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# GAIN Report

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## Brazil

### Agricultural Situation

## U.S., Brazil and Argentina form International Soybean Growers Alliance

**2007**

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**Report Highlights:**

Representatives from the main producer associations in the U.S., Brazil, and Argentina formed the International Soybean Growers Alliance (ISGA) last week in Mato Grosso. The group aspires to work together in several areas and anticipate that a collective voice will increase their effectiveness in Marketing, resolving technical barriers to trade, and improving their environmental image. This is a major step forward in building cooperation between the three countries' soybean industries.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
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Soybean producers from the US, Brazil, and Argentina signed an agreement to form the International Soybean Growers' Alliance (ISGA) on August 23 at the Bienal Annual Agricultural Conference in Cuiabá, Mato Grosso. The ISGA is a component of the Global Grower Development Agreements signed between the North and South American Soybean Producer organizations in 2006. The ISGA is a major step forward in building cooperation among competitive industry organizations. Disputes regarding agricultural subsidies and royalties for Roundup Ready Soybean Seed have made a dialogue between the countries difficult in recent years.

These countries are responsible for more than 80% of global soybean production. Executives expect to integrate Paraguay and tentatively other soybean-producing countries into the alliance as well. IGSA is a conglomeration of the major producer associations: American Soybean Association International Marketing (ASAIM), US Soybean Export Council (USSEC), the United Soybean Board (USB), Soybean Producers Association of Mato Grosso (APROSOJA), and the Soybean Chain Association of Argentina (ACSOJA). The group aspires to work together in several areas and anticipates that a collective voice will increase their effectiveness in Marketing, resolving technical barriers to trade, and improving their environmental image.

ISGA plans to make the Indian market its first focus, where it plans to jointly promote the utilization of domestically-produced soybean meal. Indians' consumption of poultry meat and milk has a potential to grow exponentially. The US has worked in the Indian market for over a decade. As a result of recent cooperation between the US and Brazilian soybean industries, the Brazilian government has agreed to contribute \$50,000 to marketing efforts in India.

According to the group, the new organization will give soybean producers more influence in the global soybean-consuming industries along with trading companies and multinationals that use soybeans as a major input. In July of 2006, a moratorium was signed in Brazil by the soybean industry without buy-in from Brazilian soybean producers forbidding sourcing soybeans from the legal Amazon. During last week's meetings, a working group was also created to define criteria for sustainability of soybean production that may be adopted at the international level.

The group's next meeting will be held in Buenos Aires, where they will begin to work out the objectives that were put on paper in Brazil.