



Report from the
FACT Dialogues in Latin America
Multi-stakeholder Consultation
Brazil and Argentina
16 - 18 March 2021



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Executive Summary



As part of the on-going consultation process leading up to COP26, the TFA convened meetings of key private sector and civil society stakeholders in Brazil and Argentina in March 2021 to gather information and recommendations on sustainable land use and Forests, Agriculture and Commodity Trade (FACT). The meetings were preceded by regional consultations that took place in November 2020 and provide an opportunity for the multi-stakeholder consultation to actively shape the government discussions that follow, and to showcase leading initiatives.

This report captures the efforts of identifying what would be key “asks” that producer countries – specifically Brazil and Argentina - could demand of their own government and, “offers” from the private sector, civil society and governments (in both consumer and producer countries) that could support the implementation of these “asks” across four main themes: (i) Trade and Markets, (ii) Traceability and Transparency, (iii) Smallholder Support and (iv) Productivity and Innovation¹.

The consultation itself was preceded by desk-based research by the TFA team and partners, and a survey sent out to participants in the consultation, with a view to mapping the priority asks and offers that were identified by key stakeholders, and, in the current literature and reporting on the theme of on sustainable land use, forests, agriculture and the trade of commodities.

A number of regional trends emerged from the consultations:

- The need for robust **enforcement and integration of the current legislation** on forests and land use
- The establishment of a **single, secure and transparent monitoring system**, involving public and private sectors, to improve transparency and traceability across supply chains
- Promote **Payments for Environmental Services, Carbon Markets and other financial incentives** to address **legal deforestation**
- For smallholders, the priority is quality **technical assistance** that includes **financial incentives** which recognize the value of sustainable farming practices and internalize the social dimension.

¹ The main inputs for each consultation were systematized by country, which should be read in addition to the full database of “champions initiatives” available on this [link](#).

- In Argentina, smallholder farmers rarely benefit from tariff reductions offered to consumer countries. In Brazil, there is an opportunity to **invest in two fronts: Bioeconomy** and agroecology as a pathway to include smallholders into a global economy.
- For medium- and large-scale farmers, **quality technical assistance at scale** is also essential to transform commodity value chains to becoming more sustainable. Existing public sector programs in both countries could use financial support and the transfer of 'green' technologies.

This document does not represent the only consensus – but the first exercise of collective survey and reflection on what is most current in terms of asks and offers. A more refined analysis of how asks and offers connect, as well as the themes of each WG, should take place in the next months through new consultations and document analysis.

Introduction to the FACT Campaign



The FACT (Forest, Agriculture and Commodity Trade) Dialogues are an initiative launched by COP26 Presidency and TFA, to **accelerate the transition towards more sustainable land use practices** in a way that opens up **new opportunities for investment, for jobs and livelihoods in forests, land use and agriculture**, and to ensure that the economies which have a sustainable relationship with forests are the ones that thrive and grow.

The aims of the Dialogues are to agree on:

- 🌱 A global set of **principles** that bridge the gap between consumer and producers, setting tone for joined-up collaborative action
- 🌱 Action orientated roadmaps developed by **working groups** which set a global strategy in areas of Trade & Market Development, Transparency & Traceability and Smallholder Support, and Productivity and Innovation
- 🌱 **Tangible actions** which reinforce the global movement to more sustainable commodity trade. Ranging from G7 consumer countries taking due diligence approach to imports, producer countries enforcing existing forest laws, key businesses stepping up to support and finance landscape level projects

FACT is a **Government led dialogue, supported by wider multi-stakeholder consultations**. It brings together the countries that together can decisively shift global commodity markets towards sustainability, to seek collective action and collaboration.

In March 2021, a consultation process was held with key partners to the TFA and local Embassy, with a view to listening to local voices and mapping priority recommendations in the form of 'asks' and 'offers'. The process began with a **desk-based research and a multi-stakeholder survey** that aimed to identify possible asks and offers that would foster each country's dialogue and the establishment of priorities both for Argentina and Brazil as well as common priorities between them.

The process is not intended to be fully comprehensive, nor is it expected to be completely representative, but it does capture some of the priority issues identified by partners who are grappling with the challenges of sustainable commodity trade and land use in the two countries.

