# REALTIME DEFORESTATION

## *Monitoring System*

Soy and cattle supply chains

Amazon & Cerrado biomes – Brazil

August 2022

(updated in December 2022)

aid environment

Aidenvironment develops **Realtime Deforestation Monitoring (RDM)** reports to engage companies and urge action towards real-time deforestation events, as well as to support civil society and financial sector stakeholders in their efforts to halt deforestation linked to commodity production and trade. In Brazil, recent increase of deforestation rates is mostly linked to the expansion of Soy and Cattle production within Amazon and Cerrado biomes. The RDM report of August 2022 presents **seven new cases** linking recent deforestation to soy traders' and beef processors' supply chains. The seven new cases include the reporting of a total of **17,172 hectares of native vegetation clearance and 560 fire alerts in Amazon and Cerrado biomes**. Among the reported clearance of native vegetation, around 6,850 hectares are in areas with 'extremely high' priority for biodiversity conservation, and around 9,600 hectares fall in Legal Reserves, mandatory preservation areas according to the Brazilian Forest Code. In addition, the report includes an 'ongoing' case, reporting a continuing deforestation in a case from the RDM 3 (June 2022), Fazenda Lucata (I and II) / Fazenda Gaúcha (I and II) in Juara (Mato Grosso).

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| Property | |
|---|---|
| Lote 35, Setor D (Fazenda Lyra) | |
| São Félix do Xingu, Pará | Amazon biome |
| CAR: PA-1507300-DD012978C6E64CE78342840DF3152F55 | SIGEF/SNCI: 440240083116 |
| Area property (ha): 2,970 | Coordinates property: -52.80880, 7.05762 |
| **Cleared Area** | |
| Coordinates clearance: | -52.81291, -7.01932 |
| 666 Hectares | period clearance: Jan to Jun 2022 |
| 56 fires alerts | |
| Inside Forest Code's protected areas: Yes | 666 ha inside declared Legal Reserve and APP |
| Type of vegetation: Ombrophilous Open and Dense Forest | Priority for Biodiversity Conservation: No |
| Conservation area(s) (overlapping or bordering): | Área de Proteção Ambiental Triunfo do Xingu |
| Indigenous Territories (overlapping or bordering): | - |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

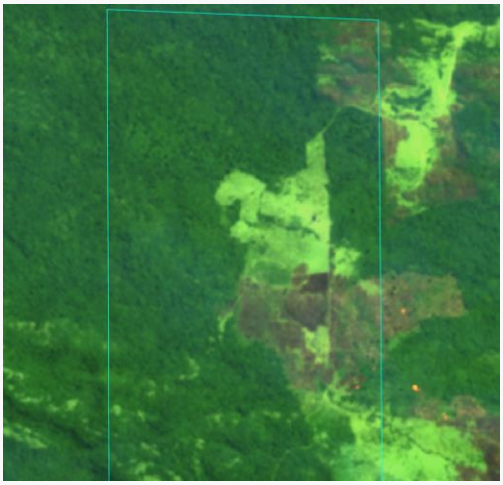
Jan 2022

Source: Imagery ©2022 Planet Labs Inc.

June 2022

Source: Imagery ©2022 Planet Labs Inc.

Fires Aug 2021



Source: European Union, contains modified 2021, processed with EO Browser Copernicus Sentinel data

| Environmental fines and embargoes | | | |
|---|---|---|---|
| Embargoes: | Yes (other links) | 31 environmental embargoes for non-authorized clearance of native vegetation between 2008 and 2018 in linked properties in Pará | |
| Environmental fines: | Yes (other links) | 27 environmental fines in linked properties between 2009 and 2018 in Pará | BRL 83 million |

| Ownership and other linked properties | |
|---|---|
| Ownership: | Heitor Lyra (SIGEF) / AgroSB (CAR) |
| Company group: | Agropecuária Santa Barbara Xinguara (AgroSB) / Eldorado do Xingu / Opportunity Fund |
| Linked properties: | 22 other properties in Pará, totaling 206,761 ha |

| Supply chain links | | | |
|---|---|---|---|
| Main Commodities | Beef | | |
| Confirmed supply chain link, level of certainty, and soy trader/ beef processor | Yes | High / Medium | JBS / Minerva, Marfrig |
| Companies' replies | The potential trading link with Minerva was maintained as they stated that the owner is in their suppliers' list even if their system does not link it to the property: "*Agropecuária Santa Barbara Xinguara* [AgroSB]*, is registered in the Minerva system, but is not associated with the property*" | | |

| | | |
|---|---|---|
| Soy | **Main exporters** (municipality) | [Domestic Consumption (100%)] |
| | **Warehouses** (50 km radius) | No warehouses within 100 km |
| | **Supply chain links & details:** | - |
| Beef | **Main traders** (municipality) | Frigol (42%), Marfrig (35%), JBS (9%) |
| | **Slaughterhouses** (sourcing from the municipality) | 25 different slaughterhouses sourced cattle from São Félix do Xingu (PA) in 2019, e.g.: 4 owned by JBS (Santana do Araguaia, Marabá, Tucumã, Redenção, all in PA), 1 by Marfrig (Tucumã - PA) |
| | **Supply chain links & details:** | AgroSB is a direct supplier of JBS. Cluster of AgroSB farms also indirectly supplied cattle to large meatpackers including JBS, Minerva, Frigol, Marfrig and Frigorífico Valêncio between 2018 and 2021 |
| Other supply chain links and details: | | - |

