

# Revealed: rampant deforestation of Amazon driven by global greed for meat

## **Animals farmed**

Brazil

**Investigation exposes how Brazil's huge beef sector continues to threaten health of world's largest rainforest**

**'We must not barter the Amazon rainforest for burgers and steaks'**

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About this content

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Cowherders move cattle from farms in the Terra do Meio, where some ranchers have been found to flout embargos against deforestation. Photograph: João Laet/The Guardian

The cows grazed under the midday Amazon sun, near a wooden bridge spanning a river. It was an idyllic scene of pastoral quiet, occasionally broken by a motorbike growling on the dirt road that cuts through part of the Lagoa do

Triunfo cattle farm to a nearby community.

But this pasture is land that the farm has been forbidden to use for cattle since 2010, when it was embargoed by Brazil's government environment agency Ibama for illegal deforestation. Nearby were more signs of fresh pasture: short grass, feeding troughs, and salt for cattle.

The vast 145,000-hectare (358,302-acre) farm is one of several owned by the company AgroSB Agropecuária SA – known in the region as Santa Bárbara. Located in an environmentally **protected** area, Lagoa do Triunfo is more than 600km (372 miles) from the capital of the Amazon state of Pará on the western fringes of Brazil's "agricultural frontier" – where farming eats into the rainforest. To get there takes hours of driving along dirt roads and a ferry ride from nearby São Félix do Xingu, a cattle town accessible only by plane until a few decades ago.

AgroSB supplies cattle to JBS, the world's biggest meat packing company and single biggest supplier of beef, chicken and leather globally, with 350,000 customers in more than 150 countries.

A joint investigation by the Guardian, Repórter Brasil and the Bureau of Investigative Journalism found that during 2018, the Lagoa do Triunfo farm delivered hundreds of heads of cattle to other farms also owned by AgroSB for fattening. Cattle was sent from those farms to slaughter in JBS plants.



In 2018 the Lagoa do Triunfo farm delivered hundreds of heads of cattle to farms owned by AgroSB for

fattening. Photograph: João Laet/The Guardian

Embargos are imposed for environmental violations, such as farmers or landowners cutting down trees and deforesting illegally, and serve both as a punishment and protective measure to allow land to recover. Between 2010-2013 at least 12 areas of land on Lagoa do Triunfo were embargoed, and Ibama fined AgroSB more than \$18m (£14m) – at current rates – for deforestation on the Lagoa do Triunfo farm.

Our investigative team visited land clearly demarcated as embargoed on government websites, and found cows grazing there. A farm worker said cattle were allowed to roam in areas employees knew were embargoed. “You can’t cut down the vegetation,” the employee said. “The vegetation grows and we work the cattle inside.” The Guardian is withholding their name in case of retaliation.

We must not barter the Amazon rainforest for burgers and steaks

*Jonathan Watts*

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Work by Stockholm-based NGO **Trase**, seen exclusively by our team, this week reveals the extent to which the international demand for beef is driving deforestation, with thousands of hectares of Amazon being felled every year to provide meat for world markets.

AgroSB is a powerful farming empire owned by the Opportunity group, co-founded by Daniel Dantas, a controversial businessman **Bloomberg** described as the “bad boy” of Brazilian finance. It owns half a million hectares across Pará and has long attracted controversy. Over the past decade, AgroSB has been accused of illegal **deforestation**, keeping **workers** in slave-like conditions, and **spraying** a community occupying one of its farms with pesticides – accusations it has strongly denied.

Scandal has also surrounded JBS, which is supplied by AgroSB. In 2017, following an Ibama investigation, the meat company was **fined** \$7.7m for buying cattle from **farms** with embargoed areas, including another farm owned by AgroSB. The company pledged to **stop** buying cattle from the farm.

