



MIGHTY EARTH



RAPID RESPONSE

Soy & Cattle Report

Report 17

September 2020



Prepared with

aidenvironment
Waxman

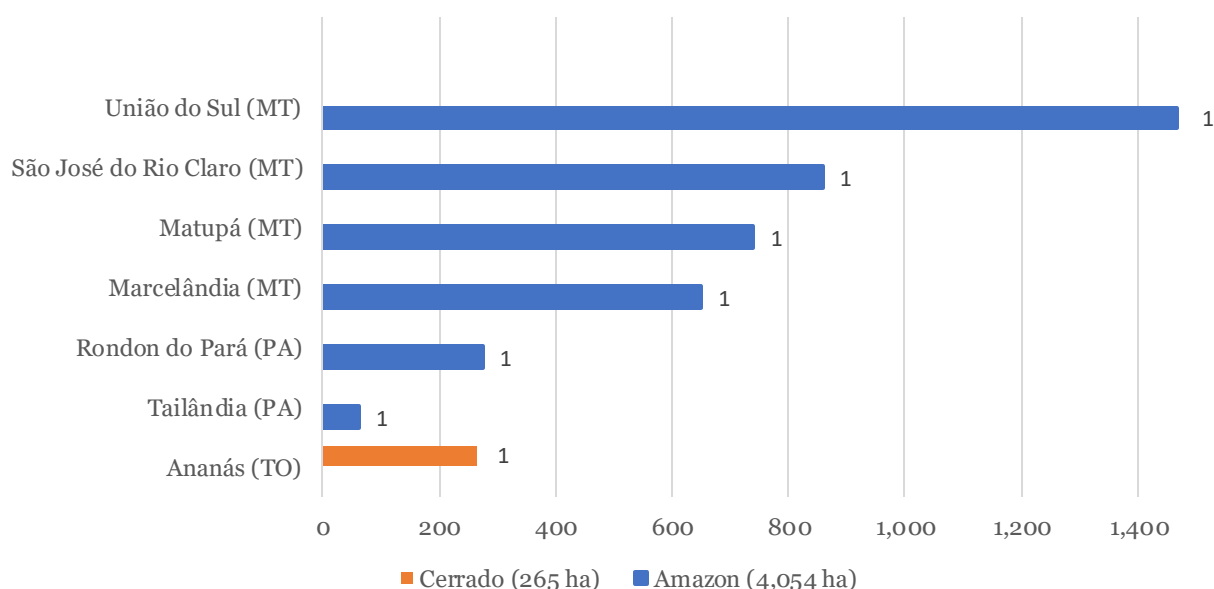
Executive Summary

The seven deforestation cases selected for this Rapid Response report highlight the clearing of native vegetation linked to the cattle supply chain, particularly to the Brazilian meatpacker JBS. All but one case are linked to JBS either directly or indirectly. These findings align with a recent report from Chain Reaction Research on JBS, estimating that JBS's total deforestation footprint may be as high as 200,000 ha in its direct supply chain and 1.5 million ha in its indirect supply chain (1).

One case is located in the Cerrado biome in Tocantins state and in six are located in municipalities in the Amazon biome (in Mato Grosso and Pará state.) The cases cover a total clearance of 4,319 ha of native vegetation (4,054 ha in the Amazon biome and 265 ha in the Cerrado biome.)

The seven cases of native vegetation clearance presented in this report were selected through the analysis of deforestation alerts data from DETER (Brazil's System for Monitoring Deforestation in Real Time) and PRODES (Brazil's Program for Deforestation Calculations) observed between May 24, 2020 and July 21, 2020. Native vegetation clearance alerts considered in this report were visually confirmed.

Cases and clearance (ha) per municipality



(1) <https://chainreactionresearch.com/report/jbs-outsized-deforestation-in-supply-chain-covid-19-pose-fundamental-business-risks/>

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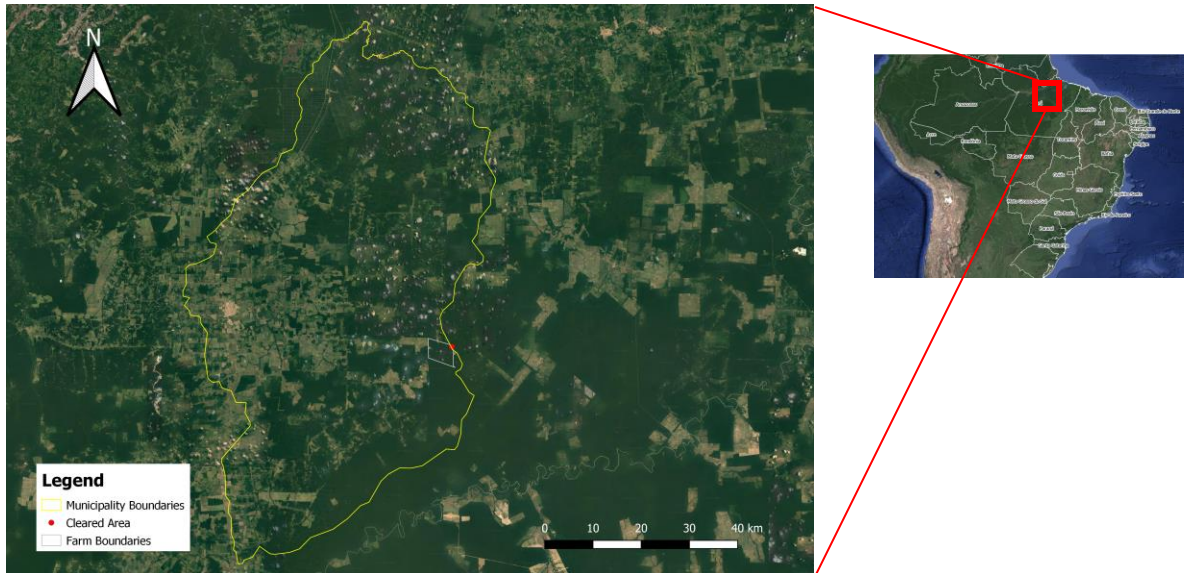
Amazon biome

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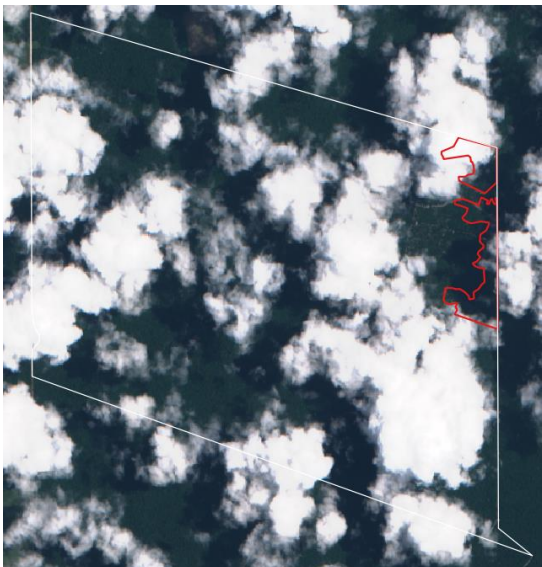
Property Location



Yellow border – boundary of Tailândia (Pará) / White border – boundary of Fazenda Arizona I / Red dot – location of cleared area

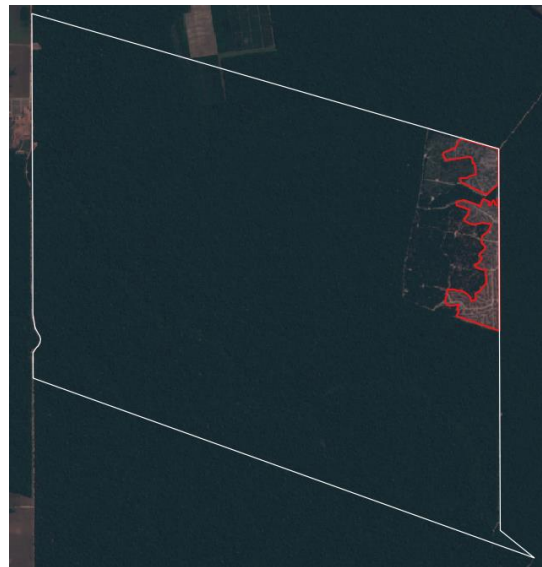
Alert Imagery (before and after clearance)

