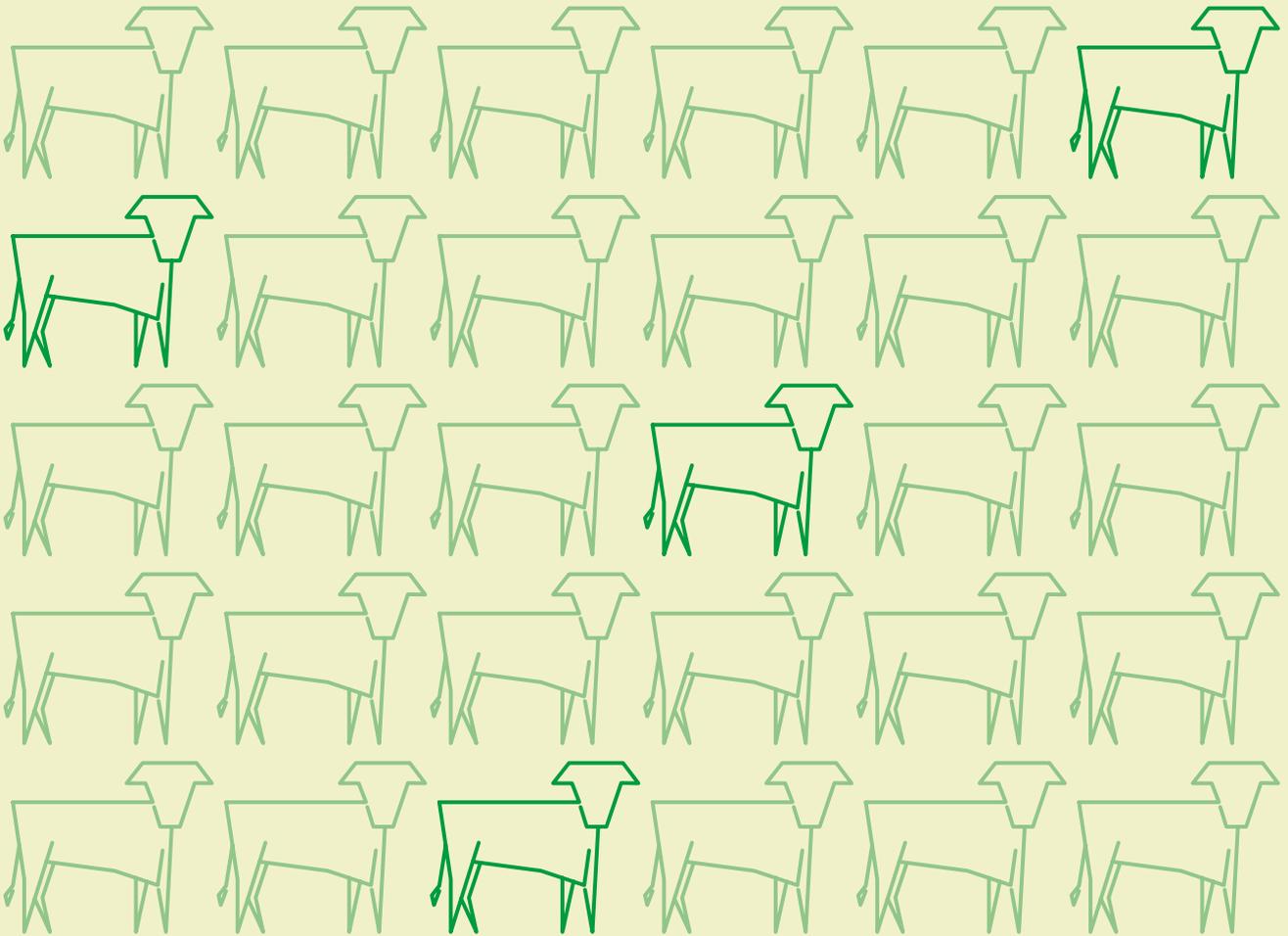


**BRAZILIAN
COALITION**

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B E E F C H A I N
T R A C E A B I L I T Y
I N B R A Z I L

CHALLENGES AND OPPORTUNITIES

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

“BEEF CHAIN TRACEABILITY IN BRAZIL: CHALLENGES AND OPPORTUNITIES”

Efforts to establish a traceability system in the beef chain in Brazil began in 2000 with the pressures of the international market demanding meat source. In Brazil, two moments are relevant in this context: in 2002, when the Cattle and Buffalo Identification and Certification System (SISBOV, in the Portuguese acronym), was created and, in 2009, when the Terms of Conduct Adjustment (TACs, in the Portuguese acronym) were signed between the Federal Prosecution Service (MPF, in the Portuguese acronym) and the meatpacking companies of the Amazon and the *Cerrado*. In these agreements, the meatpacking companies committed to monitor the areas of animal source, aiming at reducing deforestation in these biomes.