GOVERNMENT TRACK:

UK convening governments of relevant producer and consumer countries to come together in dialogue:

- Agreeing on a common set of principles for collaborative action
- Structured around Working Groups that will create Roadmaps to pave the way on key issues

MULTI STAKEHOLDER TRACK:

Civil society organizations, private sector, indigenous peoples, academia from various producer and consumer countries providing feedback and recommendations, and stepping up in support of process



Convened and facilitated by TFA, the **Multi-stakeholder Consultations** form a key part of the FACT Dialogue, feeding into the G2G meetings, **ensuring all relevant parties have a voice and a space to contribute**. They come from all sides of the supply chain, balancing voices from consumer countries in the North, with those from the Global South producer countries. The many different perspectives provide strategic guidance and insights for the Dialogue and will therefore help shape ambitious and transformational action designed to accelerate the transition to more sustainable land-use practices.

The Multi-stakeholder Consultations are part of the Multi-stakeholder track of COP26, that plays three key roles: (i) advise the dialogue, (ii) mobilize action and (iii) champion progress.

The FACT Working Groups include: Trade & Market Development, Transparency and Traceability, Smallholder Support, and Productivity & Innovation.

Context



Globally, the majority of tropical deforestation is still linked to commodity farming and production. The expanded production of agricultural commodities such as beef, soy, cacao, palm oil and paper/pulp are the major drivers of primary forest loss. This loss of primary tropical forest contributes significantly to CO₂ emissions, while sustainably managed tropical forests provide substantial and cost-effective carbon emission mitigation, while also generating social and economic benefits.

In a world of economic, social and political uncertainties, many bilateral government relationships are coming under strain. This is no less the case for **Latin America, where multilateral cooperation on issues around sustainable land use has, at best, been lukewarm, and at other times have been outright confrontational.** In the lead up to COP26, then, participating and host governments need to be realistic about what can be achieved at a regional level.

Debates around climate change in the region tend to be polarizing and fragmented. In Brazil, for example, while some alignment has been reached by the main Coalition, involving civil society members and the private sector, this has generated schisms with the federal government and some producer organizations, often with a lack of willingness by some of these latter groups to enter into multi-stakeholder dialogues. Nonetheless, there are a number of producers that are just not interested in politicizing and are more interested in taking part in the sustainability agenda.

In the context of a **post-Covid recovery, any discussion around sustainable land use must take into account economic needs in the region, and food security needs at the global level.** There are potential opportunities for alignment, around a green or nature-based recovery package, but there are also risks that issues including inequality and social safety nets for the poor are deemed not to be prioritized under a sustainable land use agenda.

The **broader political environment** will also have a role to play here: while the current Argentina administration may see itself at odds with some European governments, including the British government, the inauguration of the Biden administration in the USA, and calls for a \$20billion investment in the Amazon, may significantly impact transformation of the commodity trade and land use agenda in 2021.

BRAZIL



What needs to happen across each of these themes in Brazil to deliver more sustainable production whilst supporting economic development and protecting ecosystems, building on existing actions?

What 'Champion's initiatives' exist in producer countries that could be scaled up/used to reinforce the "Ask"? What do consumer countries and/or advanced economies need to do or offer to support Brazil to address these four areas (outside of providing ICF finance)?

TRADE AND MARKETS

Potential Asks to the Brazilian government

1. The Brazilian government needs to demonstrate impact in combatting illegal deforestation and reducing legal deforestation, linked to trade deals.

- Many of the discussions in the consultation process returned to the need to enforce legal compliance on native vegetation protection; and to strengthen government bodies responsible for command and control of illegal deforestation. Without this cornerstone, many of the other initiatives set out here are themselves put under threat.
- Incentives to improve Forest Code implementation and reduce deforestation may include opportunities such as OECD membership for Brazil, as well as current trade negotiations, which could include setting minimum conditions and result in fines and other sanctions.
- It should also include:
 - Incentives to go beyond legality: potential legal deforestation has a high cost, and it is key to avoiding illegal deforestation.
 - Due diligence on EU-Mercosur Trade Agreement regarding illegal deforestation among the countries (EMTA)
 - Commitment to establishment of a cut-off date for sectorial agreements.
 - Support the development of ESG and food systems requirements on Brazil-China beef trade

2. Promote Payments for Environmental Services, carbon markets and other financial incentives to address legal deforestation

- although legal deforestation is still more insignificant threat than illegal deforestation – in part because of the bureaucracy required to acquire

deforestation permits – there are several discussions underway that seek to channel incentives such as PES and carbon markets to leverage economic arguments to compensate those producers who could deforest legally.