26 March 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

08 August 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

General Information			
Property; Registry; CAR	Fazenda Arizona I		9999890149073
	CAR	PA-1507953-DF86D5E9129D4068BB5558A3028E35D8	
Size (ha); Coordinates	2,207	-48.55564, -3.01416	
Land Clearance			
Period of clearing	26th March 2020-8th August 2020		
Size (ha); Coordinates	63	-48.53700, -3.01031	
Inside Forest Code protected areas	Yes	46 ha inside declared Legal Reserve	
Type of vegetation	Ombrophilous Dense Forest		
Legal Status			
Embargoes	No	-	
Environmental fines	Yes	1 fine for illegal clearing of native vegetation in 2000	BRL 72,000
Natural Reserves	No	-	
Indigenous Lands	No	-	
Priority for biodiversity conservation	Very High		
Ownership			
Company group	Jopam Madeiras		
Other linked properties	5 other properties, totaling 15,804 ha. In Tomé-Açu (PA): Fazenda Arizona II (2,178 ha), Fazenda Arizona III (2,318 ha), Fazenda Califórnia (1,387 ha), Fazenda Juariz (5,562 ha). In Tailândia (PA): Unnamed property (4,359 ha)		
Supply Chain			
Main commodity	Beef and Timber		
Confirmed supply chain link, level of certainty, and trader	Yes	Medium	JBS, Mercúrio
Soy	Main exporters (municipality)	Domestic consumption (100%)	
	Warehouses within 50 km radius	1 warehouse owned by Cooperativa Dos Agricultores da Regiao de Tailandia	
	Supply chain details	-	
Beef	Main exporters (municipality)	Mercúrio (65%), JBS (2%)	
	Slaughterhouses sourcing from municipality	14 different meat processors sourced from Tomé-Açu in 2019 e.g.: 1 owned by Mercúrio (Castanhal - PA)	
	Supply chain details	Fazenda Arizona I indirectly supplied cattle to one slaughterhouse owned by Mercúrio (Castanhal - PA) in 2019 through Fazenda Viçosa e Viçosa II (Paragominas - PA), Fazenda Joaima (Paragominas - PA), Fazenda Rio das Pedras (Mãe do Rio - PA), Fazenda Santa Fé (Santa Luzia do Pará - PA) and Fazenda Boa Vista (Floresta do Araguaia - PA). It also indirectly supplied one slaughterhouse owned by JBS (Marabá - PA) and one other slaughterhouse owned by Mercúrio (Castanhal - PA) in 2019 through Fazenda Nazaré and Fazenda Santo Onofre (Moju - PA)	
Other supply chain details	Timber company Jopam Madeiras is located inside Fazenda Arizona I		

This case likely represents legal deforestation as there is government authorization for the deforestation of 187 ha in the northeast border of Fazenda Arizona I in Tomé-Açu, Pará. The authorization is valid until October 2020 (1). Nevertheless, the farm has faced other accusations of illegal deforestation. Fazenda Arizona I is partly owned (50%) by Jaldecy Pancieri, who ran for vice-mayor in the Tomé-Açu district elections (2) and is linked to several environmental violations. In 2012, a federal prosecutor requested the cancellation of a land title associated with Jaldecy and Juracy Pancieri and a plan for forest management in Fazenda Arizona (3). In 2019, a federal court convicted both to pay an BRL 2,470,973 for the illegal deforestation of 1,882 ha on the farm (4). Moreover, there has been a land conflict over the ownership of an unnamed property in Tomé-Açu between Juracy Pancieri and a group who allegedly invaded the land (5). In 2013, Jaldecy, then president of a Timber Producers' Association in Pará (Simava), led demonstrations against Ibama when the environmental agency denounced 182 timber companies for illegal development in the Amazon (6). Jaldecy is the owner of Jopam Madeiras, a timber company based in the same location as Fazenda Arizona I (7). The property under alert also has indirect cattle links to JBS and Mercurio.

(1) Autorização para supressão vegetal.pdf, retrieved from <https://www.semas.pa.gov.br>

(2) <http://divulgacandcontas.tse.jus.br/divulga/#/candidato/2008/14422/05592/10143/bens>

(3) <https://trf1.jusbrasil.com.br/jurisprudencia/24813303/conflicto-de-competencia-cc-55340320134010000-pa-0005534-0320134010000-trf1/inteiro-teor-112365331?ref=juris-tabs>

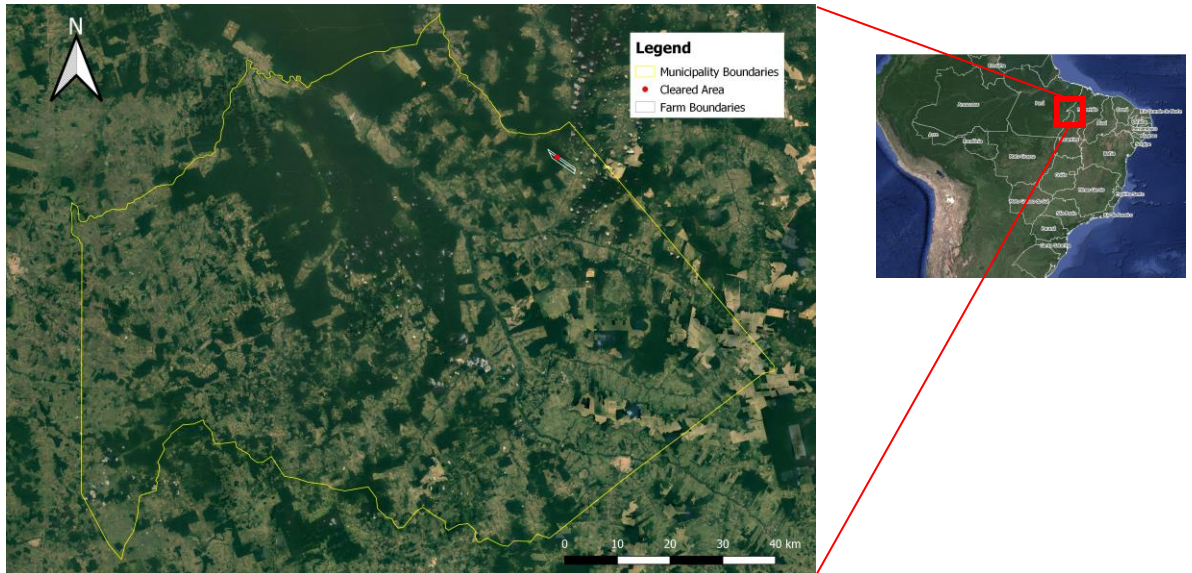
(4) <https://processual.trf1.jus.br/consultaProcessual/processo.php?proc=200539000084282&secao=3900>

(5) <https://www.jusbrasil.com.br/diarios/20153100/pg-517-diario-de-justica-do-estado-do-para-djpa-de-29-09-2010>

(6) <https://politica.estadao.com.br/noticias/geral/madeireiros-contestam-dados-de-sonexao-apontados-pelo-ibama,20031129p36619>

(7) <https://casadosdados.com.br/solucao/cnpj/jopam-madeiras-ltda-05726302000165>

Property Location



Yellow border – boundary of Rondon do Pará (Pará) / White border – boundary of Fazenda Santa Edwrigens/ Fazenda Rafael / Red dot – location of cleared area

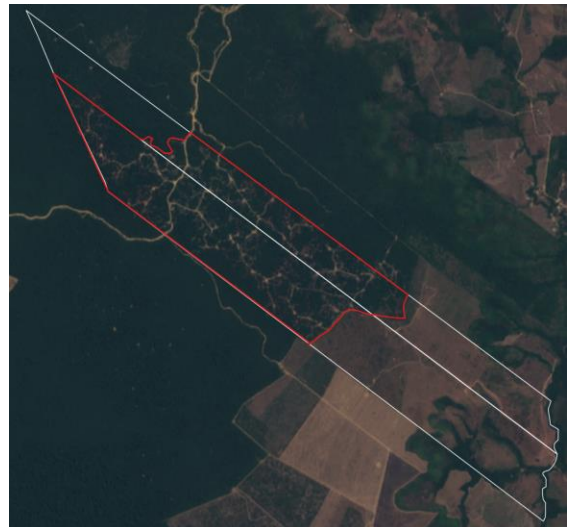
Alert Imagery (before and after clearance)

