



**Annual Report**  
**2021**



**We are Agribusiness.**  
**We are Coop.**  
**We are Araúz.**

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## Word of the Founding Partner

*The “new normal” was one of the most used terms in 2021, where technology and information took center stage in market relations, making the activity of lawyers follow this evolution.*

*There is no denying that the disruption between the relations and the instruments that we knew as suitable for the practice of law, although it is the result of changes expected over the decades given the globalization movement, has undergone a rapid change in the last 02 (two) years.*

*Multiple meetings to the 04 (four) corners of the country, hearings and trial sessions under the screen of a computer and knowledge disseminated in lives and webinars passed to be routine. The information, its speed of exchange and, mainly, the care with the safety of this traffic that is facili-*

tated, became part of the *modus operandi* of the good lawyer and the management of the offices.

If our motto was to be close to our customers and partners, "online" made it easier for us to get further, in less time. Perhaps this was the way to make a lemonade with the lemons the pandemic gave us and its harmful effects on public health and the economy. We have learned, in the concept of Nassim Nicholas Taleb, to become anti-frail, benefiting from the chaos and all the unprecedented change. We know that lawyers will no longer use typewriters in petitions, the judiciary will no longer use pen-dispatches, physical processes will become increasingly expensive and the "new normal" will get used to our daily lives, imposing on lawyers a constant modernization of work instruments, through good computers, investment in information technology, backups and data protection.

But, we need to remember that, although the "new normal" and the enhancement of technological tools are inevitable and important to the evolution of the practice of law, some maxims of the profession are immutable.

Law, although evolving, has basic principles. Pontes de Miranda, in a very assertive way, describes Law as a product of social relations, which influence the content of the concepts introduced in the legal rule, and it is up to the jurist to carry out the interpretative activity, assigning meaning to words, as a condition for the application of the rule to the specific case.

This is the fundamental role of the lawyer, to get to know the Law to apply the Law very well. To get to know the social relations to apply the Law very well.

To get to know the customer's business to apply the Law very well.

In our case, to know the technical fact of the

client's activity, whether it is business, industrial, cooperative, agrarian or agro-industrial, to well apply the Law, whether in an advisory or contentious form.

Therefore, I say that there is no "new normal" and technology available in the world that removes the need for the good lawyer to study, to learn from the great, from the classics, to perfect and understand the dynamics of relations and legal business that surrounds the lawyer so that new ideas, theses and lights emerge.

**In 2022, we will remain firm in our mission to help our customers run virtuous businesses in the economic field, safe from a legal point of view and endowed with a great social function, with the generation of jobs and return to society.**

## **This is the mission of Araúz Advogados.**

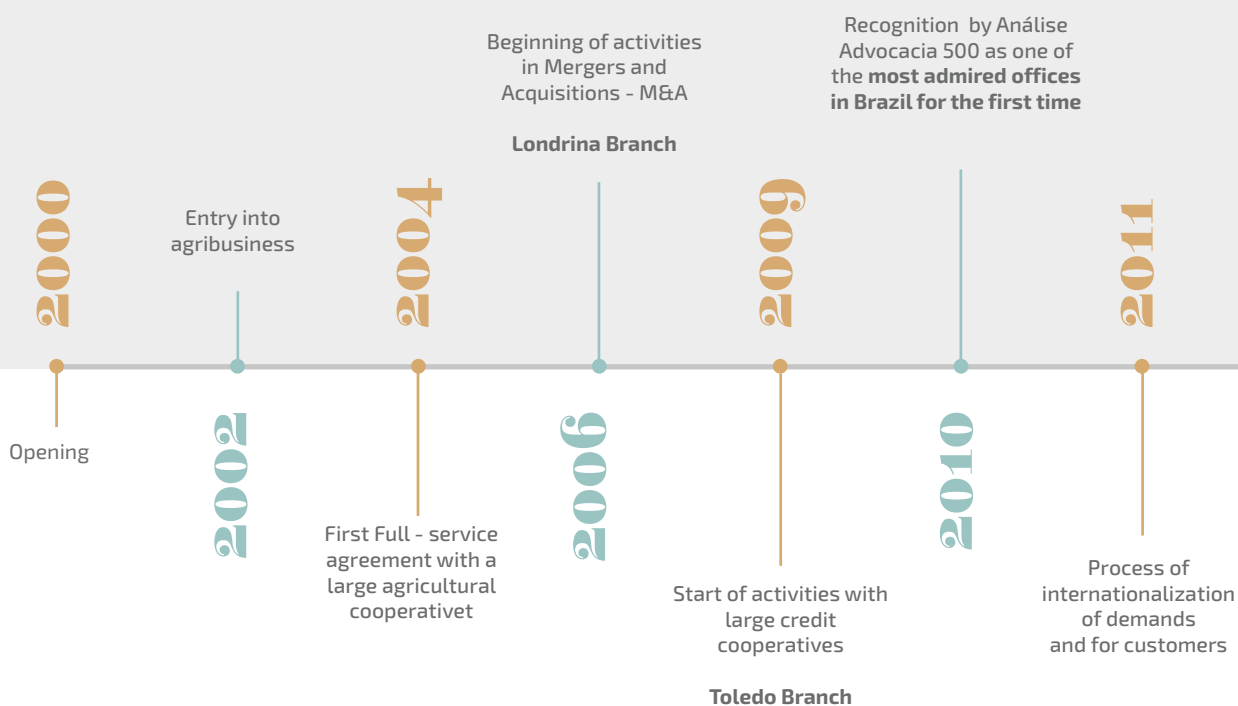


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Carlos Araúz Filho

# Our achievements

## Araúz in figures



• +120,000 hours worked in 2021

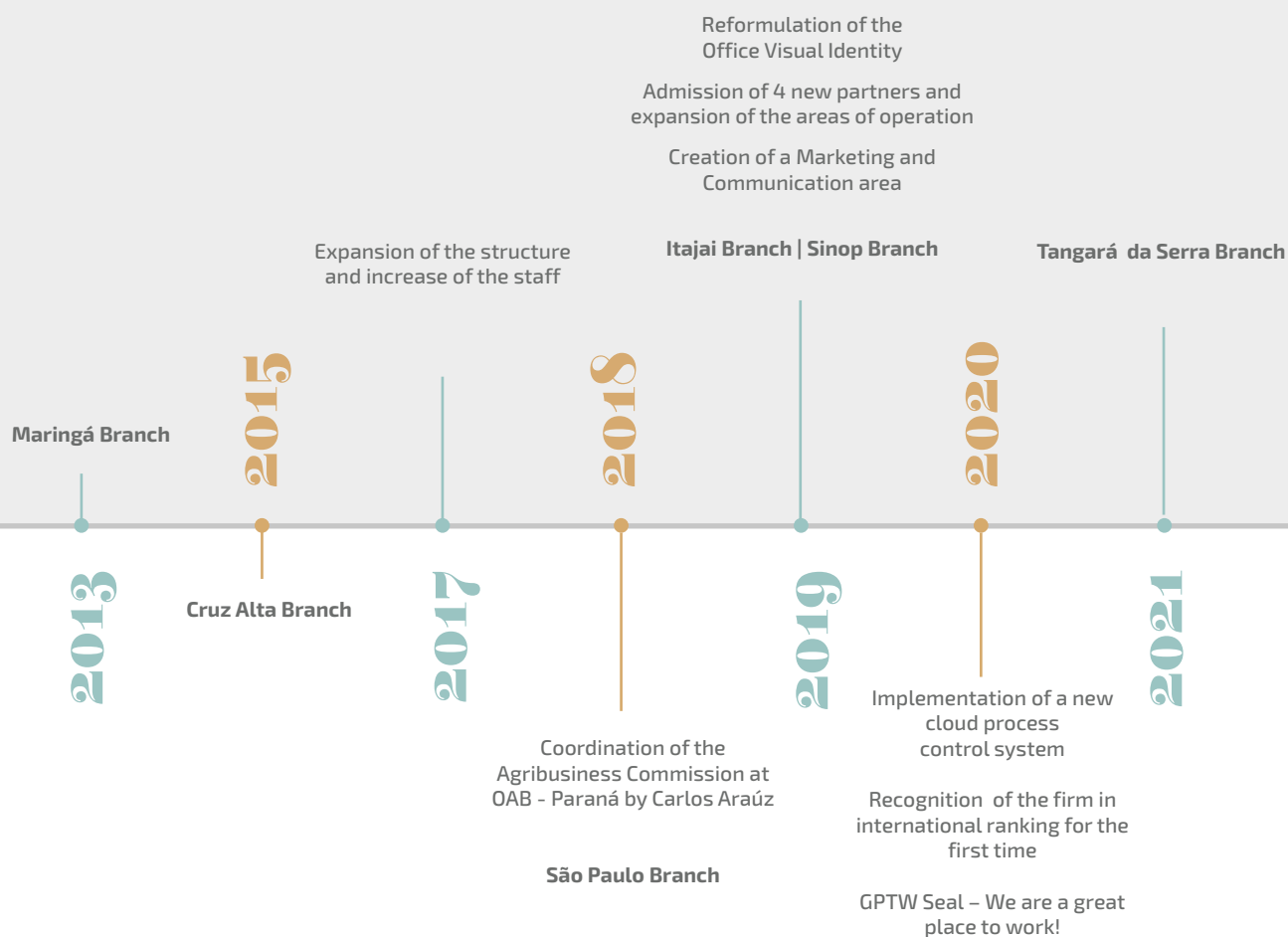
• 21 years

• 9 units

• 227 new clients

• 106 lawyers

• 26 interns






# Araúz

## Expansion

### Tangará da Serra - MT

Within the scope of being close to our customers, in 2021 we opened a new branch in the city of Tangará da Serra, aiming to meet the growing demand of our customers in the region.