- Sectorial regulations on methodological and market aspects could contribute to harmonize and improve security

3. Incentivize the expansion of agriculture over pastures, through existing public-private supply chain partnerships

- Especially for disseminating technical assistance and innovation on farming techniques such as Integrating Crop-Livestock-Forest Systems (ICLS), as well, keep using the rural credit policies to fund or stimulate these practices (as ABC and Plano Safra).
- Establish commercial mechanisms that support Brazil's Plan for Low Carbon Agriculture (ABC)
- Explore and invest in mechanisms to green the trade of agricultural commodities between Brazil and China.

TRACEABILITY AND TRANSPARENCY

Potential Asks to the Brazilian government

1. Streamline and integrate diverse public and private data that is already collected on commodities and land use, to establish a single, secure and transparent information system.

- Across the main agricultural commodities, different public and private traceability systems exist and are not well connected to one another.
- The establishment of a single unified system, supported by the public sector would add greater credibility and legitimacy to attempts to improve traceability.
- Sensitivities around data protection and competitive advantage are points that merit further attention.

2. Laws and regulations that minimize trade barriers and improve data confidentiality in integrated traceability systems

3. Traceability to indirect suppliers is challenging and needs improvement

- In Brazil's two largest export commodity chains – soy and beef – improvements have been made to ensure traceability to direct suppliers, but there often exist many layers of indirect suppliers behind them in the value chain
- Provide clarity as to the role of the Brazilian government on this agenda, and, Improve availability of public sector data, including

from the Ministry of Agriculture and the Congress's proposal for a 'Selo Verde'

SMALLHOLDER SUPPORT

Potential Asks to the Brazilian government

1. Promote investment and innovation in the Bioeconomy, elevating existing impact initiatives that rely on network engagement

- There is growing recognition that a long-term solution to meet the needs of production with those of conservation involves increasing investment in the bioeconomy, namely the production and commercialization at scale of biological and agricultural forest products.
- Bioeconomy must be related to specific innovation and scientific research, offering specific technical assistance on logistics, processing and family business
- Enhance and work with organizations dedicated to indigenous people, *quilombola* and traditional communities
- Incentives for private companies investing in the bioeconomy and in production by local smallholders

2. Investment in technical assistance, including in digital formats that would make it possible to tackle not only DCF practices but also the loss of biodiversity

- Improving access to inputs, knowledge, techniques and innovation are all essential if Brazilian agriculture is to transform into a productive, safe and sustainable value chain, fit for purpose in the 21st Century. Smallholder farmers will only be a part of that transformation if they receive effective and timely technical assistance from public and private providers.
- Technical assistance must provide tools for environmental and property regularization of smallholders
- Scale up traditional and digital Technical Assistance and Rural Extension (ATER)

3. Unlock national and international investment and incentives for smallholder production

- Technical assistance can be expensive, so there is a need for a rethink as to how investment and incentives can be unlocked
- Public policy tied to Technical Assistance and Rural Extension to reduce risks and promote local investment via PES and REDD+
- Blended finance investment tied to Technical Assistance and Rural Extension

- Market-based investment programs to scale up bioeconomy
- Investment in public infrastructure for smallholder production: stock and flow, community logistics, command and control

4. Enhance support and market access for smallholder production

- The Amazon Origin Sustainable Cocoa Initiative, that has emerged from regional dialogues hosted by TFA, is a good example of a campaign for better positioning of a amazonian fruit to the global market

PRODUCTIVITY AND INNOVATION

Potential Asks to the Brazilian government

1. Ensure a solid legal framework to guarantee methodological confidence and credibility for voluntary and regulated carbon markets – these can open the door for the flow of further capital to support producers who go beyond what the law requires on protecting forests