07 December 2019



Source: European Union, contains modified Copernicus Sentinel data 2 020, processed with EO Browser

29 July 2020



Source: European Union, contains modified Copernicus Sentinel data 2 020, processed with EO Browser

General Information			
Property; Registry; CAR	Fazenda Santa Edwrigens / Fazenda Rafael		196964479
	CAR	PA-1506187-27D89F34759F4D728795D7546B8FBF25	
Size (ha); Coordinates	542	-48.17622, -4.26950	
Land Clearance			
Period of clearing	7 th December 2019-29th July 2020		
Size (ha); Coordinates	275	-48,18389, -4.26235	
Inside Forest Code protected areas	No	-	-
Type of vegetation	Ombrophilous Dense Forest		
Legal Status			
Embargoes	No	-	-
Environmental fines	No	-	-
Natural Reserves	No	-	-
Indigenous Lands	No	-	-
Priority for biodiversity conservation	Extremely high		
Ownership			
Company group	Agropecuária Bom Sossego		
Other linked properties	6 other properties, totaling at least 1,302 ha. All in Rondon do Pará (PA): Fazenda Talita (299 ha); Fazenda Monte Cristo (176 ha); Fazenda Rafael (327 ha); Fazenda Santa Edwrigens (205 ha); Fazenda Norte Sul (195 ha) and Fazenda Boa Vista (unknown size)		
Supply Chain			
Main commodity	Beef		
Confirmed supply chain link, level of certainty, and trader	Yes	Medium	JBS, Mercúrio
Soy	Main exporters (municipality)	Domestic consumption (100%)	
	Warehouses within 50 km radius	1 warehouse owned by Santo Antonio da Barra (20,680 MT)	
	Supply chain details	-	
Beef	Main exporters (municipality)	Mercúrio (40%), JBS (16%), Masterboi (3%)	
	Slaughterhouses sourcing from municipality	28 different meat processors sourced from Rondon do Pará in 2019, e.g. one owned by JBS (Marabá- PA), one owned by Mercúrio (Castanhal - PA), and one owned by Masterboi (Sao Geraldo do Araguaia - PA)	
	Supply chain details	A linked property, Fazenda Norte Sul in Rondon do Pará - PA indirectly supplied one slaughterhouse owned by JBS (Rendenção - PA) and one slaughterhouse owned by Mercúrio (Castanhal - PA) through Fazenda Matolândia (São Domingos do Capim - PA) and Chácara Uberaba (Santana do Araguaia - PA)	
Other supply chain details	-		

The owner of the farm under alert, Deodalto José Ferreira, is a politician and doctor. Since 2018, he has been the State Deputy of Rio de Janeiro (1). In 2016, he also ran for mayor in Belford Roxo (RJ) (2). Deodalto declared ownership of six rural properties in Rondon do Pará in the Deputy's election process. Between 2014 and 2018, he doubled his property value, from BRL 241,757 in 2014 to BRL 527,080 in 2018 (3, 4). Deodalto also appears in a federal investigation that identifies deputies of the Rio de Janeiro assembly who are suspected of taking part in a corruption scheme "Rachadinha." In this scheme, staff from Deodalto's Deputy office were allegedly obligated to give part of their wages back to him. His wife is also suspected of taking part in the scheme that collected around BRL 16 million. The same investigation names Flavio Bolsonaro, the son of the current Brazilian President Jair Bolsonaro (5). The Electoral Prosecutor's Office filed a lawsuit against Deodalto for an alleged illegal political campaign in the 2014 elections (6). Deodalto's brother and co-owner of the hospital Belford Roxo, Flávio Campos Ferreira, was elected mayor of Paracambi (RJ) in 2004. He served for only five months before he was prosecuted for bribing voters in exchange for sterilization surgeries in the hospital (7). In 2017, he was nominated as the Secretary of Government of Paracambi (8). Deodalto José Ferreira owns 50 percent of Agropecuária Bom Sossego, a cattle raising company based in Nova Monte Verde (MT) that was closed in 2018 for failing to disclose their financial statements to the tax authorities (9).

(1) <http://www.alerj.rj.gov.br/Deputados/PerfilDeputado/380?AspxAutoDetectCookieSupport=1>

(2) <https://extra.globo.com/noticias/rio/doutor-deodalto-quer-priorizar-saude-educacao-se-for-eleito-prefeito-de-belford-roxo-20154858.html>

(3) <http://divulgacandcontas.tse.jus.br/divulga/#/candidato/2014/680/RJ/190000002136/bens>

(4) <http://divulgacandcontas.tse.jus.br/divulga/#/candidato/2018/2022802018/RJ/190000609011/bens>

(5) <https://g1.globo.com/rj/rio-de-janeiro/noticia/2018/12/21/saques-em-dinheiro-de-pessoas-ligadas-a-alerj-chegaram-a-r-7-milhoes-em-2016.ghtml>

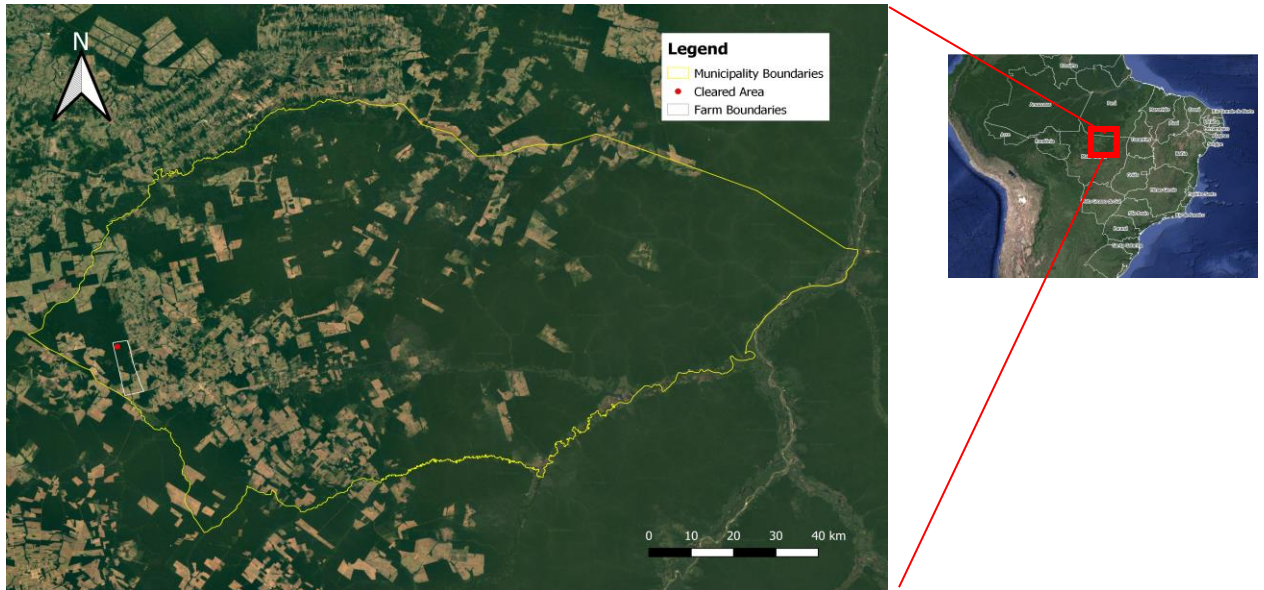
(6) <https://www.jusbrasil.com.br/diarios/93265251/tse-05-06-2015-pg-100?ref=serp>

(7) <https://pgr.jusbrasil.com.br/noticias/143481022/pre-rj-flavio-campos-e-deodalto-ferreira-sao-denunciados-por-captacao-ilicita-de-sufragio>

(8) <https://g1.globo.com/rj/rio-de-janeiro/noticia/2019/02/01/deputado-que-toma-posse-no-rj-foi-socio-de-clinica-condenada-por-erro-medico.ghtml>