That same year, Joesley Batista, CEO of its controlling company, almost **brought** down the government of President Michel Temer after secretly recording him appearing to endorse bribery – Temer was indicted but never tried and has always denied the charges, claiming the recording was edited. Joesley and his brother Wesley, then JBS CEO, admitted an extensive web of

bribery in a plea bargain deal.



Rations for cattle in an embargoed area on the Lagoa do Triunfo farm. Photograph: João Laet/The Guardian

In an email, a spokesman for AgroSB said any deforestation had occurred before the company acquired Lagoa do Triunfo in 2008. “AgroSB does not carry out deforestation in order to increase its area, but rather it recovers degraded areas. This brings social and environmental progress for all, because in the same area it is possible to produce more, without deforestation, in respect to the environment,” the spokesman said.

“AgroSB’s business model is anchored in the acquisition of degraded open and pastured areas, which are fertilised, reclaimed and transformed into high-intensity pastures or grain plantations – which increases food production per hectare and also captures carbon dioxide (CO<sub>2</sub>) of the atmosphere in the plantations and in more than 250,000 hectares of forests (legal reserve) maintained on its properties.” He pointed out that: “There is no irregularity in the marketing/transfer of livestock.”

He said just 7% of the farm was embargoed, and added that as AgroSB have been successful in appealing against some of the other embargos on their land, the company believes it will also overturn the embargos on Lagoa do Triunfo.



The town of São Félix do Xingu with the Xingu river in the background. Photograph: João Laet/The Guardian

## **The ‘wild west’ fringe of the Amazon rainforest**

With a population of 125,000 and more than two million cattle, the town of São Félix do Xingu covers an area bigger than Scotland. Cattle farming fed its growth from remote Amazon outpost to busy town, and there are clear signs of wealth here.

Just outside town, big money was being splashed at a horse racing meet in a field full of 4x4s. As two jockeys spurred their horses down the rudimentary race track, a commentator bellowed and men waved wads of cash as their bets came in.

There was more than \$35,000 in prizes over two days of racing, said Valdiron Bueno, owner of two agricultural supplies shops and the race organiser. Bueno built his business more than 20 years after arriving here with just the clothes on his back. “It wasn’t easy. I cried a lot,” he said.



A horse racing event outside the town of São Félix do Xingu. Photograph: João Laet/The Guardian

São Félix do Xingu was mostly forest when Arlindo Rosa, now president of the town's union of rural producers, arrived in 1993. "There was practically none of this farming ... there was no highway, there was nothing," he said. "People came from outside with the spirit to raise cattle," said his vice-president, Francisco Torres, who arrived in 1987.

Both men were critical of what they saw as overzealous environmental controls. Torres criticised Ibama as a "fines industry", borrowing a phrase from President Jair Bolsonaro, who has **dismantled environment protection** and enjoys support from farmers like these. "How are you going to work if you can't deforest an area, principally a small one?" said Rosa.

But the embargos do not appear to have affected AgroSB's business, the Guardian and Réporter Brasil investigation found.

A JBS spokesman said: "The facts pointed out do not correspond to the standards and processes adopted by the Company", indicating an independent 2018 audit that showed that "more than 99.9% of JBS's cattle purchases meet the company's socio-environmental criteria and the 'Public Livestock Commitment'" – a deal signed between big cattle companies and Greenpeace in 2009. It was followed in 2011 by an agreement JBS and other meat companies signed with federal prosecutors not to buy cattle directly from embargoed or

illegally deforested areas.

A spokesman told the Guardian via email: “JBS has a responsible purchase policy for raw materials and does not purchase animals from farms involved in deforestation of native forests, invasion of indigenous reserves or environmental conservation areas, or that are embargoed by the Brazilian Institute of Environment and Renewable Natural Resources (Ibama).”

The **independent audit** found the company had made impressive progress in tightening up procedures and shutting out farms with areas embargoed by Ibama. However, although the system excludes farms that have embargoed areas, the audit noted that other farms owned by the same company may still sell to JBS. It concluded that: “Indirect suppliers of cattle to JBS are not yet checked systematically, since JBS has not yet managed to adopt auditable procedures for its indirect suppliers.”