The modern city, full of opportunities and new businesses, is located in the southwestern region of the state of Mato Grosso, in a strategic region for agribusiness and will be the headquarters of our second branch in the state, since we also have an address in the city of Sinop.



**Tangará da Serra is among the 100 richest municipalities in agribusiness in Brazil.**

**Fifth largest GDP in Mato Grosso - BRL 3.2 billion.**

**Ninety thousand birds are slaughtered each day.**

**Production of crops in the amount of BRL 871.3 million.**

Tangará da Serra Branch  
opened in 2021

**Dentro da lei.  
Fora da curva.**



# Acknowledgments



We are a widely recognized office in our field.

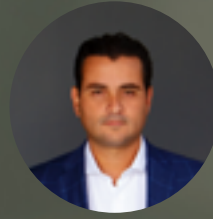
Our lawyers have been renowned for prestigious national and international publications.

Recognitions as those conquered to date show the evolution of our legal performance throughout the country.

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# Chambers AND PARTNERS

2021 - Recognized for  
**General Business Law**



**Carlos Araúz**  
Founding Partner



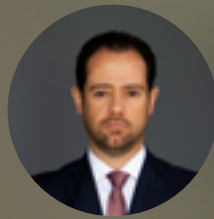
**Gabriel Placha**  
Head of Tax Litigation

*"The team stands out mainly for its practice  
in agribusiness field."*

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**Gabriel Placha**  
Head of Tax Litigation



**Clóvis Suplicy**  
Head of Civil Liability



2021 - Recognized as  
**Litigation Star**

Tax and Commercial

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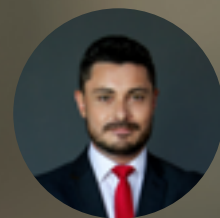


World Tax - Recognized as a  
**Remarkable Office**

Tax Area



**Gabriel Placha**  
Head of Tax Litigation



**Rodrigo Borba**  
Head of Consulting  
and Tax Planning

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2021 - Recognized as Curitiba Regional prominent office

*"Araúz Advogados is a reference destination for large players in the agribusiness industry in southern states of Brazil."*



**Carlos Araúz**  
Founding Partner



**Rafaela Parra**  
Head of Environmental Law



**Gabriel Placha**  
Head of Tax Litigation



**Rodrigo Laynes Milla**  
Head of Corporate Law



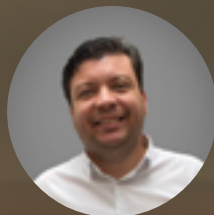
**Danielle Wardowski  
Cintra Martins**  
Head of  
Administrative Law



2021 - Highly Recommended



**Edgar Kindermann Speck**  
Head of Credit Recovery



**Rafael Comar Alencar**  
Credit Recovery Attorney



**Marco Juliano Felizardo**  
Banking Lawyer



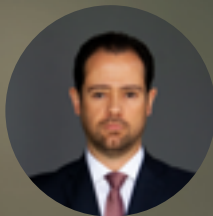
### 2021 - M&A

Araúz Advogados was recognized in the M&A practice by IFLR, affirming our strong presence in the market.



Office was recognized in the Environmental, Social, Labor and Civil specialties, in the economic sectors of Transportation and Logistics and Food and was recognized by the lawyers Rafaela Aiex Parra (Environmental), Thiago Gardai Collodel (Labor) and Clovis Suplicy Wiedmer Filho (Business and Civil Contracts).

We were recognized by the new research of the Análise Advocacia in the first edition of the Southern Regional Análise Advocacia ranking, in the Comprehensive category.



**Clóvis Suplicy**  
Head of Civil Liability



**Rafaela Parra**  
Head of Environmental Law



**Thiago Collodel**  
Head of Labor Law

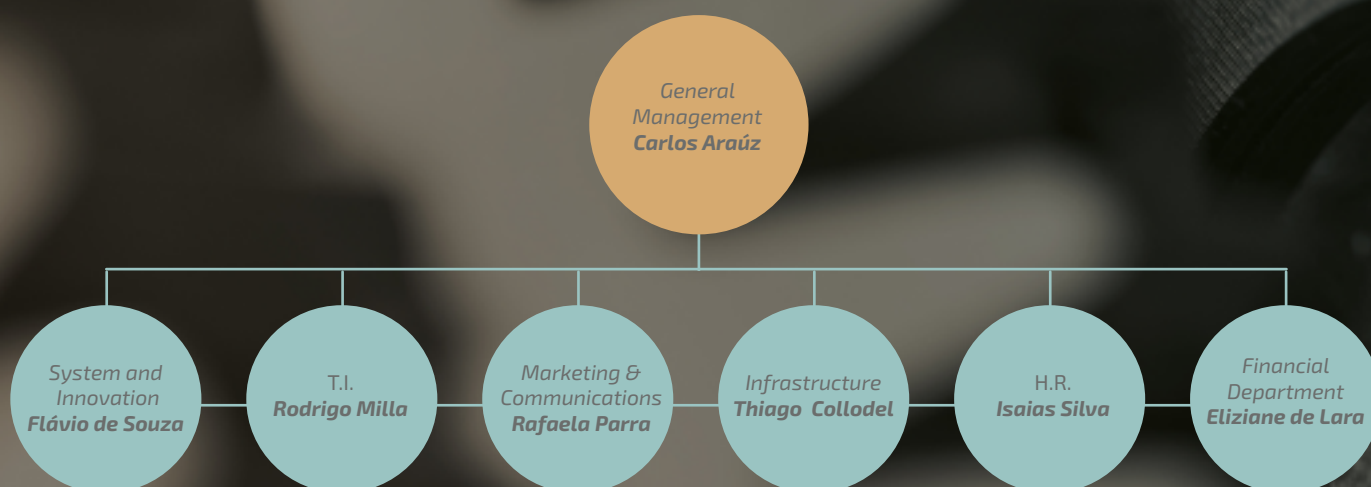
# Corporate Management

Corporate Governance, ethics and sustainable development are essential foundations for the proper functioning of business bodies and law firms. Therefore, in order to congregate the interests of society with all stakeholders, it is necessary to have a broad view of the business.

In the management guided by Corporate Governance, the direction is to create an efficient set of mechanisms, both incentives and monitoring, in order to ensure that the behavior of managers and employees is always aligned with the best interest of the mission, vision and values of the company/firm.

In 2021 Araúz Advogados reinforced its corporate management through the division of areas of Administrative Board and the reinforcement of:

- . Code of Conduct;
- . Policies;
- . Marketing Strategies;
- . Media;
- . Social Actions;
- . Relatórios.





For **Rafaela Parra**, partner responsible for the Marketing and Institutional Communication area, *“in 2021, the results recognized by national and international legal rankings of the board and its lawyers are the result of the Marketing and Communication works. This is only possible with the support of the firm, with concrete actions to demonstrate the goals, in addition to encouraging equality and judiciousness of functions within its staff, without exceptions of any kind.”*



For **Flávio Alexandre de Souza**, partner responsible for the System and Innovation area, which is the locomotive for the innovation and systematization of internal procedures with a global view of the business, *“the rapid growth of the firm, together with market requirements, made the decentralization of the General Directorate’s activities inevitable. Institutional organization, data security, standard of action and agility when addressing internal opportunities and those of our customers is among the goals of the new boards.”*



**Rodrigo Milla**, partner responsible for the Information Technology area, recalled that several measures were taken to keep Araúz Advogados at the technological forefront among law firms. More than BRL 300 thousand were invested in the modernization of computer equipment, so that all partners and employees have the most current tools available on the market.

As part of the implementation of compliance with the General Data Protection Law (LGPD), the department abandoned the use of local servers to store information related to cases and clients. Now, all storage is carried out on remote servers, with ISO 27001 certification, which ensures not only the security of customer data, but also the accessibility of information at any time, by employees, from anywhere in the world. Certainly these actions meet the criteria of transparency and equity of Corporate Governance.

