural ecosystems by strengthening the regulatory framework and its enforcement, and increasing investments in combatting and controlling deforestation (see Chapter 3.2). At the same time, the pressure on natural ecosystems should be reduced. Farmers should be supported and incentivised to conserve ecosystems and expand production to alternative areas such as degraded lands; these should be complemented by technical assistance to foster sustainable practices. Additionally, agricultural extension programs that promote climate-resilient and nature-positive methods can strengthen their capacity to increase yields and maintain soil fertility in the long term.


Companies should advocate the improvement of governmental systems, as stronger systems increase transparency around compliance with Brazilian legislation and reduce the need for extensive, individual due diligence measures to mitigate EUDR-related risks. In addition, the private sector should focus its political engagement and advocacy on expanding the EUDR's scope to include other wooded lands and other natural ecosystems, which would increase the regulation's overall impact and reduce corporate risk by enabling more consistent and effective monitoring.
- Ensure legality for all vegetation types beyond forests:** To comply with the EUDR, it is not enough to focus on forests and to confirm that no deforestation has occurred after 31 December 2020. It is also necessary to ensure that production follows Brazilian laws, including, for example, checking for the illegal conversion of any vegetation type and respecting human, labour, and IPLC rights (see Chapter 3.2). These must be respected regardless of vegetation type.
- Commit to DCF supply chains:** Companies should make a commitment and create policies on deforestation and conversion-free supply chains that go beyond the scope of the EUDR (in line with the AFi). Many companies have already committed to and support deforestation-free as well as conversion-free supply chains, as can be seen in company-specific commitments and sector initiatives such as the position paper of companies involved in the German multi-stakeholder 'Forum for more sustainable protein feed' ([FONEI 2025](#))

Companies should advocate the improvement of governmental systems, as stronger systems increase transparency around compliance with Brazilian legislation.



SUMMARY OF PERCEIVED HURDLES:

- Focus of EUDR on protection of forests
- The EUDR's scope does not currently cover other wooded land and natural ecosystems
 - Reviews of the EUDR delayed
 - Potential shift of soy expansion from forests covered by the EUDR to less protected areas (e.g. to Cerrado)
 - Missing incentive to focus expansion of soy production on lands that have already been cleared and to retake degraded areas
- Soy expansion occasionally justified as promoting necessary development
- Complexity of identifying 'forests' within the scope of the EUDR in biomes that consist of mosaics of and transition zones between vegetations types



or the [Consumer Goods Forum Forest Positive Coalition](#). Companies should actively communicate their own conversion-free commitment within the value chain and encourage suppliers, clients, and peers to adopt similar commitments to facilitate and support sector development (for proof of concept, see also the overview of [selected proven solutions by WWF](#)).

Actors should engage, implement, and strengthen approaches that retake degraded lands and incentivise producers to protect areas that could legally be deforested.

- **Implement and support programs that retake degraded lands instead of converting natural ecosystems:** In the Cerrado, approximately 18.5 million hectares of land that is suitable for soy cultivation have already been cleared (incl. around 7 million hectares exhibiting some degree of soil degradation), which is double the total area needed to fulfil the projections for the expansion of soy areas by 2030 ([The Nature Conservancy 2020](#)). Actors should engage, implement, and strengthen approaches that retake degraded lands and incentivise producers to protect areas that could legally be deforested, e.g.:
 - Financial institutions (including in collaboration with other stakeholders) should develop and implement financial instruments to promote DCF production, trade, and sourcing at scale, while ensuring that further soy expansion only occurs on cleared or degraded lands and respects environmental and social rights. Options include green and sustainability-linked loans and bonds, blended finance, and long-term facilities.
 - Existing programs and modules rolled out by the Brazilian government should be scaled up, made visible and easily accessible to smaller actors, and designed to ensure comprehensive social and environmental safeguards. Examples are: the [National Program for the Conversion of Degraded Pastures into Sustainable Agricultural and Forestry Production Systems \(PNCPP\)](#), the [Caminho Verde Brasil Program](#) along with the associated program [Eco Invest Brazil](#), and [ABC+](#).
 - ISPN's Cerrado Program works to strengthen the protection and conservation of the Cerrado. It promotes the integration of environmental protection, sustainable development, and the rights of Indigenous Peoples, traditional communities, and family farmers, recognising their essential role in preserving the biome.
 - The [Responsible Commodities Facility \(RCF\)](#) is a financial initiative that supports the production and trade of zero-deforestation soy in Brazil and invites the private sector to engage in the financial mechanism. It provides incentive to farmers through structured programs and funding mechanisms, aiming to make sustainable soy cultivation economically viable while meeting the international

demand for deforestation-free supply chains. Current investors in the RCF include UK supermarkets Tesco, Sainsbury's, and Waitrose, alongside Rabobank and AGRI3 Fund (see key results of current programmes in the [WWF 2025](#) summary).

- The [Cerrado Conservation Mechanism \(CCM\)](#) provides financial compensation to soy producers in the Cerrado biome who voluntarily forgo their legal right to convert surplus areas of native vegetation (beyond the mandatory requirements of the Forest Code) to soy cultivation. In return for preserving additional native vegetation, producers receive equivalent financial compensation. ABIOVE serves as a donor, and multiple companies such as Grieg Seafood, Nutreco, and Tesco reportedly contribute to the mechanism.
- The [Program Reverte Cerrado](#) (a collaboration between The Nature Conservancy do Brasil and Syngenta with financial support provided by Itaú BBA) offers credit lines as a financial instrument to recover degraded areas. The aim is to recover 600,000 hectares of degraded areas by 2030 and avoid the conversion of new areas of native vegetation.



