Responsible Soy Production Certification Report

Application type

- ○ Pre-assessment
- ◉ Initial
- ○ Surveillance
- ○ Re-assessment

Scope of Certification

- ☑ RTRS Production Standard V1.0 - June 2010
- ☑ RTRS Group&Multi-Site V1.0 - December 2010
- ☐ RTRS EU RED Supply Chain V2.0 - December 2010

Internal Control System

○ Single Site ◉ Multi-Site ○ Group

Product

☐ Non GM Soy

Only for Multi-Site ICS

☑ Partial Certification

Collection from Third Parties

○ Yes ◉ None

Indicators/Criteria based on: Brazilian National Interpretation V1.0 - 29/03/2011

This assessment report has been prepared in accordance with RTRS requirements and the information included is the result of a full RTRS assessment of the Plantation(s) included in the scope of the certificate.

Report number:	RTRS-AGR-0001
Date of last update	06/06/2011

Certificate holder.

Name of the company:	Agropecuaria Maggi Ltda.
Group name (if applicable):	Grupo Andre Maggi
Company's contact person:	Joao Yukiyoshi Shimada
Position:	Corporate Environment Supervisor
Business Address:	Av. José Rodrigues do Prado, 19 – Santa Rosa. Cuiaba, MT
P.O.:	78040-000
Country:	Brazil
Phone number:	+55 65 3318 4862/4800
CUC Client number:	SI 079987

RTRS Certificate.

RTRS Membership Number:	
Certificate's Number:	RTRS-CUC-AGR-0001
Place of issuance:	São Paulo, Brazil
Date of issuance:	06/06/2011
Cetificate valid until:	06/06/2016
Date of next surveillance visit:	15/04/2012 (estimated)

Certification body contact details.

Name of Certification Body:	Associação Control Union Certifications
Address:	Av. Faria Lima 1485, 7 Andar - Torre Norte
P.O.:	01452-002 Sao Paulo, SP. Brazil
Telephone:	+55 (11) 3035 1600
Fax:	+55 (11) 3035 1600
Email:	certifications@controlunion.com.br
Website:	www.controlunion.com/certification
Name of the Accreditation Body of CUC:	Organismo Argentino de Acreditacion (OAA)
Accreditation Certificate Number:	Under accreditation process
Date of Accreditation:	Under accreditation process
Recognition Status from RTRS:	Preliminary Recognition - 06/01/2011

Number of inspected units:	3 (2 Farms and Headquarters office)
Number and % of inspected group members:	2/12

The Control Union Certifications (CUC), member of the Control Union World Group, is an international inspection and certification body and is accredited to carry out audits and certification according to the RTRS Responsible Soy Production Standard. CUC performs audits and certification in many agricultural based fields such as FSC, PEFC, RSPO, etc. and Organic production, Sustainable Textile Production, Organic Exchange, Eurepgap, HACCP, BRC, GMP and GTP. CUC is also accredited by the Dutch Council of Accreditation (RVA) on the European quality standard EN 45011 for the audits and certification of RTRS responsible soy production program, CU Organic program, EUREPGAP program, Organic Exchange, HACCP, BRC, GMP and GTP and PEFC . When requested a copy of the accreditation certificate can be obtained from CUC. Audits and certifications are carried out in conformity with the procedures as laid down in the Procedure Manual and the RTRS Program Manual for the auditor and certifier. During the audits the qualified CUC inspectors use standardised audits forms to record their findings. Based on the information provided by the auditor and by the client, the certifier reviews and evaluates all information provided and certify the products when all conditions of the regulations are fulfilled.

Audit Team

Name	Roll on the evaluation
Mr. C. Chiavarini	Lead Auditor
Qualifications: Successful completion of an RTRS-endorsed training course on Standard for Responsible Soy Production Successful completion of an ISO 19011 course (minimum duration of 8 hours). Successful completion of an ISO 9000 course (minimum 40 hours) A minimum of post high (secondary) school diploma or equivalent (minimum course duration of 2 years) in a discipline related to the scope of certification: (Agricultural Engineer) Faculty of Agronomy of the University of Rosario, Argentina. RTRS Principles and Criteria for Responsible Soy: Field Testing 2009 (>2 days).	
Mr. F. Beltrame	Auditor under Shadow
Qualifications: Successful completion of an RTRS-endorsed training course on Standard for Responsible Soy Production Successful completion of training course OHSAS 18000 for Lead Auditors (minimum duration of 37 hours) Successful completion of an ISO 19011 course (minimum duration of 24 hours). A minimum of post high (secondary) school diploma or equivalent (minimum course duration of 2 years) in a discipline related to the scope of certification: (Agricultural Engineer)	
Mr. P. Landin	**Peer Reviewer**
Qualifications: A minimum of post high (secondary) school diploma or equivalent (minimum course duration of 2 years) in a discipline related to the scope of certification: (Agricultural Engineer) Federal Technological University of Parana, Pato Branco - Brazil RTRS Principles and Criteria for Responsible Soy: Field Testing in 2010 (>2 days) Control of commercial services to agribusiness and consulting and pre-auditing the implementation of Sustainability System in storage units for Agrenco Group.	

Certified Farm(s)

Name of the company	Location address	GPS reference		Total Size (Ha)	Area under soy cultivation (Ha)	Estimated yield per hectare (Kg/Ha)	Estimated Annual Certified Production (Tons)
		Long.	Lat.				

Multi-Site Farm(s). Partial Certification.

