

## Bunge's Case in Uruçuí

In the Southern region of Piauí State there is judicial battle in progress. It is between Bunge Alimentos SA, an agribusiness multinational corporation that benefits most with the soy production - in expansion - in the region, and civil society.

The polemic point is that the multinational corporation opted for the use of wood as their energy source in their Uruçuí soy processing plant. It is fundamental to burn fuel in the storage silo in order to avoid humidity that might affect the soy. In Bunge's case, the own corporation declares that 100% of the energy generated by the plant comes from burning wood. This procedure was adopted by various branches of the corporation in Brazil and this has led to a heavy demand for raw material in Piauí State. Biomes, such as Cerrado (a sprawling savanna), and Caatinga (a xeric shrubland and thorn forest, which consists primarily of small, thorny trees that shed their leaves seasonally), are suffering with this option for burning wood as these biomes are rather neglected by environmental preservation initiatives.

A legal action, therefore, was brought against Bunge soon after Uruçuí soy processing plant began functioning in 2003. The Federal Public Ministry (MPF) and State Public Ministry (MPE) were the ones that started the legal action. Funaguas, an NGO presided by Judson Barros, joined the action later on.

A year later, this civil action resulted in the signature of TAC (Term of Adjustment of Conduct) by MPE and MPF. Funaguas thought that agreement was not enough and did not sign it.

What led to TAC was the confirmation that the corporation was using more wood than it could be produced by Bunge's eucalyptus reforestation project, according to the Plan of Action established at the time the company began to operate in Piauí. Consequently, it was impossible for the company to become self-sustainable in wood supply. According to TAC, the corporation, therefore, had to adjust the production to this wood consumption and try to supply the wood needed for their functioning.

According to IBAMA's resolution, the raw material should be obtained within a thirty kilometers belt around the soy processing plant as it would take six years for the eucalyptus to be able to supply the wood needed for burning. This was before signing TAC. Bunge by itself decided to increase this belt to a hundred kilometers, as it can be observed in the legal action.

The corporation, however, declared that it went far beyond this limit, even when considering the wider belt. The corporation asked IPT (Technological Research Institute) to carry out a study, and it is possible to access the information about the authorization for deforestation on farms that were more than eight hundred kilometers away from Uruçuí soy processing plant. Even seaside towns, such as Parnaíba, were present in the list.

The reason of concern with the limits of this belt is simple: If the limit is not established, the corporation can stimulate the deforestation in all Piauí State. In such a poor state, the guarantee of a major buyer of wood easily extracted becomes an income alternative, even considering the long distance the wood would have to travel in order to be delivered, sometimes hundreds of kilometers.

Funaguas addresses further these issues. According to Barros, the corporation is taking wood from certain areas without authorization of Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) and uses the authorization for other regions of the state to justify the origin of the wood. Funaguas also denounces that Bunge planned to have soy crops in deforestation areas. Nonetheless, according to the list of municipalities in the study carried out by IPT, many of these municipalities do not even have a register of soy production. This fact points to an exclusively predatory deforestation.

Based on these facts, Funaguas decided to maintain the claims and carried on with the legal action. On 28 March 2008, the Federal Regional Tribunal (TRF) of the 1st region ruled in favor of the NGO's claims and the Term of Adjustment of Conduct was invalidated. Besides this, as the normal course of legal action continues, the corporation was forbidden to use wood as a source of energy, even if it comes from reforested areas.

According to Bunge, if the options left are not economically or environmentally viable, this soy processing plant in Piauí may close down.

Uruçuí soy processing plant processes around 500,000 to 600,000 tonnes of soy per year and it is responsible for absorbing the increasing production of the region around Uruçuí. The only major corporation in the region is Bunge, different from what happens in other regions where there is the presence of many trading companies from this sector.

Source:

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