In order to subsidize proposals for the improvement of these systems, the study **Beef Chain Traceability in Brazil: Challenges and Opportunities** was carried out. The complete study includes 42 recommendations and this is a summary for the result in two strategic guidelines and 10 recommendations aimed at contributing to enhance environmental meat quality control, as well as the links between private sector initiatives and public policies aimed at this segment in Brazil.

The study considered the context of the beef chain in the world and in Brazil, comparing the situation of national traceability and monitoring systems with the other countries that produce meat for export. Also, the results of SISBOV and TACs were measured, identifying risks and opportunities for the development of a system of traceability and monitoring that allows Brazil to deal with international criticism of the system currently applied in the country. The diagnosis confirms the complexity of the beef chain in Brazil and the need for adequacy of traceability and monitoring controls in order to meet the demands of the internal and external markets as well as technological advances. The development of innovations that can ensure the availability of the information and data needed to enable the satisfactory implementation of controls regulated by judicial bodies is noted.

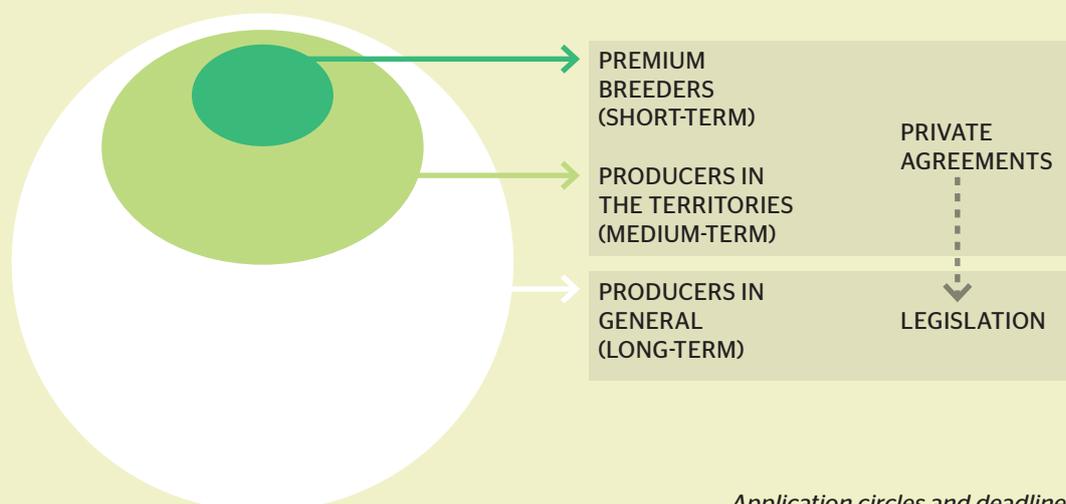
The results of the analyzes show that the origin of meat in the Amazon and *Cerrado* can be monitored according to the requirements established

by the agreements, with the integration of information between the Animal Transport Guide (GTA, in the Portuguese acronym), and the Rural Environmental Register (CAR, in the Portuguese acronym), and the respective legal mechanisms that allow for their joint validation. We note that the protocol recently launched by the Federal Prosecution Service and Imaflorea (Monitoring Protocol for Cattle Suppliers), to support the segment in compliance with the agreements, confirms the urgent need for technical assistance programs and enhancement of livestock production in order to reduce environmental pressure in areas of the Amazon and *Cerrado* biomes. This Protocol, in addition to other criteria, incorporates productivity as a key criterion for encouraging improvements in the quality of animals supplied. Vertical integration projects, associated with financing programs and voluntary agreements among members of the chain segments, justify the realization of traceability and monitoring systems in the beef chain in Brazil.

STRATEGIC GUIDELINES:

1. - Encourage the expansion of vertical integration initiatives using principles adopted by jurisdictional models that establish criteria to allow animal suppliers to meet the environmental quality control requirements of meat, such as “premium” suppliers. Medium-term agreements must be signed to achieve a **regional standard of quality and environmental commitment**.

