

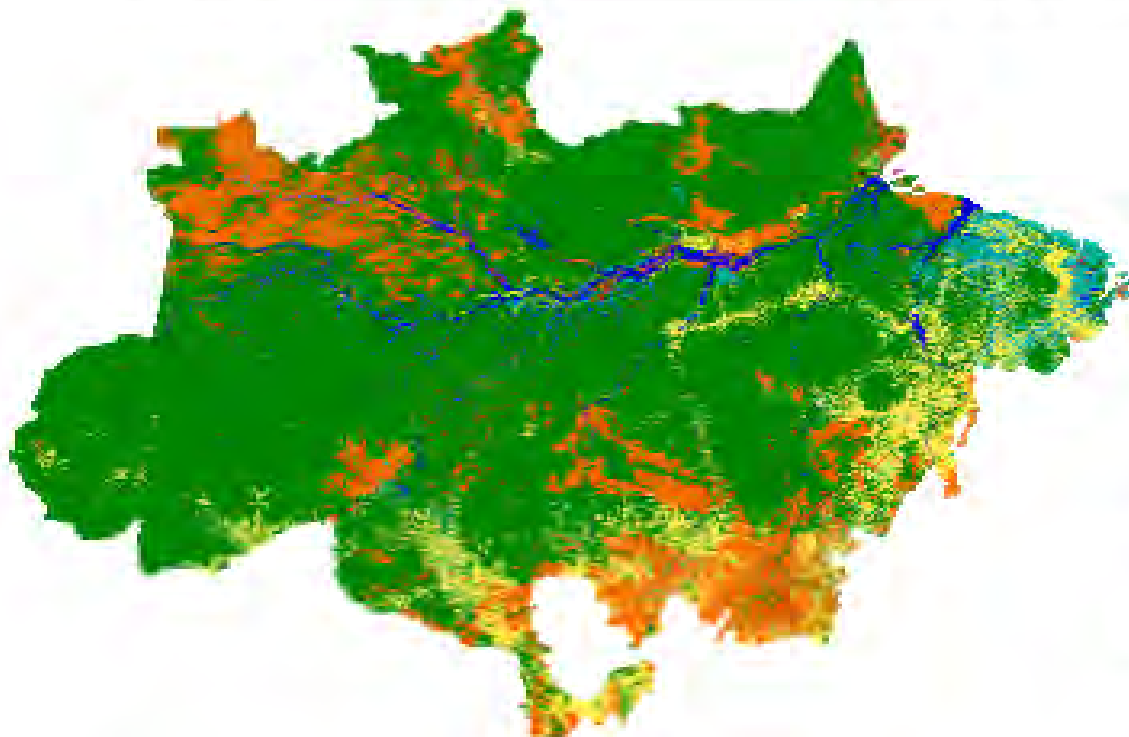
# Palm Oil - The Sustainable 21st Century Oil

London, 23-24 March 2009

## Sustainable Palm Oil Developments in Brazil AGROPALMA Group - Marcello Brito



Biome Characteristics	Area (km <sup>2</sup> )	%
Forest	2,913,792.77	67.69
Non-forest	693,830.75	16.10
Deforested area	400,431.41	9.30
Secondary vegetation	127,191.91	2.95
Water	170,010.65	3.95
<b>TOTAL</b>	<b>4,305,257.49</b>	<b>100.00</b>



Vegetação  
Secundária

## Legal Amazon region is different from the Biome Amazon

Amazônia Legal

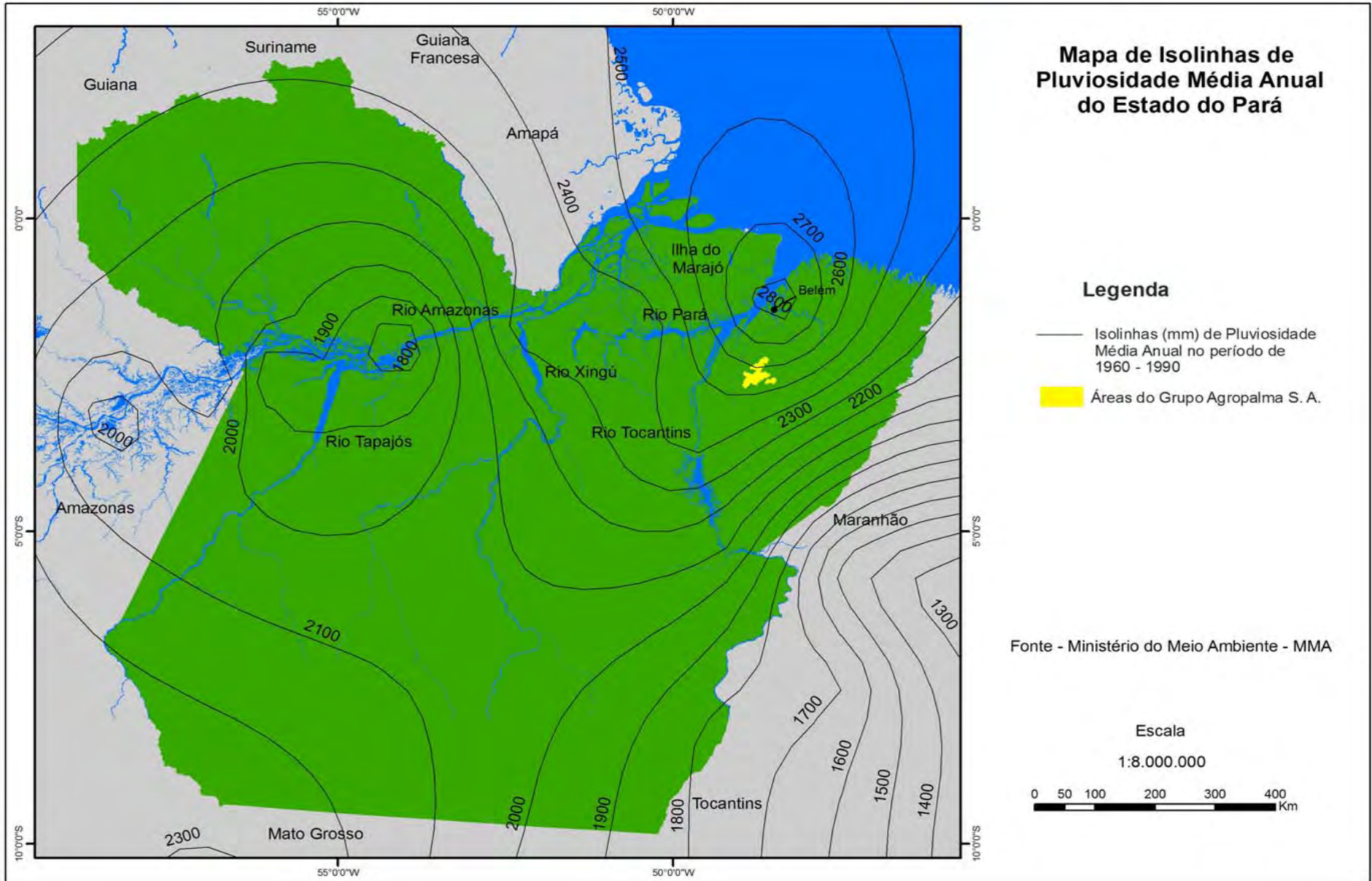


	Biome Amazon
	Biome Savannah
	Wet lands

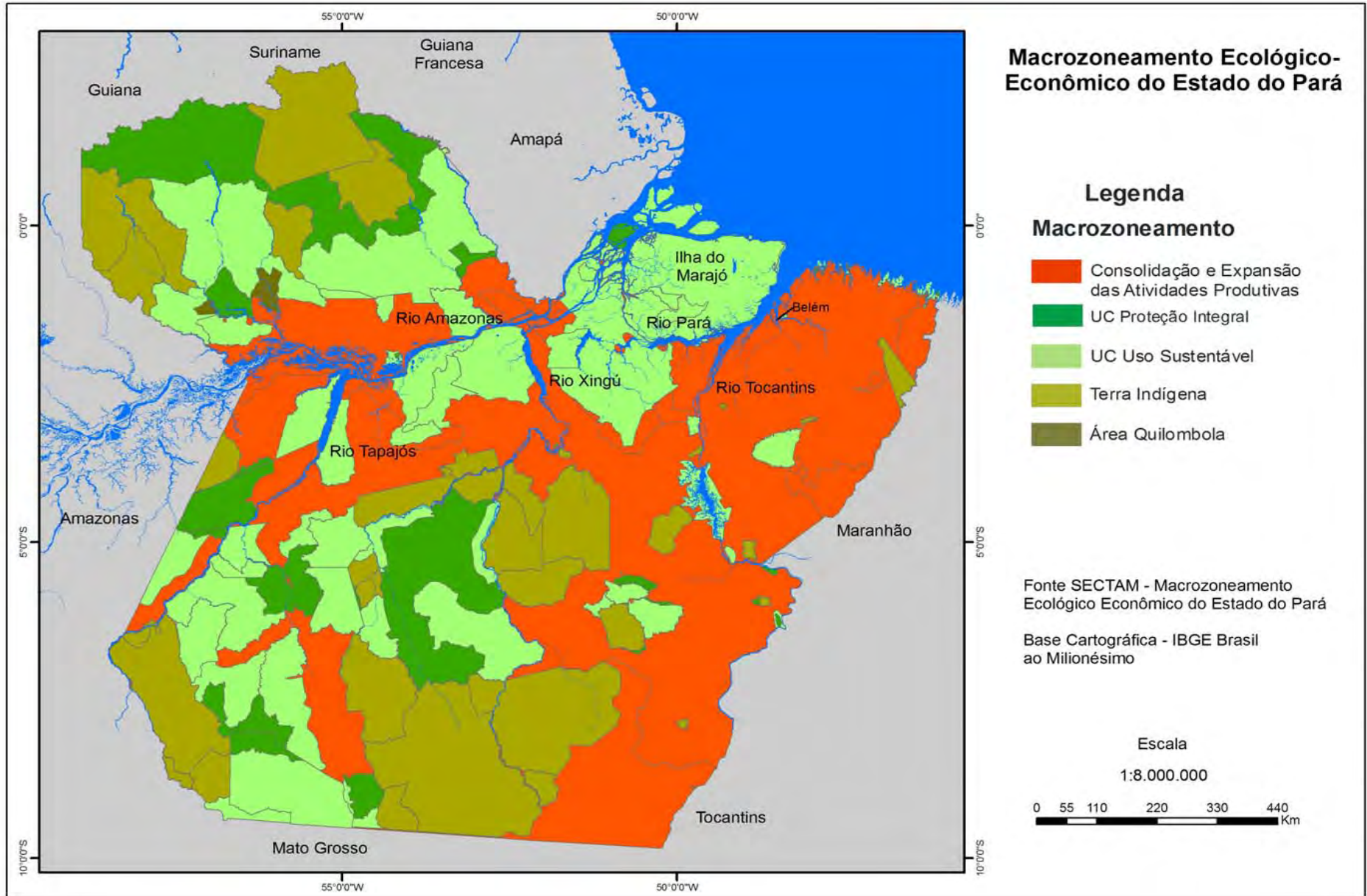
Legal Amazon Region	Biome Amazon Region
Legal / Politic Concept	Environmental Concept
510 million ha	419 million ha
61% of the Brazilian territory	49% of the Brazilian territory
30% occupied by farms (151.4 million ha – around 488,000 farms)	
9 states	
23 million inhabitants	
7% of the Brazilian GDP	
Created in 1953 for taxes policies reasons	Formulated according environmental criteria's (fauna and flora)

