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## Brazil

### Oilseeds and Products

### New Soybean Regulations

## 2004

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**Report Highlights:**

The Brazilian Ministry of Agriculture issued Normative Instruction Number 15 in attempt to resolve the Chinese embargo on soybean shipments.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brasilia [BR1]  
[BR]

Since late April 2004, China has been rejecting Brazilian soybean shipments, alleging contamination with fungicide-coated planting seeds. The Brazilian Ministry of Agriculture has pursued a resolution to the barriers. However, according to press reports, the Minister of Agriculture, Roberto Rodrigues, has dismissed the idea of a WTO case against China, despite pressure from the industry, farmers, and two state governors. The Ministry of Agriculture prefers to work to resolve the issue through normal bilateral channels, largely through negotiations between the offices of quarantine and agricultural protection of both countries.

The Ministry of Agriculture (MAPA) is expected to adopt the following strategy to overcome this issue:

- A) The Brazilian Ministry of Agriculture issued Normative Instruction (NI) Number 15 with more stringent requirements for soybean phytosanitary certification for both the domestic and export markets. (See translation of NI 15 below). According to NI 15, no soybean shipments may contain more than one chemically-treated seed per kilogram;
- B) Increase federal inspection at Brazilian ports;
- C) Bilateral meetings between the Brazilian Office of Agricultural Protection (SDA/MAPA), and Chinese Quarantine officials to discuss the requirements of NI 15 and other Chinese demands;
- D) Travel to Brazil of Chinese inspectors to accompany the loading of soybeans to China in two or three of the most important Brazilian ports;
- E) A call from the President of Brazil to the President of China to build good will in resolving this issue.

The following is an unofficial translation of Normative Instruction Number 15, which will be discussed with Chinese officials during the week of June 21-24, 2004.

Begin translation:

**Federal Official Journal – No.111 - Section 1, Friday, June 11,2004**

OFFICE OF THE MINISTER

NORMATIVE INSTRUCTION No.15, of JUNE 09, 2004.

THE MINISTER OF AGRICULTURE, LIVESTOCK, AND FOOD SUPPLY, within the attributions granted thereto by Article 87, sole paragraph, subparagraph II of the Constitution, the law n° 9.972, of May 25, 2000, the Decree n° 3.664, of November 17<sup>th</sup> 2000, the Resolution CONCEX n° 160, of 20<sup>th</sup> JUNE, 1988, and according to the contents of file n°. 21000.004772/2004-, determines that:

Art. 1 – To approve the requirements and procedures for the certification of soybean grains hygienic-sanitary conditions designated to internal commercialization, exportation and importation, accordingly to the annex of this Normative Instruction.

Art 2 – The actions of the Ministry of Agriculture, Livestock and Food Supply on the import and export of soybean grains will be conditioned to the accomplishment of the hygienic-sanitary conditions established in the present Normative Instruction.

Art. 3 – The omitted cases and doubts appeared in the applications of this Instruction, will be solved by the Ministry of Agriculture, Livestock and Food Supply.

Art 4 - This Normative Instruction comes into force on the date of its publication.

ROBERTO RODRIGUES

**ANNEX****REQUIREMENTS AND PROCEDURES FOR CERTIFICATION OF SOYBEAN HYGIENIC-SANITARY CONDITIONS**

**1.OBJECTIVE:** To establish the procedures to qualify and quantify the presence of unknown toxic substances, mold beans and dead insects or part of them, residues and/or foreign materials.

**2. SCOPE OF APPLICATION:** These procedures will be applied to soybean grains from the *Glycine max* (L.) Merrill specie when destined to internal commercialization, importation and exportation.

**3. CONCEPTS**

3.1 - Particles of unknown toxicity: foreign particles, grains or its parts different of its natural condition, with suspicious toxicity.

3.1.1 - The parts of broken grains (cotyledons) will be considered as a half particle and smaller pieces shall be considered as a quarter of the particle.

3.2 – Moldy beans: grains or pieces of grains, which presents fungi colonies (fungus or mold) view at naked eye.

3.3 – Foreign matter and/or impurities: any material that escapes through a sieve with the following characteristics: sheet thickness: 0.8mm; number of orifices: 400/100cm<sup>2</sup>, 3.0mm diameter, or any material retained in such sieve and which is not soybeans, including unthreshed soybean pods. The husk of the soybean (tegument/film) removed in the sieve is not considered an impurity.

**4 –GENERAL REQUIREMENTS**

4.1 – The soybean must be presented physiologically developed, healthy, clean, dry and free from unusual odors inappropriate to the product.

4.2 – The soybean, which presents live insects, must be submitted to phytosanitary treatments and, before commercialized to the direct human consumption, must not present dead insects or part of them, above the established limits on the national specific legislation or from the CODEX ALIMENTARIUS.

**5 – TOLERANCE LEVELS**

To verify the parameters relative to the soybean grains hygienic-sanitary conditions, will be admitted as maximum limits on the sample.