Name of the company	Location address	GPS reference		Total Size (Ha)	Area under soy cultivation (Ha)	Estimated yield per hectare (Kg/Ha)	Estimated Annual Certified Production (Tons)	Included in the certification scope	
		Long.	Lat.					Yes	No
Farm Tucunare	Rod. MT 235, Km 183. Sapezal, Mato Grosso, Brasil	13º 33' 12.13"S	59º 07' 08.22"W	44472	35400	2920	103400	X	
Farm Tanguro	Rod. MT 320, Km 104, 20 km to the right, Querencia, Mato Grosso, Brasil	12º 43' 01.75"S	52º 22' 08.96"W	80862,99	30747,7	3728	114621	X	
Farm Itamarati	Campo Novo dos Parecis, Mato Grosso, Brasil								X
Farm Agro Sam	Sapezal, Mato Grosso, Brasil								X
Farm Ponte de Pedra	Rondonopolis, Mato Grosso, Brasil								X
Farm Ponte de Pedra 2	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 1	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 2	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 3A	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 3B	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 4	Rondonopolis, Mato Grosso, Brasil								X
Farm SM 6	Rondonopolis, Mato Grosso, Brasil								X

Updated list of Certified Farm(s). Surveillance Assessment.

Name of the company	Location address	GPS reference		Total Size (Ha)	Area under soy cultivation (Ha)	Estimated yield per hectare (Kg/Ha)	Estimated Annual Certified Production (Tons)	Last Crop Certified Production (Tons)	Certified Soy Production Supplied (Tons)
		Long.	Lat.						

Multi-Site Farm(s). Partial Certification. Surveillance Assessment.

Name of the company	Location address	GPS reference		Total Size (Ha)	Area under soy cultivation (Ha)	Estimated yield per hectare (Kg/Ha)	Estimated Annual Certified Production (Tons)	Last Crop Certified Production (Tons)	Certified Soy Production Supplied (Tons)	Included in the certification scope	
		Long.	Lat.							Yes	No

Responsible person of visited units

Name of the company	Location address	Contact person	Position	Email	Phone number
Fazenda Tucunaré (Agropecuaria Maggi Ltda)	Rod. MT 235, Km 183. Sapezal, Mato Grosso, Brasil	Arnaldo Ferrando dos Santos	Unit Manager	arnaldo.ferrando@grupomaggi.com.br	+ 55 65 3383 5600 / 3318 4870
Fazenda Tanguro (Agropecuaria Maggi Ltda)	Rod. MT 320, Km 104, 20 km to the right, Querencia, Mato Grosso, Brasil	Wagner De Ré	Unit Manager	wagner.dere@grupomaggi.com.br	+ 55 65 3529 3900 / 3318 4870

Operation description.

Andre Maggi Group is comprised of Amaggi Import and Export Ltd., Agro Division (Agropecuaria Maggi Ltda.), Hermasa Navigation of the Amazon, and Energy Division. The principal activities of Andre Maggi Group are in the areas of grain origination, processing and commercialization of grains, agricultural and soybean seeds production, fertilizers, fluvial transport and power generation. These activities are strategically divided into business divisions which are supported by the corporate areas.
Responsible for the agricultural production of Andre Maggi Group, Agropecuaria Maggi (Agro Division) manages 12 farms in Mato Grosso, through the planting of soybeans, corn and cotton.
Andre Maggi Group still has its Headquarters in the city of Rondonopolis (MT), while the offices of Agropecuaria Maggi Ltda. are located in the state's capital city of Cuiaba (MT).
Inside of the organizational structure of Andre Maggi Group, there is the Policy, Rules and Procedures Central (CPNP - Central de Políticas, Normas e Procedimentos) which controls and divulges the general and specific policies, as well as patterns and standardized procedures to sustain the key processes of its businesses and characterize its relationship with society.
The group has a quality system and is certified in several norms among which we can mention NBR ISO14001/2004, Certification of the Ministry of Agriculture and Livestock (MAPA) for storing grain, ProTerra Certification, and participant at a group level in the Mato Grosso Soy Moratorium.
The group units posses a decentralized structure, so they are administrated relatively in an autonomic way. Each site has its own managerial structure, which is controlled by the corporative management structure. The corporate is executing the supervision, technical support, inputs and services provision (quality, sustainability, human resources, safety, IT, etc.) to the subsidiary offices.
In the Tucunare farm there is production of soy, corn, and cotton, while in Tanguro farm they are growing soy and corn and making production trials for the production of cotton in the local edaphic conditions. Inside both units, reforestation activities and responsible usage of eucalyptus wood as biomass and fishing activities at a small scale for consumption for inhabitants of both units. In Tanguro farm, some space if leased to a third company for the plantation of the species Syringe trees for rubber production.