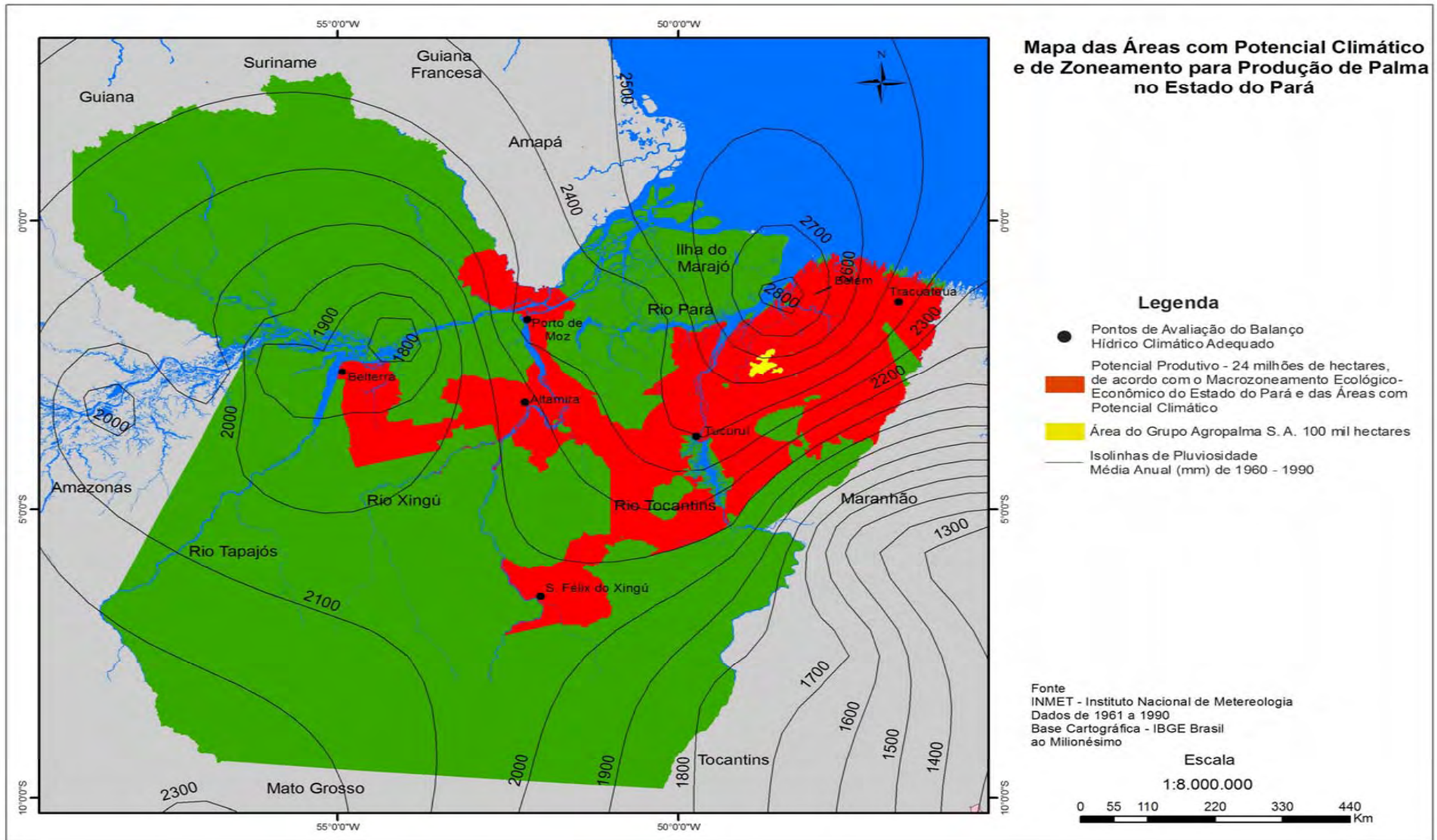
# Facts About the Amazon Region

- 23 million inhabitants, 10 million living under poverty and 3.8 million under extremely poverty (less than US\$ 1.00/day).
- In the Amazon region cities, only 48% of the domiciles have access to domestic waste treatment and less than 68% to treated water. Close to 11.5% of the population over the age of 15 is unlettered.
- The region has the highest death rate in new born infants in Brazil, 48 out of 100,000.
- The region has the lowest HDI in Brazil, only 0.72.
- Over 70 million ha of forest was already cleared without bringing social and economical development to its population.
- 60% of the electric power still come from petro diesel.