## General comments

Agropecuária Santa Barbara Xinguara (AgroSB) is the self-declared operator of this property, Lote 35 - Setor D (Fazenda Lyra) under alert in the rural environmental registry (CAR) (1). In the SIGEF cadastre system, the property is registered under Heitor Lyra (2). AgroSB, a company involved in cattle, soy, and corn production, is the second largest deforester in Brazil in the last 25 years based on Ibama's environmental fines database, with a BRL 83 million amount in fines in 2009, 2010, 2011 and 2017 (3). The company is the co-owner of six properties named Fazendas Lagoa do Triunfo I, II, III, IV, V, VI (1, 4), totaling 145,000 ha (5) - a conglomerate 20km north from the property under alert. There was continuous deforestation and fire in Lagoa do Triunfo farms in 2019 and 2020, next to significant alleged social and criminal behaviour of the company including slave labor and money laundering (6, 7, 8). In 2012, five workers were rescued from slave labour conditions in a farm controlled by AgroSB (9). AgroSB's cattle supply is directly and indirectly linked to the world's largest meatpackers JBS, Minerva, Frigol, Marfrig and Frigorífico Valêncio (10, 11).

(1) http://car.semas.pa.gov.br/#/consulta/mapa
(2) https://sigef.incra.gov.br
(3) https://theintercept.com/2020/01/31/maiores-desmatadores-amazonia/
(4) https://agrosb.com.br
(5) https://www.theguardian.com/environment/2019/jul/02/revealed-amazon-deforestation-driven-global-greed-meat-brazil
(6) https://www.mightyearth.org/wp-content/uploads/RR-Special-Fires-Brazil-part-22.pdf
(7) http://www.mightyearth.org/wp-content/uploads/RR_Report_June_2020.pdf
(8) http://www.mightyearth.org/wp-content/uploads/Rapid-Response_Soy-and-Cattle_Special-Report_Fires_Sept-2019.pdf
(9) https://reporterbrasil.org.br/2012/04/fazenda-com-escravos-e-controlada-por-familia-de-daniel-dantas/
(10) https://www.theguardian.com/environment/2019/jul/02/revealed-amazon-deforestation-driven-global-greed-meat-brazil
(11) http://www.mightyearth.org/wp-content/uploads/Rapid-Response_Soy-and-Cattle_Report-6.pdf

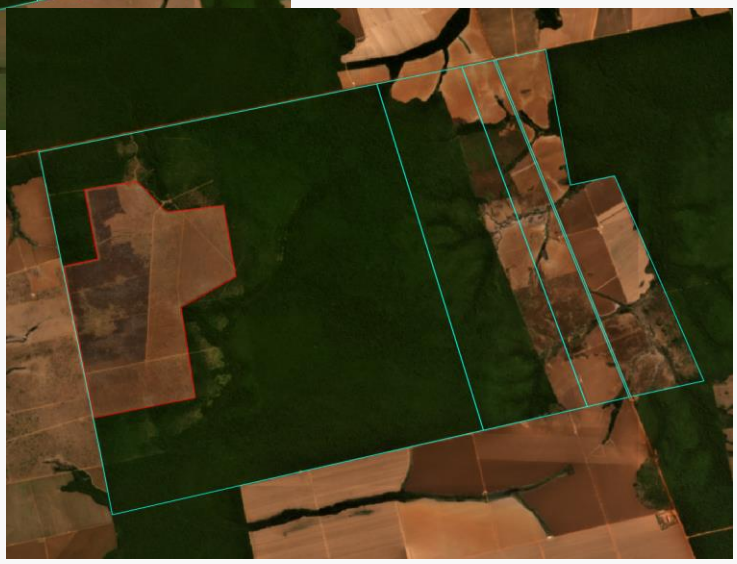
| Property | | | |
|---|---|---|---|
| Fazenda Araçatuba I | | | |
| São Félix do Araguaia, Mato Grosso | | Amazon biome | |
| CAR: | MT-5107859-7FCA4BBC5B0C4845B3DC6E38C43EE6ED | SIGEF/SNCI: | 9010590109108 |
| Area property (ha): | 9,400 | Coordinates property: | -52.45806, -11.14180 |
| **Cleared Area** | | | |
| Coordinates clearance: | | -52.48153, -11.14324 | |
| 1,224 | Hectares | period clearance: | Mar to Jun 2022 |
| 149 | fires alerts | | |
| Inside Forest Code's protected areas: | No | -- | |
| Type of vegetation: | Semidecidual Seasonal Forest | Priority for Biodiversity Conservation: | No |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

March 2022

Source: Imagery ©2022 Planet Labs Inc.

June 2022



Source: Imagery ©2022 Planet Labs Inc.

| Environmental fines and embargoes | | | |
|---|---|---|---|
| **Embargoes:** | Yes | 2 embargoes:1 for clearing native vegetation (unknown area) in 2002 and 1 for clearing 7,000 hectares of native vegetation without authorization in 2010 | |
| **Environmental fines:** | Yes | 4 environmental fines: use of fire in 500 ha (2002), clearing of 6 ha of native vegetation (2002), clearing of 7,000 ha of native vegetation (2010), and for productive activities in and embargoed area (2011) | BRL 51,512,000 |

| Ownership and other linked properties | |
|---|---|
| **Ownership:** | (Espólio) João Jacintho Honório da Silva |
| **Company group:** | No link with companies found |
| **Linked properties:** | 2 other properties totaling at least 3,850 ha. In Paranaiguara (GO): Fazenda Mateira (3,850 ha); in São José do Xingu (MT): Fazenda Rosaura (unknown area) |