(9) <http://cnpj.info/Agropecuaria-Bom-Sossego-Ltda-Nova-Monte-Verde-MT>

Property Location



Yellow border – boundary of Marcelândia (Mato Grosso) / White border – boundary of Fazenda Morena / Red dot – location of cleared area

Alert Imagery (before and after clearance)

26 February 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

05 July 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser



Source: MapBiom as with Planet imagery

3. Fazenda Morena Marcelândia (Mato Grosso)

General Information			
Property; Registry; CAR	Fazenda Morena		9020981255120
	CAR	MT-5105580-344117F8707A442090FoE8C7F1C6334E	
Size (ha); Coordinates	5,236	-54.67999, -11.04530	
Land Clearance			
Period of clearing	26th February 2020-5th July 2020		
Size (ha); Coordinates	650	-54.69818, -11.00336	
Inside Forest Code protected areas	Yes	650 ha inside declared Legal Reserve and APP	
Type of vegetation	Ombrophilous Forest transition		
Legal Status			
Embargoes	No	-	
Environmental fines	No	-	-
Natural Reserves	No	-	
Indigenous Lands	No	-	
Priority for biodiversity conservation	No		
Ownership			
Company group	Velobras/Fertimodal (registered in Paraná), Morro Alto Investimentos, Transportadora Los Angeles (both registered in Ponta Grossa - PR)		
Other linked properties	3 other properties, totaling 14,030 ha. In Cotriguaçu (MT): Fazenda Stringhetta (1,040 ha). In Marcelândia (MT): Fazenda Morro Alto (2,990 ha). In Colider (MT): Fazenda Ranchão (10,000 ha)		
Supply Chain			
Main commodity	Beef and Timber		
Confirmed supply chain link, level of certainty, and trader	Yes	High	JBS, Vale Grande
Soy	Main exporters (municipality)	COFCO (100%)	
	Warehouses within 50 km radius	3 warehouses, e.g. 1 owned by COFCO (84,450 MT)	
	Supply chain details	Fazenda Ranchão in Colider-MT (similar ownership) supplied soy to COFCO in 2019 and soy to Bunge and Cargill in 2018	
Beef	Main exporters (municipality)	JBS (77%), Marfrig (6%), Vale Grande (4%)	
	Slaughterhouses sourcing from municipality	6 different meat processors sourced from Marcelândia in 2019, e.g. one owned by JBS (Colider - MT), one owned by Marfrig (Tangarada Serra - MT), and one owned by Vale Grande (Matupá - MT)	
	Supply chain details	The property is registered for cattle production. Fazenda Morena directly supplied two slaughterhouses owned by JBS (Colider and Alta Floresta) and one slaughterhouse owned by Vale Grande (Matupá) in 2018/2019	
Other supply chain details	The property is registered for logging. Fazenda Morena supplied timber to the following sawmills in July and August 2020: Denis Castro Brites Eireli - Epp, V. S. Indústria E Comércio De Madeiras Ltda, Pérola Indústria, Comércio E Exportação De Madeiras Ltda, Alves De Souza E Lima Ltda - Epp, Madeireira Guaraciaba Ltda Epp, Feroswalza Indústria E Comércio Ltda Epp, Porta Da Frente Indústria De Artefatos De Madeiras Eireli, Guarnieri Industrial Madeireira Eireli-Me, Bruno F Frigeri - Me, and Laminados Mato Grosso Ltda		

Fazenda Morena cleared 650 ha in a Legal Reserve and APP area between 26th February 2020 and 5th July 2020 and is registered for cattle and timber production. In 2018/2019, the farm directly supplied two slaughterhouses owned by JBS (Colider and Alta Floresta) and one slaughterhouse owned by Vale Grande (Matupa.) Moreover, in July and August 2020, the farm supplied timber to numerous sawmills, including Laminados Mato Grosso Ltda (1). This latter company supplied Compewit Compensados and Schlindwein in 2020. In 2019, Compewit exported timber to US companies like Richmond International Forest Products and Northwest Hardwoods Inc. Schlindwein is the largest door manufacturer and its products can be found in leading retail chains like Magazine Luiza (2). Moreover, the owners of the farm under alert own another property, Fazenda Ranchão in Colider-MT, that supplied soy to COFCO in 2019 and soy to Bunge and Cargill in 2018 (3). One of the owners of Fazenda Morena was the co-founder of Macrofertil, a fertilizer distributor based in Ponta Grossa, Paraná (4). In 2011, the company was acquired by Louis Dreyfus Commodities (LDC), leading the French multinational to jump from 3 to nearly 10 percent of market share in fertilizer distribution in Brazil (5). Furthermore, the owners of the farm under alert are partners in several companies, such as a logistics company called Velobras/Fertimodal based in Paraná (6) (7).

(1) Invoices from undisclosed source

(2) <https://www.magazineluiza.com.br/marcas/Schlindwein/>

(3) Invoices from undisclosed source

(4) <https://www.gazetadopovo.com.br/economia/setor-comemora-data-com-eventos-em-todo-o-estado-a-hnzoj7q8hy3ip4m1g431v426/>

(5) <https://www.gazetadopovo.com.br/economia/ldc-compra-macrofertil-e-passa-a-fabricar-fertilizantes-56s2yc6waexio63h94rezlu6/>

(6) <https://cnpj.rockscnpj/08603423000108/morro-alto-investimentos-ltda.html>

(7) <http://velobras.com.br/>

Property Location



Yellow border – boundary of Matupá (Mato Grosso) / White border – boundary of Fazenda Chapadão / Red dot – location of cleared area

Alert Imagery (before and after clearance)

08 April 2020

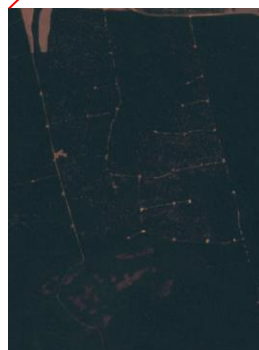


Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

14 August 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser



Source: MapBiomias with Planet imagery

4. Fazenda Chapadão Matupá (Mato Grosso)

General Information			
Property; Registry; CAR	Fazenda Chapadão		9260940342079
	CAR	MT-5105606-CFC3E916337C42DBA02204043115666D	
Size (ha); Coordinates	5,525	-54.04951, -9.76341	
Land Clearance			
Period of clearing	8th April 2020-14th August 2020		
Size (ha); Coordinates	740	-54.06200, -9.80003	
Inside Forest Code protected areas	Yes	740 ha inside declared Legal Reserve and APP	
Type of vegetation	Ombrophilous Open Forest		
Legal Status			
Embargoes	No	-	
Environmental fines	Yes (other links)	1 fine in a linked property in Guarantã do Norte - MT for illegal clearing of native vegetation in 2002	BRL 113,250
Natural Reserves	No	-	
Indigenous Lands	Yes	Next to TI Paraná	
Priority for biodiversity conservation	No		
Ownership			
Company group	Guimarães Agrícola, Boa Esperança Agropecuária (registered in 23 different cities, under bankruptcy), Bom Jesus Agropecuária (under bankruptcy) / Grupo Bom Jesus		
Other linked properties	Grupo Bom Jesus and Guimarães Agrícola own at least 330,000 ha in Mato Grosso and Bahia. Linked owners' family members own 9 other properties, totaling at least 5,430 ha. In Matupá (MT): Fazenda Sorriso (unknown size). In Sorriso (MT): Fazenda Pirapó (unknown size), Fazenda Santa Luzia (unknown size). In Lucas do Rio Verde (MT): Fazenda Guimarães (480 ha), Fazenda Cedro I, II, III, IV (3,810 ha). In Peixoto de Azevedo (MT): Fazenda Santa Margarida (unknown size). In Tapurah (MT): Fazenda Divina Dourada (530 ha). In Nova Ubiratã (MT): Fazenda JPI (260 ha). In Poxoréu (MT): Fazenda Santa Cruz (350 ha).		
Supply Chain			
Main commodity	Beef and Soy		
Confirmed supply chain link, level of certainty, and trader	Yes	High	JBS, Minerva, Marfrig
Soy	Main exporters (municipality)	Cargill (64%), Amaggi (36%)	
	Warehouses within 50 km radius	-	
	Supply chain details	Fazenda Chapadão directly supplied soy to Bunge, Amaggi, and Cargill in 2019	
Beef	Main exporters (municipality)	Marfrig (43%), JBS (21%), Vale Grande (16%), Minerva (4%)	
	Slaughterhouses sourcing from municipality	4 different meat processors sourced from Matupá in 2019, e.g. two owned by JBS (Colider - MT, Diamantino - MT), two owned by Vale Grande (Matupá - MT, Nova Canaã do Norte - MT)	
	Supply chain details	The property is registered for cattle production. Fazenda Chapadão indirectly supplied, through two farms under similar ownership: Fazenda Sorriso (Matupá - MT) and Fazenda Pirapó (Sorriso - MT), cattle to two slaughterhouses owned by JBS (Diamantino, Barra do Garças), one slaughterhouse owned by Minerva (Várzea Grande), and two slaughterhouses owned by Marfrig (Tangará da Serra, Paranatinga), in 2018/2019	
Other supply chain details	Fazenda Chapadão is also registered for crop production (soy, rice, and corn). The farm supplied timber to the following sawmills in 2020: Léo Madeiras Eireli - Me, Indústria E Comércio De Madeiras Madelotto Eireli, Fenikys Madeiras Eireli, Suprema Esquadrias De Madeira Ltda - Epp, and Serraria E Comércio B- 3 Ltda		