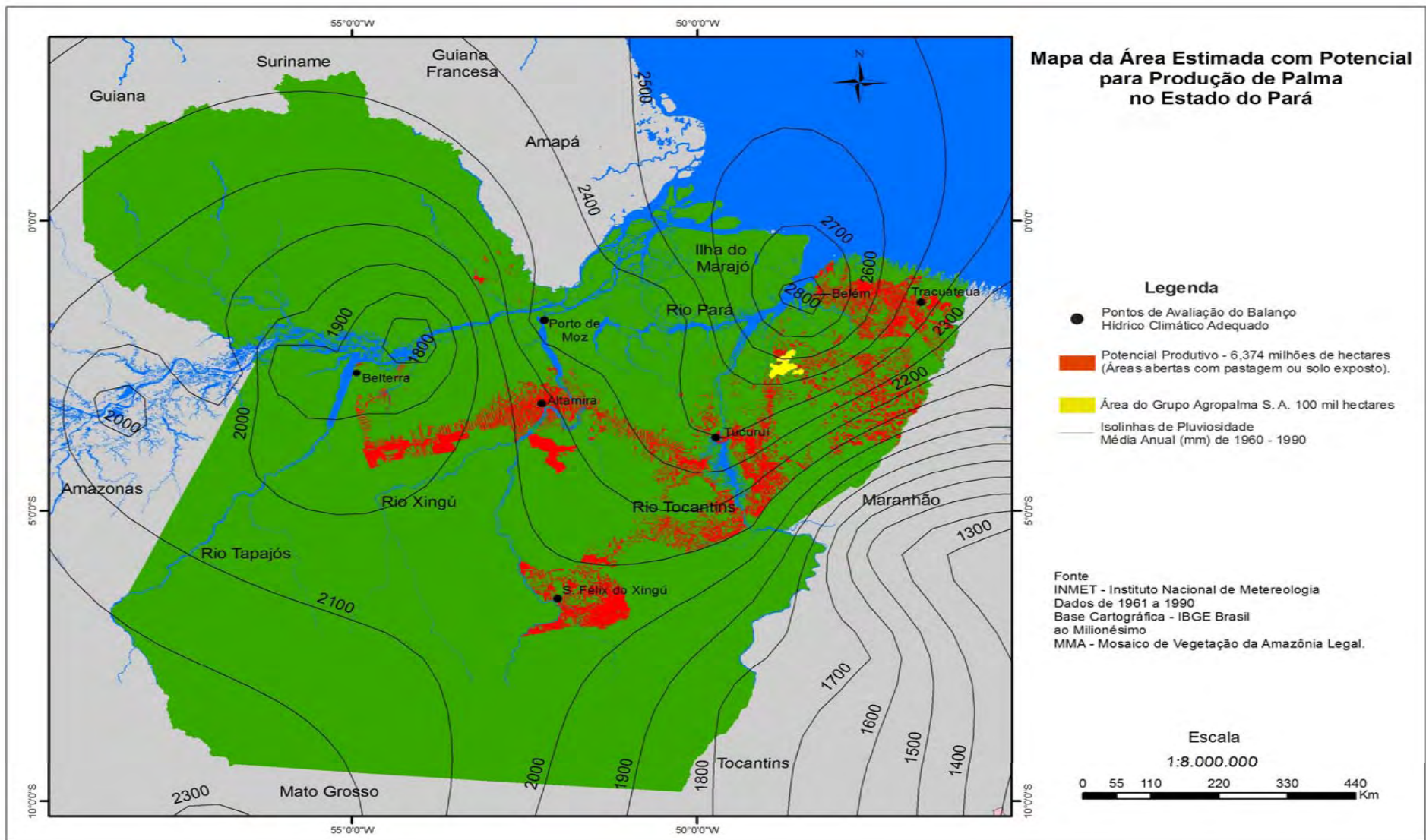


**Over 60 million hectares suitable for Oil Palm Plantations**





**Criterion 7.2 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results.....**



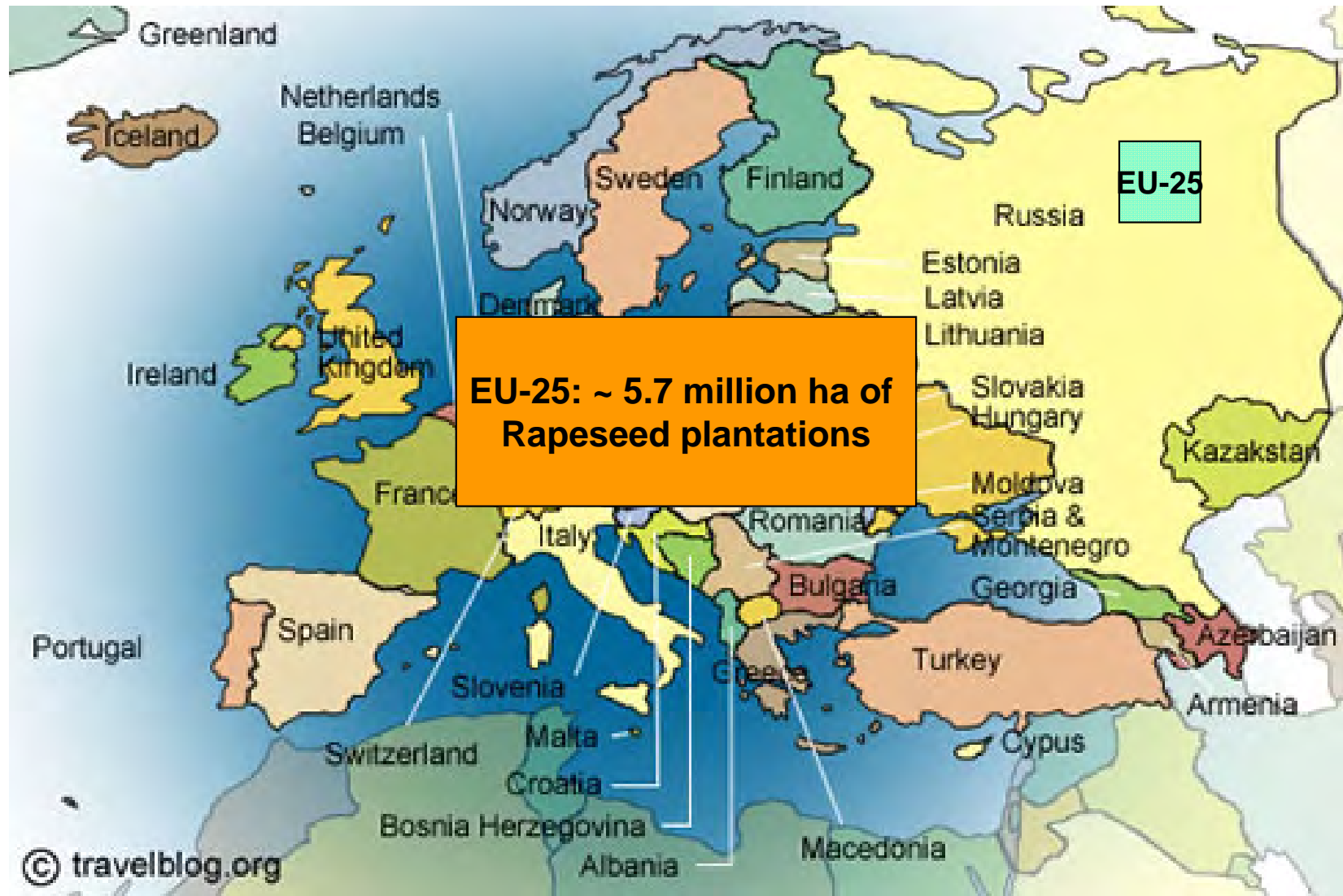
**Principle 5: Environmental responsibility and conservation of natural resources and biodiversity**

**Criterion 7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.**



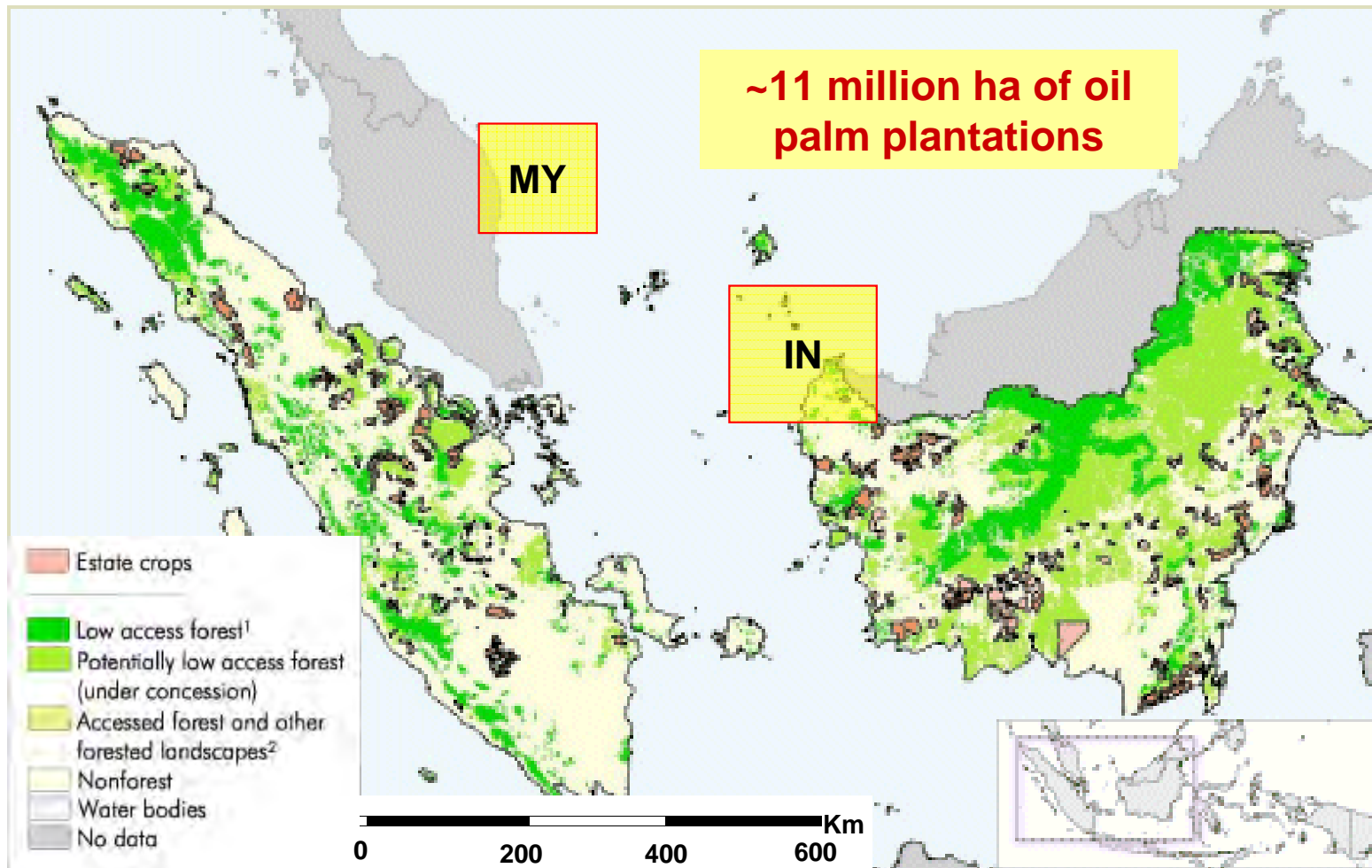


## EU-25 Rapeseed Plantations



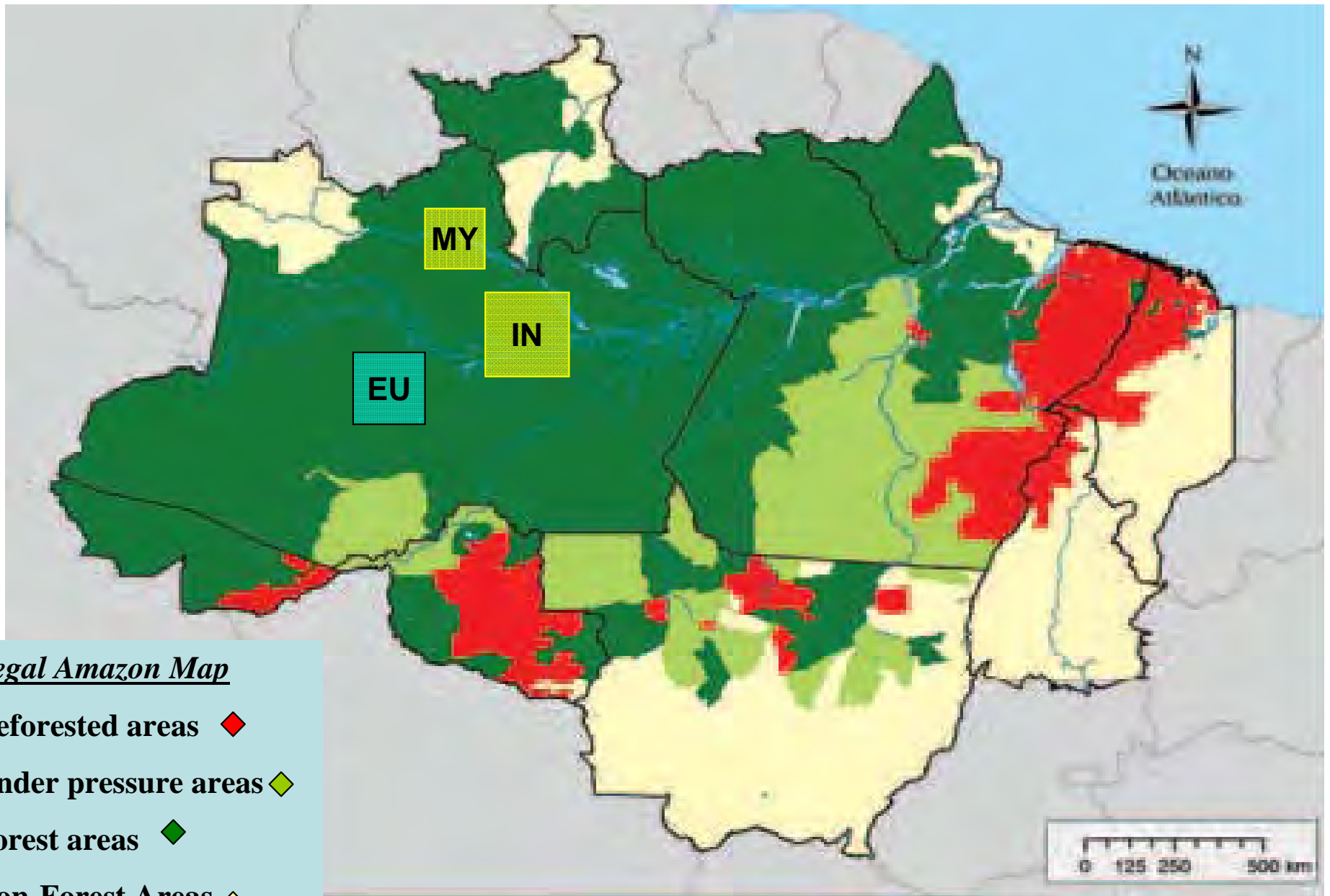


## SE Asia – Oil Palm Plantations





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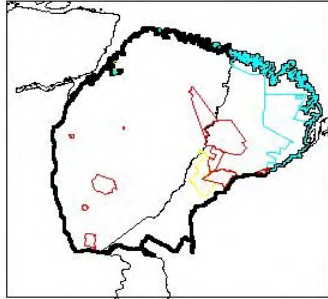
*Legal Amazon Map*