- A successful and vibrant voluntary market that increases incentives and investment to producers requires an effective legal framework to ensure investor confidence.
- Sectorial laws can be a good option. Carbon and other environmental services (as biodiversity and water) should be supported by normative that regulates how to measure, evaluate and register the commercial transaction – it'll bring confidence and science-based recognition for the soy sector

2. Invest in digital/connection tools

- Investment in technical assistance and rural extension services, with a view to modernizing the beef (and other) value chains, ensuring legal compliance and improved farm management practices, optimizing sustainable production outcome
- Programs as “Conecta no Campo” should be prioritized as a way to improve transparency and public-private comand and control mechanisms

ARGENTINA



What needs to happen across each of these themes in Argentina to deliver more sustainable production whilst supporting economic development and protecting ecosystems, building on existing actions?

What 'Champion's initiatives' exist in producer countries that could be scaled up/used to reinforce the "Ask"? What do consumer countries and/or advanced economies need to do or offer to support Argentina to address these four areas (outside of providing ICF finance)?

TRADE AND MARKETS

Potential asks to the Argentine government

- 1. Enforcement and integration of the current legal framework on forests and land use**
- 2. Incentivize the development of a national market that seek to activate a model of sustainability (and quality) at the local consumer level.**
 - Focus actions with the logic of economy of scale in order to mitigate any forces activated by emerging markets, rather send messages to these markets to raise quality parameters.
 - Government in its state policy can generate the incentives to carry out a collective transition across the actors - not only the unions with the possibility of advancing in the face of market pressure
 - Generate value from Argentina's knowledge on sustainable production models. They exist, and through integrated approaches they can be enhanced.
 - Continue to develop market and trade approaches that keep in mind smallholder farmers. Adaptation work to advance the sustainable agenda at all levels.
 - Promote the subject of applied research in order to respond to market demands.
- 3. Development of trade negotiations to include smallholders and the sustainable land use agenda**

- Do not fail to attribute relevance to the development of trade negotiations - competitiveness needs to be achieved by both quality and good negotiation of trade terms.
- Follow up on the issue of competitors. Look at the implications of chains that are not as integrated: public policies can help to organize and achieve greater competitiveness.
- Standards needs to be developed not only as a product of market responsiveness, but also as a product of national action.
- Continuing to develop market and trade approaches with small producers in mind. Adaptation work to advance the sustainable agenda at all levels.

4. Development of public policies that provide incentives for and promote inclusion among producers

- Direct green financing for capacity building proposals, implementation and certifications.
- Change of vision: instead of limiting and penalizing, strengthen and promote cooperation with inputs, financing and transfer of technical capabilities.
- Provide incentives or economic support (e.g., in the form of green financing or better prices and purchasing conditions) to those value chains that promote sustainability and emissions mitigation, in order to achieve the goal of carbon neutrality.

5. Tax reductions for sustainable agri-food products without harming producers

- Support the development of a special regime for sustainable agri-food products within the WTO (inspired, for example, by the environmental goods regime) that would allow for reductions in tariffs/taxes.

TRACEABILITY AND TRANSPARENCY

Potential asks to the Argentine government

1. Establish a unified public monitoring system

- Unify a common (public) MRV system and make available relevant public databases by integrating land regularization, forest and phytosanitary' laws,
- Federative system where jurisdictions and federal government integrate the generation and compilation of information for forestry and agriculture.

2. Improve the quality of information through public/private partnerships

- Public-private systems for what goes beyond the law. To reach effective compliance and transparency, public information should feed private/sectorial systems (and its own specific analysis)
- Improve and modernize registration and information systems (through digital platforms), to generate better data on the impact of agro-livestock production on deforestation, as well as increase the scale of information at the farm level. This information should be organized in the public integrated system, as well as the PP - connection with the innovation group.
Intelligent use of certification as a way out of the lack of information, or to differentiate products

3. Integration of the current OTBN and the agriculture/land use territorial management plans

- The territorial management of native forests (OTBN - ordenamiento territorial de sus bosques nativos) should be done in accordance with the agricultural expansion/land use plans

SMALLHOLDER SUPPORT

Potential asks to the Argentine government

1. Provide tax benefits for sustainable production systems

- Promotion of tax benefit regime for producers, stockpiles, production plants and / or exporters that implement sustainable production systems
- Tax benefits is a form of incentive. Small producers grouped in cooperatives, and often do not have access to financing and digital tools as a bridge and catalyst for Technical Assistance, Dynamization, Development.