5.1 – Accidental presence of unknown toxicity particle of plant origin: 01(one) particle per kilogram, pond rated average of the collected samples on the mechanisms treated on items 8.3 to 8.6 of this Normative Instruction;

5.1.1 – This tolerance shall be 0 (zero) when the product is destined to “in natura” direct consumption.

5.1.2 – On the calculation of the pond rated average to consider only the 02(two) firsts decimal fractions, not considering the remaining fractions when necessary.

5.2 – Moldy beans: 6.0%(six per cent)

5.3 – Dead insects or part of them: when the soybean is destined to the direct consumption, must be observed the constant limit on the national specific legislation.

5.4 – Impurities and/or foreign materials: 1.0% (one per cent)

## 6 – RESULTS OF ANALYSES

6.1 – On the import and export procedures, the analyses results for the verification of the accomplishment of this Normative Instruction, will be supported by this Ministry or official or accredited entities on the terms of the Decree n° 3.664, of November 17<sup>th</sup>, 2000, that will be recognized by the agriculture and livestock federal inspection.

6.1.1 – Registered any irregularity or fake information on the results foreseen on the item 6.1, the product must be taken out of commercialization, as cautious measure, on the form of the foreseen on the § 1<sup>st</sup> of the art. 9<sup>th</sup> of the Law n° 9.972, of May 25<sup>th</sup>, 2000, ruled by the incise II art. 26 of the Decree n°3.664, of November 17<sup>th</sup>, 2000, being taken the necessary providences to the verification of the administrative and penal responsibilities.

6.2- Occurring the accidental identification of presence of unknown toxicity particles of vegetal origin, in an amount higher to the foreseen on the item 5.1 of this Normative Instruction. The collected samples must be submitted to a laboratorial analysis to verify if they are within the maximum residues limits established by the national specific legislation or from the CODEX ALIMENTARIUS

6.2.1 – On the hypothesis of the analysis sign result over the allowed maximum limits, the lot which derives the collected samples analyzed must not be commercialized, must being re-beneficiated to adjust to the pertinent legal limits or destined to other end by means of specific authorization of MAPA.

6.3 – The soybean exportation with limits over the established on the item 5 of this Normative Instruction, may be authorized since such condition consists on the contractual clauses between the parts, and the exporting company must respect the legislation of the destiny country.

6.4 – The expenses of the analysis foreseen in this Instruction will be provided by the exporter, importer or trader, responsible for the merchandise.

## 7 - INSPECTION

7.1 – During the execution of the inspection undertaken by the Ministry of Agriculture, Livestock and Food Supply, the Soybean, which presents limits over the established on this normative instruction, must have its commercialization suspended, as a writ of prevention, on the foreseen in § 1 of Article 9 of Law n°. 9.972, dated 25 May 2000, and regulated under Sub-item II or Article 26, of Decree no. 3.664, dated 17 November 2000, except as provided under Item 6.3.

7.2 – On the Writ of Suspension of Commercialization must consists the stated period of the suspensive measure, the exigencies or providences to be taken, as well

as the nomination of the owner of the product as depositary, until the conclusion of the requested providences by the inspection

7.2.1 – The maximum period for the suspensive writ would be 30(thirty) days, to be counted since the reception of the Writ.

7.2.2 - The inspection must demand, on the granted stated period, the realization of the analysis foreseen in the item 6.2, or when necessary, determines that the soybean must be benefited before being commercialized, to be adjusted on maximum levels established on this Normative Instruction.

7.3 – Expiring the stated period of the item 7.2.1, and if the proprietary of the product do not accomplish the determinations of the inspection, or either, in the occurrence of the hypothesis of the item 6.2, must be drawn up the writ of infraction **against** the merchandise proprietary capitulating the infraction on the incises III and IV of the art. 19 of the Decree n° 3.664, 2000, according to the disposed on this normative instruction, to place in the consumption market a product out of accordance to the legal requests and to do not accomplish the requests imposed by the inspection.

7.4 – The writ of infraction will be used as the start point of the administrative process to be constituted to improve the infraction, by means of which will be applied the apprehension penalties of the product, based on the incises III and IV of the art. 27 of the Decree n° 3.664,2000, and its condemnation based in the art. 28 of the same Decree.

## 8 - SAMPLING

8.1 – The sampling must be realized by credential entities by the Ministry of Agriculture, Livestock and Food Supply, or by this, when in the exercise of inspection activity.

8.2 – It will answer legally by the representation of the sample, in relation to the lot or volume of it has being originated, the natural or legal person that proceed the collection.

8.3 – Sampling in Vehicles – road and railroad transportation:

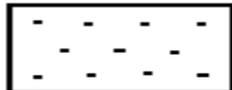
8.3.1 – The collection of samples must be done in the points of the vehicle, as recommended in item 8.3.4 of this Normative Instruction, in depths that reach superior third part, the middle and the inferior third part of the load to be sampled, having to be extracted in the minimum 6 kg (six kilograms) of the product.