Deforested areas ◆

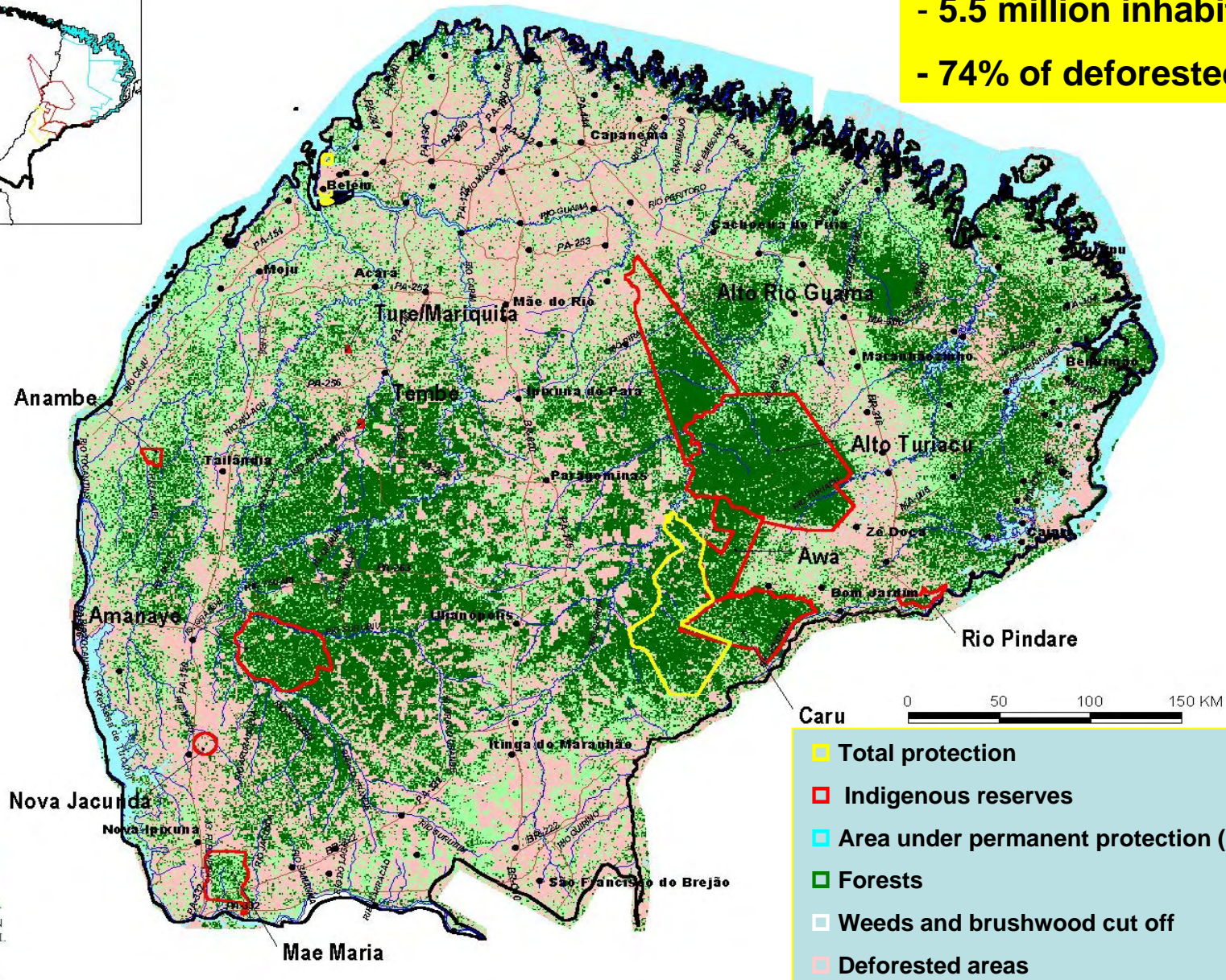
Under pressure areas ◆

Forest areas ◆

Non-Forest Areas ◆



- 5.5 million inhabitants  
- 74% of deforested areas



- Total protection
- Indigenous reserves
- Area under permanent protection (APA)
- Forests
- Weeds and brushwood cut off
- Deforested areas



CONSERVATION INTERNATIONAL BRASIL  
por Luís Barbosa

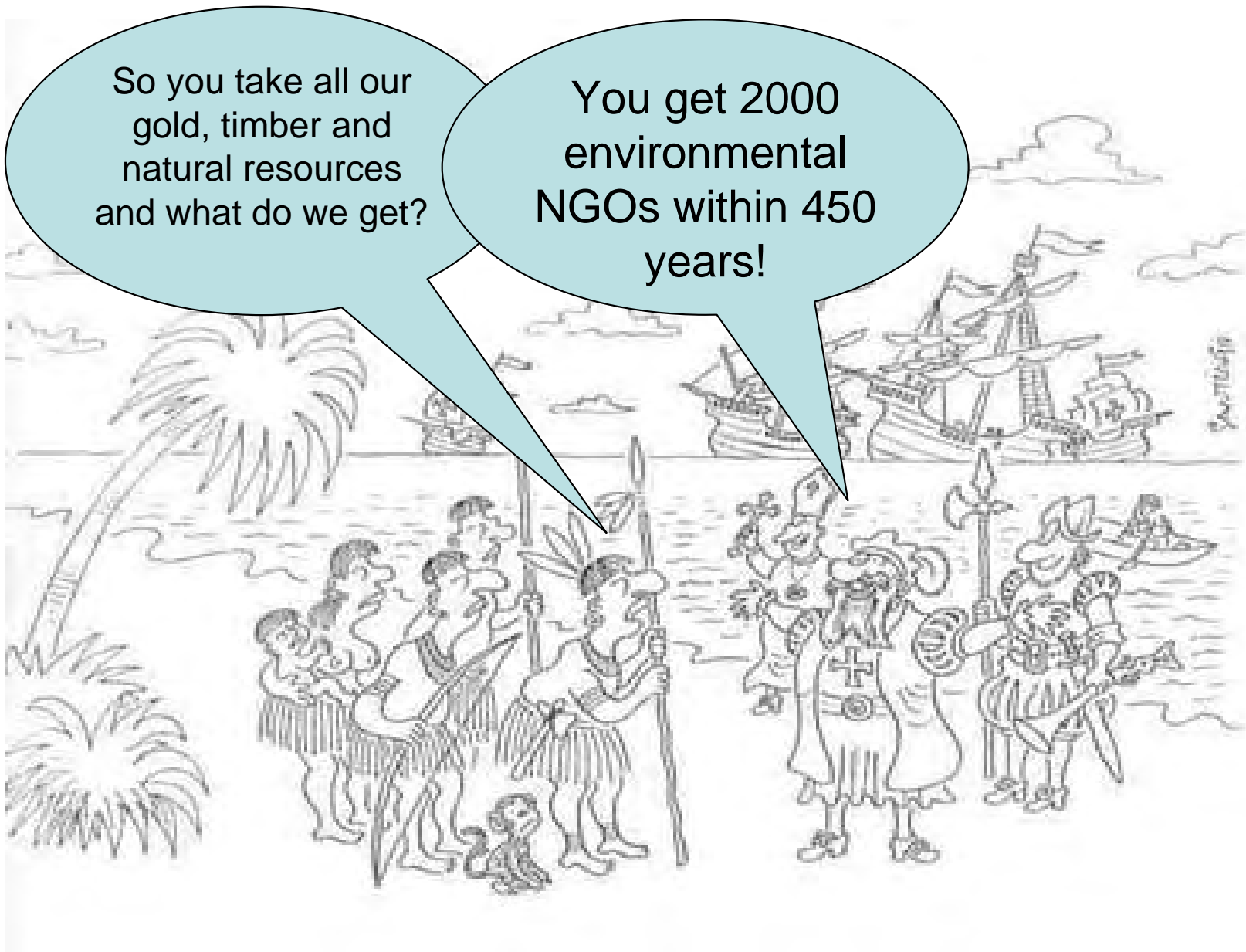


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# When it started? ~ 1526!

So you take all our gold, timber and natural resources and what do we get?

You get 2000 environmental NGOs within 450 years!



## The Agropalma Group in Brazil

- ✓ 106,327 ha of total area.
- ✓ Over 62,000 ha of protected forest reserves
- ✓ 39,580 ha of oil palm plantations (32,836 under production)
- ✓ **Ratio of 1 ha of palms : 1.57 ha of forests (set aside conservation areas)**
- ✓ 8,580 ha of oil palm plantation in partnership with out-growers and family farmers/small holders (up to 10 ha/each)
- ✓ 5 mills, 1 refinery, 1 margarine/shortenings and 1 biodiesel plant (processing only PFAD as feedstock)
- ✓ 5,000 direct jobs.

## **Our Road to Sustainability**

- Biodiversity (identification / Monitoring / Management)
- People: Improve of living standards

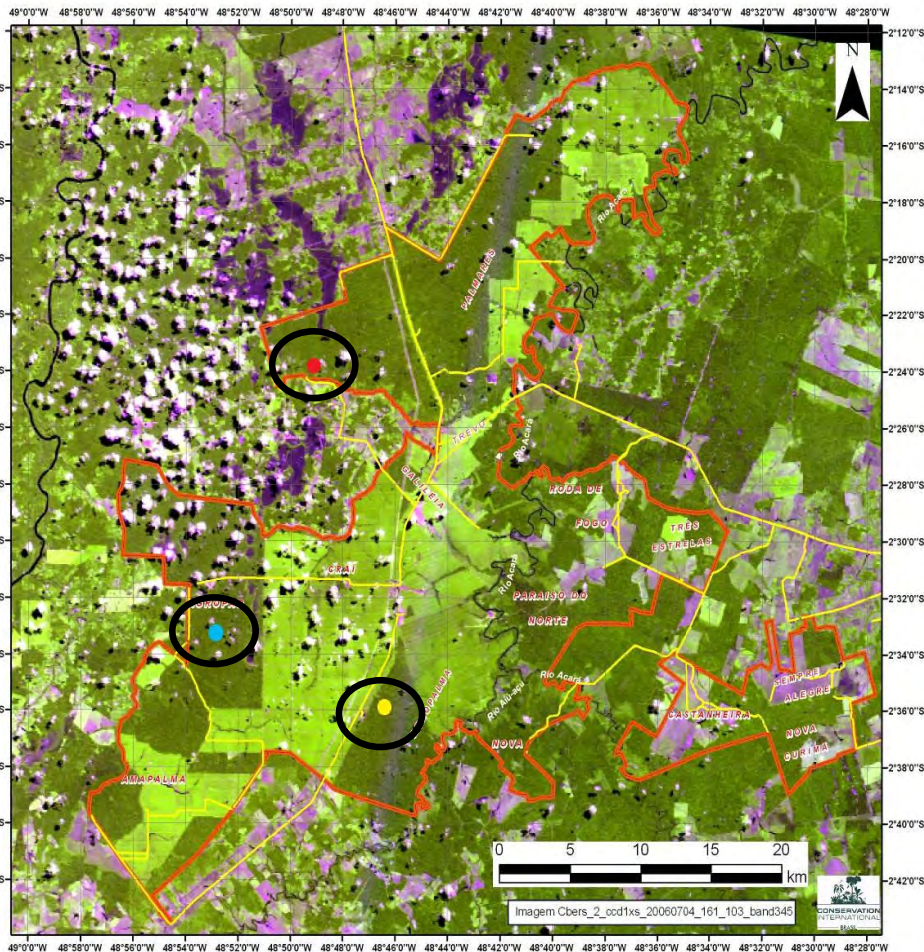


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# FAUNAL MONITORING AT AGROPALMA FORESTS – 2008

## Reptiles and Amphibians species

Fazendas Agropalma



Herpetofauna study (sampling areas), all in mainland forests.