**All areas, therefore, unite in the administration of the firm, with the purpose of a balanced management, based on a common goal: qualitative growth of Araúz Advogados.**



# Our Social and Environmental Position



◀ In 2021, we were recognized by the Reflo Ecooar Refloresta Green Seal, as a firm committed to ESG issues and socio-environmental responsibility, since we neutralized part of the greenhouse gas emissions generated by our activities at the headquarters and branches, with the planting of native species trees, compensating 8,320 kg of CO<sub>2</sub>.

Araúz Advogados is aware of its responsibility with sensitive and important issues to the market. As one of the largest firms in the state of Paraná and Brazil, serving large clients of the agribusiness, cooperativism, industrial sector and directly influencing the daily lives of its employees, we are concerned with leaving a legacy of prosperity and care for the planet and society. We want to be a mirror for future generations and a place of choice for customers and employees, both for our legal technical capacity, but also for our social and environmental responsibility, for our values.



◀ Since 2019, we have been signatories to the United Nations Global Compact, attentive to labor, human rights, anti-corruption and environmental issues. In our activity report sent to the United Nations annually, we highlight the strengthening of freedom of expression in our daily lives through the communication channel and the anonymous ombudsman channel, with a specific and plural Committee to investigate any complaints.

**In addition, we aim to link value to the social campaigns we participated in in 2021:**

## Donations:



◀ **Pequeno Príncipe:** We've been partners in Pequeno Príncipe Hospital for over seven years. We make monthly donations to support the life-saving work of many children and adolescents arriving daily for treatment and diagnosis of diseases at the largest pediatric hospital in Brazil. Seventy percent of its capacity is assigned to SUS treatment in 32 medical specialties, as a national reference for medium and high complexity.

**Casa de Apoio Mãe Solidária - CAMS:** Institution that is located in the Uberaba neighborhood in Curitiba, provides a proactive service to children in situations of social vulnerability and in risky situations. A collection campaign was carried out to distribute food parcels and milk, both employees and the firm supported the cause and did so much for that community.



## Easter:

This Easter, the firm decided to carry out a joint action. Turning chocolates into reasons to smile was the present we found to share the spirit of Easter, in addition to encouraging everyone to contribute to community actions aimed at inclusion and generosity.

In partnership with FAS (Fundação de Ação Social), we were able to donate chocolates to 185 children and adolescents from 74 families in poverty who work with collection and separation of recyclable materials, registered with CRAS Vila Torres and accompanied through the Family Protection and Comprehensive Care Service (PAIF).

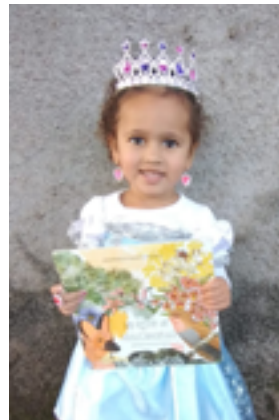
In addition, we donated 250 chocolates to make up the dinner of the Mesa Solidária Program, a project that offers meals to homeless people.





## Children's Day:

We gave the book "In the Kingdom of Araucarilândia" as a gift to all the children of our workers. This initiative has two consequences, since, in a playful way, our children and adolescents will be able to know a little more about the history and culture of Paraná and its environmental wealth and, also, with the acquisition of the books, it was possible to improve the project of Pequeno Príncipe Hospital, helping so many children in their treatments.





## Pink October:

We carried out a campaign to collect hygiene products for HUMSOL NGO, which allocates these donations to patients undergoing cancer treatment through SUS. Approximately 300 hygiene items were donated. The NGO promotes several actions warning about the importance of prevention, early diagnosis and combating cancer.



## Natal Cruz Alta:

The first path of the Árvores de Cruz Alta was held this Christmas, the office contributed to the decoration of a tree. The activity is part of the of the Campaign "Um Encanto de Natal", which offered several activities and actions to create the Christmas magic.



# We are “Within the law. But outside the curve”

“Since 2000, Araúz Advogados has built a solid and lasting history in business, agribusiness and cooperative law. This was only possible thanks to the spirit “within the law, outside the curve” of our entire team and which is the DNA of the firm. We are a comprehensive law firm, with technical excellence, but there are essential features in our differential that make us close to the customer.”

**But, after all, what it is to be “Within the law. But outside the curve? These are the testimonies from our lawyers:**



**Rodrigo Borba**  
Head of Tax Consulting and Planning

*“Understand the dimension of the customer’s needs, see where their decisions may lead them and what challenges await them. It is to anticipate to the customer all the strengths and weaknesses of their operations, allowing them to implement the necessary measures to avoid non-compliances or correct them in time. It is to instigate the client to always remain in accordance with the Law.”*



**Fabio Santos Rodrigues**  
Civil Liability Attorney

*“Well, it is simply to ALWAYS find the best solution for the client, providing business opportunities and outlining legal strategies, visible only to those who have a multidisciplinary structure, with smart personnel with a lot of experience, as is the case of the Araúz Advogados Office.”*



**Danielle Dalledone**  
Tax Consulting and Planning Lawyer

*"Proximity to our customers is one of the main tools of success in our operations. For our actions and strategies to be effective, we always keep the customer by our side, in a relationship of mutual help and trust, offering personalized, agile and very high quality legal support, with innovative and efficient solutions, enabling the prevention or resolution of problems with the lowest institutional, personal and financial cost as possible."*



**Renato Glinglani**  
Credit Recovery Attorney

*"It means saying that we are not just another firm and that here we do not do the "minimum necessary". We aim to stand out day after day, specializing, looking for alternative manners to achieve what is expected of us, but still being legal."*



**Carlos Eduardo Ferreira**  
Labor Law Attorney

*"This interest in defending the client that pulses in the vein of the firm, regardless of the sector, makes us sure that there is dedication from everyone who is part of this team, making together a new history in law. And it is this feeling that transcends the limits of the firm's relationship with the client, demonstrating to the whole society the strength that our firm has."*



**Tiago Duarte da Silva**  
Labor Law Attorney

*"Araúz Advogados allows its professionals to develop and trust the lawyers who make up the law firm. It is a large firm, but it maintains the humanized treatment, both of the Partners towards the other professionals, as in relation to the clients."*



Araúz,

# a firm of opportunity

**With the employees who spent more than 10 years in the firm, we held a special breakfast.**

In these 21 years of history, Araúz Advogados has grown. At first there were only nine lawyers, today we have 106. We have a purpose: the virtuosity of our customers' business. Therefore, for us, advocacy is an activity endowed with a great social position. We are economic instruments, to help generate jobs, quality of life for so many people, to contribute to the progress of Paraná and Brazil. We rely on dedicated people, intelligent people, people who believe in our purpose to achieve our goals. In our staff, we proudly maintain a low turnover, we manage to retain talents and grow together! Some of our employees have been with us for more than a decade, some for almost two decades and those who have recently joined already know that this is a space of opportunities.

And to celebrate the lasting relationship with our oldest employees we promoted a breakfast for interaction between everyone and remembrance of the journey that made them get here. Thank you!







**Rafael Comar Alencar**  
Credit Recovery  
Attorney

In March 2009, I was hired with the mission of going to the countryside and developing

a new branch of Londrina/PR, the second branch of our firm. The challenge was great: to gain everyone's trust and still develop the branch, bringing new customers.

In these almost 13 years of trajectory in Araúz I always found the necessary support to grow and develop my work, being possible to obtain the desired results and, sometimes, superior to the expected outcome.

I need to thank the firm, especially Carlos Araúz and Edgar for the opportunity and confidence and I hope to continue to be part of this great team for a long time!