Fazenda Chapadão is involved in crop, timber, and cattle production. The farm indirectly supplied cattle to JBS, Minerva, and Marfrig in 2018/2019, transferring the cattle through two farms under similar ownership. Moreover, it directly supplied soy to Bunge, Amaggi, and Cargill in 2019, and timber to several sawmills in 2020 (1). One of them, Léo Madeiras Eireli, supplied timber waste to FS Bioenergia's ethanol plant in Sorriso (MT). This company is a joint venture between the Summit Agricultural Group (USA) and Tapajós Participações (Brazil), the first Brazilian ethanol producer using corn instead of sugarcane (2). Fazenda Chapadão has a valid permit for timber extraction until April 2021 (3). The owner of the farm under alert owns agribusiness company Boa Esperança Agropecuária, which is part of Grupo Bom Jesus. The company went bankrupt from 2016 to 2019, after accumulating debts of BRL 2.6 billion. Grupo Bom Jesus own 240,000 ha in Mato Grosso and Bahia (4, 5). They also own Guimarães Agrícola, the official distributor of Massey Ferguson agricultural machinery in Mato Grosso (6). This group owns 12 properties, totaling 89,000 ha (7, 8). There are several lawsuits filed by different banks (Itaú, Banco do Brasil, Santander) against the owner of Fazenda Chapadão, due to credit-related issues (9, 10, 11). In addition, there is a lawsuit with Noble Brasil, part of COFCO International Brasil, linked to credit-related issues as well (12). He was the founder of Cooperativa Agroindustrial do Centro Oeste (COABRA) and secretary of the Association of Producers of Cotton (AMPA) (13).

(1) Invoices from undisclosed source

(2) <https://www.reuters.com/article/us-brazil-ethanol-corn/brazil-u-s-venture-to-build-second-corn-ethanol-plant-in-mato-grosso-idUSKCN1G42NQ>

(3) Autorização Para Exploração Florestal, retrieved from <https://www.semas.pa.gov.br>

(4) <https://www.folhamax.com/economia/com-faturamento-de-r-2-5-bilhoes-por-ano-grupo-em-mt-pede-recuperacao/86042>

(5) <https://valor.globo.com/agronegocios/noticia/2019/11/21/grupo-bom-jesus-sai-da-recuperacao-judicial.ghtml>

(6) <https://www.guimaraesagricola.com.br/empresa/#>

(7) <https://www.youtube.com/watch?v=T6xESp8gJk>

(8) <https://www.guimaraesagricola.com.br>

(9) https://www.jusbrasil.com.br/diarios/74099451/djmt-06-08-2014-pg-609?ref=previous_button

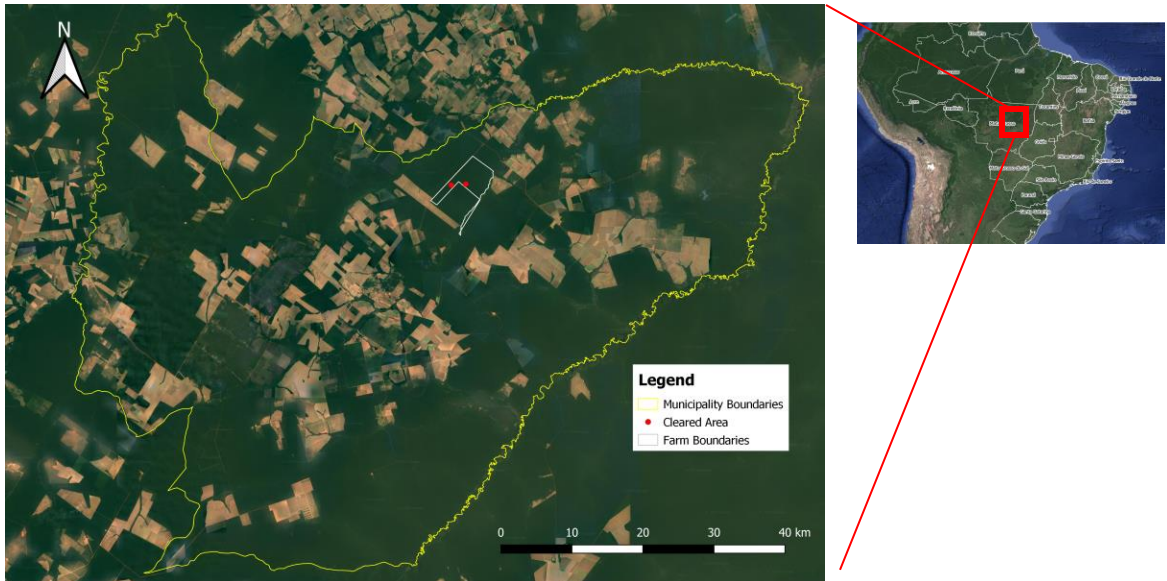
(10) <https://www.jusbrasil.com.br/diarios/41249587/djmt-08-10-2012-pg-303?ref=serp>

(11) https://www.jusbrasil.com.br/diarios/92469893/djmt-22-05-2015-pg-1224?ref=previous_button

(12) https://www.jusbrasil.com.br/diarios/55163832/djmt-05-06-2013-pg-93?ref=next_button

(13) https://www.camaralucasdorioverde.mt.gov.br/fotos_downloads/fotos_downloads/5490.pdf

Property Location



Yellow border – boundary of União do Sul (Mato Grosso) / White border – boundary of Fazenda Floresta Ramada I, II, III, IV and V / Red dot – location of cleared area

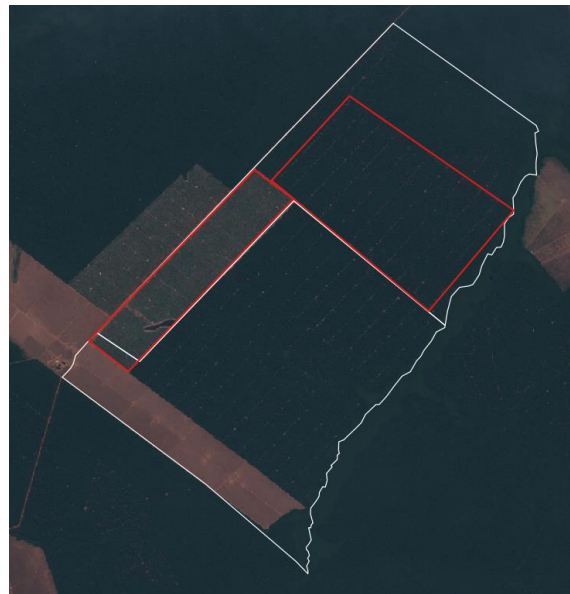
Alert Imagery (before and after clearance)

