INSTITUTE OF APPLIED RESEARCH IN SUSTAINABLE ECONOMIC DEVELOPMENT – IPADES

RURAL ENVIRONMENTAL REGISTRATION: REGULATIONS AND CHALLENGES

Francisco Barbosa

Associate President - IPADES

In this 21 century, sustainability is a permanent tariff for agriculture and Brazilian forest. In May 5, 2014 was promulgated the Decree n° 8,235 which rules on the rules of Rural Environmental Record (CAR, acronym in Portuguese), according to rules adopted in the new forest code, Law n° of 12,651 May 25, 2012. These legal documents change the paradigm that were the relationship of agriculture and forestry production with the environment.

CAR is an electronic registration, compulsory for all rural properties, which aims to integrate environmental information concerning the situation of Areas of Permanent Preservation (APP), the Legal Reserve Areas, forests and the remaining areas of native vegetation, consolidated areas of rural properties and possessions of the country.

It constitutes a strategic base for the control, monitoring and combating deforestation of forests and other forms of native vegetation in Brazil, as well as for environmental and economic planning of rural properties.

The environment preserved is collateral for the productive sector – agriculture, livestock and forest – biodiversity maintenance factor crucial to the discovery of new species to be available for production, and also the permanence of a gene bank to provision of research for improvement of plant varieties used in agriculture, in pastures and in the segment of planted forests.

CAR already has been deployed since 2008 in the States of Acre, Amazonas, Bahia, Mato Grosso, Pará and Rondônia. It works through the National System of

Rural Environmental Register (SICAR, acronym in Portuguese), in which owners should declare details about its properties, which may occur a "deficit" or "surplus" in relation to required.

Very simplified one could say that SICAR works as a platform of income tax declaration. After inserting the data of your property, the owner verifies that has an environmental liability, in this case, seeks a form of environmental restitution. In practice the environment gets two benefits: replacement of environmental liabilities and the maintenance of areas of preservation. The farmer cannot fail to make your registration, under threat of new fines and punishments, as well as to be prevented from capturing rural credit officer, among other sanctions

Well designed as regulation, however, in the enforcement the challenges appear. How the Government will manage a system as extensive, covering more than 5,000 Brazilian municipalities and around 5.6 million properties, confirming the information provided by the owners, as well as monitor recovery commitments environmental liabilities signed. The macro information is easy, from high-resolution satellite images. The problem begins when the States and municipalities will have to verify whether the data declared by the owners provide, and at the same time establish the environmental liability recovery plan, when applicable.

Also, for rural farmers completing CAR must not be trivial, you need for most producers advice. Another aspect concerns the environmental liability recovery actions that must get close to the natural conditions of the original biome; and when it comes to legal reserves, how to take advantage of it economically in a sustainable way. Are technical aspects for which an advisory body is necessary.

To get an idea of the impact of this process, the Ministry of Environment estimates that less than 20% of the Brazilian rural producers were with their Legal Reserve Areas in regular situation. There is a lot of work ahead of us which induces to build an environment transparent, without bureaucracy and permanent technical support in order to stimulate the rural producer to enter in the plan bearing in mind not only the fulfillment of your replacement environmental liabilities, but building a business environment more secure and predictable, which combine the legitimate and convergent interests between protection, production and financial return.

As mentioned above, this paradigm shift in agricultural production and national forest, which will be guided by the predominance of an environment in which empirical experience basically prevailed of the producer – know gained from exercise of the function – and increasingly require the professionalism of this producer, based on the

innovation of management and production processes, and the use of technologies that bring sustainability and productivity. In other words, the field becomes a factory, where the production process requires permanently updated professionals support the various functions of production, preservation and management of its business environment. New times to a new context.

The Brazil is today one of the largest producers of global agribusiness, and has responsibility for world food production, reaching 40% of this demand until 2020, so that food safety is maintained, according to the OECD (Organization for Economic Cooperation and Development) and the FAO (Food and Agriculture Organization) the arm of the UN to the theme of food. Brazil cannot have their production along the lines of the previous paradigm, you have to adapt and produce as the new paradigm. The study of the same sources points to the European Union being able to raise its production in a maximum of 4%. The United States and Canada can obtain an increase of no more than 15%. The region of Oceania wouldn't be getting a number better than 17%. Big countries like India, China, Russia and Ukraine could raise production by up to 26%.

In this context, production and preservation, Brazil, the world and the environment wins. However we must not remain only in the regulation, but there are actions that enable the deployment of the new paradigm of agricultural and forestry production without ideological opinion, but with scientific and technical rationality, regardless of business sizes the area of producer.