



Forest
Positive

Guidance for Forest Positive Suppliers of Cattle- derived Products

(Meatpackers in Brazil)

Version 1.2 Developed
by The Consumer Goods
Forum's **Forest Positive**
Coalition of Action

www.tcgfforestpositive.com

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The Forest Positive Coalition recognises that to support sector-wide progress, it is important to work beyond individual supply chains. Therefore, the Coalition members are committed to doing business with upstream suppliers who in turn are committed to forest positive implementation across their entire business.

The Element 2 of the [Beef Roadmap](#) defines Coalition commitments on supplier engagement, proposed actions, and publicly reported Key Performance Indicators (KPIs) to demonstrate progress towards compliance with the commitments. A critical first action in the roadmap is developing '**Guidance for Forest Positive Suppliers of Cattle-derived Products**', which helps to define what it means to implement a forest positive Commitment for Deforestation and Conversion free beef and other cattle derived products, building on the CGF FPC Beef Roadmap.¹ The aim is to develop the guidance in consultation with suppliers, meatpackers, NGOs, and beef initiatives aiming at setting the foundations for a shared vision of a forest positive beef supply chain.

This guidance details clear proposed requirements for implementing a Forest Positive Commitment for cattle derived products across the entire beef business. **These are proposed requirements that FPC members may set themselves and report against through the Beef Roadmap to achieve the FPC commitments and communicate to their suppliers with a view to encouraging suppliers to do the same along the supply chain.** FPC members remain free to adapt or deviate from the proposed requirements, which aim to provide best practice guidance. Members can use this guidance to inform their engagement with small, medium, and large meatpackers and to assess meatpacker performance and report on their progress. The proposed requirements are for suppliers **to comply with when cattle origin or any other stage of the supply chain is the Brazilian Amazon or Cerrado biomes.**² **The same criteria are suggested to be followed as well by suppliers that do not source from these priority regions.** Suggested timelines for implementation are included in the guidance, but they will be defined at an individual level, considering FPC members' individual targets and meatpackers' size and maturity level of commitments and implementation. FPC members can provide support and capacity building as needed to their suppliers in meeting the proposed requirements, particularly for small/medium meatpackers. FPC members' implementation of the proposed requirements will be always in accordance with the relevant competition laws.

Aligned with the commitments of Coalition members, meatpackers supplying them are expected to deploy efforts within and beyond supply chains to ensure long-term protection of natural ecosystems and respect for human rights, in line with the UN Guiding Principles on Business and Human Rights; and endorse the Universal Declaration of Human Rights, as well as ensure free prior and informed consent (FPIC) of indigenous and local communities concerning activities on their customary lands where abattoirs and ranches are planned for development.

About the Forest Positive Coalition of Action

The Consumer Goods Forum (CGF) Forest Positive Coalition of Action is a CEO-led initiative representing 21 CGF member companies who are committed to leveraging collective action and accelerating systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains. Launched in 2020, the Coalition represents a dynamic shift in the industry's approach to stopping deforestation: by mobilising the leading position of member companies to build multi-stakeholder partnerships and develop effective implementation and engagement strategies, the Coalition brings together diverse stakeholders for sustainable impact. These efforts support the development of forest-positive businesses that drive transformational change in key landscapes and commodity supply chains, strengthening the resilience of communities and ecosystems worldwide. To learn more about the Forest Positive Coalition, visit www.tcgfforestpositive.com.

The Coalition is being supported by the Tropical Forest Alliance and Proforest as strategic and technical partners.

¹ The FPC efforts stated on the Beef Roadmap go beyond the beef supply chains, encompassing cattle-derived products.

² The initial focus will be on the Brazilian Amazon and Cerrado. In the future, other areas will be included.