13 February 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

11 August 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

5. Fazenda Floresta Ramada I, II, III, IV and V União do Sul (Mato Grosso)

General Information			
Property; Registry; CAR	Fazenda Floresta Ramada I, II, III, IV and V (Fazenda Califórnia)		9501902680898 and 9501902679962
	CAR	MT-5108303-C36C91E277BE4D9BAF9063201166F52D	
Size (ha); Coordinates	11,320	-54.21910, -11.38947	
Land Clearance			
Period of clearing	13th February 2020-11th August 2020		
Size (ha); Coordinates	1,468	-54.24911, -11.40142	
Inside Forest Code protected areas	Yes	1,060 ha inside declared Legal Reserve and APP	
Type of vegetation	Ombrophilous Forest transition		
Legal Status			
Embargoes	No	-	
Environmental fines	No	-	
Natural Reserves	No	-	
Indigenous Lands	No	-	
Priority for biodiversity conservation	Extremely high		
Ownership			
Company group	Grupo Scheffer/ Bom Futuro, registered in Sapezal (MT)		
Other linked properties	21 other properties, totaling 33,310 ha. In Rondonópolis (MT): Fazenda Imbú (2,640 ha); Fazenda Santa Rosa (470 ha); Fazenda Imbaí (3,000 ha); Nova Esperança (330 ha); Fazenda Ouro Branco (2,590 ha); Fazenda Estrela Dalva (500 ha); Fazenda Nova Esperança I (1,200 ha). In Paranatinga: Caxuxá (1,230 ha); Fazenda Água Limpa (2,660 ha); Fazenda Rosabel (1,660 ha); Fazenda Paraíso (4,230 ha). In Novo Santo Antônio (MT): Fazenda Nova Kênia (3,000 ha). In Barreiras (BA): Fazenda 2001 (988 ha); Fazenda Salvador (929 ha); Fazenda Delta (684 ha); Fazenda JR (1,210 ha); Fazenda Caravelas (676 ha); Fazenda Santa Maria I e II (960 ha); Fazenda Santa Terezinha (670 ha); Fazenda Erva Doce (683 ha). In São Desidério (BA): Fazenda Campo Grande II (3,014 ha)		
Supply Chain			
Main commodity	Timber, Beef and Soy		
Confirmed supply chain link, level of certainty, and trader	Yes	High / Medium	Cargill / Vale Grande, JBS
Soy	Main exporters (municipality)	Domestic consumption (100%)	
	Warehouses within 50 km radius	9 warehouses, e.g. one owned by COFCO (84,450 MT)	
	Supply chain details	Fazenda Floresta Ramada directly supplied soy to Cargill in 2020. Fazenda Imbu, Fazenda Sol Nascente and Fazenda Planalto (all similar ownership) directly supplied soy to COFCO, ADM and Bunge in 2018 and 2019. Fazenda Água Limpa (similar ownership) supplied soy to Cargill in 2018 and 2019	
Beef	Main exporters (municipality)	JBS (76%), Marfrig (22%), others (2%)	
	Slaughterhouses sourcing from municipality	3 different beef processors sourced cattle from União do Sul in 2019, e.g. two owned by JBS (Colider-MT and Diamantino-MT)	
	Supply chain details	Fazenda Floresta (similar ownership) in União do Sul (MT) directly supplied a Vale Grande's slaughterhouse in Matupá (MT) in 2019, and indirectly a slaughterhouse owned by JBS, in Colider (MT), after cattle passed through two other farms in Marcelândia (MT) – one that directly supplied JBS	
Other supply chain details	Fazenda Floresta Ramada directly supplied soy to Cargill in 2020. Fazenda Imbu, Fazenda Sol Nascente, and Fazenda Planalto (all similar ownership) directly supplied soy to COFCO, ADM, and Bunge in 2018 and 2019. Fazenda Água Limpa (similar ownership) supplied soy to Cargill in 2018 and 2019		

In addition to the recent clearing of 1,468 ha on the farm under alert Fazenda Floresta Ramada I, II, III, IV and V, Rapid Response noted deforestation of 855 ha of native vegetation between 13 February and 28 April 2020 (1). In response to Rapid Response report #12, Cargill confirmed supplier relationships with this property. Fazenda Floresta Ramada I, II, III IV, V and VI have valid authorizations for timber extraction. All of them except Fazenda Floresta Ramada III also received 2020 permits for deforestation. The three owners of the farm and their relatives also own 9,814 ha in Western Bahia where they produce coffee (2). In 2012, one of the owners, was fined for labor infractions on a coffee farm in Bahia. Infractions included child labor and having workers without formal contracts housed in poor conditions and exposed to pesticides use (3). In 2019, the three owners were prosecuted by the Public Attorney of Mato Grosso (MPMT) for an environmental crime committed on Fazenda Floresta Ramada I, II and VI (4), and signed a Conduct Adjustment Term (TAC) in 2019 (5, 6). In 2016, one of the owners was prosecuted for “causing pollution in levels that resulted in damage to human health or provoked death of animals and destruction of flora.” A conditional suspension of the process was negotiated, and the case was archived in 2019 (7). One of the owners also co-owns the property Fazenda Nova Kênia, in Novo Santo Antônio (MT), together with Eraí Maggi Scheffer (8). Eraí is known as the “King of Soy” and has links to Grupo Scheffer/Bom Futuro and to his well-known cousin Blairo Borges Maggi (9). The listed company “Eraí Maggi Scheffer e Outros” is headquartered in Brazil and operates farms with soybean production (10). Since Senator Selma Arruda had her mandate revoked in April 2020, Eraí Maggi now supports Carlos Fávaro, former president of the Association of Soy Producers (Aprosoja), in his campaign to fill the vacant seat in the Senate in the December 2020 elections (11, 12). Eraí has also been allegedly seeking a relationship with President Jair Bolsonaro, who refused to meet with him due to criticisms of his cousin Blairo Maggi (13).

(1) http://www.mightyearth.org/wp-content/uploads/RR_Report_12_April_2020_Revised.pdf

(2) <http://www.seagri.ba.gov.br/noticias/2009/12/03/caf%C3%A9-os-melhores-do-cerrado-baiano-revelados-na-abertura-do-ix-encontro-da>

(3) www.mpf.mp.br/atualizacao-tematica/ccr2/publicacoes/boletins/documentos/boletins-2013/boletim-46/votos-na-integra/5001.pdf

(4) <https://mpmt.mp.br/transparencia/inclui/simpweb-det-view.php?action=consultar&protocolo=000694-097/2019>

(5) <https://www.jusbrasil.com.br/diarios/251496863/doemt-15-07-2019-pg-11>

(6) <https://www.jusbrasil.com.br/diarios/256839307/doemt-16-08-2019-pg-76>

(7) <https://www.sistemadje.tjmt.jus.br/publicacoes/10626-2019%20C5%20Comarcas%20-%20Primeira%20Entr%C3%A2ncia.parcela>

(8) <https://sigef.incra.gov.br/geo/parcela/detalhe/a9ee3b3b-670e-4a28-96cd-798765c8a72f>

