With a turnover of $50 billion a year, Brazilian-based meat company JBS is the world’s largest meat producer. Investigators from Repórter Brasil found during the nine-month investigation that JBS’s Santo Antônio da Posse export processing plant, which supplies the Jack Link’s Beef Jerky manufacturing site in São Paulo, was able to receive meat for processing “from any JBS unit” in the country. As such, there is a risk that the beef supplied for Jack Link’s Beef Jerky has come from JBS slaughterhouses that are exposed to indirect supplier farms that have been officially sanctioned – or embargoed – and fined for illegal deforestation in the Amazon rainforest and the Pantanal wetlands.

The revelations come despite Carrefour’s commitment to move towards zero deforestation in its global beef supply chains, and its commitment that 100% of Brazilian beef suppliers must be geo-monitored by the end of 2020. Following the acquisition of the BIG supermarkets in March this year, Carrefour has become the largest supermarket chain in Brazil.

This new investigation further corroborates the findings of Mighty Earth’s analysis of Carrefour’s beef sourcing policy in April this year. Mighty Earth’s Beef Deforestation Scorecard concludes that Carrefour “failed to demonstrate effective monitoring of indirect beef suppliers, which are responsible for most of the deforestation and native ecosystem conversion for cattle production.”
The new research follows persistent reports since 2009 of alleged deforestation linked to Brazilian meat giant JBS – through multiple news reports, exposés, and investigations, as well as Mighty Earth’s own corporate audits and beef supply chain monitoring. Other key supermarket chains have dropped JBS as a supplier after allegations of modern slavery and deforestation, linked to exports of its meat products.

The recurrence of such serious allegations points to a systemic failure by JBS to address deforestation in its Brazilian beef supply chain effectively, and the need for enhanced regulatory and decisive commercial action by supermarkets and other consumer-facing companies - such as the immediate suspension of suppliers.

**BEEF DRIVING FOREST DESTRUCTION IN BRAZIL**

The production of beef in Brazil is a major driver of deforestation in the Amazon and other threatened habitats like the Pantanal tropical wetlands in Brazil’s midwest. Brazil is the world’s largest beef exporter, exporting two million tonnes of beef each year.

Scientists estimate two-thirds of cleared land in the Amazon and Cerrado woody savannah have been converted to cattle pastures and 57 million hectares of the Brazilian Amazon is now under cattle ranching, an area 18 times larger than all of Belgium. The less well-known Pantanal wetlands are also increasingly threatened by cattle expansion. Brazil exported $18 million dollars’ worth of processed beef products – including beef jerky - to Belgium last year.

JBS is now the second-largest food company in the world and the world’s largest producer of beef - slaughtering almost 35,000 cattle a day in Brazil alone. In 2017, about a third of JBS’s beef exports from Brazil were assessed to have come from the Amazon. Despite the recurrent deforestation risks, JBS’s global meat exports are booming. JBS saw an increase in trade volume from Brazil of 40% between 2017 and 2019, and JBS was responsible for about a third of Brazil’s beef exports in 2019.

JBS produces processed meats, mainly in the state of São Paulo in southern Brazil, the country’s largest industrial hub and far from the main agricultural frontiers in the Amazon, Cerrado, and the Pantanal. Beef jerky is produced by JBS in Lins and at Santo Antônio da Posse manufacturing and meatpacking plant in São Paulo. There, JBS maintains a joint venture with US-based multinational Jack Link’s, one of the largest global brands for beef jerky.

The long distances separating these factories from the main deforestation frontiers do not guarantee that their supply chains are free from the problem. First, because meat processing units can use raw material from other JBS slaughter plants across the country. And second, because even when meat is slaughtered locally, the animals may have been transferred from farms linked to environmental crimes at some point in their lives.
LINKS TO AMAZON DEFORESTATION

The new investigation found that JBS's processing plant at Lins in São Paulo was supplied cattle from local farms, but these farms had received animals for fattening from an Amazon region over 2,000 km away. The sales included cattle from farmers officially under sanction - or embargoed - and fined for illegal deforestation in the Amazon and the Pantanal.

There's a risk that beef from JBS's Lins processing plant could be supplied to JBS's nearby Santo Antônio da Posse manufacturing plant. The same plant which produced the Jack Link’s beef jerky found at two Carrefour stores in Brussels earlier this year.