Proposed Requirements for Forest Positive Meatpackers

1. Public commitment to 'deforestation and conversion-free'³ across entire commodity business including a public time-bound action plan with clear milestones

Meatpacker has a public no deforestation and conversion policy for cattle

- The policy is published on website and links to other relevant corporate policies
- The policy covers all company's business units, all cattle heads, and all direct and indirect suppliers, recognizing that direct cattle suppliers need to be engaged first in order to reach indirect cattle suppliers
- The policy is aligned with Accountability Framework guidance by including, at a minimum, commitments to:
 - comply with legal requirements related to forest and natural ecosystems protection in cattle producing countries⁴
 - eliminate conversion (both legal and illegal) of natural forests and of other natural ecosystems from cattle supply chain (see below)
- The policy sets up at a minimum the following for **Amazon Biome** sourcing regions:
 - the use of TACs (Brazilian terms of adjustment of conduct) for each plant or abattoir⁵
 - the use of the [Monitoring Protocol for Cattle Suppliers in the Amazon](#) and the rules defined, ie :
 - a purchase control system for suspending non-compliant cattle suppliers
 - the re-entry criteria for non-compliant suppliers
 - the cut-off date defined by [sectoral agreements for the Amazon](#): i.e. no later than August 1st, 2008 for illegal deforestation as per the Brazilian Forest Code and no later than October 5th, 2009 for all deforestation as per the Monitoring Protocol for Cattle Suppliers in the Amazon
 - a concrete plan to monitor indirect cattle suppliers with deadlines no later than 2025 and a cut-off date for *legal deforestation* no later than August 1st 2019 as recommended by [GTFI \(Grupo de Trabalho de Fornecedores Indiretos\)](#), *fully respecting the cut-off date for illegal deforestation of 2008*. Meatpackers that signed the [Cattle Agreement](#) are also expected to strive to implement its October 5th 2009 reference date for legal deforestation in the Amazon while engaging producers and supporting restoration and/or compensation in a robust supplier reintegration system
 - publicly available independent audit of the purchase control system

3. Conversion free means that no change of a natural ecosystem to another land use or profound change in a natural ecosystem's species composition, structure, or function takes place. This is applicable to all types of landscapes, such as forests, savannahs, peat lands, and others.

4. In Brazil, this means sourcing cattle from farms: with rural environmental licence and/or in compliance with the Brazilian Forest Code; not sourcing cattle raised in conservation units, cattle raised in indigenous land, cattle raised in embargoed areas, nor cattle raised in areas listed on the Slave Labor Dirty List.

5. Voluntary agreements are equally important to set up minimum policy requirements in regions in which TACs do not exist.

- The policy sets up at a minimum the following criteria for **Cerrado Biome** sourcing regions
 - the use of the [Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado](#) when finalized and the rules defined, ie:
 - a purchase control system for suspending non-compliant cattle suppliers
 - the re-entry criteria for non-compliant suppliers
 - the cut-off date no later than August 1st 2008 for illegal conversion as per the Brazilian Forest Code and no later than August 1st 2020 for all habitat conversion by direct suppliers as per draft of the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado⁶
 - a concrete plan to monitor indirect cattle suppliers with deadlines no later than 2025 and the cut-off date no later than August 1st 2008 for illegal conversion and no later than August 1st 2020 for all habitat conversion as per draft of the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado
 - publicly available independent audit of the purchase control system
- The policy also
 - specifies the implementation deadline and intermediary milestones (see below)
 - supports processes for re-entry in the supply chain where producers have caused or contributed to conversion which can include restoration and/or compensation
 - operates an open, transparent, and consultative process to resolve complaints and conflicts

Meatpacker has a public timebound action plan

- The plan to implement the policy is published on their website
- The plan covers the suggested steps below for both Amazon and Cerrado with public deadlines:
 - Step 1: Public policy and Action Plan (proposed requirement 1), and establish KPIs and baseline for Public Reporting (proposed requirement 5)
 - Step 2: Act on non-compliances through purchase control system and re-entry criteria (proposed requirement 3), and process for regular producer engagement (proposed requirement 2)
 - Step 3: Landscape and sectoral engagement (proposed requirement 4)
- The steps mentioned above are suggested to be taken simultaneously
- The plan clearly lists and explains all activities the meatpacker is taking and will take to deliver on all the commitments made on its no deforestation policy
- The plan has clear timebound targets and milestones by which activities will be completed as well as proposed KPIs for measuring progress
 - Deadlines and milestones may differ for the Amazon and the Cerrado, considering the more advanced stage of implementation of purchasing policies and systems in the Amazon. They may also differ for direct cattle suppliers and indirect ones. Although deadlines for implementation may be longer and there may be additional steps, activities for the Cerrado and for addressing indirect cattle suppliers should start immediately
- The first timebound action plan with milestones is published in 2022 and the proposed policies in this guidance are to be fully implemented by 2025
- The plan is reviewed and updated, if necessary, on a regular basis (minimum annually)