| Supply chain links | | | |
|---|---|---|---|
| **Main Commodities** | Beef and Soy | | |
| **Confirmed supply chain link, level of certainty, and soy trader/ beef processor** | **Yes** | **Medium / Low** | **JBS, Marfrig/ Amaggi, Bunge, Cargill** |
| **Companies' replies** | • Potential trading link with Minerva was removed as they stated that "*Fazenda Araçatuba I has no commercial relationship with the Company*".<br>• Potential trading link with Cargill was maintained after they stated to have "*negotiation with one* [of the cases included in this report]*, with evidence of legality of the clearance*".<br>• Potential trading link with Viterra was removed as they to "have not found any of the farms mentioned with links to Viterra as suppliers of any products commercialised by us". | | |

| | | |
|---|---|---|
| **Soy** | **Main exporters** (municipality) | Viterra (80%), Amaggi (14%), Bunge (6%) |
| | **Warehouses** (50 km radius) | 14 silos within a 50km radius from the property: 2 owned by Cargill, 1 by Bunge, 1 by Amaggi, and 1 by Viterra (Glencore) |
| | **Supply chain links & details:** | - |
| **Beef** | **Main traders** (municipality) | JBS (44%), Marfrig (20%), Frigoestrela (12,5%), Minerva (10%), others (13,5%) |
| | **Slaughterhouses** (sourcing from the municipality) | 10 different slaughterhouses sourced cattle from São Félix do Araguaia (MT) in 2019, e.g.: 3 owned by JBS (Água Boa, Barra do Garças, Confresa, all in MT), 1 by Marfrig (Nova Xavantina - MT), 1 by Minerva (Paranatinga - MT) |
| | **Supply chain links & details:** | In 2018 and 2019, indirectly supplied JBS (Água Boa - MT and Barra do Garças - MT), Minerva (Paranatinga - MT), and Marfrig (Nova Xavantina - MT) through Fazenda São Domingos I (Água Boa - MT); and indirectly supplied JBS (Água Boa - MT) through Fazenda Morada do Sol (Bom Jesus do Araguaia - MT) |
| **Other supply chain links and details:** | | - |

**General comments**

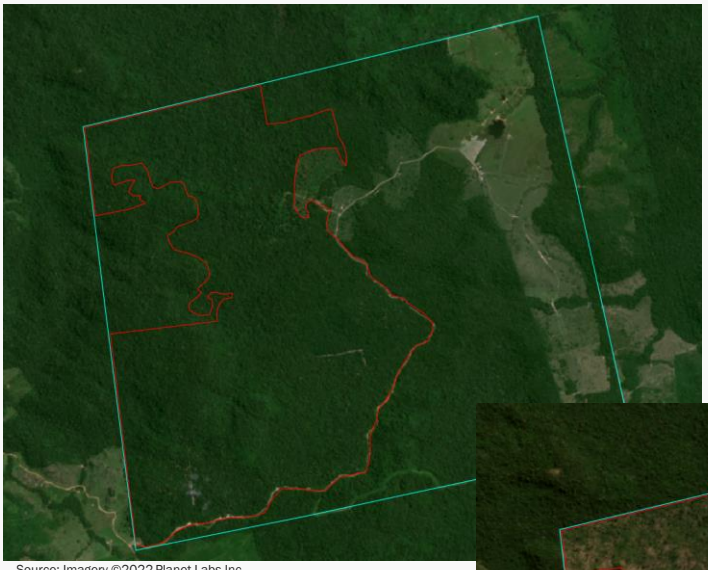
João Jacintho Honório da Silva, Mara Ligia de Lacerda Chaves Jacintho and Mariozan Dantas dos Santos are being sued by Ibama since 2020 for the deforestation of 2,400 hectares of native vegetation at a linked farm, Fazenda Rosaura (São José do Xingu - MT) (1)
According to the Environmental Agency of Mato Grosso state, Fazenda Araçatuba I has an authorization for deforestation and timber extraction in an area of 975 hectares between February 2022 and February 2027 (reference number 26229509) (2). The authorization covers the reported cleared area, but the satellite imagery checking found a total of 1,224 hectares cleared.

(1) https://www.jusbrasil.com.br/processos/516655444/processo-n-100XXXX-4520204013605-do-trf01?unlock-cnj-number-flow=true#informacoes
(2) https://geoportal.sema.mt.gov.br/#/

| Property | | | |
|---|---|---|---|
| Fazenda Novo Horizonte | | | |
| Nova Bandeirantes, Mato Grosso | | Amazon biome | |
| CAR: | MT-5106158-F36C6CF66B41446AA698F842238928F1 | SIGEF/SNCI: | 9010911439792 |
| Area property (ha): | 3,074 | Coordinates property: | -57.81525, -9.55327 |
| **Cleared Area** | | | |
| Coordinates clearance: | | -52.82415, -9.55966 | |
| 1,298 | hectares | period clearance: | Apr to Jun 2022 |
| - | fires alerts | | |
| Inside Forest Code's protected areas: | Yes | 1281 ha inside declared Legal Reserve and APP | |
| Type of vegetation: | Ombrophilous Open Forest | Priority for Biodiversity Conservation: | No |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

April 2022



Source: Imagery ©2022 Planet Labs Inc.

