

Brazilian Environmental Law, Cooperatives and Social Responsibility

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Cooperative Representation

Political and institutional
representation



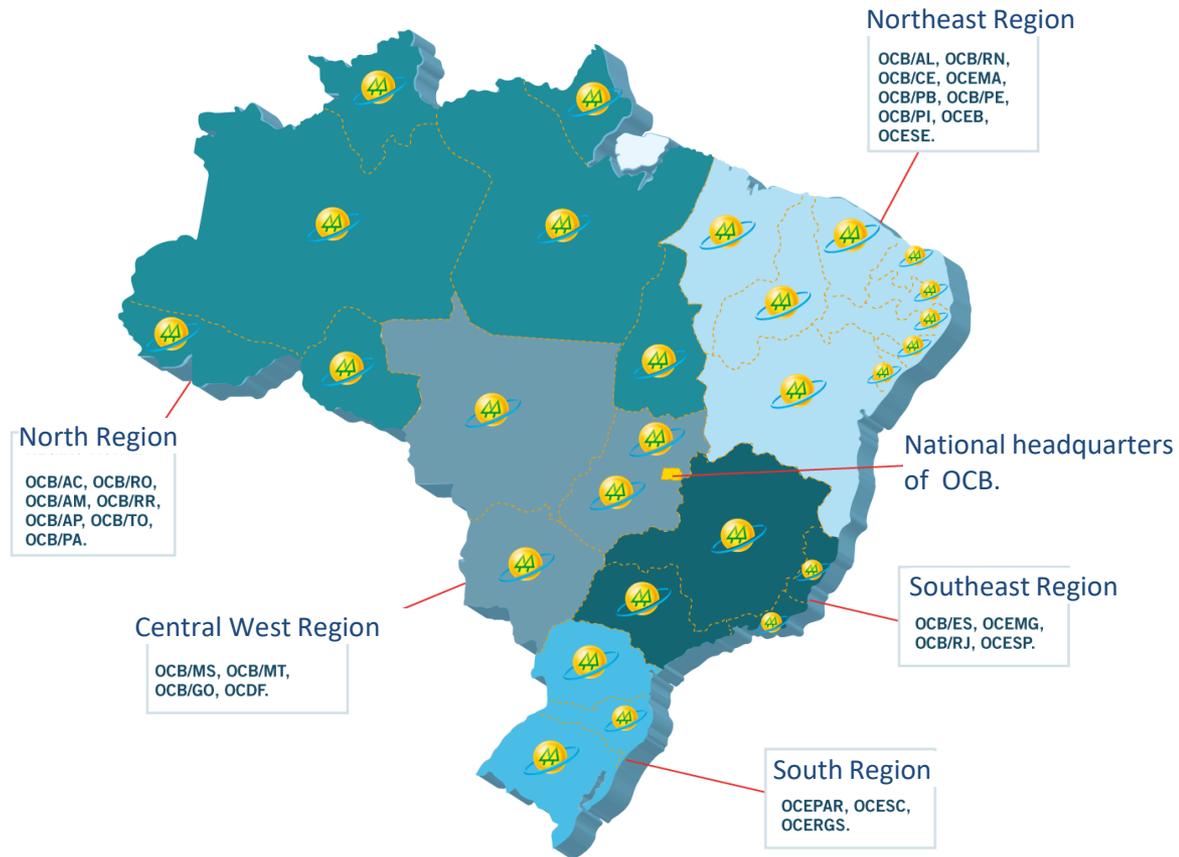
Union representation



Education regarding the
cooperative movement,
social promotion and
monitoring



Cooperative Representation



National Cooperative Learning Service – SESCOOP

ENTITY THAT IS A MEMBER OF THE BRAZILIAN S SYSTEM, ITS OBJECTIVE IS TO TRAIN SPECIFICALLY THE COOPERATIVE SECTOR. IT WAS CREATED THROUGH THE PROVISIONAL MEASURE Nº 1.715/1998 AND REGULATED ACCORDING TO DECREE Nº 3.017/1999.

Mission

To promote the cooperative movement culture and management improvement for the development of Brazilian cooperatives.

The Paper

- This paper seeks to present that, despite the difficulties and (possible) conflicts generated by Brazilian environmental legislation, cooperatives have a great opportunity, due to their principles and values, to stand out among other existing business models due to their real concern with the sustainability of both the business and the surrounding environment.



Man X Environment

- Mankind's history shows that due to the challenge of survival, practical interests in the use and protection of natural resources have always been present. The environment has undergone great pressure and has been greatly altered since the beginning of the development of societies, with increasing fragmentation of habitats and loss of biodiversity.