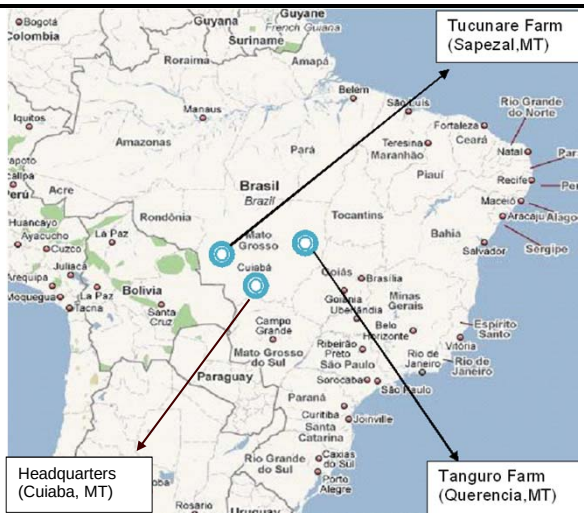
Tanguro Farm

It is located in the municipality of Querencia, between the Tanguro and Darro rivers. It occupies an area extension of 80,862.99 ha, of which only 30.747,70 are dedicated to soy production and around 1.000 ha for the plantation of Syringe trees; the rest is occupied by protected natural reserves. The closest villages are Querencia (40 kms to the north) and Canarana (90 kms to the south). The site is managed by Mr Wagner De Re, who lives in the stablishment with his family. The assistant manager and technical responsible is the Engeneer Igor Tessini. The declared production of soy for the 2010/2011 crop was 114.621 tons. Last year, this farm received the Protection Brazil Award 2010 from the Magazine 'Protecao' on Quality Working Conditions (Premio Proteçao Brasil 2010: Categoria Qualidade de vida no Trabalho).
The farm is located in the "transition zone" (also known as "settlement zone") between the Amazonia and El Cerrado biomes. These two biomes coexist in this geographical zone, creating a interacting zone where the predominance of certain flora and fauna from one biome can be seen by regions, and some others where there is a mixture of both. Rainfall in the regions increases in October, the appropriate time for seeding. In April, rainfall starts decreasing in frequency and intensity, providing good conditions for maintenance of the dirt roads. From June to August, rainfall decreases substantially. The visited areas present an annual rate varying from 1,800 to 2,400mm, providing the minimum requirement for soybean farming. In the North and South-Central Region of Brazil, low temperatures are not a determinant factor for the soybean crop cycle. There has not been temperature registered below 0ºC, nor production losses or reductions due to this. Summer is well defined, with high temperatures and elevated rainfall indexes. Rainfall is infrequent during the winter. The drought period benefits the seeding of winter crops, improving the percentage of organic material and nitrogen fixation in the soil. Climate aspects are favourable at the visited soybean farms.
Due to its location, far away from urban villages and dirt access road, the unit is practically autonomic in agricultural terms. It has its own silos and cells for storage of grains, fuel tanks, warehouses dedicated for fertilizers, machine shop, tractors, seeding and tilling machines, application equipment and fertilizer mixer to supply specific mixture and amount of material according to the soil analysis results and the economic production goals, living neighborhoods for personnel and their families, centralized dining room and kitchen, nursing equipment with a nurse and an ambulance, assistance trucks and vehicles, etc.
This unit was acquired by Andre Maggi Group on year 2002. Any big alteration to the farm was done after the acquisition. Nevertheless, a study has been performed for the analysis of existing species in the area in order to recover the degraded areas. This study determined the presence of authoctonous and pioneer species of trees like Prontium Heptaphylum, Trema Micrantho, Maximiliana SP, etc.
For the purpose of recovery, a greenhouse was built for the native tree seedling production. Around 50.000 to 60.000 trees have been produced and transplanted annually (in an average range of 1.000 trees/ha). This greenhouse is handled by 8 people led by an Agronomist Engeneer for the production of viable seeds, grow the tree until a considerable size and then transplanting into the recovery area. For such purposes, 12 matrix charts for each specie in order to guarantee the genetic viability and to ensure the adequate production of seeds.
The unit is in the transition stage to apply precision agricultural practices to all the plantation areas. Recently 16 brand new seedling machine equipments were incorporated into the actives of the company, being the biggest acquisition operation in the world ever done until now.
The group implemented several indicators for the evaluation of environmental and economic-productive parameters. Among the environmental indicators we can mention:
(1) Native wood consumption per area with pasturage cleaned; (2) Contaminant emission of car exhausters on trucks; (3) Electric energy consumption; and (4) Fuel consumption. For the follow up of economic-productive indicators, it is used a computarized system of Operational Economic Management (GEO- Agricola, Gestão Econômica Operacional).
The unit has 174 employees including 11 women. Any type of racial discrimination was observed on the hiring processes (we observed employees with European, African, Creole, Native, and Asian physical characteristics). We also observed that some handicap employees were participating on the activities inside the farm.
Some agricultural techniques are applied to keep the productivity. Among the agricultural techniques used at the farm we can mention the usage of genetically resistant agents to monoxenous and parasites, tillage techniques, rotation of crops, soil analysis, controlled agrochemical applications, usage of topographic contour lines, cover crop (800 ha of Crotalaria, 800 ha Brachiaria and 8000 ha of Millet), monitoring crops analysis to decide the agrochemical application strategy, personnel training on monitoring of plagues and benefical predator animals, soil compactation measure, etc. It is interesting to highlight the usage of Crotalaria not only for the coveraga of soil, but also as a natural controlling agent of monoxenous and parasites in soils.

Tucunare Farm

It is located in the municipality of Sapezal, on the state road MT 325, at kilometer 133. It occupies an area extension of 44,472 ha, of which 35.400,38 are dedicated to soy production; the rest is occupied by protected natural reserves. The closest village is Sapezal (10 kms to the east). The site is managed by Mr Arnaldo Ferrando dos Santos. The declared production of soy for the 2010/2011 crop was 103.200 tons.
Eventhough, the farm is located in the "transition zone" (also known as "settlement zone") between the Amazonia and El Cerrado biomes, the flora has been modified by humans. These two biomes coexist in this geographical zone, creating a interacting zone where the predominance of certain flora and fauna from one biome can be seen by regions, and some others where there is a mixture of both. Rainfall in the regions increases in October, the appropriate time for seeding. In April, rainfall starts decreasing in frequency and intensity, providing good conditions for maintenance of the dirt roads. From June to August, rainfall decreases substantially. The visited areas present an annual rate varying from 1,800 to 2,400mm, providing the minimum requirement for soybean farming. In the North and South-Central Region of Brazil, low temperatures are not a determinant factor for the soybean crop cycle. There has not been temperature registered below 0ºC, nor production losses or reductions due to this. Summer is well defined, with high temperatures and elevated rainfall indexes. Rainfall is infrequent during the winter. The drought period benefits the seeding of winter crops, improving the percentage of organic material and nitrogen fixation in the soil. Climate aspects are favourable at the visited soybean farms.
The unit is practically autonomic in agricultural terms. It has its own silos and cells for storage of grains, fuel tanks, warehouses dedicated for fertilizers, machine shop, tractors, seeding and tilling machines, application equipment and fertilizer mixer to supply specific mixture and amount of material according to the soil analysis results and the economic production goals, living neighborhoods for personnel and their families, centralized dining room and kitchen, nursing equipment with a nurse and an ambulance, assistance trucks and vehicles, etc.
There have not been performed any clearance or expansion project of soy area since 2004. To comply with the legal requirements, and to compensate the non-existance inside the farm, of minimum reserve areas, the company has donated a property with an area of 6.326,791 ha to the state government. This site is located next to the Araguaia park in the district of Cocolinho, municipality of Agua Boa, in the state of Mato Grosso.
Some studies have been performed in order to recover the degraded areas and such areas have been identified.
The unit is in the transition stage to apply precision agricultural practices to all the plantation areas. The group implemented several indicators for the evaluation of environmental and economic-productive parameters (idem than those used in Tanguro farm).
The unit has 434 employees including … women. Any type of racial discrimination was observed on the hiring processes (we observed employees with European, African, Creole, Native, and Asian physical characteristics).
Some agricultural techniques are applied to keep the productivity. Among the agricultural techniques used at the farm we can mention the usage of genetically resistant agents to monoxenous and parasites, tillage techniques, rotation of crops (soy, corn, and cotton), soil analysis, controlled agrochemical applications, usage of topographic contour lines, cover crop (Crotalaria, Brachiaria and Millet), monitoring crops analysis to decide the agrochemical application strategy, personnel training on monitoring of plagues and benefical predator animals, soil compactation measure, etc. It is interesting to highlight the usage of Crotalaria not only for the coveraga of soil, but also as a natural controlling agent of monoxenous and parasites in soils.