June 2022

Source: Imagery ©2022 Planet Labs Inc.

| Environmental fines and embargoes | | | |
|---|---|---|---|
| **Embargoes:** | Yes | 6 embargoes: 1 embargo for clearing native vegetation (2006), suspended in 2018, and 5 embargoes for clearing 125 ha of native vegetation in 2020 | |
| **Environmental fines:** | Yes | 2 environmental fines for clearing native vegetation without authorization: 1 for clearing 390 ha in 2006, and 1 for clearing 125 ha in 2020 | BRL 1,475,000 |

| Ownership and other linked properties | |
|---|---|
| **Ownership:** | Antônio Graciano Pereira (CPF: 039.141.511-53) |
| **Company group:** | No link with companies found |
| **Linked properties:** | 2 other properties in Novo Progresso (Pará): Fazenda Santa Helena (552 ha), and Fazenda Novo Horizonte (235 ha) |

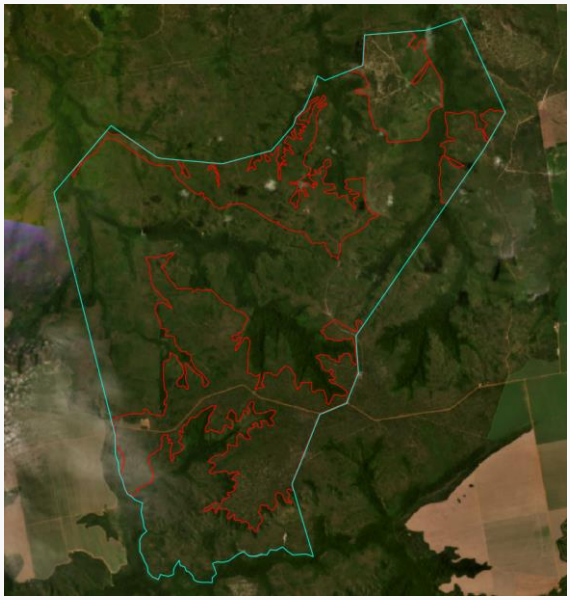
| Supply chain links | | | |
|---|---|---|---|
| **Main Commodities** | Beef | | |
| **Confirmed supply chain link, level of certainty, and soy trader/ beef processor** | Yes | High | JBS |

| | | |
|---|---|---|
| **Soy** | **Main exporters** (municipality) | [Domestic Consumption (100%)] |
| | **Warehouses** (50 km radius) | No warehouses within 100 km |
| | **Supply chain links & details:** | - |
| **Beef** | **Main traders** (municipality) | JBS (83%), Marfrig (5,7%), minerva (1%), others (10,3%) |
| | **Slaughterhouses** (sourcing from the municipality) | 11 different slaughterhouses sourced cattle from Nova Bandeirantes (MT) in 2019, e.g.: 4 owned by JBS (Juína, Juara, Alta Floresta, and Colider, all in MT) |
| | **Supply chain links & details:** | In 2018 and 2019, the property: directly supplied JBS (Alta Floresta - MT); indirectly supplied JBS (Alta Floresta - MT), through Fazenda Santo Augusto (Apiacás - MT) |
| **Other supply chain links and details:** | | - |

| Property | |
|---|---|
| Fazenda Jatobazinho (Fazenda Santa Filomena) | |
| Carolina, Maranhão | Cerrado biome |
| CAR: MA-2102804-2ACE0DD2B26640EA8B79D3319560E9E1 | SIGEF/SNCI: 9500413017950 |
| Area property (ha): 5,754 | Coordinates property: -46.99442, -7.78828 |
| **Cleared Area** | |
| Coordinates clearance: | -47.00146, -7.80337 |
| 2,012 hectares | period clearance: Mar to Jun 2022 |
| 6 fires alerts | |
| Inside Forest Code's protected areas: Yes | 592 ha inside declared Legal Reserve and APP |
| Type of vegetation: Forested Savanna | Priority for Biodiversity Conservation: No |
| Conservation area(s) (overlapping or bordering): | - |
| Indigenous Territories (overlapping or bordering): | - |

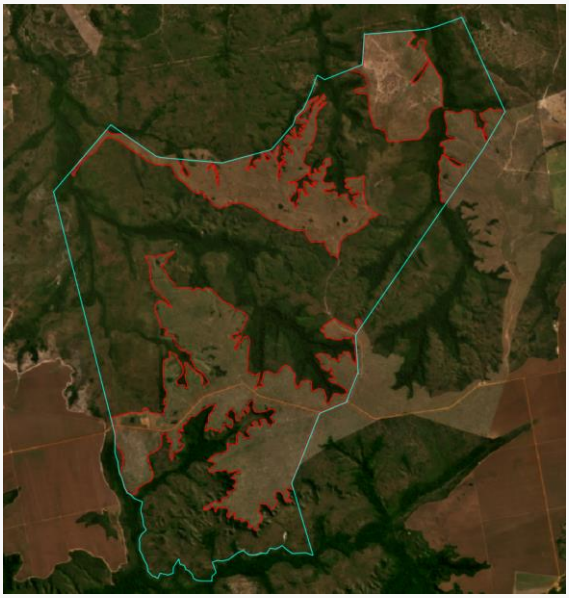
**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

March 2022



Source: Imagery ©2022 Planet Labs Inc.

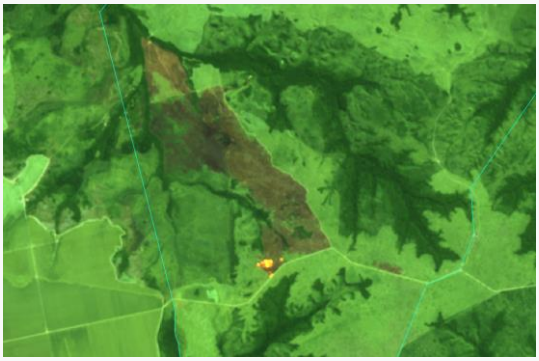
June 2022



Source: Imagery ©2022 Planet Labs Inc.