The recent investigation by Repórter Brasil found that Santa Lúcia Farm near São Paulo supplied cattle to the JBS slaughterhouse in Lins, São Paulo, between 2019 and 2021. Santa Lúcia Farm had purchased cattle for fattening from Estância Painera, a farm in the Amazon officially charged with illegal deforestation. Estância Painera covers an area of 392 hectares in Altamira in Pará state, in the heart of one of the Amazon regions most affected by deforestation. According to Pará state public records, deforestation has been recorded at Estância Painera since 2008, and was also identified with failing to maintain Legal Reserve and Permanent Protection areas.


The owner of Estância Painera, Carlos Antônio Nunes, also owns another much larger property in Altamira, the 2,200-hectare Bonanza Farm. Since 2013, 330 hectares have been under interdiction and embargoed by the Brazilian Ministry of Environment's IBAMA anti-deforestation authority for illegal deforestation of Amazon forest. Nunes was fined 1.6 million Brazilian real (€251,000) for environmental crime in 2013.
Repórter Brasil has found that between 2019 and 2020 alone the Bonanza Farm sent more than 500 cattle to be fattened at Estância Painera. There is a risk that cattle purchased from Estância Painera by third parties, such as JBS, come from the pastures of the Bonanza Farm, which has been interdicted, fined, and officially embargoed by IBAMA for illegal deforestation.

**LINKS TO DEFORESTATION IN THE PANTANAL WETLANDS**

The risk of deforestation linked to livestock purchases via indirect suppliers is not restricted to the Amazon; it also affects other key natural habitats impacted by environmental devastation. This is the case of the Pantanal wetlands in central Brazil. In 2020 the strongest fires in decades were experienced in the Pantanal, with pasture clearing one of the main drivers of the flames. As the Santo Antônio da Posse processing plant in São Paulo (which supplies Jack Link’s) can receive meat “from any JBS unit” in the country, there is a genuine risk that it is processing deforestation-linked beef from the JBS slaughterhouse in Campo Grande in Mato Grosso do Sul state in south-central Brazil.

Repórter Brasil found that the direct supplier Pica Pau Farm located in Rio Negro in Mato Grosso do Sul, has regularly supplied JBS at Campo Grande over the last two years. The owner of Pica Pau farm, Osvaldo Firmino de Souza, purchased cattle for fattening from another indirect supplier farm in the Pantanal which have been officially sanctioned for illegal deforestation. In December 2018 the Brazilian federal environment agency IBAMA found illegal deforestation of 181 hectares of Pantanal land at Santa Therezinha do Piquiri Farms I, II and III. The owner was fined for the crime and the illegally deforested area of the farm was indicted - or embargoed - by the IBAMA anti-deforestation environment agency. Repórter Brasil found that even after the crime and interdiction, animals from Santa Therezinha do Piquiri Farms continued to be sent for fattening to Pica Pau Farm in Rio Negro - JBS’s direct supplier.
Repórter Brasil found a similar situation at another supplier of the same JBS slaughterhouse in Campo Grande. Rancher Hélio de Lima is the owner of the **Tereré Farm**, a 40,000-hectare estate in Porto Murtinho in Mato Grosso do Sul, where IBAMA interdicted 2,300 hectares in 2014 which had been illegally deforested. Records show the same crime had been found there four years earlier. The Tereré Farm specialises in breeding calves, which are later sent for rearing and fattening on other properties belonging to the farmer Hélio de Lima, from where the animals are sent for slaughter. They include the Monza Farm in Campo Grande and the Morro Grande Farm in Terenos, which are both JBS direct suppliers. Again, deforestation-linked beef supplies from these two farms could be supplied to the JBS export processing plant at Santo Antônio da Posse in São Paulo - which in turn supplies the Jack Link’s Beef Jerky found at Carrefour Belgium.

Indirect supplier **Santa Therezinha do Piquiri Farms I, II and III** in Corumbá in the Pantanal was interdicted and fined for illegal deforestation of 181 hectares in 2018. Santa Therezinha do Piquiri Farm I, II, III farm supplies cattle for fattening to JBS direct supplier Pica Pau Farm in Rio Negro, which supply key JBS slaughterhouses – which risk exporting Jack Link’s Beef Jerky to Carrefour in Belgium. Image taken June 2020.
Since 2013, Bonanza farm has been interdicted, fined, and officially embargoed by Brazilian authorities for illegal deforestation in the Amazon. Bonanza sent 500 animals to Estância Painera.