(9) <http://www.globo.com/GloboRural/o.6993.EEC1709662-2886.00.html>

(10) <https://www.bloomberg.com/profile/company/6179759Z:BZ>

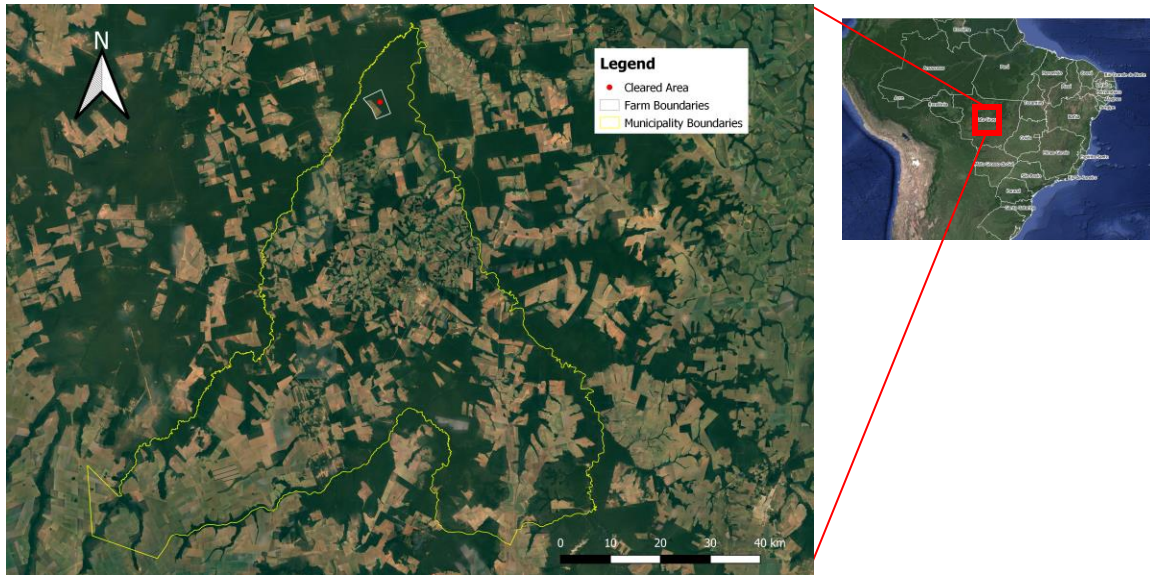
(11) <https://www.folhamax.com/entrelinhas/eraí-faz-tudo-por-eleicao-de-favaro/269831>

(12) <https://www.olhardireto.com.br/noticias/exibir.asp?id=474246¬icia=favaro-articula-reuniao-com-eraí-e-oferece-suplencia-a-julio-campos-para-tirar-dem-de-nilson-leitao&edicao=2>

(13) <https://www.rdnews.com.br/blog-do-romilson/conteudo/conteudos/132086>

6. Fazenda Timauã São José do Rio Claro (Mato Grosso)

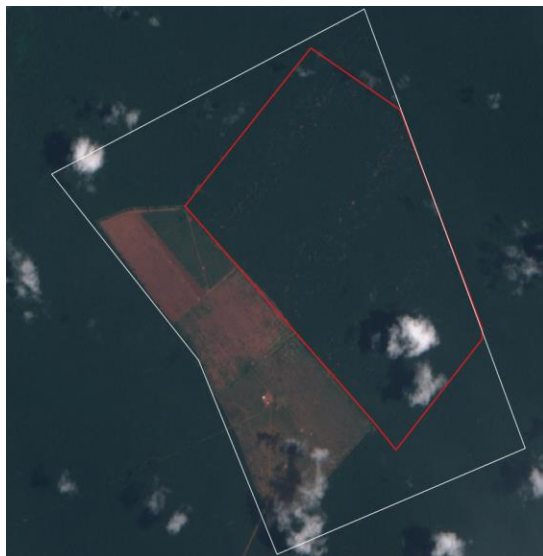
Property Location



Yellow border – boundary of São José do Rio Claro (Mato Grosso) / White border – boundary of Fazenda Timauã / Red dot – location of cleared area

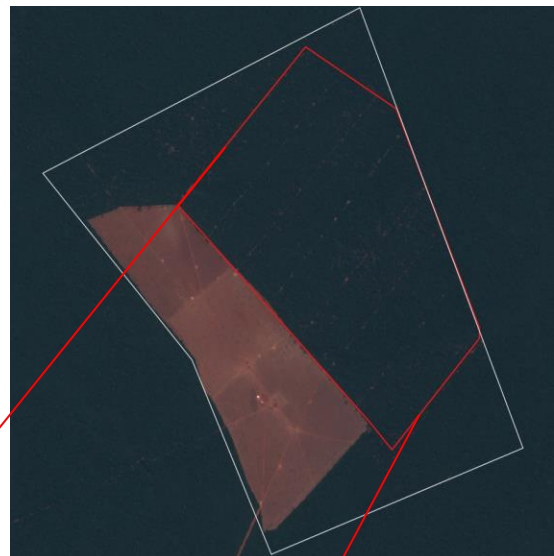
Alert Imagery (before and after clearance)

01 Feb 2020

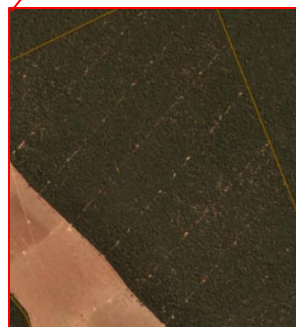


Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

06 Jun 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser



Source: MapBiomas with Planet imagery

6. Fazenda Timauã São José do Rio Claro (Mato Grosso)

General Information			
Property; Registry; CAR	Fazenda Timauã		9500684551642
	CAR	MT-5107305-960926E575064E8CAEAF068125E171C3	
Size (ha); Coordinates	1,696	-56.80184, -13.10062	
Land Clearance			
Period of clearing	1st February 2020-6th June 2020		
Size (ha); Coordinates	858	-56.79734, -13.09660	
Inside Forest Code protected areas	Yes	858 ha inside declared Legal Reserve and APP	
Type of vegetation	Semidecidual Seasonal Forest		
Legal Status			
Embargoes	Yes	3 embargoes for illegal clearing of native vegetation, of which 2 were filed in 2008 and 1 in 2015. One embargo for illegal clearing of native vegetation on a linked farm in Nova Maringá (MT) in 2019	
Environmental fines	Yes	One fine for illegal clearing of native vegetation in 2015 and one fine for illegal clearing of native vegetation on a linked farm in Nova Maringá (MT) in 2019	BRL 670,000
Natural Reserves	No	-	
Indigenous Lands	No	-	
Priority for biodiversity conservation	Very High		
Ownership			
Company group	Agropecuária Uberaba, Agroflorestal Pontal do Tapajós, Hervalense Transporte, Colonizadora Tapurah		
Other linked properties	10 other properties, totaling at least 19,301 ha. In São José do Rio Claro (MT): Fazenda Guadalupe (3,380 ha), São Roque, Fazenda Timauã I (5,405 ha), Fazenda Tapayunas (1,070 ha), Fazenda Tapayunas II (unknown size), Fazenda Buriti (1,180 ha). In Diamantino (MT): Fazenda Hervalense I, II, III, IV, V, VI, VII (4,770 ha), Fazenda São Judas Tadeu (840 ha), Ramos I, II (420 ha), Colorado (740 ha). In Santarém (PA): Gleba Mamaru - Título nº 090, Lote 26, Setor I (1,496 ha in Projecto Integrado Trairão)		
Supply Chain			
Main commodity	Timber, Beef and Soy		
Confirmed supply chain link, level of certainty, and trader	Yes	High	Marfrig
Soy	Main exporters (municipality)	ADM (98%), Bunge (2%)	
	Warehouses within 50 km radius	23 warehouses, e.g. 2 owned by COFCO (38,133 MT)	
	Supply chain details	Fazenda Hervalense (similar ownership) in Diamantino-MT supplied soy to ADM, Glencore, COFCO and Bunge in 2019	
Beef	Main exporters (municipality)	Minerva (36%), JBS (34%), Marfrig (21%)	
	Slaughterhouses sourcing from municipality	11 different meat processors sourced from São José do Rio Claro in 2019, e.g. one owned by JBS (Diamantino - MT) and two owned by Minerva (Paranatinga - MT, Varzea Grande - MT)	
	Supply chain details	The property is registered for cattle production. Directly supplied cattle to one slaughterhouse owned by Marfrig (Várzea Grande - MT) in 2019	
Other supply chain details	The property is registered for crop production (soy and corn) and authorized for timber extraction. Fazenda Timauã supplied timber to the following sawmills in 2020: A R De Souza Eireli, Indústria E Comércio De Madeiras Guaxupé Ltda - Epp, R. De Fátima Kissel - Me, Madeireira Rio Arinos Ltda - Epp, L.C Vicente Madeiras - Me		

Fazenda Timauã raised cattle that was directly sent for slaughter to Marfrig's slaughterhouse in Várzea Grande (MT) in 2019. Moreover, Fazenda Timauã supplied timber to the sawmills A R De Souza Eireli and L.C Vicente Madeiras – Me in 2020, which in turn supplied timber waste to the ethanol Producer Destilaria De Álcool Libra Ltda. It also supplied Indústria E Comércio De Madeiras Guaxupé in 2020, which supplied timber waste to the ethanol Producer Inpasa Bioenergia S/A (1). Fazenda Timauã has a valid authorization for timber extraction (2). Another farm with the same ownership in Diamantino (MT) had trading linkages to ADM, Glencore, COFCO and Bunge in 2019 (3). The farm under alert was embargoed in 2008 and 2015 for illegal clearing of native vegetation (4). The main co-owner of Fazenda Timauã (although his wife is the one officially registered) is a known grain producer in Mato Grosso and he produces about 11,500 ha of corn and 17,500 ha of soy (5). There is a lawsuit filed by the Federal Government against his son and another co-owner of the farm under alert for unpaid taxes on their harvest (6). The grain producer was part of the Sustainable Agriculture Project, intended to reduce the carbon footprint of the 2016 Olympic Games in Rio de Janeiro (7).