2. Develop and invest in a portfolio of solutions for smallholders that doesn't focus only in certification systems.

- Certification is not considered a catalyst but may end up transforming the smallholder market into a 'niche' market and risk mitigation by companies (and not a solution)
- Strengthen the connection to producer regions, as well as producer/community development capacities for biodiversity protection.

- Substantially increase investments and financing for smallholder farmers
- Attributing value to innovative producers as long as they develop feasible solutions in a sustainable, competitive and cost-effective manner
- Access and introduction to the public sector for smallholder's groups formalization, and consequent access to the (higher) market price.

PRODUCTIVITY AND INNOVATION

Potential asks to the Argentine government

1. Improve indicators and footprint measurements

- Promote strategies at the country level to have solid and inclusive indicators (of sustainability, economy and environment) based on science (and ancestral knowledge), linked to national strategies.
- Improve territorial intelligence to determine the conservation of the agricultural unit and improve footprint metrics.
- Support for training and capacity building in relation to the future implementation of Article 6 of the Paris Agreement, with the development of a consultation process with the private sector.

2. Investment in the development of new technology

- Proportionally promote systems (sustainable trade) that combine environmental conservation and productive development
- Encourage the creation of entrepreneurial companies, finance R&D projects that allow technological improvements to increase productivity while protecting the environment.

3. Promote the flow of international finance to support sustainability practices

- Sustainable production must be more closely linked to deforestation practices.
- Establish appropriate criteria and channels to promote international financing that reaches producers directly and can be used for modernization and incorporation of best practices.

4. Provide preferential finance and taxation to smallholder farmers

- Design preferential subsidy policies aimed at products and producers that implement sustainable practices.
- Tax on the producer is a problem and the exporter has little impact. Financing to local banks and a differentiation in the taxes may be a solution.

5. Transfer of green technology and best practices

- Green technology transfer
- Support and develop local capacity to implement and certify carbon balance processes and products.

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ANNEX

Summary of Brazilian asks

Main ask	Related Actions
<p>Demonstrable impact in combatting illegal deforestation and reducing deforestation, linked to trade deals</p>	<p>Promotion of sustainable development Deforestation-free and conversion-free initiatives Certification on origin</p>
	<p>Effective law enforcement to stop deforestation, forest degradation and fires with rigorous action against organized crime.</p>
	<p>End of a political discourse encouraging expansion of the commodities frontier in the Amazon and Cerrado</p>
	<p>Forest Code Enforcement</p>
	<p>Incentives to go beyond legality: potential legal deforestation has a high cost, and it is key to avoiding illegal deforestation.</p>
	<p>Due diligence on EU-Mercosul Trade Agreement regarding illegal deforestation among the countries (EMTA)</p>
	<p>Commitment to establishment of a cut-off date.</p>
<p>Ensure legal framework to guarantee confidence and credibility for voluntary carbon markets</p>	<p>-</p>

Financial support	Mechanisms, support, incentives, subsidies, to generate product competitiveness. Big funds support chains regardless of environmental responsibilities
	Realocação de gastos da indústria para Pesquisa & Desenvolvimento (P&D)
Guaranteeing long-term financing for a shift towards intensification in the value chain	Guaranteeing long-term financing for a shift towards intensification in the value chain
Improve traceability to indirect suppliers	Provide clarity as to the role of the Brazilian government on this agenda
	Improve availability of public sector data, including from the Ministry of Agriculture and the Congress's proposal for a 'Selo Verde'
	Improve traceability with indirect suppliers
	Improve traceability with indirect suppliers and tackle cattle triangulation
Institutional support	Increase the participation of family farming products in institutional markets from 15% to 30% by 2030
	How to take the right advantage of the ESG investment wave?
Investment in CAR registration and resolution at the State (subnational) level	<p>Register 90% of rural properties (CAR) by 2016</p> <p>Validate 100% of the CARs by 2018</p> <p>Realize the land title regularization of 70% of family farming lots until 2030</p>