Pará state public records has noted deforestation of native Amazon Forest at Estância Painera since 2008.

Risks supplying to Brussels:

1. Bonanza farm
   Five hundred calves sent from Bonanza farm in the Amazon to be fattened at Estância Painera between 2019 and 2020

2. Estância Painera
   Fattened calves sent to the JBS direct supplier near São Paulo.

3. JBS direct supplier
   Santa Lúcia Farm at Espírito Santo do Turvo near São Paulo.

4. JBS Slaughterhouse
   Meat processing plant and export hub at Lins, near São Paulo.

5. JBS processing plant
   Santo Antônio da Posse

6. Carrefour stores
   Jack Link’s Beef Jerky found at two locations in Brussels

Researchers from Repórter Brasil took photos of sample packets of Jack Link’s Beef Jerky, processed by JBS at Santo Antônio da Posse plant in São Paulo in Brazil, and for sale on shelves at two Carrefour supermarkets in Brussels, Belgium, on 18 and 24 March 2021, and Mighty Earth also found samples available online in December 2021.

In response to a request for information from Mighty Earth in December 2021, Carrefour responded to the findings of this investigation by stating that “Carrefour will stop selling Jack Link’s beef jerky in Carrefour Belgium and will increase its surveillance in all its operating countries.” While this is a positive step, taking action in one country does not substitute for an overarching approach on deforestation that covers all Carrefour stores in the world.

Based on these allegations presented and JBS’s history of related violations, Mighty Earth urges Carrefour to urgently suspend JBS as a supplier of beef products to all its global stores and to make full supply chain transparency, monitoring and traceability a condition of trade with suppliers for commodities with deforestation, environmental and human rights risks.

More specifically:

- Carrefour should suspend all direct and indirect supplier contracts with JBS in light of this investigation and multiple earlier ones, to demonstrate seriousness of penalties resulting from continued violations. Any suspension should only be reversed once JBS has agreed to adopt a meaningful zero deforestation and zero-conversion policy, as well as stringent monitoring of both direct and indirect suppliers with full traceability.

- Carrefour must ensure effective implementation by monitoring suppliers’ practices and requiring suppliers to provide evidence of compliance. In practice, this means that JBS should provide full traceability of both direct and indirect suppliers.

- Carrefour should regularly and publicly report on progress toward deforestation and conversion-free beef commitments, using verified metrics and disclosing all farm suppliers to enhance supply chain traceability.

- Carrefour should set goals to shift its sales to alternative proteins such as plant-based products.

Carrefour recently urged the European Commission to develop effective EU law to ensure deforestation and conversion-free supply chains and said it should apply to all key forest-risk commodities. However, the recent draft EU regulation on deforestation-free products currently fails to include deforestation linked to processed beef products, in particular processed beef import code HS 1602 – which includes products such as beef jerky.

Therefore, we urge Carrefour to work with other key supermarkets to publicly call for the scope of the EU’s new anti-deforestation regulation to be extended to include processed beef and cover all forms of deforestation, ecosystem conversion, and human rights abuses.
RIGHT TO REPLY

In response to Mighty Earth, Carrefour issued this statement:

“In response to the investigation by Repórter Brasil in partnership with Mighty Earth, Geoffroy Gersdorff, Group Director of Merchandise & Food Offer of Carrefour Group, said: “Following the alert received by Repórter Brasil and Mighty Earth, we conducted an immediate investigation. As a consequence, Carrefour will stop selling Jack Link’s beef jerky in Carrefour Belgium and will increase its surveillance in all its operating countries. This commercial decision was taken within Carrefour’s Committee on purchasing rules for the food transition. The Group salutes the NGO’s commitment to this fight, as dialogue and vigilance on the part of everyone allows us to identify problems and make progress.”

JBS told Repórter Brasil that it “does not condone or tolerate any type of disrespect for the environment, Indigenous communities or Brazilian legislation” and that at the time of purchase, all the of the aforementioned direct supplier properties complied with the company’s responsible source protocols.

A lawyer for cattle rancher Hélio de Lima told Repórter Brasil that IBAMA’s fine was “a result of a huge mistake”, since no native forest had been deforested at the site, and that only degraded pasture was cleaned in an area that had been abandoned by previous owners. Cattle farmer Osvaldo Firmino de Souza from Pica Pau Farm could not be reached by Repórter Brasil.

Mighty Earth approached Jack Link’s for comment but had no reply to the date of publication.

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