

## **MINIMUM CRITERIA FOR INDUSTRIAL SCALE CATTLE OPERATIONS IN THE BRAZILIAN AMAZON BIOME<sup>1</sup>**

*The following criteria apply to all agribusiness companies operating within the Brazilian Amazon biome, hereafter referred to as COMPANIES, and for all and any property which supplies COMPANIES with cattle, including beef, leather and other cattle by-products. These criteria must be met as pre-conditions to any purchase or commercial contract and in all relevant operations of the COMPANIES, their affiliates and subsidiaries. The criteria shall not be used to justify future deforestation of any kind in any other region.*

### **1. ZERO DEFORESTATION IN THE SUPPLY CHAIN:**

*No new deforestation for cattle ranching will be accepted after 4 October 2009\*.*

- a) Within a period of six months after the signing of the commitment to adopt these criteria, COMPANIES commit to proving, in a manner that can be monitored, verified and reported, that no rural property which directly supplies cattle for slaughtering (fattening farms) and is engaged in deforestation in the Amazon biome after the reference date of this agreement, is on its supplier list.
- b) Within a period of two years after the signing of the commitment to adopt these criteria, COMPANIES commit to proving, in a manner that can be monitored, verified and reportable, that none of their indirect suppliers (such as rearing and nursery farms involved in the COMPANIES' supply chain) engaged in deforestation of the Amazon biome after the reference date of this agreement, is on the supplier list.
- c) Within a period of six months, the COMPANY will reassess, together with Greenpeace and other stakeholders, the deadlines related to indirect suppliers quoted on item 1.b.
- d) Rural properties in the Amazon biome where deforestation is proven to be taking place after the reference date of this agreement will be excluded from the COMPANY's list of suppliers and will only be accepted again after they have proved environmental damages have been repaired,

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\*Marfrig's commitment came into force on 22 June 2009, Bertin on 14 August 2009, JBS-Friboi on 23 September 2009, Minerva on 4 October 2009.

<sup>1</sup> The limits of Brazilian biomes are defined by IBGE (the Brazilian Institute of Geography and Statistics). IBGE's map is available at:  
[ftp://geofp.ibge.gov.br/mapas/tematicos/mapas\\_murais/biomas.pdf](ftp://geofp.ibge.gov.br/mapas/tematicos/mapas_murais/biomas.pdf).

have signed the Terms of Adjustment of Conduct (TAC), any applicable fines have been paid and can provide evidence of complying with current environmental legislation into force, including complying with the one related to land tenure.

## **2. REJECTION OF INVASION OF INDIGENOUS LANDS AND PROTECTED AREAS:**

*COMPANIES and their products must be free from involvement in the invasion of indigenous lands and protected areas under federal, State or municipal law.*

- a) Farms accused by the Public Prosecution Office (MPF) or FUNAI (the National Agency dealing with Indigenous Issues) of invading Indigenous lands; which are included in the list of properties embargoed by IBAMA (the Brazilian Environmental Agency); or which have been fined by State or Federal authorities for invading protected areas, will be removed from the COMPANIES' list of suppliers, at the moment in which the COMPANY becomes well aware of the facts. Those farms will only be accepted again after they have proved environmental damages have been repaired, have signed a Terms of Adjustment of Conduct (TAC), any applicable fines have been paid and can provide evidence of complying with current legislation established by the Ministry of Labour (MTE), the Public Prosecution Office (MPF), FUNAI, IBAMA, and others.

## **3. REJECTION OF SLAVERY WORK:**

*COMPANIES must sign and comply strictly with the National Pact against Slave Labour.*

- a) Farms engaged in slavery will be excluded from the COMPANIES' list of suppliers, at the moment in which the COMPANY becomes aware of the facts, for a two-year period and will only be accepted again after providing evidence of complying with current legislation established by the Ministry of Labour (MTE) and by the Public Prosecution Office (MPF).

## **4. REJECTION OF LAND GRABBING AND LAND CONFLICTS:**

- a) The COMPANY will remove from its list of suppliers (direct and indirect), at the moment in which the COMPANY becomes aware of the facts, those producers accused of land grabbing by the Public Prosecution Office (MPF) or by the relevant land authorities of Federal or State Governments, or those convicted of involvement in land conflicts based on the accusations of the Public Prosecution. Those farms will only be accepted again after they have signed the Terms of Adjustment of Conduct (TAC) or if the accusation has been dropped.

## **5. A MONITORABLE, VERIFIABLE AND REPORTABLE TRACKING SYSTEM:**

*Cattle and by-products shall only be supplied by farms or groups who have formally committed to adopting a trustworthy tracking system which, apart from*

*meeting current demands – such as those established by the SISBOV system currently in place, also includes clear environmental criteria aimed at putting an end to deforestation.*

- a) Within the periods established in item 1.a) and 1.b) of this agreement, COMPANIES must obtain from their direct and indirect suppliers geographically-referenced polygons of rural properties taken with GPS equipments at an adequate scale, with clear definition of their limits and areas of use and non-use, together with recent satellite imagery of the farm's area.
- b) COMPANIES will have to confirm that direct and indirect suppliers have their rural properties registered within six months and/or be in possession of the corresponding environmental permit in 24 months, which must be issued by State or Federal government, as long as there is no impediment of doing so due to the actions of third parties.
- c) Within a period which must not exceed five years, COMPANIES will only accept as suppliers those rural producers who are able to prove they are in possession of legal land titles. All properties must present satellite imagery and geographically-referenced polygons taken with GPS equipments, showing the areas of use, legal reserve (RL) and protected areas.
- d) COMPANIES must prove, in a way that can be monitored, verified and reported, the origin of all cattle products and by-products by means of reliable and internationally accepted tracking systems. They must also be able to prove that deforestation, slavery, invasion of indigenous lands and protected areas are not part of their supply chain.
- e) COMPANIES must prove they have complied with the commitments in this document through an independent, respectable and internationally accepted auditing system.

#### **6. IMPLEMENTATION OF THE SUPPLY CHAIN COMMITMENTS:**

*COMPANIES must inform their suppliers of all above requirements and must make clear that those which are not in accordance with these criteria will not be accepted as suppliers. A commission shall be constituted for monitoring and following-up the protocol hereafter signed with the aim of analyzing, studying and correcting the path of the sector towards the goal of zero deforestation. With these aims, the commission will meet every month with representatives of the cattle sector, NGOs, clients, financial system and government.*