**Clóvis Suplicy W. Filho**  
Head of  
Civil Liability

*"Back in June 2002, when there was no electronic proceeding and so many other facilities we have nowadays, it was not at all possible to imagine the growth that would occur in the following years. The team was very small and everyone did a little bit of everything, which went from taking out a trash to performing an oral argument in a court.*

*Perhaps this collective dedication was the natural recipe for a path that has led us here and can take us further, always with the conviction that we build our path on a daily basis, taking care of small details and focusing on responsibility."*



**Gabriel Placha**  
Head of  
Tax Litigation

*"It seems like it was yesterday that I received the invitation to join the Araúz team. Since then, more than eleven years have passed by...*

*It was an intense period, but the balance is very positive.*

## **My professional growth stems directly from coming to the firm.**

*For this reason, thanks Carlos Araúz for the opportunity, with the expectation that there is so much more to come!"*



**Rafaela Castanho de Andrade**  
Labor Lawyer

*"I met the Araúz firm 18 years ago, when I was hired, in a small firm, without many resources, with dial-up internet, there was no professional to clean the firm, no security, transportation voucher, food voucher and with few customers.*

*But the small firm was formed by a team endowed with courage and will, which transformed the Carlos's dream in its own dream and was then that, with a lot of work and dedication, the firm grew and became the Araúz of 2021, and I am very proud of the path taken and the hard work made over these years."*



**Edgar Kindermann Speck**  
Head de Recuperação  
de Crédito

*"Well, my trajectory began in mid-2006, when Araúz needed to resolve a demand regarding the proceedings for the review of bank agreements of customers served by us.*

*As I have always worked in this area of law, but on the other hand, I knew well the demands involving agreements of this nature.*

*Although the invitation was made to demands of a banking nature, Araúz made the reservation that at that time it would also need to act in other areas, especially labor, due to the recent agreement for the provision of legal services signed with a large Agroindustrial Cooperative to serve it in these demands.*

*Soon after, we started to advocate in other segments for this cooperative, among them credit recovery, which soon directed the focus of the firm to creditors, which has been my area since forever.*

*Through this client, we were introduced to the Credit Cooperatives of the region and started to work for them too, which led to the creation of my coordination within the firm.*

*In 2017, we expanded our portfolio by acquiring the operations of a collection office, also serving financial institutions, resulting in the internal dismemberment of the credit reoperation sector in two sub-coordinations: Financial Institutions, under the coordination of Marco Felizardo, and Credit Unions, supervised by Rafael Alencar."*



**Thiago Gardai Collodel**  
Head of  
Credit Recovery

*"I always share this story with my team to illustrate how much the Araúz Office has grown in recent years and how much we evolved individually. I started working for the firm in 2008, as a junior lawyer, with three years of graduation, we were four lawyers in the sector (and 11 lawyers in the entire firm), I was the youngest, and we served less than 10 clients. I have saved documents of the time and among them our agenda of hearings of November 2008, with 45 hearings and expertise, which was already a very expressive number.*

*Currently, the firm's labor sector has 17 lawyers (more than in the entire firm in 2008), distributed in five cities. We serve more than 40 customers in total, and we have already a total of 250 expertises and hearings in a single month.*

***It is gratifying to have participated in the evolution of this Firm and all its members over the years.***

*In particular, I joined 13 years ago as a junior lawyer and currently I am as a Sector Coordinator. But I am not the only one, I see others who were hired as interns or in administrative areas and had a great professional growth. Therefore, we see that it was not only the Firm that grew over the years, but also the employees who believed and participated in this evolution."*



**Dieison Boneti**  
Administrative  
Analyst

*"My journey at Arauz Advogados began in March 2010, joining the Control team of the Labor Department. My role was to organize the physical file, separate documents for lawyers and carry out the protocols. With the growth of the firm, the Control team started to assist not only the Labor Department, as well as the other departments of the firm, it was at this moment that I assumed responsibility for publications, general protocols and pouches. With the various demands for the department, the need came for the division of some activities and today I am in the Protocols Department, being liable for the protocols of the Labor sector, assisting in the protocols of the other areas, when necessary, and also with the schedule of deadlines of the lawyers!"*

*I am very proud to be part of this history and to participate in the growth of this renowned firm!"*



**Jairo Fernando Belini**  
Judicial  
Reorganization Attorney

*"My professional life after graduation and approval in the OAB exam was exclusively inside the Araúz firm. I started the activities in the firm in October/2011 meeting the demands for the region of Campo Mourão/PR and the center-east region of Paraná. In July/2019, I started working at the headquarters of the firm in Curitiba/PR, exclusively attending proceedings related to customers with credits receivable in judicial reorganization processes, as well as credit recovery demands.*

*From the first day of admission to the firm I was sure that the Araúz firm had the same human values that I had: ethics, humility, honesty and a sense of justice.*

***At the Araúz firm I am respected as a person and as a professional!!!"***



**Diogo Hoffmann**  
Labor Law  
Attorney

*When I received the email, asking to talk about the progress within the firm and my trajectory in 2 paragraphs, I thought, what will I talk about? In a quick retrospective, I see that my professional and personal growth is very confused with the history of the Araúz firm, since the firm was still small, two branches and less than 10 lawyers, and I had little experience, but I was willing to grow.*

*Over time, the firm has been growing and improving every day, both in terms of its physical structure and equipment, as in relation to its team, and I also see that I grew a lot in this period, I had children, various personal achievements and in particular I learned that to be a lawyer it is not enough to know the legal rules, but we rather need to have a tact on a daily basis with customers, judges, servers, etc., and I learned a lot in this period, with numerous trips and audiences in all corners of the country, but in each place I learned something new, as in the day to day with the Arauz team and, certainly if it were not for the firm with its national coverage, I would not have had these opportunities.*

*Many friends and family asked, when there were almost weekly trips, how you can handle this routine, but the answer has always been simple, I do what I like and with a lot of love and I am valued for it, and I only have to thank for almost 13 years in this group, which makes me really proud to be part of.*



**Flávio Alexandre de Souza**  
Head of  
Contractual Law

*"I went to do an interview for a position in the Labor department. Edgar Speck*

*invited me. When I arrived to do my interview, I realized that that very fine guy was the "owner" of the firm. I took on the challenge. There were eight of us.*

*Shortly afterwards I took over the coordination of labor law and the challenges have not stopped until today (more than 14 years later).*

***The attentive way in serving customers combined with the innovative ideas of Araúz, always made me leave the comfort zone.***

*We created the controllership team (paralegal), audits department (M&A), technological innovations with the digital transformation (with operating system migration and deployment of several robots), assistance in the administration of the firm and now the contracts department.*

*Each year I learn a lot and hope to be able to contribute to several other projects."*



**Rafael Asevedo B. Mendes**  
Legal  
Counsel

*"My trajectory at Araúz Advogados began in 2008, I still was an aca-*

*demic, at the former headquarters of Rua Fernando Simas. Since then, I have been able to observe the exponential growth of the firm, not only in relation to the number of clients served and employees who are part of our staff, but also, and mainly, with regard to the excellence of the service provided, the administrative evolution of the firm and the training of the professionals who integrated and still integrate our team.*

*From intern to lawyer, after 13 years of professional training and a lot of learning, I would like to thank the firm, specially Carlos Araúz Filho, wishing all members of our team that we remain in constant evolution and continue to provide, as always, the best service to our customers."*



# After two years of pandemic, what has changed to the law sector?



**Fabiola Clementi**  
Sub-Coordinator of  
Legal Controllorship

After two years of living with the pandemic, we cannot deny that the initial period of distance, the adoption of the working from home method and the routine of remote meetings and arrangements accelerated technological evolution in law.

Internet of Things (IoT), Machine Learning, Augmented Reality, Jurimetry and Blockchain are already part of the daily life of large offices in Brazil and worldwide. The automation of procedures, as well as Artificial Intelligence (AI), which is based on Big Data and robots, has been entering the legal market for a long time.

The rise of projects including visual law, whose purpose is to make legal documents more understandable with illustrations, icons, tables, visual maps among other graphic ele-



ments that make the message clearer, in addition to the formalization of contracts and digital signatures, are already part of the reality of the second decade of the 2000s.

Thus, access to the judiciary and the form of communication with judges, promoters, servants and even between the parties was also influenced.

In this regard, it is essential that modern lawyers seek to develop human habits, also called Soft Skills, in order to attract better solutions in proceedings resolution.

We proposed a chat with the Sub-coordinator of Legal Controllorship in Araúz Advogados, Fabiola Clemente, to comment on the impact of the pandemic and technological evolution in the legal universe.

**Do you believe that with the pandemic and the acceptance of technologies, the arrival of digital contracts and remote meetings, has promoted the legal market in this period? How did you feel the impact of all this on your routine and on advocacy in general?**

The constant changes in the decrees require a close look of the legal department and companies so that everyone could continue their activities in an agile and safe manner. After the first year of the pandemic, which a good part of the judiciary was closed, alternatives were created that today came to stay, I do not believe that technology came to foster the market, but to create a new way of acting, if the legal professional does not update themselves, they will lose market.

**How do you perceive technology aggregating in the legal world?**

Technology has become essential in all aspects of modern life, in the judiciary, as in everything else, it has come to give agility and economy to the performance of professionals. It brought greater visibility to the lawyer's activities, as clients have a greater ease in locating proceedings and auditing the services of professionals, and thus improving the quality of our professionals.

**How do you see the future of the judiciary in the post-pandemic period?**

I believe that with the new technologies, the future of the judiciary is to regulate safely everything that was created in this period, because some "facilities" today, because they have no legal provision, can still be questioned, and if we want to follow the path of development, we must have legal certainty.

*"In these two years of pandemic, not only the advocacy has changed, but the mindset of the judiciary as a whole."*

# We are globalized

We are a firm with international operations, which always aims to deepen the business culture of its customers. The demand for a specialized sector in International Law grows more and more and, due to this reason, we need to make decisions to embrace everyone who needs our services.