Complexity of identifying 'forests' within the scope of the EUDR in biomes that consist of mosaics of and transition zones between vegetations types

- **Include vegetation types beyond forests in the scope of the EUDR and company commitments to improve impact and simplify monitoring:** For systems that map areas via remote sensing, such as PRODES, which focuses on natural vegetation beyond forests, stakeholders should not aim to reduce a base map to a strict forest classification that fits the current EUDR scope. Instead, established systems that map natural ecosystems beyond forests should be used by stakeholders as an opportunity to develop their own DCF targets, integrate broader vegetation types into corporate due diligence systems, and push for inclusion of other wooded lands and natural ecosystems into the scope of the EUDR. Including these in the regulation would simplify monitoring, as the presence or absence of natural vegetation would become a main criterion instead of the EUDR's definition of forested areas. This, in turn, could reduce uncertainty at production unit level (e.g. the farm or plot of land), lowering the legal, financial, and reputational risks of non-compliance for operators, traders, and authorities (see also the [report by DUH, Ecologistas en Accion, Forests of the World, Madre Brava, Mighty Earth, Rainforest Foundation Norway 2023](#)).

4.2 RISK OF CIRCUMVENTION AND SHIFTS IN VALUE CHAINS

As part of its risk assessment, the EUDR also requires the analysis of potential circumvention risks and the complexity of the supply chain, including the risk of mixing compliant products with volumes of unknown or non-compliant origin. Stakeholders have expressed concerns that various forms of circumvention and shifts in trade flows could undermine the objectives of the regulation.

The risk of circumvention could appear in the form of 'soy laundering', or 'triangulation', where non-compliant soy is routed or relabelled to appear EUDR-compliant. Typical methods include **selling the soy through a third party** claiming compliance, **altering origin or geolocation data** to show that goods were produced in compliant areas, or **blending compliant and non-compliant lots** without stating that this has been done. Without effective countermeasures, such practices could conceal links to deforestation or illegality.

Another perceived risk is the **relocation of soy production destined for the EU to areas where EUDR compliance is easier to achieve and the risk of non-compliance is lower**. This applies both at country level and regional level:

- **Country level:** The EUDR benchmarking system, presented by the European Commission in May 2025, classifies producing countries into three categories: low, standard, or high risk. Currently, countries such as Brazil and Argentina have a standard risk rating, while the USA, India, and China fall into the low-risk category. For low-risk origins, simplified due diligence applies. Stakeholders are concerned that this could incentivise a shift in EU sourcing towards low-risk countries.
- **Regional level:** Within each country, different municipalities and regions have different levels of deforestation risk. In Brazil, the MATOPIBA region, which is a key soy supplier to the EU, is recognised as a deforestation hotspot ([trase 2025](#)). Stakeholders fear that EU buyers may shift sourcing away from such high-risk regions, rather than continuing their commitment to promoting more sustainable production. This not only applies to sourcing areas but also to transportation and processing routes within Brazil, as soy that passes through corridors with higher-risk regions faces increased potential for being mixed with non-compliant volumes. Moreover, some producers are perceived to resist the application of EU regulations due to the lack of price incentives, and because volumes could alternatively be directed to other markets.

Overall, stakeholders are concerned that these dynamics could weaken the EUDR's intended impact. Instead of reducing deforestation and engaging with high-risk regions, soy production linked to ecosystem destruction could simply be diverted to other consumer markets (e.g. China, an important trade partner for Brazilian soy). Responsible companies currently operating in regions with higher risks could relocate to lower-risk areas to reduce their exposure to potential EUDR sanctions, leaving deforestation drivers in those regions unaddressed.


Stakeholders indicate that, in general, they do not want to alter their established supply chain configurations, suppliers, or sourcing regions. However, they emphasise the need for the EUDR to provide more incentives that help suppliers improve their practices, as well as sufficient time to develop and adapt current supply chains. Especially **smaller actors all along the supply chain are perceived to struggle with the requirements** of the regulation. This has reportedly increased the motivation among value chain actors to shift towards larger value chain partners instead of purchasing smaller volumes from different suppliers. If suppliers are identified as operating in high-risk areas, holding an uncertain risk assessment or are found to be non-compliant under the EUDR, clients indicate that, rather than their facing potential EUDR sanctions, market mechanisms often result in these suppliers being delisted or their volumes being redirected to other markets **instead of working with them to remediate and take action toward achieving EUDR compliance**.

The EUDR also requires assessing circumvention risks, including the risk of mixing compliant products with those of unknown or non-compliant origin.




“Nobody is really keen on switching their trading partners or sourcing countries, yet the EUDR provides little incentive to establish systems for responsible action in high-risk areas.