Area (spot)	Latitude	Longitude
● CPA-Oeste	2°24'12,5" S	48°49'25,7" W
● Agropar	2°33'32,1" S	48°53'55,7" W
● Agropalma (ou Areial)	2°36'14,3" S	48°47'16,5" W

Source: CI – Conservation International (Brazil): Diagnóstico da Biodiversidade, Proposta de Criação de uma RPPN e de um Programa de Gestão Ambiental para a Área da Agropalma





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# FAUNAL MONITORING AT AGROPALMA FORESTS – 2008



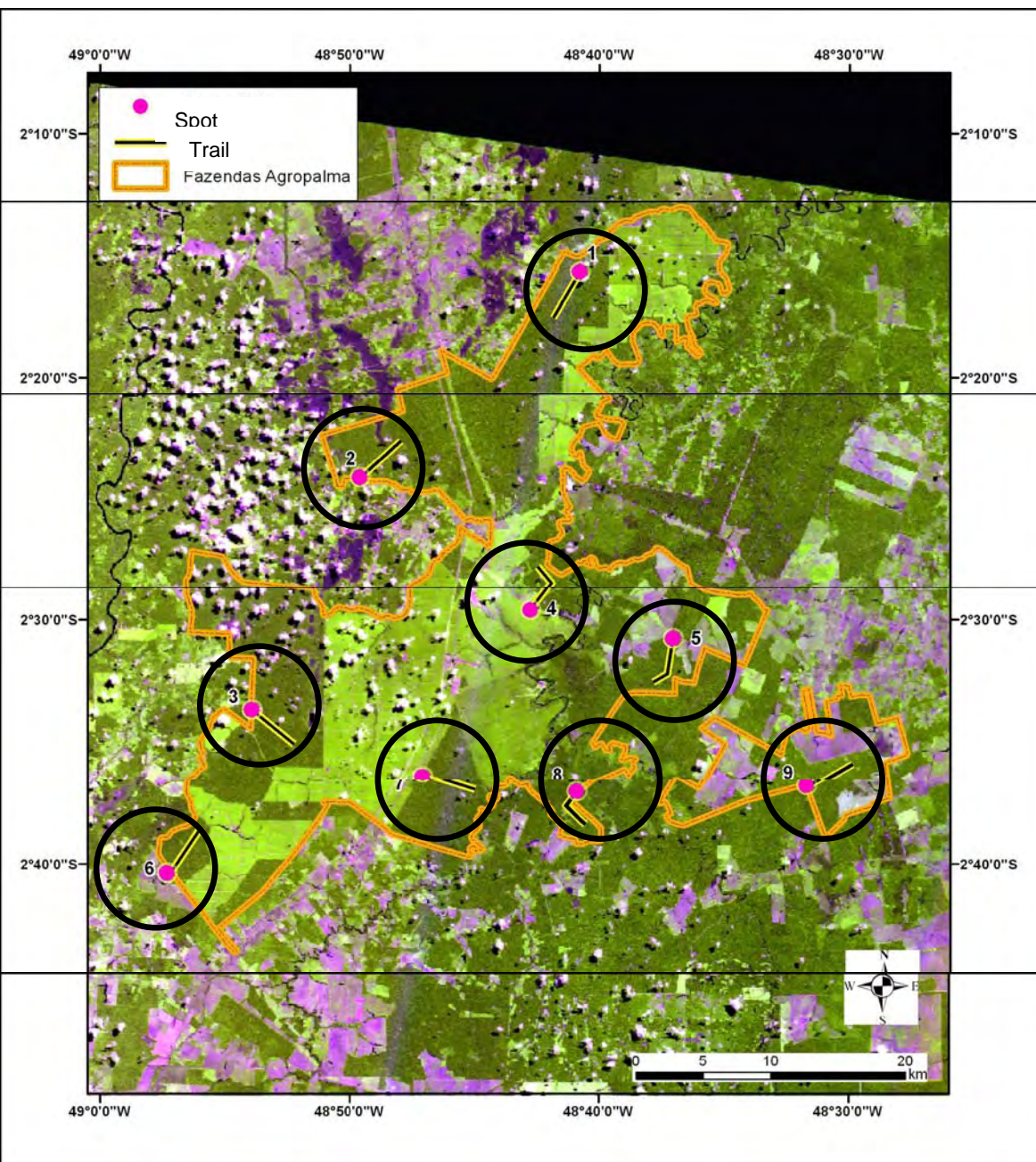
2008

Identified Reptiles and Amphibians species

62

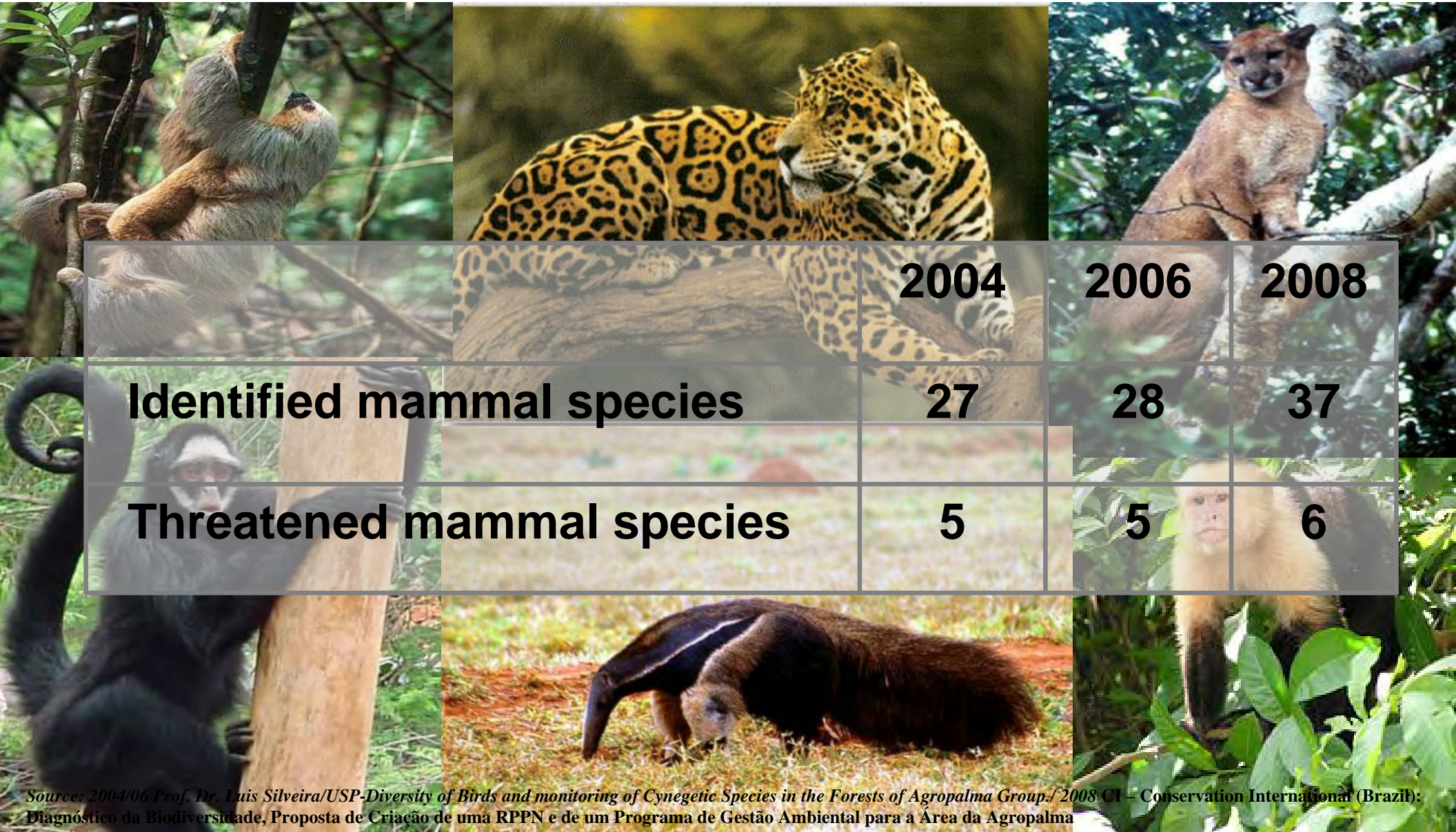


## FAUNAL MONITORING AT AGROPALMA FORESTS – MAMMALS



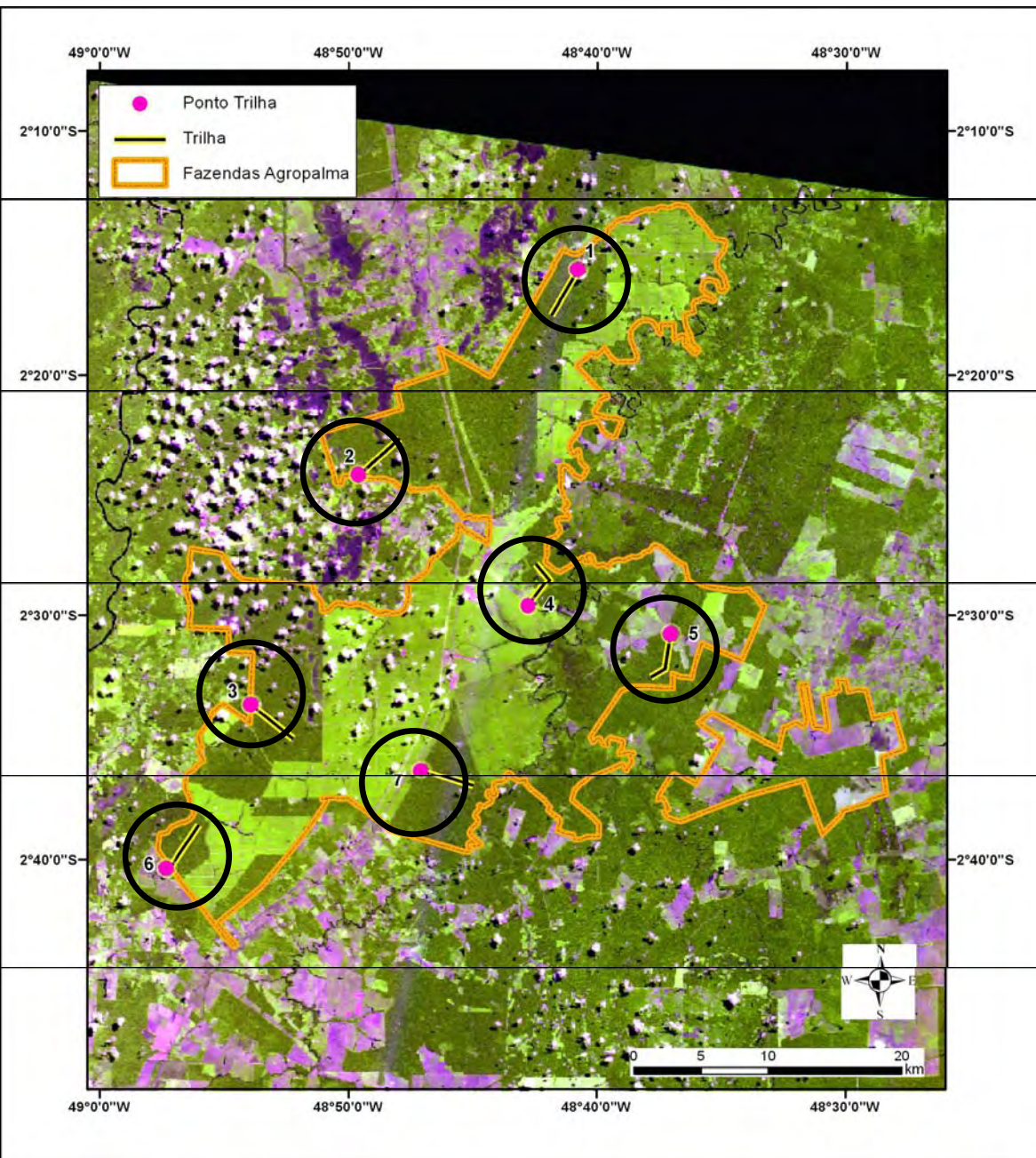
Area (Spot)	LATITUDE	LONGITUDE
1 CPA-Leste	02°15'43,5\"S	48°40'47,8\"W
2 CPA-Oeste	02°24'10,2\"S	48°49'36,0\"W
3 Agropar	02°33'36,5\"S	48°53'55,4\"W
4 Galiléia	02°29'36,2\"S	48°42'46,8\"W
5 Paraíso	02°30'45,2\"S	48°37'04,2\"W
6 Amapalma	02°40'20,9\"S	48°57'19,9\"W
7 Agropalma	02°36'18,2\"S	48°47'06,2\"W
8 Fazenda Nova	02°37'03,4\"S	48°40'55,0\"W