**Paulo Nalin**  
Head International Law

**Our lawyers Paulo Nalin and Fernando Breda discuss our international operations within the firm:**

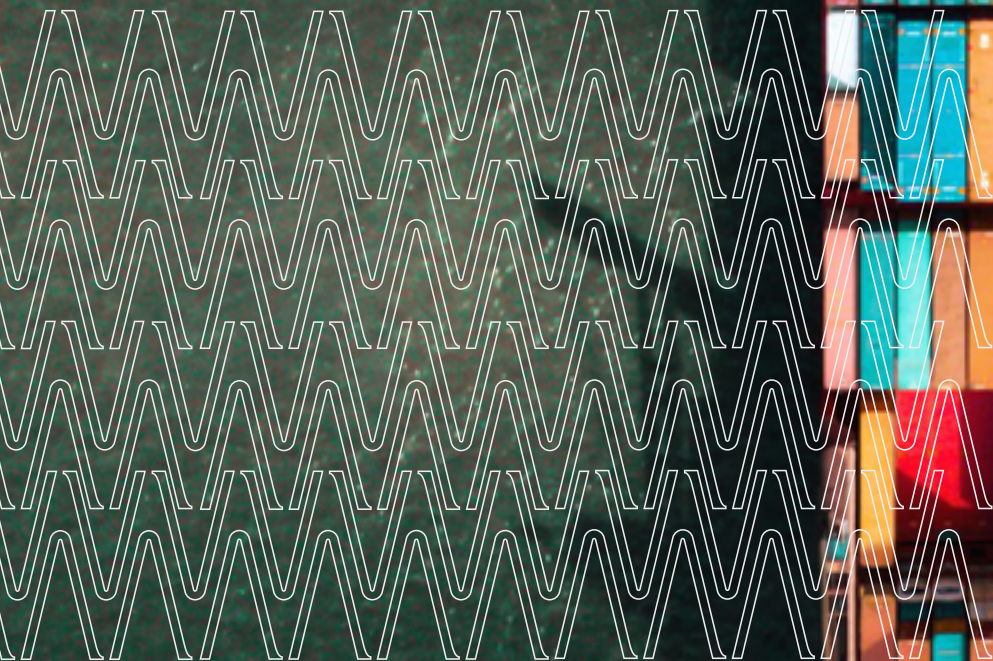
*"Araúz Advogados has strongly expanded its international operations in the last 3 (three) years, driven by the opening of the Mediation & Arbitration and International Law Departments in 2018. The firm began to develop an uninterrupted international consulting activity as a preventive measure to avoid mitigation. As a consequence, it is also involved in the resolution of these highly complex disputes, both in judicial and arbitration proceedings, in the most diverse continents.*

*Even in this short period of operation, the Department of Mediation & Arbitration and International Law of Araúz Advogados already accumulate experiences, defending the interest of its clients, in the most important national and international arbitration chambers. As a mark of its fast and solid process of internationalization of its activities, the firm today has correspondents and partner offices in several countries, such as Germany, Angola, Argentina, Chile, UAE, USA, Italy, Luxembourg, Portugal, United Kingdom, Switzerland and Uruguay."*



**Fernando Breda**  
Head of Mediation  
and Arbitration

**Given to the nature of our services in agri-business, which is a highly globalizer sector, its demands generate international relations. with a specific legislation to be observed, whether in new arrangements or in conflicts, the international presence is mandatory. The entire soy commercial chain is a great examplr of this internationalization.**







**DNA**

**is**



**years  
old**

The Araúz DNA project celebrates two years of existence in 2021 and its pillars increasingly become stronger within our firm, with the purpose of promoting integration and sharing of knowledge to all, through the communication of the firm in relation to legal rankings, workshops, publications and study group.



*“When I had the idea of bringing together the institutional activities of Araúz Advogados in a single umbrella, A DNA was born, with the scope of bringing employees closer to the firm culture and outlining tangible goals with internal and external visibility, providing everyone with an idea of where we want to go with our actions.”*

**Rafaela Parra**

Partner responsible for the area of Marketing and Institutional Communication



## Study group

Within the pillars of the program, the Study Group is a great initiative to address legal issues of the daily life of the firm sectors and deepening with different views. In the weekly meetings, the lawyers and interns themselves make the presentations, followed by debates among the participants and, sometimes, with the presence of guests, professionals who are a reference in the topics discussed.

As a conclusion to the year of work, the Group met on Nov/03/2021 to organize and monitor two lectures, the first on the Law of Wine and the law in force, with the speaker Heloísa Bagatin and, subsequently, the lecture on introduction to wine, with tasting of GastroRosé sparkling wine, with the somelier Ana Carla Wingert de Moraes.

### Testimonials:



**Loris El Hadi Maestri**  
Administrative Law Intern

*"The meetings allow the updating of members, as lawyers, to various legal issues, and of extreme relevance to professional practice, especially because the market requires professionals with multidisciplinary knowledge and with creative thoughts, thinking "outside the box".*

*The debates of the study group allow the vision of the business as a whole, in view of new demands, new products to be offered in the market and, finally, potential new customers. Participation aroused my interest in several aspects, especially with regard to agribusiness, and the forms of action of the lawyer during the agro-industrial chain."*



**Manoela Natalia Barnack**  
Civil Liability Lawyer

*"The study group has been strengthened every week, with the participation and entry of the participants. Increasingly, we are perfecting the presentations and themes, aiming to divide the studies and day-to-day learning.*

*As a study group with different themes, we can share our experiences, doubts and issues in which we are currently working, or, even, that we intend to work in the future, aiming at professional growth."*

Some topics discussed in the guest study group were:

**INTERLOCUTORY RELIEF: BRUNO FUGA**

**FIAGRO'S LAW: WHAT IS THE IMPACT OF VETOES ON THE MARKET? ALAN GLEZER AND EDSON BÜNDCHEN**

**SISBAJUD AND OTHER TOOLS: MAYARA CRUVINEL AND ALEXANDRE PORZYCKI**

**LOYOLA AGRIBUSINESS IN FOCUS: JUDGMENTS OF THE TJPR: HELOISA BAGATIN**

## Workshops

### Some speakers participated:

**WOMEN'S LEADERSHIP** Fabi Saad

**THE DISNEY WAY TO DELIGHT CUSTOMERS** Daniel Donato

**WHAT SHOULD I KNOW ABOUT MEN'S HEALTH?** Maria Luiza Amaro



Download E-books

## E-books

The incentive for writing articles by our lawyers and interns is one of the points we highlight in the Araúz DNA program. Throughout the year, more than 70 articles were published, which resulted in two e-books, the first with different Law topics and the other focused on Agribusiness.



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To  
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**Certificado**

01/04/2021 - 01/04/2022

BRASIL

## We're GPTW, again!

Our second year participating in the GPTW, we were gratified by the beautiful news and achievement of the seal that fills us with joy and affirms that we are always looking for the best way to create a positive environment for all employees.

# Focus on Specialization courses

In our search for knowledge, in 2021 the firm invested in the purchase of more than 40 physical books and 11 improvement courses were acquired during an atypical year in which most of its employees were working from home. In addition, we have a collection of digital books on our intranet for free access by everyone, with books related to our daily lives. These figures show that investing in knowledge is still the way to achieve greater and greater steps.



Our lawyers were present, as teachers, in lectures and classes, together with entities and universities. The highlight was the classes taught by our lawyers in the legal module of the University of Trading, which is an academic tool for technical training for players in the grain market, offered by Agrinvest Commodities.



◀ Watch the First Class

There was also the participation of several of our lawyers in the faculty of the postgraduate in Agribusiness Law carried out by the Institute of Constitutional Law and Citizenship (IDCC) co-ordinated by our lawyer Rafaela Parra in partnership with the lawyer Rodolfo Ciciliato.

Other institutions in which our lawyers were present in classes or lectures:





Video of the book's launch



E-book for purchase on Amazon.  
Editora Thoth

# Books published

## The Law in Globalized Agribusiness

In 2021, our partners Carlos Araújo, Rafaela Parra and Gabriel Placha, prepared the book *The Law of Globalized Agribusiness*, through the Agrarian Law and Agribusiness Committee of OAB Paraná.

The book has the preface written by the former Minister of Agriculture Roberto Rodrigues and the work brought together some approaches from the perspective of the law applied to Agribusiness, such as: financing, international contracts, legal regulation, cooperativism, sustainability, etc.

According to Carlos Araújo, the production of the work was concerned with advancing the legal aspects of various relations before, inside and after the gate. "We have a look at administrative and contentious discussions, as well as opportunities in investments and leverage of the sector and robust academic foundation, written by professionals who know the day-to-day operations".



Keys: **Rafaela Parra**,  
**Gabriel Placha** and **Carlos Araújo**.