(1) Invoices from undisclosed source

(2) Autorização Para Exploração Florestal, retrieved from <https://www.semas.pa.gov.br>

(3) Invoices from undisclosed source

(4) <https://servicos.ibama.gov.br/ctf/publico/areasembargadas/ConsultaPublicaAreasEmbargadas.php>

(5) <https://g1.globo.com/mato-grosso/noticia/com-safra-recorde-de-milho-mt-deve-liderar-producao-de-graos-no-pais.ghtml>

(6) <https://www.jusbrasil.com.br/processos/176235116/processo-n-0000056-6620134013604-do-trf-1>

(7) <https://www.dinheirorural.com.br/secao/agrotecnologia/os-atletas-do-campo>

Property Location



Yellow border – boundary of Ananás (Tocantins) / White border – boundary of Fazenda União / Red dot – location of cleared area

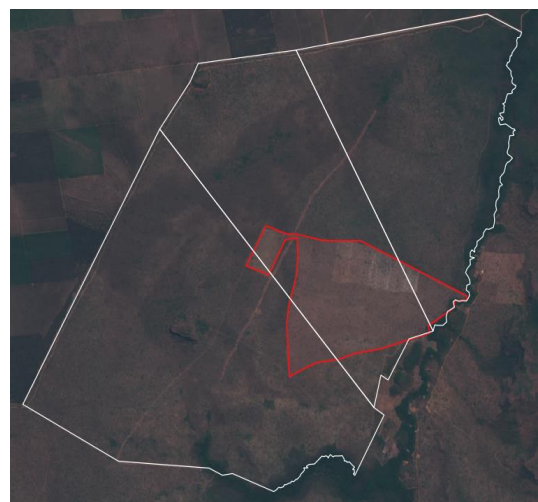
Alert Imagery (before and after clearance)

02 February 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

06 June 2020



Source: European Union, contains modified Copernicus Sentinel data 2020, processed with EO Browser

General Information				
Property; Registry; CAR		Fazenda União		9501656010985
		CAR	No CAR declared	
Size (ha); Coordinates		2,401	-97.48115, -6.30846	
Land Clearance				
Period of clearing		2nd February 2020-15th August		
Size (ha); Coordinates		265	-47.97541, -6.31792	
Inside Forest Code protected areas		No	-	-
Type of vegetation		Woody-grass Savanna		
Legal Status				
Embargoes		No	-	
Environmental fines		Yes (other links)	1 fine for illegal clearing of native vegetation in 2001 in a linked property in Pequiizeiro (TO)	BRL 67,000
Natural Reserves		No	-	
Indigenous Lands		No	-	
Priority for biodiversity conservation		No		
Ownership				
Company group		JW Investimentos e Participações, Cantão Agrícola e Criação de Bovinos		
Other linked properties		4 other properties, totaling at least 1,515 ha. In Arapoema (TO): Fazenda Dois Irmãos (unknown size). In Bernardo Sayão (TO): Fazenda São Domingos Lote 7, and 19 - 21, and 23 (945 ha). In Colinas do Tocantins (TO): Chácara Verde (unknown size). In Wanderlândia (TO): Fazenda Corrente (570 ha)		
Supply Chain				
Main commodity		Beef		
Confirmed supply chain link, level of certainty, and trader		Yes	Medium	Minerva, JBS
Soy	Main exporters (municipality)	-		
	Warehouses within 50 km radius	1 warehouse owned by Pingo Agronegócio (14,619 MT)		
	Supply chain details	-		
Beef	Main exporters (municipality)	Minerva (88%), Masterboi (10%)		
	Slaughterhouses sourcing from municipality	3 different meat processors sourced from Ananás in 2019, e.g. one owned by JBS (Goiânia - GO)		
	Supply chain details	Fazenda São Domingos (similar ownership) in Bernardo Sayão - TO directly supplied cattle to one slaughterhouse owned by JBS in 2018 and to one slaughterhouse owned by Minerva in 2020, both located in Araguaína - TO		
Other supply chain details		-		

The owner of this 2,401-ha farm Fazenda União also operates four other cattle farms in Tocantins. One of them, Fazenda São Domingos, in the municipality Bernardo Sayão, directly supplied cattle to JBS in 2018 and Minerva in 2020, both located in Araguaína in Tocantins. In May 2019, the Environmental Agency of the State of Tocantins imposed a fine of BRL 154,000 on the owner of the farm under alert due to illegal deforestation of 184 ha of native vegetation (1). In 2011, the owner implemented a writ of mandamus against a decision by the Ministry of Economy that claimed for the payment of four notes payable (2). In 2017, he was sued by the Confederation of Agriculture and Livestock (CNA Brasil) (3), the reason could not be confirmed. Linked companies to the owners of the farm, JW Investimentos e Participações and Cantão Agrícola e Criação de Bovinos, are involved in real estate, cattle raising, and soy cultivation (4, 5).

(1) <https://doe.to.gov.br/diario/3919/download>

(2) <https://stj.jusbrasil.com.br/jurisprudencia/893844713/mandado-de-seguranca-ms-17103-df-2011-0128618-0>

(3) <https://www.escavador.com/processos/72348188/processo-0000932-3.020175100861-do-tri-da-10-regiao?ano=2017#movimentacao-284046978>

(4) <https://cnpjis.rocks/cnpj/14629967000141/jw-investimentos-e-participacoes-ltda.html>

(5) <http://cnpj.info/CANTAO-AGRICOLA-E-CRIACAO-DE-BOVINOS-LTDA>

Glossary

Deforestation and land clearance - Any land use change classified as loss of native vegetation by deforestation alert systems

Agrarian conflicts - Includes conflicts regarding land tenure, natural resources (water, forests), slave labor, and other human rights violations

Embargoed areas - Areas where any kind of activity is suspended or unauthorized by the Federal Environmental Agency (IBAMA) oftentimes due to environmental degradation

Environmental fines - List of environmental infractions that resulted in fines addressed to the owner of the property

Forest Code protected areas - Areas defined by the Brazilian Forest Code that have mandatory conservation status on private properties. These include *Legal Reserves* [80% Amazonia biome, 35% Cerrado biome inside Legal Amazon, 20% other areas] and *Permanent Preservation Areas (APP)* linked to water and soil conservation (close to river bases, wetlands, slopes, and high hills.) The Legal Reserve and APP areas considered in this report are those self-declared within the Cadastro Ambiental Rural (CAR) system – Brazil’s environmental registration system. In some cases, the CAR was also used to find information on ownership because even if it is a self-declared document, sometimes, it provides the most recent information on the probable ownership of a property

Illegal deforestation - Any deforestation event occurring without authorization from the state or Federal Environmental Agency, or any deforestation that is inside a Legal Reserve or Permanent Preservation Area (APP)

Natural Reserves - Officially recognized Natural Reserves according to the National System of Natural Reserves (SNUC – Sistema Nacional de Unidades de Conservação). The SNUC determines jurisdiction of the area - federal, state or local government, or private owner - and how the natural resources may be used by whom in each of the natural reserves’ categories

Indigenous lands - Lands under FUNAI (Nacional Foundation for Indigenous People) where local Indigenous populations have customary rights to the land and outside development is prohibited

Priority for biodiversity conservation - Brazilian Ministry of Environment (MMA) lists the biodiversity hotspots in Brazil and the priority of actions for biodiversity conservation in these areas

* * * *

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