Location Maps.



Tanguro Farm

Tucunare Farm

Planning

Site-selection methodology description.
Due to the structural organization of Agropecuaria Maggi, multi-site characteristics apply to this organization. Since at this stage only two farms were considered for the initial audit, the square root of the number of memeber results in the totality of members that are intented to be included in the certificate. Also the office of the manager of the group was visited during the auditr to verify the compliance with the requirements stated in the standard. As a result, the total number of sites visited during this audit was 3.

Total number of person-days spent on the evaluation		
	Pre-assessment (No. person-days)	*Main assessment (No. person-days)*
Preparation		*10*
Travel & audit		*12*
Report writing		*6*
Total (No. days)	*No. days*	*28*

Determination of audit time methodology description.
In order to calculate the methodology for the expected time to be spent during the audit, the certifier in conjunction with the commercial department have calculated basically the time spent in activities such as preparation of documents (forms, applicable laws, existant complaints against the applicant, gathering of public summaries, etc.) , travel and audit time of auditors, writing time for reports and issuance of the certificate. The commercial department has explained them the RTRS certification schemes and the expectations from our services. Also an assessment evaluation has been performed before taking the decision to offer the service to the client. The negotiations between the client and our commercial department have agreed to enter into a effective contract. Only until then the audit team has started the process of certification against the RTRS Responsible Soy Production Standard.

Identification of stakeholders				
	Number of stakeholders notified	*Number of stakeholders who submitted comments*	*Consultation methodology to contact stakeholders*	*Consultation method*
International, National or Sub-National stakeholders	*Unknown*	*0*	*Invitation letterto submit comments/complaints agains the applicant*	*Public consultation on RTRS and CUC's websites*
	14	*0*	*Personal invitation letter to participate on a meeting*	*Meeting at Querencia*

Consultation of Stakeholders.		
Date and place:	Evanir Costa Falabretti – ME. Avenida Central, S/N, Centro. 78643-000 Querencia, MT. Brazil.	
Participants:	**Name**	**Organization**
	Nobody showed up at the event organized by CUC. The auditors were at the place for the period of 2 hours	
	Various	The audit team performed some interviews with habitants of the closest village to Tanguro Farm. The general principles of the standards were consulted with locals, but the interviewed people did not have complaints against the applicant.

Observations obtained from Stakeholders consultation	
Issues raised	Addressment by CUC
None	None

Assessment Agenda.

Date & time	*Name of the site/unit*	*Activity*	*People interviewed*	*Position*	*Department*
19-5-2011 16h00	*Arrival to Cuaiba Airport and displacement to Tucunare Farm*				
20-5-2011 09h00	*Tucunare Farm*	Opening meeting	Mr. A.Ferrando Mr. D.Morch Ms. S.Torres Mr. O.Simões Mr. G.Ghellere Mr. J.Shimada	Farm Manager HR Manager Env.Analyst Env.Manager	Administration & Operations Department
20-5-2011 10h30	*Tucunare Farm*	Documentary review	Arnaldo Ferrando	Farm manager	Administration
20-5-2011 13h00	*Tucunare Farm*	Site visit	Arnaldo Ferrando	Farm manager	Administration
21-5-2011 09h00	*Tucunare Farm*	Site visit		Employees	Operations
21-5-2011 12h00	*Tucunare Farm*	Closing Meeting	Mr. A.Ferrando Mr. D.Morch Ms. S.Torres Mr. O.Simões Mr. G.Ghellere Mr. J.Shimada	Farm Manager HR Manager Env.Analyst Env.Manager	Administration & Operations Department
21-5-2011 13h00	*Closest village to Tucunare Farm*	Consultation		Stakeholders	--
21-5-2011 15h00	*Displacement to Cuaiaba*				
22-5-2011 08h00	*Displacement to Tanguro Farm*				
23-5-2011 09h00	*Tanguro Farm*	Initial Meeting	Mr. I.Tessini Mr. R.Carvalho Ms. T.Ferreira Mr. D.Ferreira Mr. G.Ghellere Mr. J.Shimada	Assistant Mgr. Safety/Hygene R. HR Manager Crop Supervisor Env.Analyst Env.Manager	Administration & Operations Department
23-5-2011 10h30	*Tanguro Farm*	Site visit	Igor Tessini	Assistant manager	Operations
24-5-2011 09h00	*Tanguro Farm*	Site visit	Various	Employees	Operations
24-5-2011 13h00	*Tanguro Farm*	Closing Meeting	Mr. W.De Re Mr. I.Tessini Mr. R.Carvalho Ms. T.Ferreira Mr. D.Ferreira Mr. G.Ghellere Mr. J.Shimada	Farm manager Assistant Mgr. Safety/Hygene R. HR Manager Crop Supervisor Env.Analyst Env.Manager	Administration & Operations Department
24-5-2011 15h00	*Hotel in Querencia, MT*	Consultation	--	Stakeholders	--
25-5-2011 09h00	*Displacement to Cuaiaba*				
26-5-2011 08h30	*Headquarters of Agropecuaria Maggi*	Documentary review	Joao Shimada	Env.Manager	Enviromental Department
26-5-2011 12h00	*Headquarters of Agropecuaria Maggi*	Documentary review		Employees	Administration
26-5-2011 15h00	*Headquarters of Agropecuaria Maggi*	Closing Meeting	Mr. G.Ghellere Mr. J.Shimada	Env.Analyst Env.Manager	Enviromental Department
26-5-2011 20h00	*Displacement to Cuaiba Airport*				
Total number of days spent on the assessment:					6
Total number of person-days used on the assessment:					12

Sampling.