2. - Then, the environmental meat quality control should be incorporated into the respective legislation, using as a basis the practices established in the agreements of vertical integration initiatives to **define new legal standards**.



Application circles and deadlines



RECOMMENDATIONS:

1. Integrate the chain on the basis of experiences in **jurisdictional projects**; the agreements should include the action of meatpacking companies to form “premium” supply networks and support them in maintaining this status through actions to promote production technology, environmental conservation and access to credit. Producers should adopt Brazilian Agricultural Research Corporation’s Good Agricultural Practices - Beef Cattle (Embrapa-BPA, in the Portuguese acronym).

2. It will be up to the actors in the chain to establish **systems of governance** of the initiatives through **Territorial Councils of Livestock and Forest (CTPFs, in the Portuguese acronym) or existing similar ones**, with the aim of structuring the capacity to comply with the agreements and ensuring the participation of civil society and support from industry, from retail and producers through adherence to the process of traceability and monitoring.

3. Consolidate monitoring with the integration of GTAs, CAR and environmental licensing information, through the creation of territorial databases based on criteria of the Monitoring Protocol for Cattle Suppliers and the integrated action of state health surveillance agencies, aiming at the effective health and environmental control of the meat. It is recommended that databases use “blockchain” encrypted systems and present producers’ ability in a simplified manner. CTPFs or similar should establish criteria and time limits, in territorial scope, for the exclusion of inappropriate suppliers as well as strategies for their reintegration.

4. It will be up to all **actors to agree on the criteria for access and use of the information to guarantee meat quality**. It is recommended that the industry adopt a single database as a guideline for the control of “premium” suppliers, as well as contractually establish the obligation for these suppliers to use the same database to control their purchases of animals. These obligations must have in return loyalty and reward of the environmental quality of meat.

5. It is recommended to **spread technologies for the intensification of livestock production in a sustainable manner associated with promoting the adoption of good practices and technical assistance** as factors for strengthening the production segment. It will be up to CTPFs or similar the convocation of Research Centers, Universities, Embrapa, entities providing Technical Assistance and Rural Extension (ATER, in the Portuguese acronym), and State and Municipal Centers, in addition to private companies, to support vertical integrations, with the industry



adopting supplier assessments regarding quality and productivity, as proposed in the monitoring protocol.

6. Set targets and deadlines (up to 10 years) for the implementation of individual traceability of animals in each jurisdiction/territory, within the vertically integrated chains, with priority for “premium” producers (up to 5 years), to ensure good management of the intensified farms.

7. The public authorities should support the governance of integrated initiatives through the follow-up of **land tenure regularization of the producers participating in vertical integration projects** and encourage access to credit programs aimed at the adoption of good practices for livestock. The dissemination of good practices could contribute to the regularization of direct and indirect suppliers and create mechanisms for valuing producers that meet the criteria and requirements of the protocols in relation to quality assurance.

8. It should be based on the adapting credit programs to the needs of each territorial or jurisdictional project, as well as to extend the access of the suppliers to **the credit line of the Low Carbon Agriculture Plan (Plan ABC, in the Portuguese acronym)** and seek the provision of fiscal and tax incentives for the environmental quality of meat.

9. The retail market segment will be responsible for supporting the integrated projects and participating in the commitments of the agreement, in addition to meeting the requirements for **ensuring the environmental quality of the meat**, with the mission of **communicating and widely disseminating** the responsible beef chain **to the consumer**.

10. The participation of the Ministry of Agriculture, Livestock and Food Supply (MAPA, in the Portuguese acronym), as well as the Brazilian Health Regulatory Agency (ANVISA, in the Portuguese acronym), in the respective states, will be responsible for ensuring the management of the database, facilitating the producers’ adherence to their systems, SISBOV, GTA and CAR, as well as fostering certification processes that adopt criteria for traceability and monitoring of animals and herds.

Finally, it is recommended that the Brazilian Coalition on Climate, Forests and Agriculture promote a **national meeting** that will bring together **territorial and jurisdictional initiatives of the beef chain in order to stimulate dialog and the construction of an agenda** on the basis of the initiatives already identified and for the expansion of the jurisdictional models for the planning of traceability and monitoring systems of the beef chain in Brazil.

CREDITS:

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