(Soy trader)



SUMMARY OF PERCEIVED HURDLES:

- Risk of soy laundering and altering geolocation data
- Risk of failing to reach relevant stakeholders with EUDR
 - Risk of shifting soy production for EU markets to low-risk areas
 - Risk of reducing market integration of small businesses
 - Lack of incentive to work with high-risk suppliers to improve practices




Solutions gathered for perceived hurdles:

Risk of soy laundering and altering geolocation data

- **Promote and implement stronger governmental monitoring and control systems:** Focus on enhancing governmental systems to effectively address risks such as soy laundering and the manipulation of geolocation data, prioritising high-risk regions. Implement core measures such as the successful validation of CAR numbers and their integration into electronic invoices and adopting a state registration system that is linked directly to the rural property rather than just the producer (CPF or CNPJ) (see also [Coalizao Brasil 2025](#)).
- **Support collective approaches that extend beyond single-company efforts:** Support public, independent, and/or (cross-)sector approaches to implement transparent monitoring and verification systems, including participatory mechanisms that safeguard both ecosystems and social rights. Engagement in sectoral initiatives and cooperatives should be encouraged to enhance traceability and reduce the risk of regulatory circumvention. Best practices and successful approaches, such as SIFMA-Selo Verde (see [Annex I: Tools in Brazil](#)), which crosschecks soy yields at farm level against invoice information to identify potential discrepancies, should be scaled up and shared across regions and producing countries.
- **Commit to DCF supply chains with a broad scope:** Commit to and create policies on deforestation and conversion-free supply chains that go beyond the scope of the EUDR (in line with the [AFi](#)). Ensure the consistent application of policies and conditions to soy sourced from all regions and biomes to reduce the risk of simply pushing deforestation to other areas (also referred to as ‘leakage’).

Within the value chain, companies should establish and strengthen sound systems to detect, monitor, and lower the risk of circumvention and fraud.



Risk of failing to reach relevant stakeholders with EUDR

- **Develop and implement processes to prevent unintended shifts, circumvention, and fraud:** Within the value chain, companies should establish and strengthen sound systems to detect, monitor, and lower the risk of circumvention and fraud. Examples of practices that should be applied (especially in high-risk regions) are: checking estimated production capacity in relation to the size of plot; analysing the entire farm and other plots connected to the farm (instead of single plots or CARs) to detect potential irregularities; analysing deforestation risks in adjacent areas; monitoring suppliers; crosschecking the potential network of nearby farms and aggregators owned by family members; checking alignment with CCIR against SIGEF and CAR data; on-the-ground monitoring and (independent third-party) field audits; independent verification (e.g. by engaging with civil society organisations). If irregularities are detected, companies should refrain from buying from the respective producers and start investigating and engaging with the suppliers.
- **Use certification systems as supportive measures:** Certification schemes with supply chain models with physical traceability can also support risk assessments and mitigation under the EUDR in the context of the risk of circumvention. The criteria and level of ambition covered by a certification scheme should be carefully assessed to ensure DCF requirements and social rights in line with the [AFi](#) are covered (see also the study of benchmarking soy sustainability standards by [Boev et al. 2025](#)). While certification cannot replace due diligence obligations, and companies remain fully liable for compliance, they can strengthen sustainability when applied as a complementary tool.
- **Implement practices that level the playing field and foster holistic approaches:**
 - **Level the playing field by aligning market demands from different consumer markets:** On an international scale, countries and regions should strengthen their shared agendas to achieve DCF supply chains while protecting human rights and the rights of IPLC. Key markets for the Brazilian soy sector, such as China, should be more actively involved in setting comprehensive environmental and social requirements for soy sourcing. Aligning and streamlining such demands between the EU and other markets has significant potential to increase impact within producing countries.

- **Level the playing field by strengthening the regulatory frameworks of Brazil:** Regulatory frameworks, policies, and incentive systems should be strengthened, implemented, and promoted to ensure that all regions across Brazil achieve a DCF soy production that respects human rights and strengthens traditional land use and rights. During implementation, high-risk regions should be prioritised.
- **Level the playing field through landscape- and regional-level initiatives:** Within the producing country, initiatives that are working on regional, landscape or country-wide approaches to halt deforestation and conversion and strengthen human and IPLC rights should be supported. These initiatives reach beyond single value chains and allow streamlined approaches. As a central example in the soy context, the Amazon Soy Moratorium (ASM) should be supported and strengthened.
- **Adopt holistic DCF practices beyond EU value chains:** Actors in the private sector as well as financial institutions should adopt holistic commitments, policies, and time-bound implementation plans that go beyond EU supply chains and EUDR compliance, in line with the [AFi](#). Rather than creating EU-segregated supply corridors for soy, companies should make the strategic decision to ensure their entire operations, beyond EU volumes, are DCF, legally produced, and respect human and IPLC rights. For mid- and downstream actors, this also means applying the same sourcing criteria (in line with the AFi) not only to EU volumes but to all purchases. This requires choosing EUDR-compliant and DCF volumes and working with value chain partners to ensure they also apply these standards in all their operations (greening supplier approach). Data and evidence gathered to demonstrate EUDR compliance should be applied across all supply chains to enable robust monitoring and reduce risks. Furthermore, these policies and measures should cover products containing embedded soy that fall outside the scope of the EUDR (e.g. in downstream products) to ensure a holistic approach, clear market signals, and a commitment to transforming the sector along the entire value chain.