Brazil - Environment

- Brazil is one of the countries with the greatest diversity of species in the world.
- Usually, in Brazil, it is the political, economic and cultural factors that are the main determinants of the location of protected areas; there is rarely a choice according to the type of biological community or species to be preserved. However, as the main objective of these areas is to protect biodiversity at all levels, conservation units should be located in places of high conservation value, which is not necessarily the case.
- Thus, the country's importance in the global context of biological diversity is not reflected in the size of the protected surface in public protected areas, nor in equal distribution of these unities, in amount and extension, among the different regions and biomes.



Cooperatives in Brazil

- Currently, Brazil has over 6,600 regular cooperatives affiliated with the OCB System (OCB, 2017) and has its representative body in the Organization of Brazilian Cooperatives (OCB), which is the universe addressed in this article.
- Created in 1969, during the IV Brazilian Congress of Cooperatives and regulated by Law 5.764 /1971—which defines the National Cooperatives Policy—, the non-profit organization acts in the defense and promotion of Brazilian Cooperatives in the political and institutional spheres in Brazil and abroad. The institution is formed by 27 State Units, one in each unit of the federation, in addition to the national unit, based in Brasília, the federal capital.



Branches of Cooperatives - Brazil

Table1: Numbers of Cooperatives in Brazil (OCB, 2017). Prepared by the author.

Sectors	Cooperatives	Cooperative members	Employees
Agriculture and livestock	1,555	1,016,606	188,777
Consumption	147	2,990,020	14,056
Credit Unions	976	7,476,308	50,268
Educational	279	50,847	3,966
Special	8	315	9
Housing	293	114,567	886
Infrastructure	125	955,387	6,154
Mining	79	57.204	187
Production	257	12,494	3,458
Healthcare	813	225,191	96,230
Labor	895	193,773	1,580
Transportation	1,205	136,425	11,209
Tourism and Leisure	23	1,823	15
Grand total	6,655	13,230,960	376,795

Brazilian Mining Cooperatives

- For the purpose of this paper and due to the great potential to generate impact on the environment, the mineral sector will be approached as its object of study.
- Comprised of mining cooperatives encompassing all the riches extracted from the soil, mines and river beds “for the purpose of researching, extracting, small-scale mining, industrializing, marketing, importing and exporting mineral products, including mineral handicrafts” (OCB, 2016), the mineral sector, as defined by the Board of Directors of the Organization of Brazilian Cooperatives, currently has 79 registered and regular cooperatives and more than 57,000 cooperatives linked to them (OCB, 2017).



Brazilian Mining Cooperatives

- The mining sector in Brazil is very heterogeneous, ranging from alluvial mining to extraction with modern machinery and advanced research, covering all sectors of the economy, from primary–extraction of the raw material: mineral and mining research–to secondary–raw material processing, metallurgy, and iron and steel–to the tertiary sector–market and trade in products.
- Due to its capacity to generate social, economic and environmental impacts, the large and small-scale areas represent a complex problem for public management in Brazil, while being at the same time strategic for the country's development. For this reason, “the State will favor the organization of mining activity in cooperatives, taking into account the protection of the environment and the social-economic development of the miners” (BRAZIL, 1988, p.78).



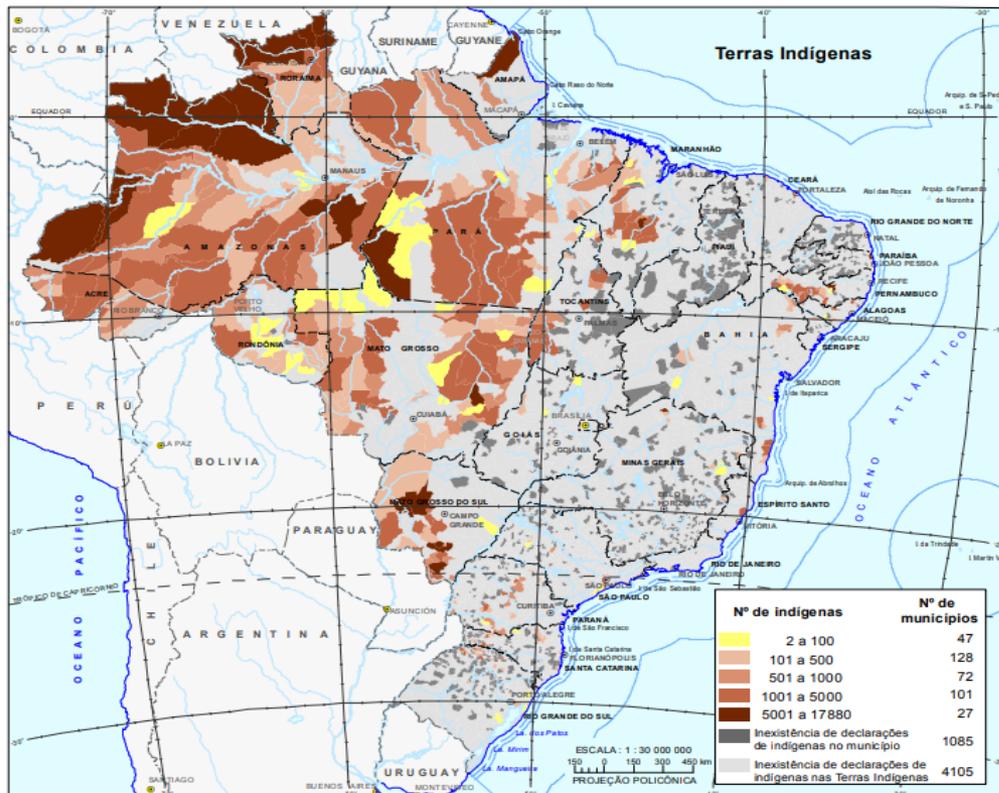
Environmental Legislation and Mining Cooperatives