Fires

July 2022



Source: European Union, contains modified 2022, processed with EO Browser Copernicus Sentinel data

| Environmental fines and embargoes | | | |
|---|---|---|---|
| Embargoes: | No | - | |
| Environmental fines: | No | - | - |

| Ownership and other linked properties | |
|---|---|
| Ownership: | LB Administração e Participações |
| Company group: | Grupo Lund / Frigotins - Indústria e Comércio de Alimentos |
| Linked properties: | Other 16 properties totaling at least 12,740 ha. In Carolina (MA): Fazenda Bacaba (560 ha), São Félix (470 ha), Fazenda Canadá (330 ha), Fazenda Paraíso (6,230 ha), Fazenda Prato Fino (110 ha) . In Araguatins (TO): Fazenda Santa Helena (355 ha), Santa Helena I (140 ha), Santa Ilário (unknown area). In Campos Lindos (TO): Fazenda Raio de Sol (1,155 ha), Fazenda Vão da Serra (1,115 ha). In Arraias (TO): Fazenda São José (1,283 ha), Fazenda São Vicente (unknown area), Fazenda Santa Luzia (uknown area), Fazenda Antônio (993 ha). In Uará (PA): Fazenda Conforto (uknown area), Fazenda Baixão Verde (uknown area) |

| Supply chain links | | | | |
|---|---|---|---|---|
| Main Commodities | | Beef | | |
| Confirmed supply chain link, level of certainty, and soy trader/ beef processor | | Yes | - | - |
| Soy | Main exporters (municipality) | [Domestic Consumption (100%)] | | |
| | Warehouses (50 km radius) | 9 warehouses, e.g., 1 owned by Bunge and 1 by Cargill | | |
| | Supply chain links & details: | The property is in a region with a relevant increase of soy cultivated areas in the last 5 years | | |
| Beef | Main traders (municipality) | Minerva (90%), others (10%) | | |
| | Slaughterhouses (sourcing from the municipality) | 8 different regional slaughterhouses sourced cattle from Carolina (MA) in 2020 | | |
| | Supply chain links & details: | Active in the cattle supply chain, but no direct or indirect link to beef exporters found | | |
| Other supply chain links and details: | | - | | |

## General comments

Antônio Bento Borges Neto and Lund Antônio Borges Júnior are the registered owners of LB Administração e Participações Ltda (CNPJ: 35.813.632/0001-59). Antônio Bento Borges Neto (also known as Toninho Lund) was city councilor in Carolina (MA) between 2016-2019 (1). Lund Antônio Borges, an alleged land grabber in the region known as Bico do Papagaio in North Tocantins, worth at least BRL 12.4 million (2). In 2005, Lund was on the Dirty List of slave labor (3). His farm Fazenda Santa Hilário in Araguatins (Tocantins) has been associated with violence against landless people multiple times (4). In August 2017, one landless worker was killed, but no one was prosecuted (4). He and his son Toninho Lund own several cattle farms in Maranhão and Tocantins. A linked company, Ytacayuna Agro Pecuária, (5) had its registration cancelled by Brazilian Agency for stock market regulation in 2012 (6), with a debt of over BRL 90 million with the federal bank Bando do Nordeste (7). Borges family is also linked to Frigotins, a slaughterhouse and metapacker in Araguaína (TO), that requested insolveny in 2018 (8). LB Empreendimentos, the other linked company, is registered as a "holding of non-financial institutions" (9), and its is linked to the company LB Leilões e Transportes, involved in animal transport (10).

(1) http://www.riachao.ma.gov.br/vereador-type/toninho-lund/
(2) https://www.novacultura.info/post/2015/05/02/lavrador-é-baleado-no-bico-do-papagaio
(3) https://www.brasil247.com/geral/sem-terra-leva-tiro-em-ocupacao-de-fazenda
(4) https://blogdosakamoto.blogosfera.uol.com.br/2009/04/06/58-criancas-sao-despejadas-pela-policia-militar-no-tocantins/
(5) https://cnpjs.rocks/cnpj/06756464000109/ytacayuna-agro-pecuaria-s-a.html
(6) https://cvmweb.cvm.gov.br/SWB/Sistemas/SCW/CPublica/CiaAb/ResultBuscaParticCiaAb.aspx?CNPJNome=ytacayuna&TipoConsult=C
(7) https://www.bnb.gov.br/documents/224785/287231/Carteira+do+Finor+-+2022.pdf/d5850262-0697-63b7-8bd3-2ced24ee677f?version=3.0&t=1655229412923&download=true
(8) https://central.to.gov.br/download/35249
(9) https://transparencia.cc/dados/cnpj/35813632000159-MA-l-b-administracao-e-participacoes-ltda/
(10) http://cnpj.info/LB-LEILOES-E-TRANSPORTES-LTDA-ME

| Property | | | |
|---|---|---|---|
| Fazenda Anajá (São Luis) | | | |
| Carolina, Maranhão | | Cerrado biome | |
| CAR: | MA-2102804-B88411BCACA7407394C33F21AB83002D | SIGEF/SNCI: | 9999387741208 |
| Area property (ha): | 7,252 | Coordinates property: | -46.84323, -7.77278 |

| Cleared Area | | | |
|---|---|---|---|
| Coordinates clearance: | | -46.83467, -7.79498 | |
| 2,214 | Hectares | period clearance: | Feb to Jun 2022 |
| 62 | fires alerts | | |
| Inside Forest Code's protected areas: | Yes | 222 ha inside declared Legal Reserve | |
| Type of vegetation: | Wooded Savanna | Priority for Biodiversity Conservation: | Very high |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

Feb 2022

Source: Imagery ©2022 Planet Labs Inc.