8.3.2 – The 6 Kg (six kilograms) resulting of this sampling will have to be homogenized and divided into four equal parts, extracting at least a minimum of 2 Kg (two kilograms) of the product to compose the 2 (two) samples, constituted of 1 Kg (one kilogram) each, that will be representations of the load and distributed as follows:

- a) 01 sample destined to the physical analysis in the product aiming to qualify and quantify the presence of particles with unknown toxicity, moldy beans, dead insects or parts of these, impurities and/or foreign materials;
- b) 01 sample destined to the analysis of particles with unknown toxicity, when necessary;

8.3.3 – The remainder quantity of the sampling process, homogenizing and division in for parts will be replaced on the load or returned to the owner of the product.

8.3.4 - Criteria of sampling in vehicles

Product load	Minimum number of points to be sampled	Distribution of the sampling points (Seen from above the vehicle)
Up to 15 metric tons	5	
Between 15 and 30 metric tons	8	
Between 30 and 50 metric tons	11	

8.4 – Sampling in Moving Equipments or Moving grains – loading, unloading or silo-transfer.

8.4.1 – The sampling must be done with suitable equipments becoming fulfilled at least 4 (four) samples in the transporting belts and extracting the minimum of 2 (two kilograms) of the product for each fraction of 500 t (five hundred tons) of the load to be sampled, in regular intervals of equal times calculated in function of the outflow of each terminal.

8.4.2 – The 2 Kg (two kilograms) extracted of each fraction of 500 t (five hundred tons) must be homogenized, divided by four and reserved to compose that sample that will be analyzed to each 50000 t (five thousand tons) of the load.

8.4.3 – To each 50000 t (five thousand tons), join the 10 (\*ten) partial samples that were reserved as item 8.4.2, to homogenize, divide into four equal parts at least 3 (three) times until obtain 10 Kg (ten kilograms) of the product to compose the 5 (five) samples, constituted by 1 (one kilogram) each, that will be represented of the 5000t (five thousand tons) analyzed and distributed as it follows:

- 01 sample destined to the physical analysis in the product aiming to qualify and quantify the presence of particle with unknown toxicity, moldy beans, dead insects or parts of these, impurities and/or foreign materials;
- 01 sample destined to the analysis of particles with unknown toxicity, if necessary;
- 01 sample that will be destined to the shipping or receiving terminal, when it is the case.
- 01 sample that he will be of ownership of the exporter or owner of the product, when it is the case;
- 01 sample that will be destined to the importer, when it is the case.

The Federal Agriculture Inspection must register 8.4.4 – The result of the analysis in appropriated document that allows auditing.

8.4.5 – When to be about sampling in equipments or grains, in movement (load, unloading or silo transfer), the specified limits in item 5 of this Normative Instruction

must be adopted in the pond rated average of the results of the representative samples of each 5000 t (five thousand ton) analyzed.

8.4.6 – The remainder quantity of the process of sampling, homogenized and divided into four parts will be replaced in the lot or returned to the owner of the product.

8.5 – Sampling in Silos Storage Facilities: the collection of samples will be done in the shipping system of reception or expedition of the storing unit, proceeding by the instructions for sampling in moving equipments.

8.6 – Sampling in Conventional Warehouses – into bagged product.

8.6.1 – The samples collection in the lot will be done at random, at least of 10% (ten per cent) of the bags, and should cover all sides of the piles.

8.6.2 – The minimum quantity of the collection will be 30 g (thirty grams) for bag, until completing the minimum of 10 kg (ten kilograms) of the product, that must be homogenized, to be divided into four parts and reduced in 3 kg (three kilograms) to compose the 3 (three) samples, consisting of 1 kg (one kilogram) each, that will be representative of the lot and distributed as follows:

- a) 01 sample destined to the physical analysis in the product aiming to qualify and quantify the presence of particles with unknown toxicity, moldy beans, dead insects or parts of these, impurities and/or foreign materials;
- b) 01 sample destined to the analysis of particles with unknown toxicity, when necessary;
- c) 01 sample that the owner of the storage facility will hold it.

8.6.3 – The remainder quantity of the sampling process, homogenization and divided into four parts will be replaced in the lot or returned to the owner of the product.

8.7 – Sampling in Packaged Product:

8.7.1 – It must to be collected via number of packages that totalize a minimum of 10 kg (ten kilograms), independently of the size of the lot, once that the packaged product has already being homogenized.

8.7.2 – The products extracted will have to be homogenized, divided into four parts and reduced to 3 kg (three kilograms) to compose the 3 (three) samples, with the minimum weigh of 1 kg (one kilogram) each, that will be representatives of the lot and distributed as follows:

- a) 01 sample destined to the physical analysis in the product aiming to qualify and quantify the presence of particle with unknown moldy beans, dead insects or parts of these, impurities and/or foreign materials;
- b) 01 sample destined to the analysis of particles with unknown toxicity when necessary;
- c) 01 sample that it will be has held by the owner of the storage facility.

8.7.3 – The remainder quantity of the process of sampling, homogenization and the division in four parts will be replaced in the lot or returned to the owner of the product.