	Making advances with the rural land registry (CAR)
Investment in technical assistance and rural extension services, with a view to modernizing the beef (and other?) value chain, ensuring legal compliance and improved farm management practices, optimizing sustainable production outcomes	Increase the access of ATER agents and cooperatives (multipliers) to information regarding ILPF
	To expand the Technical Assistance and Rural Extension (ATER) services for family farming from 30% to 100% of families by 2030 To increase the participation of family farming in the domestic market from 20% to 70% by 2030
	Land tenure regularization
	Tackle lack of technical assistance throughout the territory
Investment in technical assistance, including digital formats	Technical assistance must provide tools for environmental and property regularization of smallholders
	Scale up traditional and digital Technical Assistance and Rural Extension (ATER)
Participation in International agreements and update on international commitments	Brazil nor other Latin American countries are a member of RCEP
	Need to adequate and renew commitments regarding Amazônia Legal (PA, MT) among supply chain's actors
Promote investment in nature-based solutions for priority biomes	Increase action on nature-based solutions

	Economic action to support modern agriculture and proving that there are feasible nature-based solutions
Promote investment in the Bioeconomy	To create innovation hubs in the Amazon to support creation of a new standing forest bioeconomy
	Bioeconomy must be related to specific innovation and scientific research, offering specific technical assistance on logistics, processing and family business
	Enhance and work with organizations dedicated to indigenous people, <i>quilombola</i> and traditional communities
	Incentives for private companies investing in bioeconomy and local smallholders' production
Promote Payments for Environmental Services and carbon markets to address legal deforestation	-
PSA	PSA connected to production chain
Risk reduction/ financial support	Aplicar seguro subsidiado para pecuária em áreas de pastagem degradadas a serem recuperadas, com base na receita adicional esperada em cima do limite inferior da capacidade suporte
Streamline and integrate public and private information on commodities and land use, to	Better monitor compliance with TACs signed between the agents of the supply chain (Boi na Linha)

establish a single, safe, and transparent information system

Modern technologies already in existence for full traceability of products from the Amazon

Investment in CAR registration and validation at the State level

Integration of GTA, CAR and SIF

Incentivize the availability of data of producers (CAR) from slaughterhouses, traders to consumers (e.g., TACs and Compromisso Público da Pecuária)

Incentives/investment agendas should be associated in order to create benefits to overcome gaps on commercial barriers and data confidentiality

Establish regularization measures to avoid exclusion of producers of irregular areas.

Restrain illegal deforestation by avoiding it in the supply chain in an inclusive fashion rather than by excluding producers who do not comply

Territorial sub-programmes (MAPA, BNDES, BASA et al) for credit lines tailored to specific territories and dissemination of best farming practices

Increase access to credit from R\$411 million to R\$1.3 billion/year by 2030

Increase rural credit and competitive interest rate with tradition credit offer (Plano Safra)

Unified cut-off date	Suspending land settlement processes for properties that have deforested after July 2008
Unlock investment and incentives for smallholder production	Public policy tied to Technical Assistance and Rural Extension to reduce risks and promote local investment via PES and REDD+
	Blended finance investment tied to Technical Assistance and Rural Extension
	Market-based investment programs to scale up bioeconomy
	Investment in public infrastructure for smallholder production: stock and flow, community logistics, command and control

Summary of Brazilian offers

Initiatives that strengthen compliance mechanisms	Beef on Track
	Accountability Framework
	Conecta Platform (TNC)
Incentivize the expansion of agriculture over pastures, through public-private supply chain partnerships	Carbon Neutral Brazilian Beef
	Mato Grosso's PCI
	ABC Plan
Innovation in production chain related to bioeconomy	Origins Brazil
	Natura
	Beraca
	IDESAM
Enhance the exposure and commercialization of smallholder production	Brazil Bioeconomy-Sociobiodiversity Program
	SENAF
	Origins Brazil
Recognition of efforts and service offerings	Cocoa Amazon Origin Project
	Integrated Crop-Livestock-Forest Systems (ICLS)
Technical assistance models from private initiatives PES / Carbon Markets	Mato Grosso's PCI
	JBS Juntos Pela Amazônia
	Plano Marfrig Verde +