June 2022

Source: Imagery ©2022 Planet Labs Inc.

| Environmental fines and embargoes | | | |
|---|---|---|---|
| Embargoes: | No | - | |
| Environmental fines: | No | - | - |

| Ownership and other linked properties | |
|---|---|
| Ownership: | João Carlos Aires Maranhão |
| Company group: | Grupo JC Maranhão (Automotive dealer in Pará) |
| Linked properties: | Other 3 properties totaling 2,940 ha. In Mãe do Rio (PA): Fazenda Turmalina (2,310 ha), Fazenda Itapoã (570 ha), Fazenda Rios das Pedras (56 ha) |

| Supply chain links | | | | |
|---|---|---|---|---|
| Main Commodities | Soy | | | |
| Confirmed supply chain link, level of certainty, and soy trader/ beef processor | | No | - | - |
| Soy | Main exporters (municipality) | [Domestic Consumption (100%)] | | |
| | Warehouses (50 km radius) | 10 warehouses, e.g., 1 owned by Bunge and 1 by Cargill | | |
| | Supply chain links & details: | The property is in a region with a relevant increase of soy cultivated areas in the last 5 years | | |
| Beef | Main traders (municipality) | Minerva (90%), others (10%) | | |
| | Slaughterhouses (sourcing from the municipality) | 8 different regional slaughterhouses sourced cattle from Carolina (MA) in 2020 | | |
| | Supply chain links & details: | In Pará state, directly supplied several regional meatpackers as Mercúrio Alimentos, Casfrisa, Fortefrigo, Marfribe, and Ativo Alimentos. Fazenda Paraíso, in Mão do Rio (PA) indirectly supplied JBS in Marabá (PA) through Fazenda 3 Irmãs in Pacajá (PA) between 2019 and 2020 | | |
| Other supply chain links and details: | | - | | |

| General comments |
|---|
| João Carlos Aires Maranhão, deceased in March 2021, was a well known cattle producer in Pará state (1). Aires Maranhão family is from Carolina, but no current relevant links to commodity supply chains were found although the property is in an area of soy expansion in Carolina, with Cargill and Bunge silos close by. |
| (1) https://www.portaldbo.com.br/luto-morre-o-pecuarista-joao-carlos-aires-maranhao-aos-80-anos/ |

# Case Study 6

| Property | | | |
|---|---|---|---|
| Fazenda Barra Velha | | | |
| Correntina, Bahia | | Cerrado biome | |
| CAR: • BA-2909307-44B4EA5A44B04ABD9B2DAE3DAFE86636, • BA-2909307-64778DBE7855473099C29AC29E946505, • BA-2909307-A6207E6DB0B6454FB8BDA4190F4B1299 | | SIGEF/ SNCI: 3181080935132 | |
| Area property (ha): | 38,354 | Coordinates property: | -45.08503, -13.26029 |

| Cleared Area | | | |
|---|---|---|---|
| Coordinates clearance: | | -45.12498, -13.27569 | |
| 1,574 hectares | | period clearance: | Mar to Jun 2022 |
| 141 fires alerts | | | |
| Inside Forest Code's protected areas: | No | - | - |
| Type of vegetation: | Forested Savanna | Priority for Biodiversity Conservation: | Extremely high |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

March 2022

Source: Imagery ©2022 Planet Labs Inc.

June 2022

Source: Imagery ©2022 Planet Labs Inc.

| Environmental fines and embargoes | | | |
|---|---|---|---|
| **Embargoes:** | Yes (other links) | 1 environmental embargo in 2012 at a linked property Fazenda Sassapão, in Formosa do Rio Preto (BA) | |
| **Environmental fines:** | Yes (other links) | 5 environmental fines in linked properties in Formosa do Rio Preto (BA) and São Desidério (BA) between 2012 and 2018 | BRL 1,9 million |

| Ownership and other linked properties | |
|---|---|
| **Ownership:** | Barra Velha Agropecuária |
| **Company group:** | Grupo Mizote |
| **Linked properties:** | Other 43 properties in Correntina (BA), São Desidério (BA), and Formosa do Rio Preto totalling at least 97,100 ha |

| Supply chain links | | | |
|---|---|---|---|
| **Main Commodities** | Multiple | | |
| **Confirmed supply chain link, level of certainty, and soy trader/ beef processor** | Yes | High | Bunge, Cofco |

| | | |
|---|---|---|
| **Companies' replies** | | The potential trading link with Louis Dreyfus was removed as they stated that "*LDC did not receive soy, corn or cotton volumes from the group in question in Correntina, Bahia, in the 2020, 2021 or 2022 (year-to-date) harvests*". |
| **Soy** | **Main exporters** (municipality) | Bunge (40%), ALZ (10%), others (14%), [Domestic consumption 36%] |
| | **Warehouses** (50 km radius) | 22 warehouses, e.g., 2 owned by Agrícola Xingu and 1 by SLC Agrícola |
| | **Supply chain links & details:** | Links to Bunge, Cofco and Louis Dreyfus, not clear if through soy or other crops trading (cotton, corn). |
| **Beef** | **Main traders** (municipality) | JBS (100%) |
| | **Slaughterhouses** (sourcing from the municipality) | 18 different regional slaughterthouses sourced cattle from Correntina (BA) in 2020 |
| | **Supply chain links & details:** | - |
| **Other supply chain links and details:** | | Between 2014 and 2018, Paulo Mizote supplied cotton to numerous clients, including Bunge, LD commodities, Cofco, Toyoshima USA Inc, Plexus Cotton Limited, ICT Trading SA, and Paul Reinhart (based on export data) |