9 Castanheira	02°36'49,2\"S	48°31'43,1\"W

# FAUNAL MONITORING AT AGROPALMA FORESTS – MAMMALS



	2004	2006	2008
<b>Identified mammal species</b>	27	28	37
<b>Threatened mammal species</b>	5	5	6

## FAUNAL MONITORING AT AGROPALMA FORESTS – 2008 BIRDS

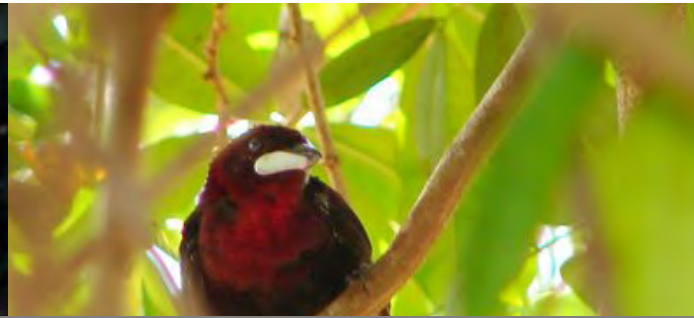


Area (Spot)	Latitude	Longitude
1 CPA-Leste	02°15'43,5" S	48°40'47,8" W
2 CPA-Oeste	02°24'10,2" S	48°49'36,0" W
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6 Amapalma	02°40'20,9" S	48°57'19,9" W
7 Agropalma	02°36'18,2" S	48°47'06,2" W



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# FAUNAL MONITORING AT AGROPALMA FORESTS – BIRDS



**Identified bird species**

**2004**

**2006**

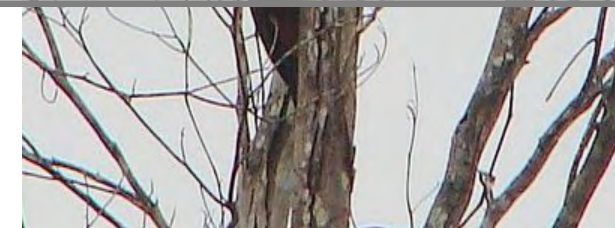
**2008**

**Threatened bird species**

**338**

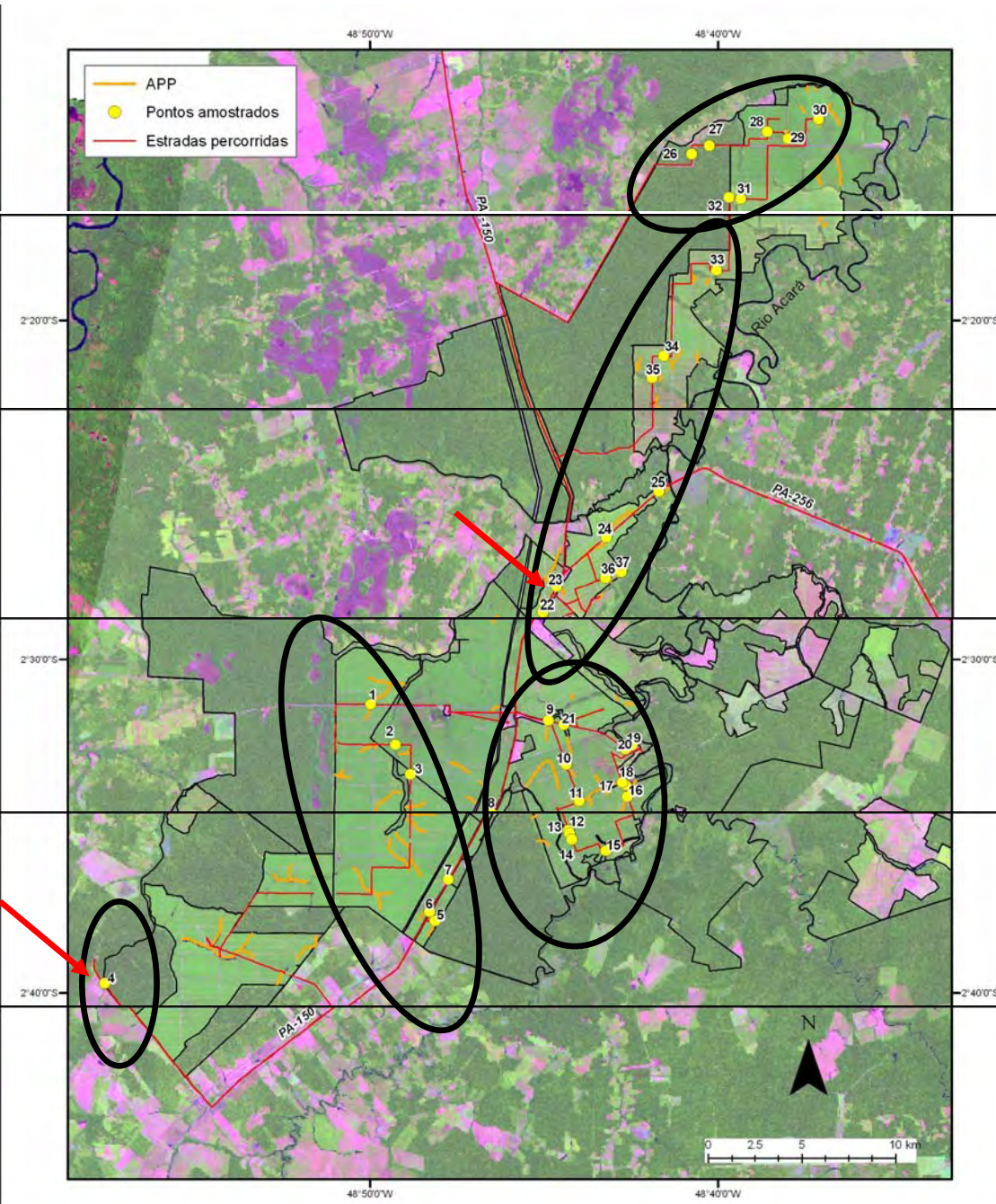
**347**

**369**





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Spots for study and sampling for **APP – Areas under Permanent Protection** under the Brazilian Environmental Code, in Agropalma plantations and forests reserves.