No sampling of products was performed during the audit.

Changes in the management and/or production methods.

N/A

Assessment methodology description.

The audit team has followed all the operational assessment requirements considered in the RTRS Accreditation and Certification Standard for responsible soy production V3.1. To complete such objective, the audit team has performed an investigation on the applicant in order to know the history of the company, activities and organizational structure, participation in the local communities, economical situation, any existant reasoned complaint, etc. The team has published the consultation invitation letter on the indicated websites on the specified period of time with the intention that stakeholders participate in the process. The audit team did not receive any comment/complaint on the applicant as a result of this consultation process.
During the visit to the units, the team members have assess every principle and criteria of all applicable standards in order to verify compliance with them. The audit procedure started with an opening meeting in which the lead assessor communicated the applicant representative and other assistants the certification process, identified the places/documents/responsible personnel of the farms to be intended to be visited/reviewed/interviewed during the audit, and agree times for each planned activity. All the agreed activities were done according to the plan.
During the audit process, the team has performed an exhaustive documentary review, interviews with stakeholders from neighbor communities and employees, and the site visit in both farms. Regarding the documentary review, you can find a list of documents that were checked as an example. The most important internal procedures were overviewed in order to verufy that certain requirements requested by the standard are considered insede their internal documentation.
At the farm facility we have observed some operations taking place (corn crop collection), application of agrochemicals with tractors, mixture techniques applied by employees, tractor washing, among other activities taking place during our visit. After observing how they were performing their tasks, the employees were interviewed in order to obtain more information abouth their knowledge of the activities performed and training received for such activities (and frequency).
The living conditions of employees inside the farm (neighborhoods and houses, shared communitary facilities e.g. dining room, primary school, laundry facilities), the movable stations that accompany the employees while working in the field, the prevention signals used during application of chemicals on the field, storage facilities (agrochemicals, pesticides, fertilizers, grain silos), storage room for pesticide empty containers, machinery equipment (tractors used at the field, tractors used for ffuel transportation, plane used for chemical application in extensive areas, etc.), etc. were assessed by CUC personnel.
During the closing meeting, lead assessor informed the internal responsible of the company seeking this certification the main findings of the audit. Since the company complied with all the requirements considered by the Standard's principles and criteria, the audit team explained the next steps to be taken internally by CUC in order to obtain a final decision of their situation.

Documentation review

Document	*Relevance / Aspect of the standard*	*Place/Shown by*
Code of ethics and conduct brochure	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Operational manual on application of pesticides	*Principle 2: Responsible Labor Conditions*	*Tanguro Farm*
Acquision contract of former Agrícola Morro Azul by Agropecuária Maggi LTDA	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
State registration	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Grupo André Maggi' organizational structure	*Organizational requirements*	*Tanguro Farm*
Map with locations of the Group farms	*Organizational requirements*	*Tanguro Farm*
Environmental license	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Rural facility registration certificate	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Protocol for the renewal of the operational license	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Maps of permanent preservation areas	*Principle 5: Good Agricultural Practices*	*Tanguro Farm*
Operational license	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Permit for the use of well water	*Principle 1: Legal Compliance and Good Business Practice*	*Tanguro Farm*
Fuel consumption records	*Principle 4: Environmental Responsibility*	*Tanguro Farm*
Records of check-ups and maintenance of farm's machinery	*Principle 4: Environmental Responsibility*	*Tanguro Farm*
Procedure manual for agricultural operations	*Principle 2: Responsible Labor Conditions*	*Tucunare Farm*
Protocol of envirnomental license and Rural facility registration	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Farm's map	*Organizational requirements*	*Tucunare Farm*
Permit for the use of 'Artesiano' well water	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Operational license of Warehouse	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Agronomic Formulation Manual	*Principle 5: Good Agricultural Practices*	*Tucunare Farm*
Emergency reference manual of pesticides	*Principle 2: Responsible Labor Conditions*	*Tucunare Farm*
Safety reference list of agrochemicals (FISPQ)	*Principle 2: Responsible Labor Conditions*	*Tucunare Farm*
Delivery receipt of empty pesticide containers issued by Sapezal's Agronomical Engeneers Association	*Principle 4: Environmental Responsibility & Principle 5: Good Agricultural Practices*	*Tucunare Farm*
List of applicable laws on activities taking place at the farm	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Rural facility registration certificate	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Relation list of farm areas and their identification codes	*Organizational requirements*	*Tucunare Farm*
Instalation license for the cotton facility	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Unica's environmental license	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Environmental license	*Principle 1: Legal Compliance and Good Business Practice*	*Tucunare Farm*
Water analysis records	*Principle 5: Good Agricultural Practices*	*Tucunare Farm*
Among many other documents reviewed during the assessment		

Non-conformities

Any non-conformity against the applicable RTRS standards was found during this assessment.

Timeline for Non-conformities

· Before granting certification (Initial assessment):
- All Major Non-conformities found during main assessments or re-assessments shall be closed .
- All Action Plans concerning Minor non-confomities have to be approved.

· Non-conformities found after the certificate was issued (Surveillance assessments):
- Major Non-conformities: a CAR is issued and it has to be closed before 30 days. A further period of grace can be extended to 90 additional days. If the CAR is not closed, the certificate will be suspended for 60 days. After this period, certificate will be cancelled.
- Minor Non-confomities: a CAR is issued and it has to be closed before twelve (12) months. If the CAR is not closed, the non-conformity will be upgraded to Major Non-conformity and the corresponding CAR will be issued.

