

Comment by TraceConsult™

We are bringing you today a recent announcement by ABRANGE, the Brazilian industry body of soybean crushers and grain processors who specialize in the continued production of agricultural products that are not genetically modified. These people have been minding their business for almost ten years now rather quietly and practically their entire production is certified at max. 0.1 percent GMO content with fully documented traceability so that their processed commodities can be used for finished products carrying a positive "GM-free" claim. Certified Non-GMO products are the only way to market, say, soy meal so that it makes economic sense on all stages of the downstream supply chain. One can often get the impression that commodity players tend to forget about this aspect.

Reading the figures included in the statement below, reveals the little-known fact that over 40 percent of the entire Brazilian soybean crop are harvested initially GMO-free and that more than 10 percent are certified and come from ABRANGE members. In a time when those promoting biotech products are pushing harder than ever this is valuable information to base one's decisions on.

Why are ABRANGE members not shipping more of their certified goods abroad, particularly to Europe? They could, and they would – provided they would encounter an increased demand. It is therefore fair to say that it is primarily up to European buyers what volume of soy products at less than 0.1 percent GMO content is produced, certified and shipped. Given a reasonable head start, the Brazilians say they are ready.

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TO WHOM IT MAY CONCERN:

The Brazilian Association of Non-GMO Grain Producers, ABRANGE, declares that through its members it is able to originate or produce and crush or trade about 6.3 million metric tons of Brazilian Non-GMO beans or its products. ABRANGE also announces that besides its members other Brazilian traders or crushers are able to trade or crush, under regular programs, about 3.7 million tons of Brazilian Non GMO soybeans or its products, totaling about 10 million tons of Brazilian Non-GMO soybeans or its products (about 7.5 million tons of soy meal, about 1.9 million tons of soy oil and nearly 40,000 tons of lecithin). Furthermore we announce that the Brazilian production of Non-GMO soybeans is estimated to be about 25 million tons, which enables local crushers and traders to expand the current offer of Non-GMO soy products.

Planning ahead is required to access the existing production or to expand the current capacity. Interested customers shall contact directly the ABRANGE members (or via ABRANGE) to negotiate the desired volumes and products.

Planning relies on anticipating the desired volume and delivery program in order to allow the supplier to plan ahead the origination of the needed soybeans, which includes securing the production of the required Non-GMO soy seeds that will be further planted by the farmers. This planning shall be done 6 to 12 months ahead of the first delivery for accessing the current production, or 12 to 24 months if expanded production is required.

The negotiation relies on volume definition, delivery schedules, spreads, premia, pricing and other terms of the trading which usually are concluded on a frame contract covering a period of one year supply.

Yours faithfully,

Ricardo Tatesuzi de Sousa
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Executive Secretary
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ABRANGE