## Study on APP - Areas under Permanent Protection

### How it is



**Spot # 23.** APP along the State Road PA 150, showing the degradation of the riparian forest.

### How it should be



**Spot # 4.** APP very well maintained.

# What about our people?



Lodging



Fitness center



Housing



Cafeterias



Clubs



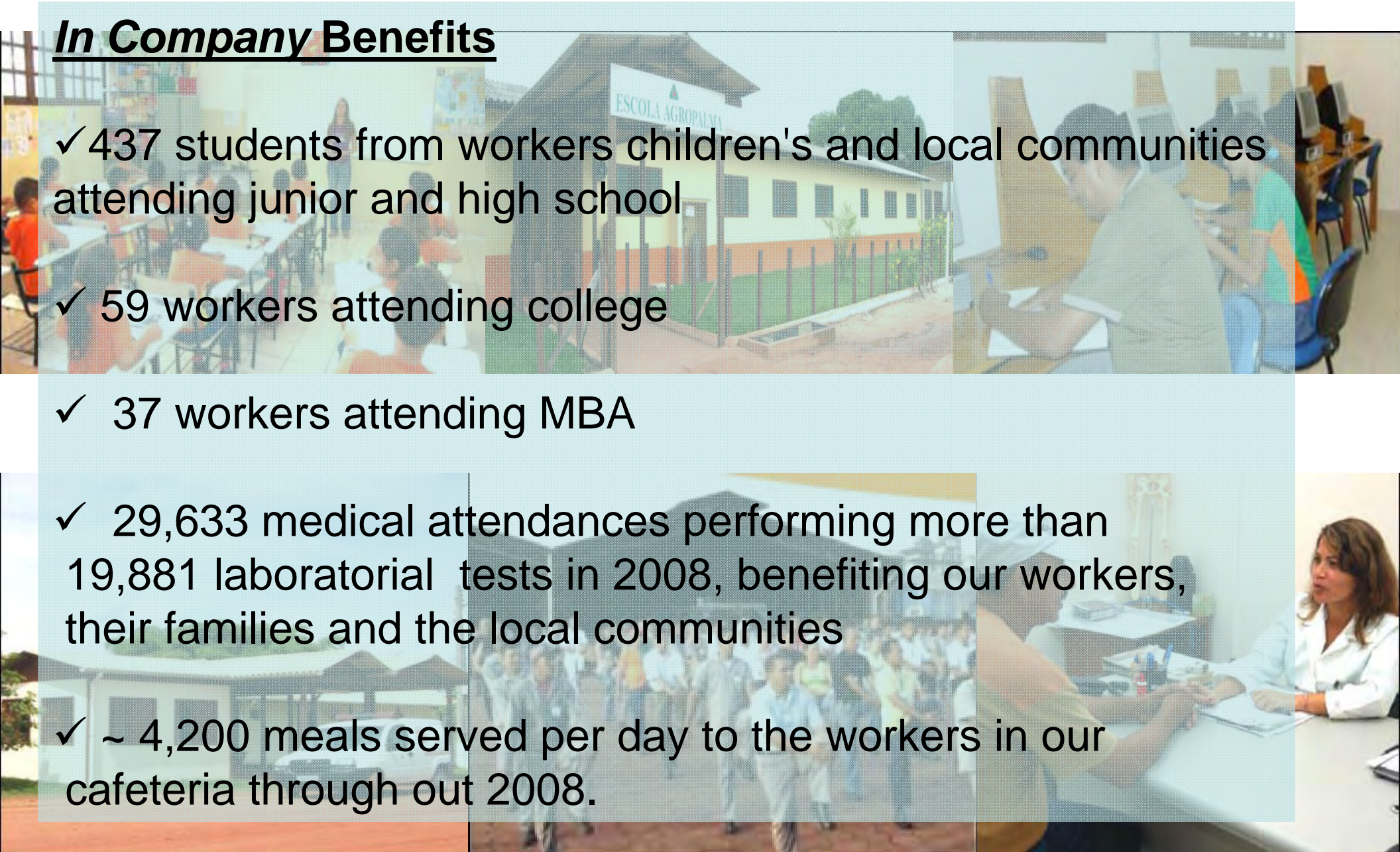
Leisure



# Education and Health are Priorities

## In Company Benefits

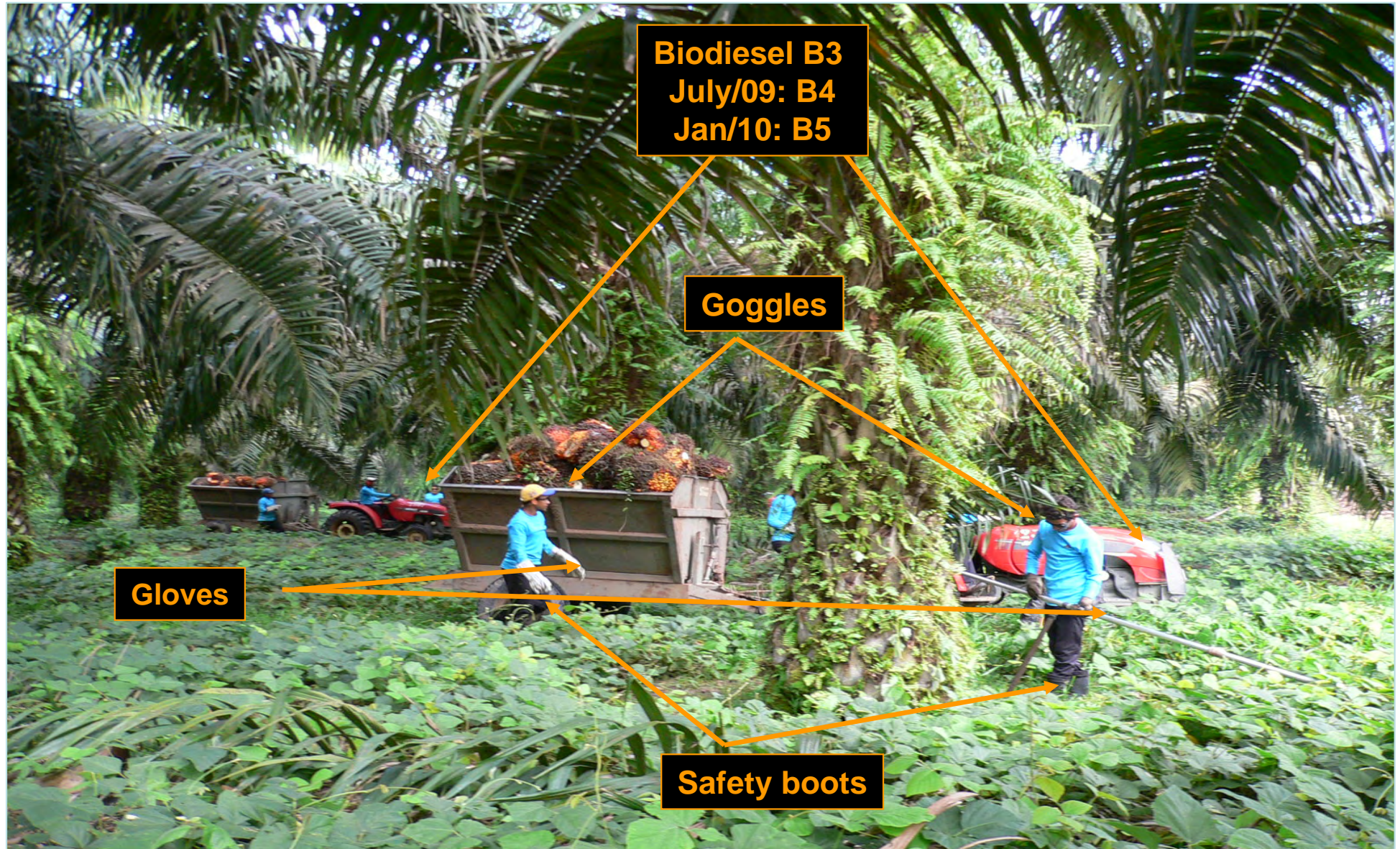
- ✓ 437 students from workers children's and local communities attending junior and high school
- ✓ 59 workers attending college
- ✓ 37 workers attending MBA
- ✓ 29,633 medical attendances performing more than 19,881 laboratorial tests in 2008, benefiting our workers, their families and the local communities
- ✓ ~ 4,200 meals served per day to the workers in our cafeteria through out 2008.

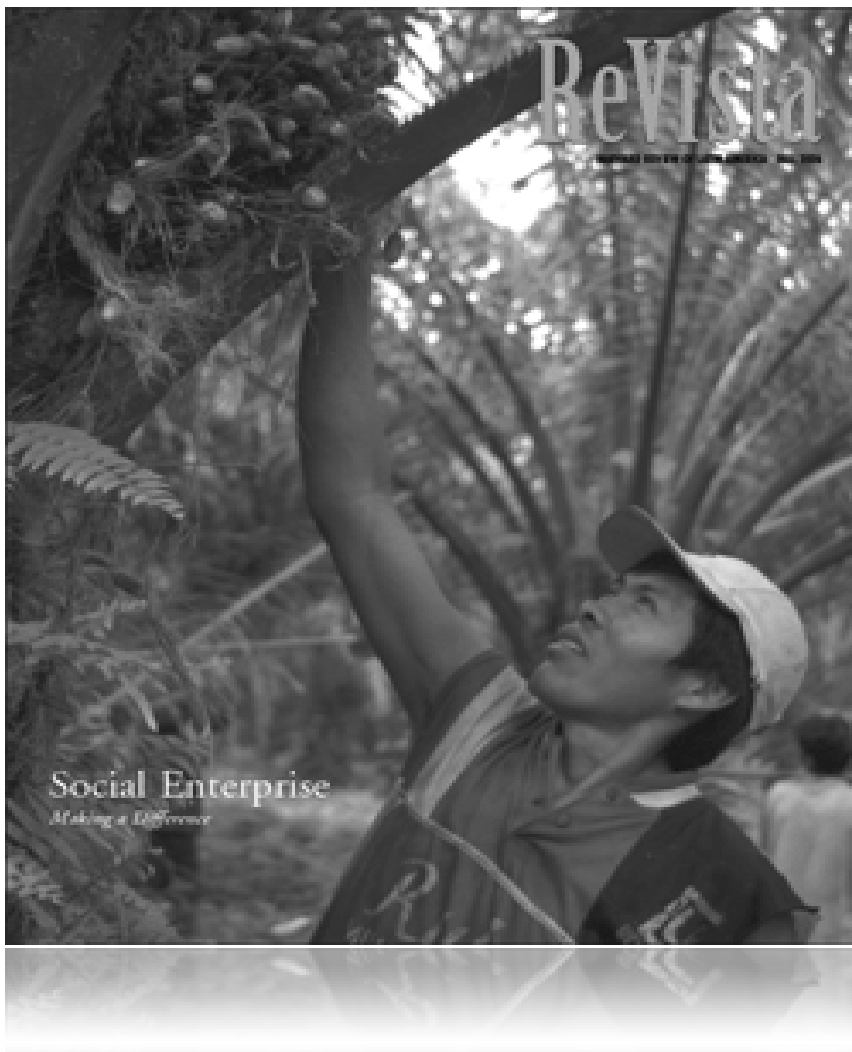




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# Safety and Health first!