6. If PRODES Cerrado is not available as recommended in the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado, MAPBIOMAS is an option for monitoring suppliers.

Figure 1. Comparison on the Guidance for Forest Positive Suppliers for Meatpackers in the Brazilian Amazon and Cerrado biomes

	Amazon	Cerrado
Proposed Minimum Requirements	<ul style="list-style-type: none"> use of TACs (Brazilian terms of adjustment of conduct) use of the the Monitoring Protocol for Cattle Suppliers in the Amazon in purchase control systems for cattle sourcing re-entry criteria for non-compliant suppliers publicly available independent audit of the purchase control system address direct cattle suppliers immediately and have a plan to address indirect cattle suppliers, recognizing that direct cattle suppliers need to be engaged first in order to reach indirect cattle suppliers 	<ul style="list-style-type: none"> use of the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado (when finalized) in purchase control systems for cattle sourcing re-entry criteria for non-compliant suppliers publicly available independent audit of the purchase control system address direct cattle suppliers immediately and have a plan to address indirect cattle suppliers, recognizing that direct cattle suppliers need to be engaged first in order to reach indirect cattle suppliers
	Amazon	Cerrado
Cut-off Dates: Direct Cattle Suppliers	Legal Deforestation	Legal Conversion
	October 5th 2009 as per Monitoring Protocol for Cattle Suppliers in the Amazon	August 1st 2020 as per draft of the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado
	Illegal Deforestation	Illegal Conversion
	August 1st 2008 as per Brazilian Forest Code	August 1st 2008 as per Brazilian Forest Code
Cut-off Dates: Indirect Cattle Suppliers	Legal Deforestation	Legal Conversion
	August 1st 2019 as recommended by GTFI. Meatpackers that signed the Cattle Agreement are also expected to strive to implement its October 5th 2009 reference date for legal deforestation in the Amazon while engaging producers and supporting restoration and/or compensation	August 1st 2020 as per draft of the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado
	Illegal Deforestation	Illegal Conversion
	August 1st 2008 as per Brazilian Forest Code	August 1st 2008 as per Brazilian Forest Code

2. Process for regular producer engagement

Meatpacker has one or more mechanisms for regular producer engagement.

The proposed mechanism or mechanisms:

- cover their whole supply chain including a mechanism to engage direct cattle suppliers and include process to raise awareness, build capacity and support direct cattle suppliers to map, monitor and engage indirect cattle suppliers
- include pro-active systems, which aim at preventing non-compliances (e.g. continuous improvement programmes with producers)
- support the Brazilian program of environmental regularization - *Programa de Regularização Ambiental* (PRA)

3. Mechanism to identify and to respond to non-compliances

Meatpacker has one or more mechanisms to identify and to individually respond to non-compliances and promote rancher reintegration.

The proposed mechanism or mechanisms:⁷

- cover their whole supply chain (including a mechanism to assess direct cattle suppliers and also an action plan to engage indirect cattle suppliers)
- include grievance mechanism especially for human rights and other environmental issues and monitoring system (with satellite images) for deforestation and conversion
- disclose the list of requirements (social and environment) for producers that are monitored (purchase control system criteria, grievance definitions)
- have a procedure to individually respond and act (positively and negatively) to suppliers' progress and performance, which describes clear consequences at procurement level and includes suspension and re-entry criteria
- have due diligence checking and auditing⁸

When non-compliance is identified, meatpackers are encouraged to follow the Monitoring Protocol for Cattle Suppliers in the Amazon and the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado and its suspend and engage approach.