- **Support and incentivise important regions and stakeholder groups:**
 - **Help small businesses to meet EUDR requirements:** Support smallholders and small businesses to ensure their EUDR-compliance, including DCF production and respect for human and IPLC rights. These efforts should be supported by both the Brazilian government and the EU as well as within the private sector and civil society organisations. For actors on the EU side of the value chain, the EUDR defines clear simplifications to ease the regulatory burden for SME operators and traders (see e.g. [information by the German competent authority BLE](#)).
 - **Support intrinsic motivation and incentives for producers:** Producers should be incentivised and motivated to have an interest in protecting ecosystems, as well as in legal production and respect for human and IPLC rights. (see Chapter 3.1.1 for further points on how to strengthen incentives and motivation)
 - **Develop and implement standardised processes to support the integration of smaller producers:** Standardised auditing and certification processes are perceived as having potential to help smaller producers to demonstrate compliance with the EUDR, facilitating their inclusion in value chains and access to the EU market. When using certification or similar systems, principles in line with the AFi should be followed, and ambitious, reliable standards should be applied (see also the study on benchmarking soy sustainability standards by [Boev et al. 2025](#)).





Deforestation in the Amazon rainforest.

- Define clear processes for requalification:** Guidance from the EU is required as well as the development of necessary systems by value chain actors in order to define clear support mechanisms and processes for farmers to requalify for the EU market if non-compliance or irregularities have once been detected. Within these efforts, it has to be ensured that soy is not cultivated on areas deforested after the cut-off date (see Chapter 3.2.1 for further information on cut-off dates). Even though, in the scope of the EUDR, this would only apply to soy which is provided to the European market, actors should implement a holistic approach, applying the same principles in all of the producer's operations to increase the positive impact and reduce the risk of leakage and circumvention (see Chapter 4.2). Moreover, actors should follow [AFi guidance](#), including [AFi guidance for remediation and access to remedy](#), to define requalification processes.

4.3 ECOLOGICAL BENEFITS BEYOND DEFORESTATION-FREE CULTIVATION

Soy cultivation in Brazil poses several ecological risks beyond deforestation, conversion, and the associated loss of biodiversity ([Lopes et al. 2021](#)). Key concerns include pesticide use, water consumption, and the impact on soil fertility, none of which are currently addressed under the EUDR.

Intensive pesticide use has resulted in the widespread contamination of soils and waterways; in rivers and soils, residues have been detected that threaten water quality, aquatic biodiversity, and human health through exposure in food and drinking water ([Gaboardi et al. 2023](#)). **Water use in**

the soy sector also creates pressure, as the agricultural withdrawal of surface and groundwater competes increasingly with downstream needs for households, the industry, energy production, and ecosystems. Recent research emphasises that if water use is not addressed alongside deforestation in supply chain governance, shifts in sourcing could inadvertently transfer the environmental burden of soy and beef imports from areas with high deforestation rates to regions facing severe water scarcity, or encourage more intensive production systems that further increase the water demand ([Lathuilière et al. 2025](#)). In addition, soy cultivation **impacts soil fertility**: continuous cropping and heavy reliance on chemical inputs contribute to nutrient depletion and imbalances – particularly of nitrogen, phosphorus, and potassium – raising the risk of long-term soil degradation if not managed properly ([Colman de Azevedo Junior, Cordeiro de Santana 2022](#)).



SUMMARY OF PERCEIVED HURDLES:

- Pesticide use, water consumption, and negative impact on soil fertility are not addressed by EUDR.



Solutions gathered for perceived hurdles:

Pesticide use, water consumption, and negative impact on soil fertility are not addressed by EUDR

- Support good practices in farming:** Develop and enhance programs that help farmers apply climate-resilient, nature-positive practices to increase yields and maintain soil fertility. These programs should safeguard ecosystems and social rights, assist adaptation to climate change, contribute to food security, and safeguard livelihoods, as well as being accessible to smaller value chain actors.
- Facilitate exchange of best practices:** Develop and support formats for sharing best practices and lessons learned among farmers, producing regions, and countries.
- Address different impacts holistically:** Private sector and regulatory frameworks should consider multiple aspects, such as water use and deforestation, to reduce environmental pressures and enhance sustainability. Measures should be combined, as no single action can address all ecological, social, and economic issues.

4.3.1 Excursus: Fazenda Barbosa

Fazenda Barbosa farm produces soy using an Integrated Crop-Livestock-Forest (ILPF) system. In collaboration with partners such as Embrapa, Rede ILPF, GIZ, and the Universidade Federal do Maranhão, the farm continuously improves its practices and environmental impact. The ILPF allows for the simultaneous production of soy, meat, and wood on the same land, maximising area use and reducing the need to develop new agricultural lands.

How does the farm operate?

The farm utilises a specific rotation system where Brachiaria and maize are planted together. After the maize harvest, cattle graze on the remaining fodder. This is then followed by soy cultivation for four to five years; the remains from soy production are used as animal feed. Within this rotation, approximately 20% of the farm is usually dedicated to maize. After five years, the cycle starts over. The farm currently uses multiple biological agents as fertilizers and for pest control in production. Transitioning to the on-farm production of biological agents has enabled the farm to reduce its use of and reliance on traditional biochemicals. Furthermore, Fazenda Barbosa is exploring how to integrate more native tree species, aiming to replace the fast-growing eucalyptus currently used in the timber component of their set-up and to provide shade for cattle. The electric fences and water pumps required in cattle management run on solar energy. Further projects are being conducted to measure, reflect, and increase the farm's environmental and social value.

What are the perceived benefits?