For Rafaela Parra, head of the Environmental area of Araúz Advogados, "considering Brazil's protagonism in the production and export of agricultural commodities and in view of the numerous legal transactions that are generated among the players in the agro-industrial chain, the themes addressed in the work are very relevant."

**The launch of the book was marked by a webinar held and organized by the Escola Superior da Advocacia do Paraná, which was attended by most of the authors.**

Chapters of the books that were written by the lawyers of the firm:

**1** - Direito do Agronegócio: os elementos para o surgimento de um ramo jurídico independente.

**Carlos Araúz and Rafaela Parra.**

**6** - Fontes de financiamento do agronegócio: da produção ao fluxo financeiro completo (CPR, Operação de Barter, CDA/WA, CDCA, LCA, CRA e as inovações trazidas pela nova lei agro).

**Rafael Comar Alencar.**

**7** - A cooperativa: forma de expansão sustentada para o Agronegócio

**Paulo Roberto Stöberl.**

**10** - Reflexo jurídicos e econômicos da exportação indireta no agronegócio

**Gabriel Placha.**

**14** - A aquisição de imóveis rurais por estrangeiros e seus impactos econômicos com a nova lei do Agro.

**Paulo Nalin and Guilherme Basso.**



**The book "Law in Globalized Agribusiness" addresses legal aspects of the field.**



**Result of the draw of the work "Law in Globalized Agribusiness"**



**Another book released:**

## **Post-Constitutionalization of Civil Law**

Our partner, Paulo Nalin, in coordination with Lygia Maria Copi and Vitor Ottoboni Pavan, discuss civil law in the new book. The collection brings together articles of experts and has a preface written by Minister Luiz Edson Fachin.

# Araúz in the media

Throughout 2021, Araúz Advogados was featured in the main media, being interviewed regarding the most varied topics of Law. We have separated some highlights to illustrate our presence within the market.



Do you know what ESG is and why it is increasingly important for agribusiness in Brazil?

*Rafaela Parra*

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## **FOLHA DE S. PAULO**



Financial pyramids increase with low interest and pandemic

*Rodrigo Milla*

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World environment day: 'Sustainability will be the focus of discussions in the coming months'

*Rafaela Parra*

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## Agribusiness Sustainability

*Rafaela Parra*

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## exame.



## Agro is pop: law creates investment funds in land and agricultural assets

*Rafaela Parra*

---



## LÍDER.INC

## ESG agenda mitigates contractual risks in agribusiness, experts say

*Carlos Araúz and Rafaela Parra*

---



## Valor

## Law is amended, and CPR already pays for the industrialization of grains

*Carlos Araúz, Bernardo Vianna and Rafaela Parra*

---

revista



## 5 controversial points of the bill that changes the rules for environmental licensing

*Rafaela Parra*

---



## A new era for ESG

*Rafaela Parra*

---





## LÍDER.INC

Dismissal for refusing vaccine still divides legal documents

*Janaina Lopes*

---



## LÍDER.INC

At the age of 25, law places Brazil among leaders in arbitration

*Fernando Breda*

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## LÍDER.INC

Approved by the Senate, Bill provides for the sale of lands to foreigners and divides opinions in the agribusiness

*Rafaela Parra*

---



TJ-PR cancels Procon fine for delay in queue because tax only simulated service

*Fernando Luz*

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## LÍDER.INC

With an adverse scenario, a 5% reduction in M&A volume in 2020 does not disappoint

*Rodrigo Milla*

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Data security considerations add new wrinkle to Brazilian labour law

*Cezar Verbicaro Moreira Pais*

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Do you know what ESG is and why it is increasingly important for agribusiness in Brazil?

*Rafaela Parra*

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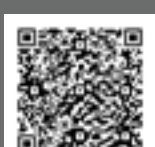
**LÍDER.INC**



Lawyers point out advances and challenges for women in law

*Rafaela Parra*

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Fund that could cheapen rural insurance did not come off the paper, despite being a law for 10 years

*Danielle Martins and Rafaela Parra*

---

**LÍDER.INC**



From inside the portfolio to the capital market, agribusiness discusses ESG criteria

*Rafaela Parra*

---

REVISTA **Oeste**



STF judges again demarcation of indigenous lands on Wednesday

*Rafaela Parra*

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**LÍDER.INC**



Meet the Fiagro, Investment Funds of the Agribusiness Chains

*Rafaela Parra*

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# Legal Radar

Comments from our lawyers on the main bills with repercussions on agribusiness.





**Rodrigo Daher**  
Fiagro - Law 14.130/2021

*FIAGRO - Investment Funds in the Agro-industrial Production Chains was established by Law No. 14130/21, in order to bring agribusiness closer to the capital market.*

*Fiagro becomes a great investment option for any investor who is interested in the sector, so that they can contribute resources to the agro-industrial production chains. The amounts may be used by these funds to acquire several assets linked to agribusiness, such as rural properties, equity interests, financial and receivable securities. Fiagro also has important tax benefits, some of which are similar to those applicable to Real Estate Funds. I believe that Fiagro is even more successful than Real Estate Investment Funds - FII, both in meeting the sector's financing needs and attracting investors. In view of the strength of agribusiness in our economy, I believe that the creation of Fiagro is timely, even knowing that it should undergo some adjustments until it finds its optimal regulation.*



**Lasnine M. Wolski Scholze**  
Renewable Energy -  
PL 5.829/2019

*Bill No. 5829/2019, which currently awaits approval by the Federal Senate, transformed into Ordinary Law 14300/2022, will regulate and bring transparency in the distribution and sale of the surplus of clean energy produced by consumers through renewable sources such as wind, solar, water and biomass. The approval of this Law will bring numerous benefits, especially for Agribusiness, since it is a major producer of clean/renewable energy, whether through the biomass of sugarcane, biogas from poultry and pig farms, mini hydroelectric plants and solar power stations, among other sources, it is possible not only to maintain a property or a small agribusiness working, but also to market energy leftovers.*

*According to data from the Confederation of Agriculture and Livestock of Brazil (CNA) and the Center for Advanced Studies in Applied Economics (Cepea), in the last two years, Agribusiness has grown by more than 24.0% compared to previous years, increasing its share in Brazil's Gross Domestic Product (GDP), growing from 20.5% to 26.6%. Acting as one of the most dynamic and efficient sectors of the Brazilian economy, they are always looking for new technologies and more effective solutions in the use of energy.*



**Matheus Sandoli Dias**  
BR do Mar - PL 4.199/2020

The bill named “BR do Mar” will be sanctioned at the beginning of 2022, which, in short, aims to establish the matrix of the sea freight in Brazil. The main point of success of the bill is the possibility of cabotage through ships of foreign companies. Cabotage is the navigation that takes place between ports, or points, of the same coast of a single country.

As a result, the barriers to legislation are reduced and, consequently, there is an increase in the fleet that can carry out such an operation. This increase in fleet generates greater competitiveness in this modality and reduces transport costs for those who want to use this route to ship products and goods.

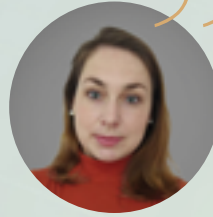


**Guilherme Reis Melo e Rafaela Parra**  
Agricultural Defender - PL 6.299/2002

The plenary of the Chamber of Deputies will put into approval, in 2022, the urgent processing of a bill that discusses changes in the regime of pesticide use in Brazil. Bill 6299/02 is under discussion in plenary. The changes range from the nomenclature, which will consider them as “pesticides”, from risks to human health, inspection rules, power to legislate, among others.

The amendments to Law 7802/89 have already been widely discussed between interest groups. The aim of the amendment is to combat the low level of investment in the agricultural defence system, the outdated assessment of pesticides, the bureaucracy

related to registration time and the possibility of registration for generic products. On the other hand, the points that deserve attention are as follows: precaution to environmental damage and human health, disposal of packaging and how the quality control of pesticides produced will be done, among the responsible government agencies: MAPA, ANVISA AND IBAMA.



**Fernanda Cristina Lunkes**  
LGPD - PLC 53/2018

On July 10, 2018, the Federal Senate approved the General Bill of Protection of Personal Data (PLC 53/2018 or “LGPD”) being enacted on August 14, 2018 under Law No. 13709, and coming into force on September 18, 2020. In order to regulate how organizations will use personal data in our country.

**According to Federal Deputy Milton Monti, author of the Bill, the personal data is inseparable from the primacy of the citizen and its preservation is in line with respect for the fundamental guarantees of the individual provided for in the Federal Constitution.**

Still, personal data is the fuel of the economic activities of all sectors of society, being indispensable for the implementation of public policies, due to the high degree of computerization and systematization of the Brazilian State, therefore, the importance of data protection is unquestionable.