## General comments

This case concerns ongoing deforestation on the property Barra Velha (Correntina - BA). Between 1 March 2018 and 14 April 2019, a total of 1,660 ha of native vegetation were cleared on Fazenda Barra Velha, owned by Grupo Mizote. Grupo Mizote produces, trades, and expors soy, corn, and cotton. It is one of the main cotton producers in West of Bahia state (1). Paulo Massayoshi Mizote is (co-owner) of at least seven companies in Bahia: Barra Velha Agropecuária, Mizote Company, Associação dos Produtores da Gleba Nova América, FMP Algodoeira do Oeste, Agropecuária e Armazéns Mizote, ABAPA - Associação Baiana dos Produtores de Algodão, and Cooperativa de Desenvolvimento do Agronegócio do Oeste da Bahia. He was the 1st Secretary of the Bahia Cotton Producers Association (Abapa) between019/2020 (2). In 2012, three members of the Mizote family – Paulo Massayoshi Mizote, Alysson Hideo Mizote and Eunice Matiko Ishida Mizote – were fined BRL 5.4 million for environmental infractions in Fazenda Sassapão, in Formosa do Rio Preto, having 2,262 ha embargoed by Ibama (3). Grupo Mizote is among the players in Correntina's water conflict and is listed in the Comissão Pastoral da Terra (CPT) report of agrarian conflicts over land, involving 240 families in 2016 and 2017 (4). In 2013, Correntina's citizens started a movement called “Fora Mizote” against a concession to deforest 24,600hectares of native vegetation requested by Grupo Mizote in the same Fazenda Barra Velha (5). In 2018, representatives of local communities impacted by Mizote’s plans interposed a process in Bahia’s Court of Justice (6). Paulo Massayoshi Mizote and his wife Eunice Matiko Ishida Mizote are also involved in a land dispute in Formosa do Rio Preto (BA) with alleged land grabber José Valter Dias, who is accused of forging documents and bribing local judges to confiscate an area of 300,000 ha (7). Grupo Mizote plans to implement cocoa plantations in Barreiras (Bahia). In 2014, MetLife, one of the largest global providers of insurance, annuities, and employee benefit programs, with 90 million customers in over 60 countries, provided a loan of USD 30 million to Paulo Massayoshi Mizote (8). Grupo Mizote collects the 11th largest volume of water in Cerrado biome in Bahia among the companies linked to the Bahia Association of Farmers and Irrigators (Aiba) and Abapa. The company has an authorization to capture 76.3 million litres per day from the Rio Grande Basin, one of the main tributaries of the São Francisco River (9).

(1) https://www.researchgate.net/publication/323299012_A_producao_no_Oeste_da_Bahia_controlada_por_estrangeiros_e_a_sua_vinculacaosubordinacao_ao_capital
(2) https://www.falabarreiras.com/sem-categoria/abapa-elege-nova-diretoria-pra-o-bienio-2019-2020/
(3) https://servicos.ibama.gov.br/ctf/publico/areasembargadas/ConsultaPublicaAreasEmbargadas.php
(4) https://www.cptnacional.org.br/component/jdownloads/send/41-conflitos-no-campo-brasil-publicacao/14061-conflitos-no-campo-brasil-2016?Itemid=0
(5) https://www.asabrasil.org.br/noticias?artigo_id=3141
(6) https://www.jusbrasil.com.br/diarios/documentos/555707164/andamento-do-processo-n-8003344-0820188050000-agravo-de-instrumento-14-03-2018-do-tjba?ref=topic-lawsuit
(7) https://www.legalnote.com.br/publicacao-diario-oficial/00248257120158050000/54712943/
(8) https://www.agrimarketing.com/ss.php?id=87690
(9) https://apublica.org/2021/12/os-privilegiados-com-a-agua-do-cerrado-baiano/

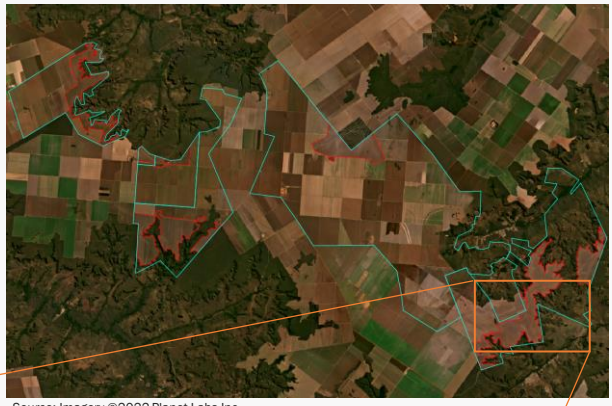
| Property | | | |
|---|---|---|---|
| **Fazenda Ipê**<br>[Fazenda São Gabriel, Fazenda Serra Grande, and Fazenda Boa Esperança (Glebas 2, 3, and 4) in Baixa Grande do Ribeiro – P, and Fazenda Colheres in Ribeiro Gonçalves - PI] | | | |
| Baixa Grande do Ribeiro, Piauí | | Cerrado biome | |
| CAR: | • PI-2201150-02A77A8F99714DCBA2FB39B6E380F9B8<br>• PI-2208908-A931B43118F64C0FABA6722D1E7F5BB8<br>• PI-2208908-0963588B5A2F45F6B27D55710D72B842 | SIGEF/SNCI: | 1260120069808, 1280150087453, 519421976, 1260710308131 |
| Area property (ha): | 54,889 | Coordinates property: | -45.23815, -8.43782 |
| **Cleared Area** | | | |
| Coordinates clearance: | | -45.11731, -8.55312 | |
| 8,184 | hectares | period clearance: | Mar to Jun 2022 |
| 146 | fires alerts | | |
| Inside Forest Code's protected areas: | Yes | 6850 ha inside declared Legal Reserve and APP | |
| Type of vegetation: | Wooded Savanna | Priority for Biodiversity Conservation: | Extremely high |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

March 2022

Source: Imagery ©2022 Planet Labs Inc.