Summary of Argentine asks

Main asks	Related actions
Development of trade negotiations to include smallholders and the sustainable land use agenda	Standards to be developed not only as a product of market responsiveness, but also as a product of national action
	Continuing to develop market and trade approaches with small producers in mind. Adaptation work to advance the sustainable agenda at all levels
	Follow up on the issue of competitors. Look at the implications of chains that are not as integrated - this is where public policies can help to organize and achieve greater competitiveness.
	Do not fail to give relevance to the development of trade negotiations - competitiveness to be achieved by both quality and good negotiation of trade terms
Enforcement of the current legal framework	In addition to reforming the legal framework, we seek to work on compliance
Establish a unified monitoring system	Unify a common (public) MRV system and make available relevant public databases. The information is available, but disconnected (transport letter, forest law, RENSPA, snasa - fitossanitário, greenhouse gases, balance of emissions).
	Federative system where jurisdictions and federal government integrate the generation and compilation of information for forestry and agriculture

Improve indicators and footprint measures	Promote strategies at the country level to have solid and inclusive indicators (of sustainability, economy and environment) based on science (and ancestral knowledge), linked to national strategies.
	Improve territorial intelligence to determine the conservation of the agricultural unit and improve footprint metrics.
	Support for training and capacity building in relation to the future implementation of Article 6 of the Paris Agreement, with the development of a consultation process with the private sector.
Improve the quality of information through public/private partnerships	Public-private integration: use of private systems for what goes beyond the law. To reach effective compliance and transparency, public information should feed private systems
	Improve and modernize registration and information systems, to generate better data on the impact of agro-livestock production on deforestation, as well as increase the scale of information at the farm level. This information should be organized in the public integrated system, as well as the PP - connection with the innovation group
	Intelligent use of certification as a way out of the lack of information, or to differentiate products

Incentivize the development of a national market	That the government in its state policy can generate the incentives to carry out a collective transition across the actors - not only the unions with the possibility of advancing in the face of market pressure.
	Generate value to Argentina's knowledge on sustainable production models. They exist, and through integrated approaches they can be enhanced
	Do not limit the focus to the export sector - seek to activate a model of sustainability (and quality) at the local consumer level as well
	Focus actions with the logic of economy of scale in order to mitigate any forces activated by emerging markets, and rather send messages to these markets to raise quality parameters
	To promote the subject of applied research in order to respond to these requirements
Invest in a portfolio of solutions for smallholders, that go beyond certification	Solutions portfolio, not just focus on certification systems.
	Certification is not considered a catalyst, but may end up transforming the smallholder market into a 'niche' market and risk mitigation by companies (and not a solution)'.
	Strengthen the connection to producer regions, as well as producer/community development capacities for biodiversity protection

	Substantially increase investments and financing for smallholder farmers
	Attributing value to innovative producers as long as they develop feasible solutions in a sustainable, competitive and cost-effective manner
	Access and introduction to the public sector for its formalization, and consequent access to the (higher) market price
Investment in the development of new technology	Proportionally promote systems (sustainable trade) that combine environmental conservation and productive development
	Encourage the creation of entrepreneurial companies, finance R&D projects that allow technological improvements to increase productivity while protecting the environment.
Promote de flow of international finance to support sustainability practices	Sustainable production must be more closely linked to deforestation practices.
	Establish appropriate criteria and channels to promote international financing that reaches producers directly and can be used for modernization and incorporation of best practices
Provide tax benefits for sustainable production systems	Promotion of tax benefit regime for producers, stockpiles, production plants and / or exporters that implement sustainable production systems

Tax benefits is a form of incentive. Small producers grouped in cooperatives, and often do not have access to financing and digital tools as a bridge and catalyst for Technical Assistance, Dynamization, Development.