⁷ Additional guidance for a good mechanism to identify and respond to non-compliances:

- Apply to supplier register (CPF or CNPJ) and all farms under same ownership
- Be aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs) effectiveness criteria for non-judicial grievance mechanisms (Principle 31): Being legitimate, accessible, predictable, equitable, transparent, rights-compatible and a source of continuous learning. Source: <https://globalnaps.org/ungp/guiding-principle-31/>
- Provide an easy and confidential way for stakeholders to raise issues (e.g. should be easily accessible from website)
- Outline how non-compliances will be recorded, addressed, resolved and remediated
- Have a procedure with clear consequences for suppliers found to be not in compliance with the mechanism with suspension and re-entry criteria and publish a summary of it
- Include a public grievance log which is updated regularly and provides a summary of grievances recorded and their nature
- Be properly resourced and have staff dedicated to managing the process

⁸ The audits of the Public Prosecutor's Office in some states of Brazil in the Amazon biome can be used as reference: https://www.beefontrack.org/public/media/arquivos/1642789717-protocolo_de_auditoria-ingles_-_boi_na_linha_-_imafloa_-_060-8088_v2_alt2.pdf. Moreover, meatpackers should be supportive of a similar initiative for the Cerrado.

4. Support initiatives delivering forest positive development at landscape and sectoral level

- Meatpacker is actively engaging with and/or financially supporting landscape and sectoral initiatives delivering forest positive development in their sourcing area
- Meatpacker's involvement and support in landscape and sectoral initiatives is proportional to their footprint in the cattle sector (cattle heads sourced and exposure in high-risk origins) and focus on regions where they source from
- Meatpackers refrain from supporting industry lobby groups which promote an agenda contrary to a forest positive future
- Landscape initiatives are selected through prioritisation assessment on where meatpacker is exposed to highest risk and can have biggest impact
- Landscape initiatives include social safeguards and have a clear plan and timeline to reduce conversion and deforestation through compensation mechanisms and/or incentives for increasing yields in existing pasture and/or encouraging expansion onto degraded lands
- Sectoral initiatives are selected based on geographic scope, level of ambition and potential for meatpacker's contribution
- Sectoral initiatives have clear objectives to contribute to forest positive supply chains, be transparent and include engagement with multiple stakeholders (government, civil society)

5. Regular public reporting against key KPIs

- The meatpacker is encouraged to regularly report publicly on the progress they are making in delivering on their commitments –in form of published report or dashboard
- Reports are publicly available on the meatpacker's website
- Reporting covers all the proposed Forest Positive requirements according to timebound action plan
- Reporting shows clear KPIs aligned with those set in the timebound action plan
- Reporting is made on a minimum annual basis
- Reports are audited by independent third party⁸

All KPIs will be reported on in compliance with competition laws, including on information exchange.

Suggested KPIs on known origin:

- Report on the % of the total cattle heads purchased traceable to farm (direct cattle purchases)
- Report on the % of the direct cattle suppliers that provide information on farm location of indirect cattle suppliers

Suggested KPIs on progress on ensuring cattle derived products is deforestation and conversion-free (DCF) for high-risk areas:

- Report on the % of the total cattle heads purchased directly from high-risk biomes assessed against a) the Monitoring Protocol for Cattle Suppliers in the Amazon; and/or b) the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado
- Report on the % of the total cattle heads purchased directly from high-risk biomes compliant with a) the Monitoring Protocol for Cattle Suppliers in the Amazon; and/or b) the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado

- Report on the % of the cattle heads purchased directly from high-risk biomes whose indirect cattle suppliers are assessed against a) the Monitoring Protocol for Cattle Suppliers in the Amazon; and/or b) the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado.
- Report on the % of the cattle heads purchased directly from high-risk biomes whose indirect cattle suppliers are compliant with a) the Monitoring Protocol for Cattle Suppliers in the Amazon; and/or b) the Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado.



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