Cattle grazing in Terra do Meio, in the municipality of São Félix do Xingu. Photograph: João Laet/The Guardian  
Official state documents seen by the Guardian and Repórter Brasil show that from January to October 2018, Santa Bárbara delivered at least 296 cattle from the Lagoa do Triunfo farm to its Espírito Santo farm in Xinguara, in the same state.

Between July and December 2018, Santa Bárbara sent least 1,977 cattle from

the Espírito Santo farm to two JBS slaughterhouses in Pará. In January at least 936 cattle were sent from the Espírito Santo farm to JBS's slaughterhouse in Redenção in Pará.

The Lagoa do Triunfo farm. Photograph: João Laet/The Guardian

Throughout 2018, Santa Bárbara also sent at least 729 cattle from the Lagoa do Triunfo farm to be fattened at its Porto Rico farm in Xinguara. In April 2018, 36 cattle from the Porto Rico farm were sent to slaughter at JBS's plant in Tucumã in Pará.

Growing international demand for beef has become a key driver in the destruction of the **Amazon rainforest**, with new figures seen by our team revealing the full extent of deforestation directly linked to a handful of major food corporations. Beef linked to deforestation is exported globally, including to key markets in the east Asia and Europe.

An investigation by Trase has uncovered how up to 5,800 sq km of forest is being felled in the Amazon and other areas annually to be converted into pasture used for cattle farming, with livestock from deforested areas found to be supplying abattoirs producing beef for global markets.

Companies in JBS's supply chain are potentially responsible for the destruction of between 28,000 and 32,000 hectares (280-320 sq km) of forest each year for exported beef, according to data assembled by Trase. There is no suggestion Lagoa do Triunfo beef is exported. AgroSB state that they purchased the land in 2008, after the deforestation had already happened. JBS points out that it has "one of the largest private supplier monitoring systems in the world... which covers the legal Amazon region." It has been working on the GTA-Verde concept, which would cover all links in the supply chain and "prevent the entry of cattle from illegally deforested areas into the meat industry".

The latest data shows that deforestation in the Brazilian Amazon has been on the rise since 2012. Between August 2017 and July 2018, about 7,900 sq km was destroyed.



Transporting livestock in Terra do Meio, in the municipality of São Félix do Xingu, in the Amazon state of Pará.

Photograph: Joao Laet/The Guardian

In the most comprehensive study of its kind ever produced, TRASE used customs, agricultural, sanitary inspection, and deforestation data to map Brazilian cattle exports from the international markets which consume them back to the more than 3000 municipalities where the cattle were raised.

The analysis includes data on “indirect” suppliers, which are often intermediate farms that don’t sell directly to abattoirs, but supply other farms which may truck cattle to slaughter. This is a “previously invisible” part of the beef chain, say researchers, which is not monitored for deforestation risks.

The supply chain “map” was then cross-referenced with official datasets on pasture expansion, deforestation rates and figures on regional cattle production in order to calculate a deforestation “risk” associated with specific companies and the main international export markets.

Because of the high volume of Brazilian beef shipped to China and Hong Kong, these markets are associated with the highest amount of deforestation in total – 16,000 and 22,500 hectares per year – according to the analysis. The EU also imports more than \$600m worth of beef from Brazil each year. And that will increase if the EU and member states approve a new trade deal with Brazil,

Uruguay, Argentina and Paraguay to gradually let 99,000 tonnes of low-tariff South American beef into Europe every year.

Erasmus zu Ermgassen, lead researcher at Trase, said that while some slaughterhouses monitor their direct suppliers, none monitor their indirect suppliers. “There is enormous potential to use land more efficiently and sustainably in the Brazilian beef sector, and to improve rural livelihoods by investing in cattle ranching on existing pasturelands.”