Summary of Argentine offers

Crossed-themed offers	Offers
Financial incentives	Developed Countries: Develop private funding to green bonds for local companies looking for green technologies
	Direct green financing for capacity building, implementation and certifications proposals.
	Investment for innovation in productive and sustainable initiatives.
	Investment to scale-up existing programs.
	Investment for innovation in productive and sustainable initiatives.
	Design preferential subsidy policies aimed at products and producers that implement sustainable practices.
	Change of vision: instead of limiting and penalizing, strengthen and promote cooperation with inputs, financing and transfer of technical capabilities.
Financial mechanisms	Technical assistance to develop the financial mechanisms.
	Direct green financing for capacity building proposals, implementation and certifications.
Financing good practices	Provide incentives or economic support (e.g., in the form of green financing or better prices and purchasing conditions) to those value chains that promote sustainability and emissions mitigation, in order to achieve the goal of carbon neutrality.

	<p>Support the development of a special regime for sustainable agri-food products within the WTO (inspired, for example, by the environmental goods regime) that would allow for reductions in tariffs/taxes</p>
	<p>Provide incentives or economic support (for example, in the form of green financing or better prices and purchasing conditions) to those value chains that promote sustainability and emissions mitigation, in order to achieve the goal of carbon neutrality.</p>
<p>Regulatory framework</p>	<p>Open a space for direct consultation to export sectors when establishing market access regulations with environmental implications.</p>
	<p>Promote a regulatory framework that incorporates production practices at source, as well as capacity building to consolidate an affordable certification system, through independent third parties, that does not include onerous costs such as due diligence.</p>
	<p>Support and develop local capacity to implement and certify carbon balance processes and products.</p>
	<p>Provide incentives or economic support (for example, in the form of green financing or better prices and purchasing conditions) to those value chains that promote sustainability and emissions mitigation, in order to achieve the goal of carbon neutrality.</p>
	<p>Promote a regulatory framework that incorporates production practices at origin, as well as capacity building to consolidate a viable third-party certification system that does not include onerous costs such as due diligence.</p>
	<p>Design preferential subsidy policies aimed at products and producers that implement sustainable practices.</p>

<p>Tax and tariffs benefits for sustainable products without harming smallholders' production</p>	<p>Eliminate or reduce import duties and production subsidies that modify the supply of products, distorting market prices.</p>
	<p>Eliminate the para-tariff barriers that end up being protections in covers.</p>
	<p>Support at the multilateral commercial level a regime of tariff benefits for agroindustrial products with environmental certifications in order to generate a financial return that causes the generalization of climate smart agriculture systems in developing countries.</p>
	<p>Support the development of a special regime for sustainable agrifood goods within the WTO (inspired, for example, by the environmental goods regime) that would allow for tariff reductions.</p>
	<p>Tax on the producer is a problem and the exporter has little impact. Financing to local banks and a differentiation in the taxes may be a solution.</p>
<p>Technical capabilities/assistance/technology transfer or development</p>	<p>Change of vision, instead of limiting and penalizing, strengthen and encourage cooperation with inputs, financing and transfer of technical capabilities.</p>
	<p>Developed Countries: Support a national platform of Gran Chaco Region</p>
	<p>Developed Countries: Support and develop local capabilities in order to implement and certify carbon balance process and products</p>
	<p>Green technology transfer</p>
	<p>Manual de boas práticas agrícolas</p>

Traceability scheme in Uruguay and Argentina is strong and solid

Transfer of green technology

Design preferential subsidy policies aimed at products and producers that implement sustainable practices.

Promote a regulatory framework that incorporates production practices at origin, as well as capacity building to consolidate a viable third-party certification system that does not include onerous costs such as due diligence.

Promote a regulatory framework that incorporates production practices at source, as well as capacity building to consolidate an affordable certification system, through independent third parties, that does not include onerous costs such as due diligence.

Support and develop local capacity to implement and certify carbon balance processes and products.

Technical assistance to develop the financial mechanisms.

Direct green financing for capacity building proposals, implementation and certifications.

Change of vision: instead of limiting and penalizing, strengthen and promote cooperation with inputs, financing and transfer of technical capabilities.

Strengthen Argentina's already strong and solid traceability system

Support a national platform for the Gran Chaco Region

Value/recognition of sustainable good practices

Developed Countries:
Support national carbon neutral food and feed program in Argentina

New international markets for sustainable products.

Attribute value to producers as innovators in production whenever developing sustainable, competitive and economically feasible solutions

Design preferential subsidy policies aimed at those products and producers that implement sustainable practices.

Harmonize their vision (that of the buyer countries) with that of the producer countries