**Demétrio Romaniewicz**  
Agro-industrial Self-Control - PL1.293/2021

Bill No. 1.293/21, proposed by the Executive Branch, as a result of the dialog with the agro-industrial sector and with the Organization of Brazilian Cooperatives (OCB), aims to replace the current health defense legislation with systematic and auditable self-regulation methods, executed by private agents themselves, which should be supervised by regulatory agencies and the Ministry of Agriculture.

The wording proposes programs covering the entire production chain, from primary agricultural production to the processing and shipment of the final product. It also creates the Program for Incentive to Compliance in Agricultural Defense, establishes risk management, aims to make it easier to register products for sale and changes existing sanctions as it offers measures for the collection of noncompliant batches.

**Once approved, a new sphere within the production chain can be developed: supervisory systems and companies. Enabling private entities to perform the necessary procedures to adapt them to the market rather than being at the mercy of the speed of the State's interest.**

*It is the necessary incentive for Brazilian agribusiness to remain as a leader and example to the world.*



**Graziella de Miranda Cabral da Rosa**  
Agro-industrial Self-Control - PL1.293/2021

Bill 1293/2021, approved by the Constitution, Justice and Citizenship Committee (CCJ) of the Chamber of Deputies on 12/14/2021, has as its main theme the procedures for inspection of agribusiness and agro-industrial activities, with a focus on self-control, aiming at the mandatory implementation of self-control programs by regulated agents and the modernization of health control rules, as well as the constant expansion of Brazilian agribusiness.

It is common knowledge that the inspection mechanisms for Brazilian agribusiness today are limited, mainly due to the lack of capacity of the State to carry out inspections in accordance with the law in force in a modern and appropriate way with international standards. Therefore, there is no doubt that the adoption of self-control programs is essential for the sector, allowing the construction of an environment of trust between supervisory and regulated agents.

# Sanctions and LGPD: What's next?



**Danielle Wardowski  
Cintra Martins**  
Head of Administrative Law

As is known, the General Personal Data Protection Law – LGPD (Federal Law 13709/2018) came into force in September 2020, and administrative sanctions would be applied from August 2021. Only at the end of 2021, the Board of Directors of the National Data Protection Authority – ANPD approved the Regulation of the Inspection Process and the Sanctioning Administrative Process (Resolution CD/ANPD No. 01/2021), indicating the month of January 2022 as the initial term for the monitoring, by the Federal Government, of compliance with the new rules relevant to the protection of personal data.

This means that in 2022 the ANPD will supervise and monitor compliance with the LGPD and, mainly, will be able to file administrative proceedings for the application of sanctions against companies that violate personal data protection regulations.



**Carolina Pinto Coelho**  
Lawyer of Administrative Law

Even though the LGPD was already being charged by the physical individuals who held the data with the consumer protection agencies, and even by the Public Prosecutor's Office, the inspection by the Federal Government began in 2022. By the interviews granted by the ANPD board of directors and by the analysis of the Regulation itself, it is clear that, in addition to the sanctioning nature, the Agency will act preventively, both in guiding companies on the processing of personal data, as well as in the mitigation of situations of damage or risk and in the renewal of processing agents (controllers and operators) until full compliance.

It is worth remembering that, regardless of the activity, all companies are agents of personal data processing. Personal data are those that identify a natural person, such as name, CPF, address, telephone, email. Personal data is strongly present in the HR Sector and in the records of suppliers, customers and partners.

Any natural or legal person can report a violation of the LGPD to the ANPD. The holders of personal data, however, must previously seek information from the data controller, and, if the information is not provided, they may file a petition with the ANPD.

Precisely for this reason, companies must be prepared for any requests from personal data subjects, who may request, based on art. 18 of the LGPD, information on the treatment of their data. In addition to establishing a contact channel with data subjects, companies must have mapped the existing personal data, checking the legal basis that supports the processing of such data, aiming at a prompt and correct response.

If the company does not comply with the request of the personal data subject, it is allowed to petition before ANPD, which will file an administrative proceeding that may lead to guidance measures, measures to compensate for damages eventually caused by the data controller, and even the drawing up of a Notice of Infringement and application of fines.

The administrative proceeding within the ANPD, except in more serious cases of violation of personal data, will initially aim to regularize the situation by the processing agent. The representative performance by ANPD will be given by a sanctioning administrative proceeding, in which the defendant will be assured the principles governing Public Administration and Administrative Law, such as legality, finality, motivation, reasonableness, proportionality, morality, broad defense, judicial certainty, public interest and efficiency.

As occurs in administrative proceedings conducted by regulatory agencies, the regulations applicable to the determination of violation of the LGPD ensure probationary instruction, as well as the presentation of defense and administrative appeal by the party fined. Any fines imposed by ANPD and not settled in a timely manner by the defendant, will be subject to registration with

CADIN and public debt, in addition to the consequent tax execution.

It is important to point out that for the application of sanctions related to the violation of the LGPD, the adoption of internal mechanisms and procedures capable of minimizing damage, aimed at the safe and adequate treatment of data and the adoption of a policy of good practices and governance, will be considered as mitigating conditions in the graduation of the penalty. This time, a Compliance Program, in addition to reducing the risks inherent to the privacy of personal data and ensuring greater legal certainty in business relations with customers, partners, suppliers and stakeholders, is an important tool to reduce any applicable fine if a breach occurs.

**“It is worth remembering that, regardless of the activity, all companies are agents for the processing of personal data.”**



# The Future of Law



**Liege Torques Azevedo**  
Corporate  
Law Lawyer

When we think of the legal world as a whole, we do not realize the influence it suffers from technology. While Society 5.0 places human beings at the center of innovation and technological transformation and benefits from the elements and advances of Artificial Intelligence (which occupies a central position in innovation), the legal area also benefits from the implementation of new technologies, which end up defining Law 5.0, such as: jurimetry, big data, machine learning, among others, aiming at the benefit of the activities of Law Operators.

To start talking about technology, we cannot fail to mention the metaverse, the futuristic utopia that unites the virtual world with the real world, but before we will deepen the blockchain technology. As much as it is one of the greatest innovations of the 21st Century, it began to be developed in 1991 and, only in 2008, with Bitcoin, it gained relevance.



**Guilherme Basso**  
Corporate  
Law Attorney

Thinking as a Law Operator, blockchain is a kind of shared and immutable ledger, used to record transactions and track assets (tangible and intangible) in a computer network. This technology, in addition to allowing the development and creation of new cryptocurrencies, such as Bitcoin and Ethereum, also made possible the NFT's (non-fungible token) that moved billions of dollars in 2021, also opening space for the negotiation of metaverse projects.

Definitely the Legal System is little prepared for the metaverse, but smart contracts are already a very present reality for some lawyers.

For a Law Operator, it may cause a certain complexity to think that a technological tool allows the creation of a self-executing contract, which cannot be lost or even tampered with, but this revolution in the legal world is possible when we use the blockchain, as it brings the necessary security, economy and precision.

## **There is no doubt that the legal world will have to develop a lot to be aligned with evolution and to be able to walk alongside Society 5.0.**

By deepening a little into the insecurities that the metaverse can cause us, we do not think about how the NFT causes significant impacts in several areas, such as property rights and intellectual rights.

As stated, these are non-fungible goods, that is, they are unique and cannot be replaced by another of the same kind. With the metaverse, the number of transactions carried out in this virtual world will have an exponential development. To this end, we do not know to what extent the existing legislation will be applicable, but it will certainly need to be improved considering the new reality of the metaverse.

Another important issue is the international problem. It should be noted that not all countries have the same legal treatment on the Internet. Although the Internet Civil Framework is from April 2014 (Law 12.965/2014), attention will still be needed to the possible effects of the metaverse at the national level. What will be the treatments provided for labor relations, succession and even criminal issues within this reality, as well as issues involving property and/or intellectual property rights in transactions involving the right to some property.

Despite the numerous challenges, we have a very advantageous horizon for the legal world if we think about the de-bureaucratization of transactions, which are carried out through the blockchain, which considerably reduces the extensive debates that would normally be necessary to be made.

It will be a great challenge for Law Operators to deal with the technological advances that are to come, so that Society and Law 5.0 become effective with advanced tools and technologies for the good development of the population itself, especially with the new changes, such as the growth of the metaverse and the infinite transactions that will take place in this virtual reality.

# Applying ESG in agribusiness



**Rafaela Parra**  
Head de  
Direito Ambiental

***“For Brazil, the challenge of sustainably feeding the planet follows the new demands of the global market, consumers and regulatory authorities at the national level.”***

Brazilian agribusiness, the world's granary, will increase its food production by more than 20% by 2030, aiming at national and global food security, according to data from the Ministry of Agriculture, Livestock and Supply's Agribusiness Projections survey. The Organization for Economic Cooperation and Development (OECD), on the other hand, predicts that the goal for Brazilian agribusiness is to increase food production by 41%, according to the 2030 Agenda.