While maize is not highly productive on its own, it is crucial for improving soil quality and is also used as animal feed. This measure significantly increases soy yields per hectare and is connected to a considerable increase in animal weight. The farm's soil shows a higher organic matter content compared to the regional average, and even exceeds that of natural surroundings. Given that region only has five months of rain, which prevents a second harvest, the farm invests in strategies such as maize and cattle to counterbalance dry periods, enhancing resilience and preventing the loss of complete harvests. Brachiaria not only survives dry seasons of up to six months by providing essential forage for cattle, it also contributes significantly to increasing the soil's carbon content. The shade provided by rows of tree allows the farm to raise cattle breeds with a higher level of meat productivity, something that would otherwise be limited by their sensitivity to heat.

Fazenda Barbosa uses an ILPF system to produce soy, meat, and wood on the same land, improving environmental performance with partners while maximizing land use and reducing the need for new farmland.

How can the farm meet market requirements?

As a producer, the farm lacks transparency regarding the final markets where its soy volumes are sold. The market demand at production level currently focuses heavily on quantity and quality criteria. Main criteria that influence the value on the soy volumes on the market are the level of moisture and the proportion of old or damaged beans. The soybeans' higher protein content – a desirable factor on the market achieved by the farm through its production practices – is reportedly not reflected in the market price. On the production side, while it would be possible to segregate different volumes at the farm to some extent, this would be limited by short harvesting periods, a limited number of storage facilities, the use of third-party silos, and the continuous flow through the storage facilities. To ensure the mandatory low moisture levels, it is common practice to deliver soy volumes with excessive moisture to local intermediaries and to collect these volumes again after the drying process has been completed. During the drying process, however, soy from different farms is mixed. As a result, current standard practice is to return an equivalent quantity after drying instead of the exact same physical soy volume.

How to spread learnings?

Fazenda Barbosa actively hosts 'field days' to showcase its successful ILPF practices and encourage other farmers, technicians, and students in the Maranhão region to adopt this sustainable and productive system. Programs such as [ABC+](#) and [AgroPlus](#) are perceived as promising by producers but requires strengthened communication between farmers and supporting institutions to be implemented successfully and more broadly.





5 RECOMMENDATIONS AND ASKS

5. RECOMMENDATIONS AND ASKS



5.1 PRIVATE SECTOR

5.1.1 Political Engagement

- **Advocate for a strong Brazilian regulatory framework and the enforcement of laws:** Urge governmental institutions in Brazil to strengthen the regulatory framework and mechanisms to address human rights violations and ecosystem destruction, and to ensure the effective implementation and enforcement thereof. Exemplary points are:
 - Take a position to strengthen the protection of forests as well as of other wooded lands and natural ecosystems (e.g. grasslands in the Cerrado biome).
 - Actively urge for government authorities to establish and strengthen the systems, equipment, and capacities necessary for the effective implementation and validation of the CAR system and to push the integration of CAR numbers into electronic invoices.
 - Take a position for an efficient, transparent, and participatory environmental licensing system which tackles environmental and social challenges. Also push for the implementation of mechanisms that strengthen and respect defined processes for granting ASVs.
 - Advocate for federal systems to unify data across different entities to allow the efficient analysis of information such as infraction reports, environmental embargoes, and legal action.
 - Companies should advocate for the establishment of a federal organisation that focuses on IPLC (beyond Indigenous Peoples and Quilombola) to ensure the protection of their rights and address their current vulnerabilities. Companies should push for strengthened legislation and judicial mechanisms to safeguard the rights of IPLC.
- **Advocate for a strong regulatory framework on the EU side:** Take a position for a timely, reliable, and impactful regulatory framework and implementation of the EUDR. Critical points include:
 - Advocate expanding the EUDR scope to include other wooded lands and natural ecosystems.
 - Regarding legality criteria, advocate including independent Brazilian stakeholders when defining EUDR-relevant laws and the evidence needed in the context of Brazilian soy supply chains. Push for comprehensive criteria with clear definitions and robust mechanisms to guarantee the successful protection of EUDR-relevant rights, such as human and IPLC rights, and ensure planning security for value chains.

- To ensure producing countries outside of the EU are motivated to meet EUDR requirements, speak for the EU leading by example and applying the same rules as those required from actors outside the EU, such as Brazil.
- **Advocate strengthening and streamlining the environmental agenda with other consumer markets such as China:** Push the governments of the EU, Brazil, and other countries relevant for Brazilian soy to strengthen the collaboration with additional consumer markets such as China and to align under a shared sustainability agenda and regulatory framework that go beyond EU supply chains.



5.1.2 Collaboration, Capacity Building, and Incentives

- **Engage with and support value chain partners:** Ensure that suppliers (especially smaller actors) are informed about the data requirements for EUDR compliance and supported in their preparation. Help producers meet requirements, transition to DCF production, and respect human rights and the rights of IPLC. Enable producers to collect and manage high-quality geolocation data and further relevant information (while protecting data rights) to ensure EUDR compliance. Build capacities both upstream and downstream to facilitate satellite image analysis.
- **Engage with suppliers beyond the scope of the EUDR:** Ensure that (direct and indirect) suppliers adopt and implement their own commitment, policies, and practices (in line with AFi), with a focus on specific volumes as well as across all operations. Promote best practices that go beyond compliance and foster nature-positive farming.

A soy farm in the Cerrado in Brazil.