Summary of Standard criteria

Principle 1. Legal Compliance and Good Business Practice

1.1	**There is awareness of, and compliance with, all applicable local and national legislation**
	The applicant posses an available list of all aplicable legislations in place and acess to internet database containing Federal, State, and Local legislations. The farm group has a legal department at the head quarters In Cuiaba. During the visit to the sites, there was no evidence of breaking or lack of fulfillment of applicable Brazilian laws listed by the National Technical Group in the National Interpretation.
1.2	**Legal use rights to the land are clearly defined and demonstrable.**
	In order to demonstrate the rights to use the land, the applicant showed the corresponding ownership certificate issued by the Agriculture Development Department for each property of the group.
1.3	**There is continual improvement with respect to the requirements of this standard.**
	Several social, environmental and agricultural aspects have been identified as main indicators on a computerized software system of Operational Economic Management (GEO-Agricola). This software is being used since 2009. Some of them are: Soil fertility; Machinery use; Water condition; Agrochemical management; Yields per dosis; Degraded areas; Waste management; Agrochemicals management; Safety working conditions; etc. These results of such indicators are reviewed the management on quarterly basis and new objective tarjets are defined by the Group Board and the local management on a meeting (Yearly Crop Planification) before the new crop season starts.

Principle 2. Responsible Labor Conditions.

2.1	**Child labor, forced labor, discrimination and harassment are not engaged in or supported.**