The biggest challenge is to overcome these goals in order to equalize the exploitation of resources, the targeting of investments, the orientation of technological development and institutional changes in harmony as the current and future potential to satisfy human aspirations and needs, according to the definition of 'sustainable development' established in the report 'Our Common Future', also called the Brundtland Report and published in 1987 by the World Commission on Environment and Development.

The acronym ESG was consolidated, with high visibility in the last year, as a synthesis of the balance desired by this international consensus. These environmental, social and governance criteria, which form the acronym ESG, have evolving applications and measurements in agribusiness. It is important to reinforce that the ESG scope aims to link positive results for the planet and for people, in an exercise of value generation and minimization of risks for the present and for the future.



▲  
**A new era for ESG**  
Read more on Canal Rural



▲  
**The ESG Revolution in Agribusiness**  
Watch

Despite being a voluntary market, speculation on bonds is already on the negotiating table of the major players in the world, aiming at the adoption of a single indicator work. In Brazil, there are already some movements on the inclusion of ESG themes in mandatory disclosures of financial institutions and publicly traded companies.

Recently, the Brazilian Securities and Exchange Commission (CVM) held a public hearing (SDM No. 09/20) to include in the reference form (Instruction 480 and amendments) information and ESG metrics, with the adoption of "practice or explain" and will require information.

CVM will also soon publish the regulatory benchmark of investment funds in Brazil, after the SDM public hearing on 8/2020 with the novelty of regulation of the socio-environmental FIDC, through a defined taxonomy and with the requirement of a second opinion, as already happens with the issuance of Green Bonds and certification by the CBI. The expectation is that the new standard will provide for specific criteria and increase access to these funds.

The Central Bank of Brazil also held two public consultations (85/21 and 86/21) with the proposal to include social, environmental and climatic risk management and the establishment of requirements for disclosure of information related to ESG practices for financial institutions. In addition to public consultation No. 82/2021 for the creation of a Green Bureau for agribusiness, with criteria of susceptibility applicable to the granting of credit and also the classification of enterprises within these parameters. These consultations generated a "Standards Package" resulting from the public consultations conducted by the Central Bank on climate, social and environmental risks, such as BCB Resolution No. 140/2021, which provides for the creation of Section 9 (Social, Environmental and Climate Impediments)

in Chapter 2 (Basic Conditions) of the Rural Credit Manual (MCR).

In addition to compliance, that is, mere compliance with current regulations, agribusiness needs to proactively adapt to E, S and G, with supply chain management and congregation of the interests of all stakeholders in processes that involve goals that coincide with the value chain of the sector, with its interconnection and management of impacts and risks in the operation.

For the next few years, starting in 2022, we should expect a maturation of the ESG in the market, including the yearning for certifications and regulations and, undoubtedly, attention to issues related to Environmental Law, Positive Social Impact and Governance and its principles, which will rise in the corporate priority scale. Managing the choice of material themes to work on in the ESG reports, analyzing the intent of the report and the indicators to be used, approaching the wishes of the different groups of stakeholders to balance interests and measure the evolution of the themes in order to incorporate the day-to-day operations in the ESG Agenda is the great challenge and, at the same time, the great opportunity.

As said, the ESG agenda in the corporate environment, in agribusiness and in cooperation is still a voluntary, unregulated market, but which already has best practices adopted by the participants in its chain and an increasing sophistication in the complexity of the signed business, including with regard to public policies and private financial instruments.

On the subject and its future, the knowledge born in the field has already taught us the following: "ox that arrives first, drinks clean water."

# The agribusiness is ours!



**Interview with Evaristo de Miranda,  
PhD in Ecology, General Manager and  
Researcher at Embrapa Territorial**



## **“The rural world preserves a third of Brazil, largely native forests.”**

### **What role has Embrapa played in the development of Brazilian agribusiness?**

For more than 40 years, Embrapa has contributed to the intensification of agriculture throughout Brazil, through technological innovations in the various stages of production processes, in all biomes and production chains. This involves the genetic improvement of crops and livestock, the exchange of soybeans and wheat, new fertilization systems and management of soil fertility, as well as the integrated control of pests and diseases, among other contributions. The use of “land-saving” technologies developed by Embrapa is the basis of the agricultural development of the last decades. If grain yield were the same as in 1976 (1.2 t/ha), to produce the current crop it would be necessary to have deforested almost 200 million additional hectares of cultivated area (more than 3 times the current area). The avoided deforestation was enormous with the productivity increase. Embrapa played an essential role in the productivity, competitiveness and sustainability of agriculture by developing an absolutely unprecedented tropical technology.

### **In your opinion, what is the contribution of agriculture to the preservation of native forests and how does this forest asset contribute both to the promotion of agribusiness and to the success of the ESG agenda?**

The Brazilian rural world represents more than half of the country's territory and con-

cerns more than 450 million hectares of land, of which only half are effectively used and exploited. There are more than 70 million hectares with crops and planted forests; about 160 million hectares with pastures and more than 280 million hectares dedicated to the preservation of native vegetation in rural properties. Immovable data are quantified by property, municipality by municipality by Embrapa Territorial. This total represents 33.2% of the national territory. That is, the rural world preserves one third of Brazil, largely native forests. And it uses, on average, 49.4% of the rural real estate area. Only case on the planet, the Brazilian farmers use, on average, only 50% of their land. The rest is dedicated to preserving native vegetation, complying with environmental legislation. The challenge to compensate the farmer: for the immobilization of their lands destined to the preservation and for the permanent maintenance costs of this forest asset.

### **The Brazilian territory is very wide and vast when it comes to biomes, biodiversity, relief. In your opinion, how can Brazil's production systems, in the various crops of grains and animal proteins, for example, be defined as sustainable?**

Brazilian agriculture is very diverse. There are several farms. They present intense spatial, temporal and technological dynamics in the use and occupation of land. Decisive transformations have occurred in recent decades, in a differentiated way, in the national territory, always aiming at



***“The agricultural sector is the most dynamic in the Brazilian economy and the champion in the incorporation of innovations.”***

susceptibility. In four decades, while the planted area doubled, the incorporation of sustainable chemical technologies to the production process multiplied by more than five times the production of grains: no-tillage, biological nitrogen fixation, soil reconditioners, adapted to different environments, crop-livestock-forest integration, etc. In production, intensification, integration and verticalization increase. Nothing gets lost. Everything is recycled. The circular economy is today in the agricultural sector. It is upcycling, generating more income and jobs. In the same year, the same area for a few months is occupied by one or two crops (spring and summer) and in others transformed into pasture (autumn and winter). It is no longer a matter of opposing crops to pastures in agriculture. Both uses are possible in the same area, over a year, thanks to technological innovations appropriate to each biome and size of rural property. For more than three decades, annually, the area dedicated to pastures has decreased and the cattle herd has grown, thanks to technological intensification in genetics, improvement of herds, pasture management, management of animal health and nutrition, integration of crops with livestock, the pursuit of animal welfare, etc. This general performance of agriculture - for the benefit of the urban consumer and the economy of the country - is linked to the processes of urbanization, generalization of communication, the capillarity of the supply industry, financing and promotion, and the so-called expanded and sustainable modernization of agriculture, which has occurred in the last decades in almost the entire country.

**What, in your opinion, was the largest contribution of the Forest Code from the implementation of the CAR (rural environmental register) requirement for agricultural properties in the country? Is it a way to structure a green economy?**

The rural producers were required by the

Forest Code to register, in satellite images with 5 meters of detail, all areas of native vegetation preserved in the perimeter of its rural properties in the Rural Environmental Registry (CAR). About six million producers made the CAR. It's impressive. It is all recorded, registered and engaged by the producer. Embrapa Territorial has carried out several studies with these extraordinary data. It is now up to the States to monitor this rural register and implement the Environmental Regularization Program (PRA), also provided for in the Forest Code. PRA offers time conditions and advantages for the producer to regularize some noncompliances existing in the rural property, sets out the mechanisms for restoration etc. The implementation of PRAs is the responsibility of States and they are late. This creates legal uncertainty in the field. Environmental regularization is much more liability of the government than of the rural producers. Most of them have done their part and await the implementation of the PRAs. One thing is certain: the rural and agricultural economy is already low-carbon and very green.

**What is the main message you leave for agribusiness in 2022?**

The growth and success of Brazilian agribusiness will continue, thanks to the entrepreneurialism of the producers and the induction of technological innovations in the productive processes. Innovation, profitability and sustainability have become synonymous in Brazilian agricultural systems. Not only the production of grains, but also cotton, cellulose, meat, fish, milk, sugar, fruits, vegetables and biocombustibles. All productions keep growing. The agricultural sector is the most dynamic of the Brazilian economy and the winner in the incorporation of innovations. Concerning the land use, the majority process is the recovery of areas and expansion of productivity, and no longer degradation or underutilization. That may well be.



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