- **Implement incentives for DCF production:** Develop and implement clear, accessible, and targeted financial and technical incentive systems for producers, prioritising high-risk areas, to enable a shift to DCF production, restore degraded land, and protect natural ecosystems as well as human rights and the rights of IPLC. Additionally, financial institutions should develop instruments to promote DCF production and sourcing at scale.
- **Share learnings and good practices:** Whenever possible, address sustainability measures in pre-competitive spaces and share good practices, lessons learned, and successful approaches with peers and partners to improve and align practices. Use direct exchange or association formats to build the platforms necessary for discussion.
- **Develop and improve (cross-)sectoral and technical solutions:** Actively develop and support sector-wide solutions to manage data, increase traceability, and facilitate the transition to a DCF soy production that respects social rights. Commit to scaling up promising tools (e.g. SIFMA Selo Verde, [see Annex I: Tools in Brazil](#)), and technologies such as blockchain that have proven successful in pilot projects, especially through sector collaboration, to achieve industry-wide solutions.
- **Develop grievance and remediation mechanisms for affected stakeholders:** Actors along the entire supply chain, including downstream actors, play an important role in establishing reliable communication channels for affected stakeholders. They should also help implement grievance mechanisms and platforms for substantiated concerns that respect the necessary safeguards. Moreover, violations of relevant laws (directly or indirectly linked to the production, processing, or trading of soy) should be addressed through effective and fair remediation measures.
- **Local and landscape engagement:** Support local projects, civil society organisations, and initiatives that establish DCF structures, while safeguarding and monitoring respect for human rights and the rights of IPLC. Participation in landscape initiatives (especially in high-risk areas) can increase the positive ecological and social impact and facilitate EUDR implementation.



5.1.3 Due Diligence Systems

- **Support independent monitoring mechanisms:** Support public, independent, and/or cross-sector approaches to implement transparent monitoring and verification systems, including participatory mechanisms.
- **Define supplier information requirements and a due diligence approach specific to the Brazilian soy context:** Develop and apply existing standards for baseline data exchange. Define and gather additional data that addresses specific contexts (e.g. country, region, and commodity) and associated risks. This includes implementing due diligence measures to mitigate risks linked to shortcomings in the CAR system, environmental licences, and ASVs. Use complementary sources (beyond official systems), such as the [Observatório Socioambiental](#) platform, the [Traditional Territories Platform](#) and [Tô no Mapa](#), to identify potential overlaps of soy production with IPLC areas and to monitor conflicts. Respect all rights and territories traditionally occupied or used by IPLC, regardless of their formal registration status.
- **Analyse legality criteria tailored to the Brazilian soy context:** Apply existing guidance, such as the comprehensive guidelines developed by ABRAMPA ([Environmental Due Diligence Guidelines by ABRAMPA](#)) and WWF ([Human Rights Due Diligence Guide by WWF Brazil](#)), to determine which Brazilian legislation is relevant for the EUDR and how to provide evidence of compliance. Ensure rightsholders affected by soy cultivation and production are mapped in order to identify and address at-risk stakeholder groups and rights.
- **Combine different sources and approaches to ensure robust due diligence systems:** To analyse polygons, integrate and crosscheck different forest cover maps within risk assessments and implement additional measures (e.g. production site audits by independent actors) that are sufficient to ascertain the deforestation-free requirements of the EUDR.
- **Implement DCF strategies beyond EUDR-compliant volumes:** Ensure holistic approaches to achieving DCF supply chains while respecting social rights. This entails a clear commitment with target dates, policies, and time-sensitive implementation plans with milestones, as well as monitoring and reporting in line with AFi. The scope should go beyond securing limited DCF volumes for the EU and prioritise the transition of all actors across all operations. At the start of the value chain, compliance should be achieved at the level of the entire

farm rather than of a single plot. Implement clear targets to increase traceability in the indirect supply chain and take action to gain access to information on traceability. The EUDR can serve as a valuable tool to improve supply chain traceability and thereby strengthen overall DCF strategies.

- **Share responsibilities along the value chain:** Companies should provide downstream partners with access to core data such as geolocation information as well as additional data to improve credibility and foster shared responsibility across the supply chain. Downstream actors should go beyond EUDR requirements by verifying whether suppliers have implemented operational and up-to-date due diligence systems. Supply chain partners for soy not directly covered by the EUDR (e.g. downstream actors handling soy embedded in animal-based products) should nonetheless contribute to transition efforts in producing countries in order to improve sustainability measures and traceability across the value chain.
- **Use certification schemes supportively:** Certification schemes with supply chain models with physical traceability can support the assessment of risks and mitigation under the EUDR; they can also yield additional environmental and social benefits, provided that ambitious standards are applied and criteria aligned with DCF requirements and social rights (see also [AFi criteria](#)).

5.2 GOVERNMENTS

5.2.1 The EU and Germany



The EU should ensure that the application of the EUDR starts promptly and without further adjustments.

- **Ensure application of the EUDR starts promptly:** Implement the EUDR without any further adjustments that dilute its impact or change its timelines. Prompt application is also essential to ensure planning security and maintain credibility.
- **Expand the scope of the EUDR:** Include the conversion of other wooded lands and other natural ecosystems in the scope of the EUDR.
- **Provide concrete guidance on legality criteria at EU level:** Provide more concrete guidance on legality criteria in collaboration with independent stakeholders from producing countries to ensure impactful approaches and level the playing field during implementation.