	During the visit to the applicant's facilities, no evidence of forced, compulsory, bonded, trafficked or other involuntary labor has been seen or heard during interviews with employees. Workers are not exposed to any type of physical, mental, sexual punishment, abuse or intimidation. After a documental review of personal data of employees, no evidence of any discriminatory or abusive practice against the rights of employees was found. There is a categorization of functions among employees of the farm, and salary payments are according them. No claims have been received or reported to the audit team regarding differentiation of salaries among employees of the same category. Employees from several races, sex, and religions have been interviewed. During the whole visit to the fields that was evidence that only authorized employees are allowed to get into working areas. There was no evidence of hiring of personnel under 18-years old, either during the documentary review, nor the field visits. During our visit, a bus is carrying the children of employees from the livinghood to the school located in the nearest city of Sapezal (18 km from) has been seen at noon time. In the second farm visited, the audit team visited a school inside the farm where children of the employees assist. In the same farm, pupils of the 2nd degree (Brazilian educational system) use the services of a public bus which carries them to the school at Querencia, 45 kms away. This service and related costs (maintenance, fuel, etc.) are responsibility of the farm.
2.2	**Workers, directly and indirectly employed on the farm, and sharecroppers, are adequately informed and trained for their tasks and are aware of their rights and duties.**
	The evidence of imparted trainings to employees was found before they initiate their functions according to the corresponding position. Applicable Brazilian Working Laws were found in place for reference of the employees at the HR department. In order to represent the rights of the workers to the administration of the company, workers elect a commission democratically elected. One of the requirements for employment is that the candidate has reading and writting skills. Copies of contracts signed by the employees formed part of the provided evidence.
2.3	**A safe and healthy workplace is provided for all workers.**
	As part of the training received before an employee enters into execising their functions, every employee receives a course for health and safety matters. Evidence of such trainings and annual updates were provided by the applicant. Regarding health and safety risks, the company has a manual containing a study on such topic called "PPRA - Programa de prevenção de Riscos Ambientais" Selected employees who performed application of hazardous materials to health were using appropriate protective equipment and received corresponding training on safety. In the field, the audit team saw the allocation of a first aid kit per every working team in case of emergency. In one of the farms there is even the existance of a nursey inside the farm boundaries. The records of acquisition of protection equipment was checked. During the visit, it was corroborated the use of warning signals on the field and map located at the entrance of the farm. Records of location of warning signals and trainings have been documented by the applicant. Also there was evidence of the existence of a procedure manual for accident and emergency situations.
2.4	**There is freedom of association and the right to collective bargaining for all workers.**
	A labour union representative is present at the farm as a proof of freedom of association. The applicant did not opposed any impediment for the existance of the labour union that represent their employees and rights. One of the functions of these union is to represent the collective interest through National collective bargaining. No evidence of impediments to employees for holding interviews with any external party was found.
2.5	**Remuneration at least equal to national legislation and sector agreements is received by all workers directly or indirectly employed on the farm.**
	Records of salary remunerations and payslips demonstrate that salaries at these facilities are higher than national minimum salary. No deductions for disciplinary purposes have been seen at the paylists or claimed by interviewed employees. Wages and benefits are clearly specified and detailed to the employees. Salaries are paid twice per month (not based on results). Working times, holidays, days-off, and sick-days per employee are registered by the employer. Workers have the right to receive a day-off per every 5 days of work. During peak seasons or in cases when additional time is requerid, they comply with the Brazilian legislation (one day-off per every 6 days of work), nevertheless any employee is forced to attend against their willing. Remuneration of additional working time is correspondingly planned by the farm administration and retributed integrally to the employees at a higher value. Houses and accomodations are provided for some of the employees at the farm. A minimum deduction from their salaries is taken for "Housing" purposes (compliying with the Brazilian law). These facilities have electricity, water, air conditioning, TV, and toilet/bathrooms. Houses have private kitchens, but users of accomodations have to use a communitary kitchen compliying with a National law.
Principle 3. Responsible Community Relations	
3.1	**Channels are available for communication and dialogue with the local community on topics related to the activities of the soy farming operation and its impacts.**
	There is no proof of any kind of restriction to receive comments, suggestions or complaints by telephone, post, email, and via website and they are publicly available. Several members of the farm and the group have been elected as public deputies. In the internal procedure manual of the applicant, it is dedicated a chapter to describe the internal and external communications of the organization. Several communications of the social responsibility of the applicant have been found (e.g. help with water tank trucks to stop a fire in a neighbour farm; support to the local school system; etc). Nearest local communities are 18 and 45 kms away from each farm, respectively.
3.2	**In areas with traditional land users, conflicting land uses are avoided or resolved.**
	There are no disputes or complaints presented by any stakeholder regarding the use rights of these farms. For these reason, there is no disputes or conflict known.
3.3	**A mechanism for resolving complaints and grievances is implemented and available to local communities and traditional land users.**
	In the internal procedure manual of the applicant, there is a procedure regarding the treatment of complaints received (PSG0004). This procedure has been communicted to the local community. Documented evidence of complaints and grievances, and their replies (including dates) received have been recorded.
3.4	**Fair opportunities for employment and provision of goods and services are given to the local population.**
	Most of the employees have been hired locally at the farm. The group, of which the applicant is part of, has a foundation (Fundación André Maggi) that gives several training program and helps in the surrounding areas/cities, where farms and other facilities are located. The applicant also has a partnership on local training courses in collaboration with SENAI (industrial related trainings), SESI (social related trainings) & SENAR (rural related trainings). At the farm there is a department that buys food, groceries, and other supplies for habitants from local providers. Industrial supplies are bought at a group level and provided by the Head Quarters to the farms.
Principle 4. Environmental Responsibility	
4.1	**On and off site social and environmental impacts of large or high risk new infrastructure have been assessed and appropriate measures taken to minimize and mitigate any negative impacts.**
	Envrionmental licenses have been received for several projects (e.g. Cotton Gin; Potable water use; Agrochemical warehouse). All these projects respect and are in accordance with federal, national, and local laws. These social and environmental assesments have been carried out in a transparent manner by experienced engineers Mr. Ziech and Mr. Shimada before the starting of construction or use of facilities. All the studies were available, implemented, and duly approved by local government.
4.2	**Pollution is minimized and production waste is managed responsibly.**
	As part of the environmental strategies taken by the applicant, the following measures (compliance with norm ISO14001) were detected by the audit team during the visit: - Biomass is used to dry crop purposes, but burning practices of any residue, waste, or vegetation are not allowed by local legislation. - Used oils, batteries, lubricants are take out by a approved & registered company. - Fuel tanks have a contention pool. Oils are kept in propper condition. - Cooking oil is recycled for soap production. Empty CPP containers are given to a recycling approved point. - All residue bins are identifyed, so waste classification is performed.
4.3	**Efforts are made to reduce emissions and increase sequestration of Greenhouse Gases (GHGs) on the farm.**
	All the fuels and energy used during production, per machine / truck, light truck, etc., are recorded. Registers are kept in the central IT system. Fossil fuel use is checked and registered, and economy of scales are applied to the production processes. To mitigate the trend of soil carbon, each plot is analyzed. As a result of such analysis, fertilization is performed according to the specific requeriments of soil. To achieve this goal, a ferlizer mixer is used during the preparation of the right formula. Native forest are kept in legal reserve areas and in riparian areas. A plot of 6,362 hectares have been bought nearby National Park Araguaia as environmental payment. There is a program for the recovering of degraded areas (PRA) which was approved by local government.
4.4	**Expansion of soy cultivation is responsible.**
	Since year 1999 and 2004 respectively, no agricultural expansion has taken place inside the farms. To support these facts, satelite photos from the Landsat system were available and compared by the audit team. Previous conversions have not resulted in land user claims from stakeholders in the area.
4.5	**On-farm biodiversity is maintained and safeguarded through the preservation of native vegetation.**
	Maps defining the different areas inside the farm were provided to the audit team. Reserve areas are respected and conserved by the administration of the farm. The farms have a program to recover degraded areas. Hunting and fishing inside the farm boundaries are not allowed. There were notified some problems with not allowed fishermen with the farm administration.
Principle 5. Good Agricultural Practice	
5.1	**The quality and supply of surface and ground water is maintained or improved.**
	The implementation of several environmental measures and actions stated in different manuals of the company, create a global agricultural plan at the facilities of the applicant. The layout of the farm is divided in sections and each section is divided in smaller plots. Soil analyses are performed per plot (one each 5 hectares, 9 samples); minimum use of chemical products is promoted. Another measure that is done by the applicant is water analysis that is performed at local laboratories. The internal procedure for the control of environment (A-ICA-0001 Instrução de controle ambiental) considers the actions to be taken in case of existance of contamination in the ground or surface water. This manual was shown to the audit team. No irrigation is used as a practice inside the farm.
5.2	**Natural vegetation areas around springs and along natural watercourses are maintained or re-established.**
	Maps defining the different areas inside the farm were provided to the audit team. Local riparian areas are identified in these maps. There is no evidence that riparian vegetation has been removed, nor wetlands have been drained inside the farms.
5.3	**Soil quality is maintained or improved and erosion is avoided by good management practices.**