***Making a Difference***  
**Brazil: DENDÊ OIL FAMILY  
AGRICULTURE PROJECT**  
**A QUEST FOR SUSTAINABLE  
ECONOMIC AND SOCIAL  
DEVELOPMENT**

**ReVista - Harvard Review of Latin  
America (Fall 2006)**

<http://drclas.fas.harvard.edu/index.pl/publications>

**186 families**

**Average net income/family before the project: GBP 18.30/month\***

**Average net income/family in 2008: GBP 515.00/month\***

**Brazilian official minimum wage: GBP 142.00/month\***

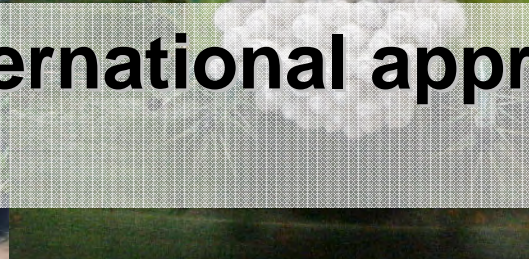
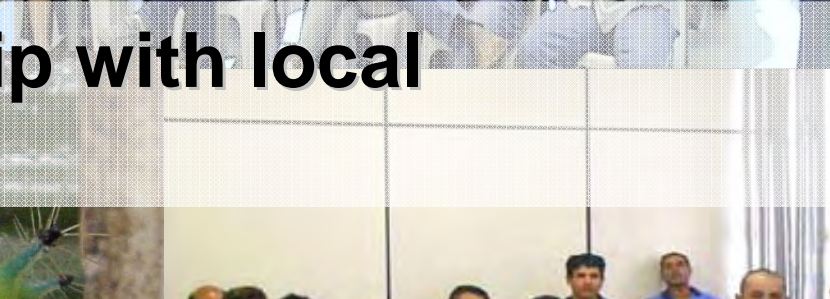
# Agropalma Sustainable Agriculture Paradigm

✓ High technology agriculture with biologic pest management, avoiding chemicals use, soil erosion and lixiviation

✓ Strong GHG emission reduction and biodiversity preservation and conservation plans

✓ Tight social-economic partnership with local communities and NGOs

✓ Guaranteed by International approved sustainable certifications



# Agropalma Certifications

- 1993: Organic (IFOAM, USDA Organic, JAS and BioSuiss)
- 1997: Kosher
- 2001: ISO 9.001
- 2002: ISO 14.001
- 2002: OHSAS 18.001
- 2008: EcoSocial by IBD
- ISO 22.000 – confirmed final audit for June/09 (only for refinery, shortening and margarine plant)
- RSPO – expected final audit for July 2009

**The only worldwide Palm Oil producer with these certifications for the entire operation, from nursery all the way through refinery and biodiesel plant.**



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# Final Conclusion

- Economic development alone can no longer be used as a license to ignore environmental devastation and social injustice. Business ventures that erode social and environmental capital will risk their license to operate while they undermine their own future, as no company is sustainable in failing societies.



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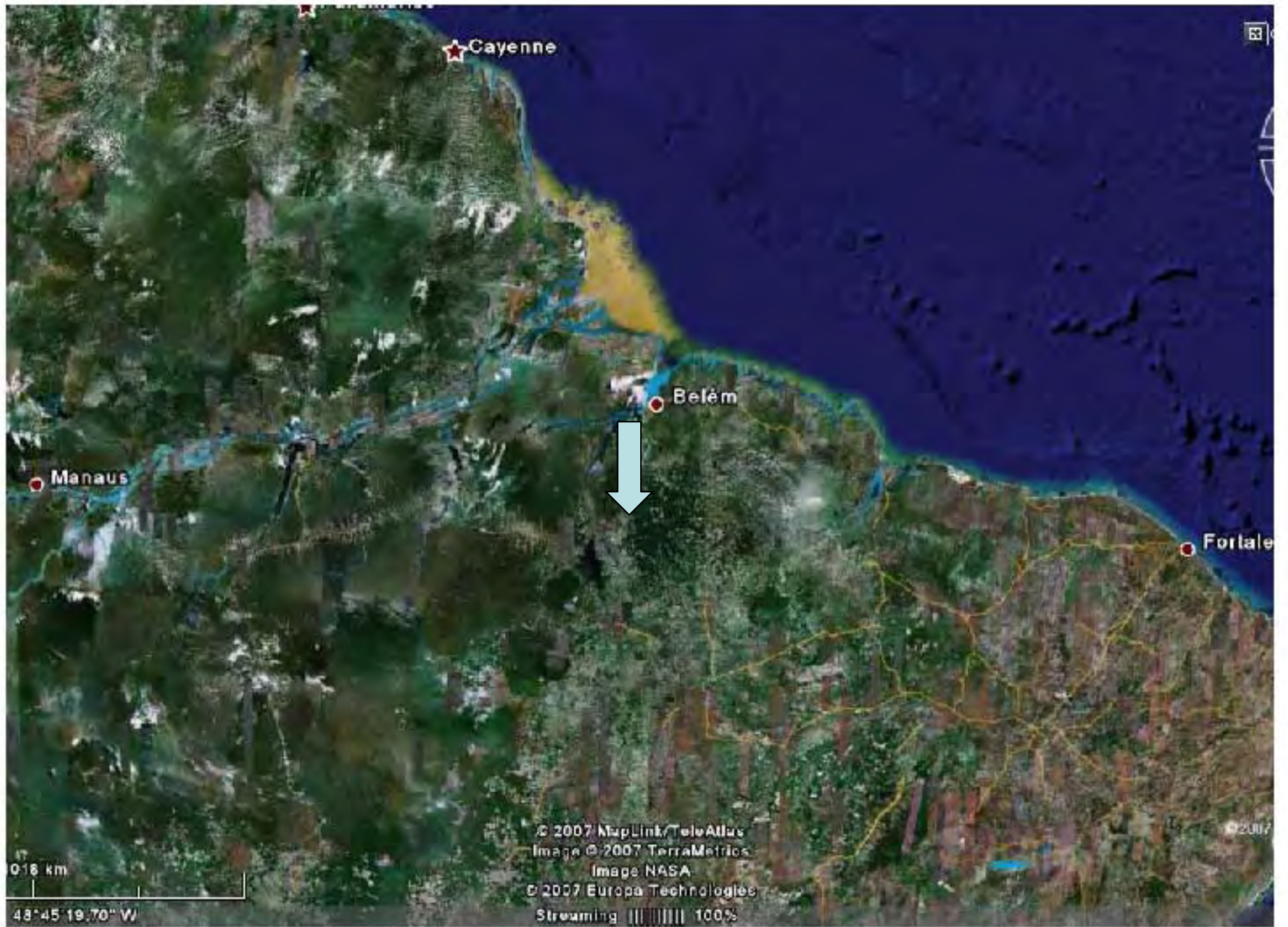
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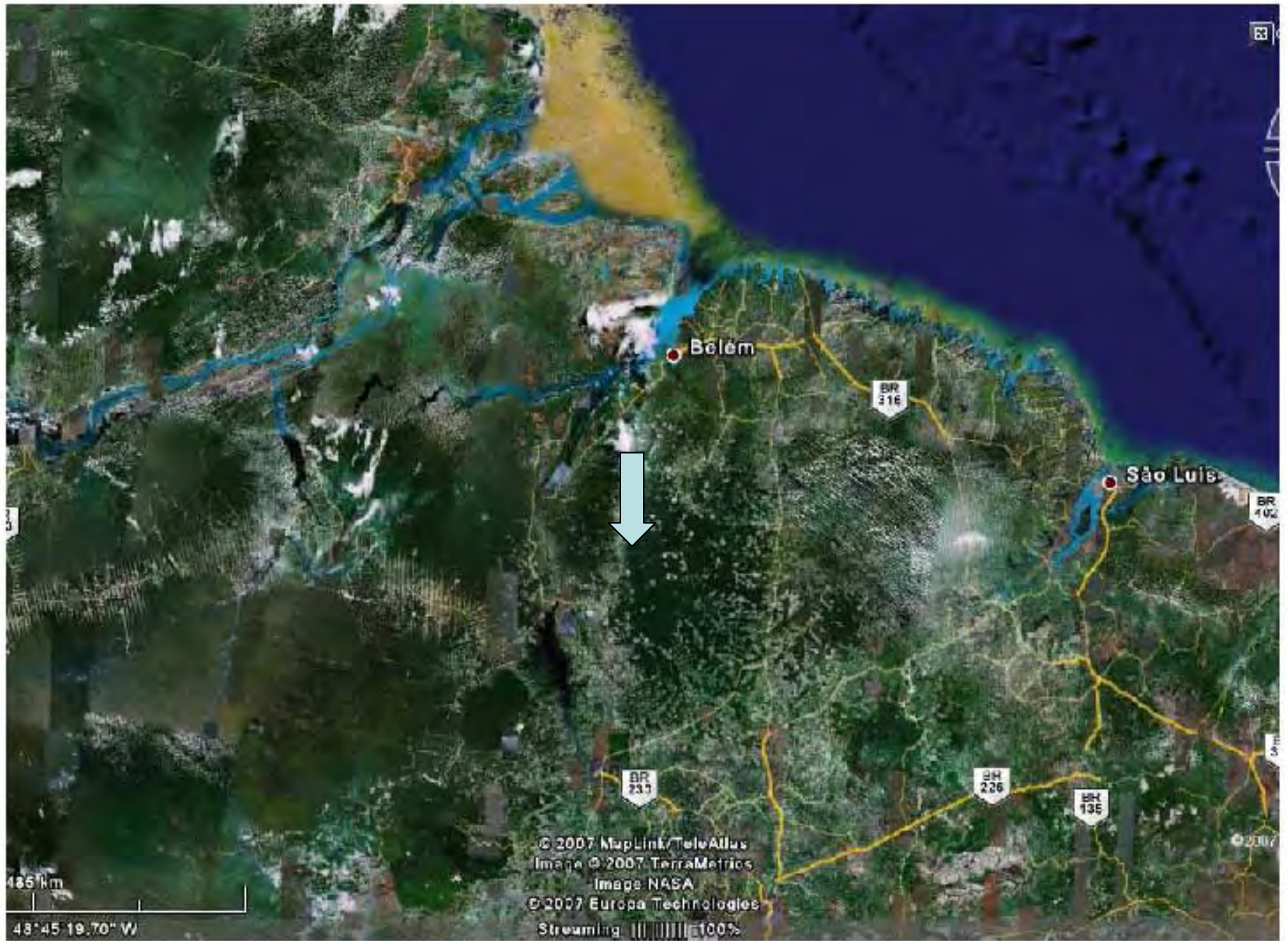
We must remember there is always  
someone watching us....













Belem

BR 010



176 km

48°45' 19.70" W

© 2007 MapLink/TeleAtlas  
Image © 2007 TerraMetrics

© 2007 Europa Technologies  
Streaming ||| ||||| 100%













**Thank you**

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