- **Strengthen incentives for DCF production:** The EU should develop, implement, and strengthen clear, accessible, and targeted financial and technical incentive systems for actors to support the transition to DCF production and promote the protection of natural ecosystems.
- **Strengthen the competent authorities and their alignment:** Ensure the competent authorities across the EU have sufficient capacities and resources to effectively enforce the EUDR. Furthermore, promote working groups and exchange formats between the competent authorities to ensure consistency and to level the playing field in monitoring, the handling of violations, and overall EUDR implementation.
- **Support the development and scaling of traceability systems:** Implement support measures to develop and scale traceability systems and improve supply chain transparency. Also foster public, independent, and/or cross-sector approaches to implement transparent monitoring and verification systems, including participatory mechanisms.
- **Share learnings:** When competent authorities conduct dry runs with companies, ensure that the main results and learnings are shared with other competent authorities and the private sector.

5.2.2 Brazil



- **Strengthen the Brazilian regulatory framework and enforcement of laws:** Reinforce the regulatory framework, as well as the effective implementation and enforcement thereof, to end deforestation and conversion as well as the violation of associated rights, such as human, IPLC, and land rights (in line with AFi). Some key asks are:
 - Strengthen the protection of forests and other natural ecosystems (e.g. other wooded land and grasslands in the Cerrado biome).
 - Establish and improve systems, equipment, and institutional capacities necessary for the effective implementation and validation of the CAR system and integrate CAR numbers into electronic invoices.
 - Establish a state registration system linked directly to rural properties rather than just producers to directly associate the issuance of fiscal documents with geo-referenced production areas.
 - Create an efficient, transparent, and participatory environmental licensing system that addresses environmental and social challenges. Moreover, ensure mechanisms are in place that strengthen and respect the defined processes for granting ASVs.

- Develop federal systems to unify data across different entities and enable the efficient analysis of information such as infraction reports, environmental embargoes, and legal actions.
- Establish a federal organisation for local and traditional communities (beyond Indigenous Peoples and Quilombola) to ensure their rights are protected and to tackle their current vulnerability. Strengthen legislation and justice for IPLC.
- **Develop and improve solutions that operate at national scale:** Systematic solutions and platforms to consolidate land, social, environmental, fiscal, and production data ease each company's burden of managing geolocation data and increasing traceability; they are also necessary to ensure and leverage a positive impact. Approaches should actively be developed and supported. Positive examples include AB+S and the SIFMA Selo Verde system (see Annex I: Tools in Brazil), which hold significant potential for being strengthened and scaled up, while ensuring interoperability between state and national systems.
- **Implement incentives for DCF production and the protection of ecosystems:** Develop, implement, and strengthen clear, accessible, and targeted financial and technical incentive systems for producers, prioritising high-risk areas. These incentives should:
 - protect natural ecosystems as well as human rights and the rights of IPLC;
 - value forests stands and other wooded areas to support and incentivise farmers to conserve ecosystems;
 - direct the potential expansion of production into the restoration of degraded lands without land conflicts;



- scale up new and existing programs (e.g. Caminho Verde Brasil, EcoInvest Brazil, ABC+) that foster good practices and nature positive agricultural methods and make them visible and easily accessible (especially for smaller actors).
- **Implement and strengthen monitoring and traceability systems:** Promote and implement stronger governmental monitoring and traceability systems to improve supply chain transparency and effectively address risks such as soy laundering and fraud in the context of geolocation data (prioritising high-risk regions). Also foster public, independent, and/or cross-sector approaches to implement transparent monitoring and verification systems, including participatory mechanisms.
- **Support local and regional initiatives:** Strengthen regulatory frameworks, policies, and incentive systems to ensure that all regions across Brazil achieve DCF production, prioritising high-risk regions. Support initiatives that are working on regional, landscape, or country-wide approaches to halt deforestation and conversion (e.g. the Amazon Soy Moratorium and SIFMA Selo Verde [\(see Annex I: Tools in Brazil\)](#)).

5.2.3 Collaboration Between Countries

The dialogue between EU bodies and producing countries such as Brazil should be intensified.

- **Intensify the dialogue between countries:** Intensify the dialogue between EU bodies and producing countries such as Brazil to improve acceptance and buy-ins by agricultural actors and strengthen the impact and practicability within the regulation's implementation. Strengthen the exchange of learnings, best practices, and transfer potential between different producing countries (e.g. promising tool approaches such as SIFMA Selo Verde, [see Annex I: Tools in Brazil](#)).
- **Foster multi-stakeholder platforms:** Foster multi-stakeholder platforms, initiatives, tools, and systems to enable transparency around and traceability to the origin.
- **Strengthen and align ambitious sustainability requirements with key consumer markets:** The EU, the Brazilian government, and other relevant authorities should strengthen collaboration with major soy consumer markets, such as China, to align sustainability requirements beyond EU supply chains and thus achieve DCF supply chains while protecting social rights.
- **Implement incentives for DCF production and protecting ecosystems:** Develop, implement, and strengthen clear, accessible, and targeted financial and technical incentive mechanisms.

ANNEX I: TOOLS IN BRAZIL

I.I SIFMA SELO VERDE

The SIFMA Selo Verde platform was introduced as a free public tool for the fiscal and environmental management of Maranhão's agribusiness. Operational since 2023, the system's development was coordinated by the Secretariat of Finance. Initially designed for tax management, it has since been expanded to incorporate functions that link fiscal administration and environmental monitoring. Drawing on artificial intelligence, high-resolution satellite imagery, and geospatial databases, the platform is in line with both national and international regulatory frameworks. SIFMA Selo Verde aims to enable rural landowners and other stakeholders to: (i) assess compliance with the Forest Code for properties registered in the Rural Environmental Registry (CAR); (ii) trace direct and indirect suppliers of agricultural products such as soybeans and corn; (iii) integrate geospatial data from federal and state agencies; (iv) demonstrate compliance with standards including the EUDR; and (v) identify non-conformities such as unauthorised deforestation to support regularisation processes.