	Techniques on soil control (keep quality, avoid erosion), which are part of the agricultural plan, are performed during production activities and are part of the internal manuals. These techniques consider no tillage, straw conservation, usage of slope curves, soil analysis, specific fertilizer mixture, etc. The management personnel of the farm are graduated agonomists.
5.4	**Negative environmental and health impacts of phytosanitary products are reduced by implementation of systematic, recognized Integrated Crop Management or ICM techniques.**
	A rotation program is part of the techniques included in the manuals. Soybean, Corn, Cotton, and mulch cultures (brachiaria, milleto, crotalaria) are part of the Crop Management. Evidence of usage of harmful phytosanitary products was not found during the audit, even more there is a declaration of commitment signed by the applicant for the no use of class IA or IB products. Use of other phytosanitary products respect legal requirements, and manufacturer and professional recommendations. The fertilization and rotation of phytosanitary products to prevent resistance of pests, diseases, and weeds is decided and handled by graduated agronomists (manager and the technician) based in several characteristics like soil mineral replacement, yield targets, etc. Records of monitoring of pests, diseases, weeds and natural predators is documented.
5.5	**All application of agrochemicals is documented and all handling, storage, collection and disposal of chemical waste and empty containers, is monitored to ensure compliance with good practice.**
	The applicants has a control list with all informations contained in each service order wich includes purchased products, dosis applied, plots, dates of application, applicant's name, equipments used, time of dossification, weather conditions, etc. Also the documentary review include the plots records, year plannification reports, bills & invoices, warehouses stock controls, and on-field reports. In the field, the audit team verified how empty CPP are washed and kept in a special and segregated warehouse. Later on, these empty CPP are taken out by an approved and duly authorized company. There is a dedicated warehouse for storage and dedicated equipment of agrochemicals. These facilities comply with the local requeriments of construction. Application signals to prevent people to enter into sprayed areas put in the corresponding plot were found during the visit.
5.6	**Agrochemicals listed in the Stockholm and Rotterdam Conventions are not used.**
	No evidence of the use of agrochemicals listed in the Stockholm and Rotterdam Conventions has been found.
5.7	**The use of biological control agents is documented, monitored and controlled in accordance with national laws and internationally accepted scientific protocols.**
	No evidence of the use of traditional biological agents has been found.
5.8	**Systematic measures are planned and implemented to monitor, control and minimize the spread of invasive introduced species and new pests.**
	To identify and monitor invasive species and pests in the area, the applicant is a member of several institutions as Fundacion Mato Grosso, and collaborates with others governmental institutions like Embrapa, keeping constant communication.
5.9	**Appropriate measures are implemented to prevent the drift of agrochemicals to neighboring areas.**
	Manuals with Good Agricultural Practices for the use of agrochemicals are located in each facility for reference during the decision making. The responsible person of each working team has a equipment to measure the temperature and relative humidity before the application of agrochemicals. Wind speed is consulted with a local institution. Records are kept. There is a minimum risk of contamination to living areas (i.e. the nearest city is 18 kms away). There is no application of agrochemicals by aereal means near the water bodies, living neighborhoods, or office building inside the farm boundaries. These areas are surrounded by a 25 m wide avenue, a trees curtain, and an open space. All the water bodies located inside the farms have a 50 m riparian area (complying with the national laws).
5.10	**Appropriate measures are implemented to allow for coexistence of different production systems.**
	All neighboring areas has the same type of production system.
5.11	**Origin of seeds is controlled to improve production and prevent introduction of new diseases.**
	The origin of seeds has three different origins, being the first one the purchase of seeds from well known legal companies directly by the farm administration(though it is quite imposible to obtain seeds with enough quality in the area); the second one, the selection of the best seeds coming from special plots and certain production techniques; and finally, the supply of seeds by the administration of the group (Agopecuaria Maggi Ltda.).

Lead assessor's summary and recommendation for certification
After having audit the structure, policies, processes, procedures, on field activities and related documents of Agropecuaria Maggi Ltda, Fazendas Tanguro & Tucunaré relevant to the applicable standards of RTRS, in order to determine the extent of the organization's conformity with the requirements of the declared standards, we declare that the company (multi site) has been successfully inspected and audited in accordance with the requirements above mentioned. The capacity to ensure compliance with regulatory and statutory requirements, and the effectiveness of the quality system have been evaluated and found sound and accurate. Agropecuaria Maggi Ltda, Fazendas Tanguro & Tucunaré, meets the conditions on the RTRS standards: - RTRS standard for responsible soy production Version1.0 - RTRS Group and Multi-site Certification Standard V1.0

Full information of compliance by the operation against all elements of the relevant standard is at client's disposal at any time after duly request.

Certification decision.	
Statement	Based on the review analysis of this assessment report presented by the auditors Mr. Chiavarini and Mr. Beltrame and the requirements of RTRS and the Principles and Criteria mentioned in the RTRS Responsible Soy Production Standards V1.0 and RTRS Group & Multi-Site Standard V1.0, in my faculty as certifier, I declare that Agropecuaria Maggi is in compliance with the standards previously mentioned.
Conditions for certification	Based in the report evaluation, there are no conditions required for certification decision since there is no existence of non-conformities resulted from this assessment.

Signing off by the lead auditor of the certification body.	
I the undersigned, being the lead auditor, confirm that this assessment or surveillance assessment was conducted in accordance with requirements stated in this document and other relevant RTRS policies or requirements.	
Name:	Carlos Angel Chiavarini
Position:	RTRS Lead Auditor
Signature:	
Date:	27/05/2011
Acknowledgement of internal responsibility by the company.	
I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document RTRS Assessment Report and in RTRS Production Standard and Checklist. I also confirm: · Acceptance of liability in execution of the instructions given in the reports. · That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Control Union Certifications. · That the formal record of the closing meeting is accurate and that all agenda items were covered by the lead auditor.	
Comments:	
Name:	João Yukiyoshi Shimada
Position:	Corporate Environmental Supervisor
Signature:	
Date:	27/05/2011
Signing off by the peer reviewer.	
I the undersigned, being the peer reviewer, ensure consistency and quality of certification decision making, and reporting.	
Name:	Paulo José Oliveira Landin
Position:	Coordinator of agricultural inspections
Signature:	
Date:	01/06/2011
Signing off by the certifier of the certification body.	
I the undersigned, being the certifier, issue this certificate of conformance against the mentioned RTRS Standard(s) based on the report, peer review comments and the successful close-out of any major non-conformances identified during the main assessment.	
Name:	Júlio Chagas Pelegrineli
Position:	RTRS Certifier
Signature:	
Date:	03/06/2011

Annexes to the report

03.d RTRSPPLAN.F01.doc (UK) - System Plan
03 e RTRSPEXEC F02 doc (UK) - Opening Meeting
03 b RTRSPEXEC.F04 doc (UK) - Photographic report
03 e RTRSPEXEC F03 doc (UK) - Closing Meeting

In case CUC does not receive the signed copy of the final report with one month after date of submition to the client, it shall be considered as approved.

All the necessary evidence and documentation to close a Non-Conformity must be sent to: certifications@controlunion.com.br

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