- Mining cooperatives are extremely important for the development of small-scale mining in the country, yet they encounter numerous difficulties. In addition to the regularization and the necessary licenses and studies, they still compete with the creation of protected areas—both conservation units and indigenous lands—which, for the most part, are incompatible with mining activity, including not being permitted.
- The impact of the creation of these areas is enormous, also because, depending on the way they are delimited, without previous studies or even analysis of the social context, it may end up being created where cooperatives are already in place and they were forced to end their activities because they are incompatible with the unit.



Protected Areas and Cooperatives

Most mining cooperatives in Brazil are concentrated in the northern part of the country (63%), in the Amazon region.



Concentration of Indigenous Lands in Brazil (IBGE, 2010).

Área de UC considerando sobreposições ¹	Amazônia	
	Área (Km ²)	%
Proteção Integral (PI)	413.085	9,84%
Uso Sustentável (US)	751.418	17,89%
Sobreposição PI e US	14.310	0,34%
Total de UC no bioma	1.178.814	28,07%

Area occupied by Conservation Units in the Amazon (MMA, 2018).

New Forest Code

- Another important point is the fact that, because of their location, mining areas are often considered rural properties, which forces them to have legal reserves within them, in addition to being subject to other limitations imposed by Law 12.651/2012—the New Forest Code, as it is now known.
- According to current legislation, all rural properties must maintain an area with native vegetation, as a Legal Reserve which, according to Article 12 of said law, must preserve from 20% until 80%, depending on the location of the property (cerrado area, forest, others)
- In addition to the reserve, the properties must also respect the Permanent Preservation Areas—PPA.
- These factors not only limit the use of property, but also make it difficult for cooperatives to operate and exist, because with so many legal obstacles and excessive costs, the economic and even social development of the cooperatives associated with them is not viable.



Social Responsibility

- is understood as the commitment of an organization to the impacts generated by its decisions and activities in society and the environment through ethical and transparent behavior that:
- Contributes to sustainable development, including the health and well-being of society;
- Takes into account the expectations of stakeholders;
- Is in compliance with applicable law and consistent with international standards of behavior; and
- Is embodied throughout the organization and practiced in their relationships (ABNT, 2010, p.1).



Advantages of Cooperatives

- Cooperatives, in virtue of their own doctrine, have in their principles the Concern for the Community, which implies the concern with the local development, in the social and environmental scope, social responsibility being intrinsic to it. They are made up of people who have come together to “meet common economic, social, and cultural needs through a democratically managed collective ownership society with mutual help to carry out a series of services that meet the needs of all” (BRAZIL, 2008a, p.21).
- Because of their differential, cooperatives are strategic for the social development of their communities. Social responsibility, inherent in the cooperative movement, is only one way to demonstrate this.



Good Practices

- A good example of such practices is the case of the Coogavepe cooperative. Founded in 2008, this mining cooperative with almost 5,000 cooperates operates in gold mining in the state of Mato Grosso. From the outset they were concerned about the environment, always being careful to level the excavated soil or to reuse it, transforming it into fish ponds. They also created the Green City program, where they maintain a native tree nursery in order to reforest the mining areas, reaching 60% of the total nurseries in six municipalities of the state¹¹ (OCB, 2016).



Final Considerations

- Brazilian legislation is very complex, having numerous regulations and laws aimed at protecting the environment. This paper sought to address those that have the greatest impact on the mineral activity of cooperatives, emphasizing those that deal with the impacts generated and that establish the limitations of protected areas—conservation units, indigenous lands, permanent protection areas and legal reserves. The intent was to present the numerous barriers faced and show alternative ways of breaking the taboo that surrounds small-scale mining in the country, especially when taking into account the cooperative advantages, its values and principles, especially its 7th principle: concern for the community.
- Social responsibility applied to cooperatives has great transformative potential. Its principles and values applied in favor of the community would be a great advantage when compared to the objectives of a common enterprise that aims only at profit. This factor could also be decisive for the creation of policies aimed at the development of small-scale mining, reducing the bureaucracy and limitations imposed.



Thank You!

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