Features of the platform include detailed information on the socio-environmental status of rural properties, which enhances the transparency and traceability of supply chains, and analyses that identify legal reserve surpluses, areas for restoration, and evidence of non-compliance with legislation regarding socio-environmental requirements.

In sum, SIFMA Selo Verde serves as an example of how digital platforms can combine fiscal management with environmental governance at state level. Its development reflects efforts to integrate technological innovation into the regulation of agricultural supply chains, with implications for compliance monitoring, market access, and the implementation of ethical and sustainability standards. Stakeholders should commit to implementing and rolling out the system in the planned Maranhão context as well as across other regions.

► Find more information, please visit <https://www.ma.gov.br/noticias/sema-realiza-reuniao-tecnica-sobre-o-sistema-sifma-selo-verde>

I.II AGRO BRASIL + SUSTENTÁVEL

The AB+S platform is a government-led digital initiative designed to integrate information from the official databases of public national and subnational institutions to generate traceable and reliable data on sustainable agricultural production in Brazil. Its primary aim is to organise and provide environmental, social, and corporate governance information related to producers, agricultural companies, and rural properties, thereby helping improve the quality of information on Brazilian agricultural products in terms of social, legal, sustainability, and traceability standards,

ANNEX II: FURTHER READING AND CENTRAL RESOURCES

The primary goal of the platform is to organise and provide environmental, social, and corporate governance information related to producers, agricultural companies, and rural properties.

creating transparency, credibility, and trust across the agricultural value chain, with rural producers as its central users.

The platform is universal, evolutionary, and dynamic, allowing the integration of complementary processes such as certification, validation, verification, and monitoring of agricultural production; membership is voluntary. AB+S aggregates multiple official databases from different institutions, is free of cost for producers, and can be used by companies as part of their processes, rather than functioning as a standalone compliance tool. On the AB+S platform, producers can analyse their farms and obtain an analysis report which they can use for internal elaboration or share with external partners. Producers access their results via the gov.br portal using CPF or CNPJ identifiers, while the Ministry of Agriculture and Livestock (MAPA) is only notified that the analysis has been performed and does not have access to the underlying data. Reports generated through the platform can be shared with companies and financial institutions, and automated compliance checks against various criteria are planned. The platform also allows for the inclusion of complementary certifications and for collaboration with agencies such as IBAMA to improve the monitoring of land use and deforestation. Plans for future AB+S plan models include integrating PRODES deforestation data as well as criteria tailored to the specific requirements of the EUDR. MAPA is working to expand participation and facilitate access for producers that lack legal documentation for their land. In the long term, discussions on the platform's long-term use currently include supporting EUDR traceability requirements by tracking the movement of agricultural batches through the supply chain.

While AB+S provides a tool to increase transparency and enable producers to demonstrate sustainable practices, private actors remain responsible for ensuring compliance with the EUDR. As mentioned above, the platform is voluntary, and its effectiveness depends on producer participation. Current limitations include incomplete coverage of issues around land rights, limited consideration of human rights, and insufficient data on IPLC.

► For more information, please visit <https://www.gov.br/agricultura/pt-br/assuntos/sustentabilidade/programa-agro-brasil-sustentavel/o-que-e-a-plataforma-agro-brasil-sustentavel>

- [**ABRAMPA 2025:** Environmental Due Diligence Guidelines for Purchases of Brazilian Products by the European Union](#)
- [**Accountability Framework initiative \(AFi\):** Accountability Framework and Supporting Material](#)
- [**Coalizão Brasil Clima, Florestas e Agricultura 2025:** Rastreabilidade da Soja no Brasil: Propostas Para um Sistema Nacional Integrado](#)
- [**Imaflora, TNE, WRI, WWF Brazil 2025:** Minimum Monitoring Criteria for Deforestation and Conversion-Free \(DCF\) Products. For Commodities Originated in Brazil \(Soy, Maize, Cotton\) – to be Performed by First Aggregator \(Trader, Crusher, Storage Silos, Cotton Gin\)](#)
- [**ISEAL 2025:** Declaration in Excess](#)
- [**Observatório Socioambiental:** Platform for Socio-Environmental Data](#)
- [**Olab 2024:** 10 Lessons Learned From a Dry-Run of EUDR-Compliant Soy From Brazil](#)
- [**ProForest 2024:** Exporters – From Brazil and EUDR: Beef and Soy Dry Runs](#)
- [**Soy on Track 2025:** Guide for Transparency in Sustainability Reporting by Soybean Traders; Soy on Track](#)
- [**WWF 2021:** Deforestation and Conversion Free Supply Chains – WWF Vision, Guiding Principles and Asks](#)
- [**WWF 2025a:** Human Rights Due Diligence in Commodity Supply-Chains: An Initial Guide for Companies Operating in Brazil](#)
- [**WWF 2025b:** Time to Act: Showcasing, Incentivizing and Upscaling Deforestation and Conversion-Free \(DCF\) Supply Chains](#)



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