June 2022



Source: Imagery ©2022 Planet Labs Inc.

Fires

September 2021

Source: European Union, contains modified 2021, processed with EO Browser Copernicus Sentinel data

| Environmental fines and embargoes | | | |
|---|---|---|---|
| Embargoes: | No | - | |
| Environmental fines: | No | - | - |

| Ownership and other linked properties | |
|---|---|
| Ownership: | Ipê Agroindustrial (InSolo) |
| Company group: | InSolo / Terrus |
| Linked properties: | Linked properties totaling more than 120,000 ha |

| Supply chain links | | | | |
|---|---|---|---|---|
| Main Commodities | Soy | | | |
| Confirmed supply chain link, level of certainty, and soy trader/ beef processor | | Yes | High | Bunge |
| Soy | Main exporters (municipality) | Risa (100%) | | |
| | Warehouses (50 km radius) | 46 warehouses, e.g., 3 owned by InSolo (Ipê Agroindustrial), 3 by Bunge, and 1 by ALZ | | |
| | Supply chain links & details: | - | | |
| Beef | Main traders (municipality) | no data | | |
| | Slaughterhouses (sourcing from the municipality) | no data | | |
| | Supply chain links & details: | - | | |
| Other supply chain links and details: | | - | | |

## General comments

Ricardo Faria bought the company InSolo in November 2021 becoming the 5th largest crop producer in Brazil with more than 120,000 hectares of crop cultivation, mainly soy (1). InSolo was the centre of the scandal involving Harvard University's endowment fund. The company was linked to a series of social and environmental impact in Piauí, reported by Chain Reaction Research (2), Grain (3), and Rede (4). Fazenda Ipê is also involved in a case of land grabbing (5). InSolo had soy trading links to Bunge and Cargill (6).

(1) https://exame.com/agro/apos-comprar-insolo-por-r-18-bi-ricardo-faria-e-maior-emergente-agro/
(2) https://chainreactionresearch.com/report/foreign-farmland-investors-in-brazil-linked-to-423000-hectares-of-deforestation/
(3) https://www.grain.org/en/article/6008-o-fiasco-agricola-bilionario-da-universidade-de-TIAA/Nuven/WestChester/Radar#sdfootnote30sym
(4) https://www.social.org.br/files/pdf/PT_FINAL_PDF_TIAA/Nuven/WestChester/Radar.pdf
(5) https://odr.chalmers.se/bitstream/20.500.12380/300087/1/E2019_106.pdf
(6) https://www.aviculturaindustrial.com.br/imprensa/soja-no-mapito/20110411-085143-e131

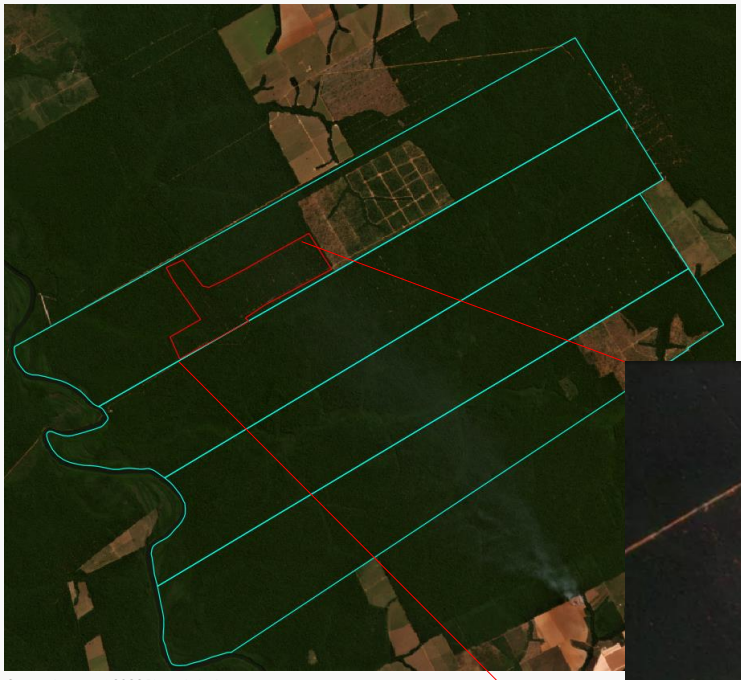
## Ongoing case

## Case Study 8

| Property | | | |
|---|---|---|---|
| Fazenda Lucata I and II / Fazenda Gaúcha I and II | | | |
| Juara, Mato Grosso | | Amazon biome | |
| CAR: | MT-5105101-FDD7F77AC0D94DBA8027AAFF6C86934C, MT-5105101-E7359E8C1BEE4AB99C7B6B227D51DB96 MT-5105101-722F871DDEFF4BFC8C5C4219F90E4EC0, MT-5105101-BA95B12999FA4427961F5D622A387291 | SIGEF/SNCI: | 9011211143910 |
| Area property (ha): | 18,772 | Coordinates property: | -57.83876, -11.88532 |
| **Cleared Area** | | | |
| Coordinates clearance: | | -57.87463, -11.88397 | |
| 668 | hectares | period clearance: | Apr to Jun 2022 |
| 53 | fires alerts | | |
| Inside Forest Code's protected areas: | Yes | 661 ha inside declared Legal Reserve and APP | |
| Type of vegetation: | Ombrophilous Open Forest | Priority for Biodiversity Conservation: | Extremely high |
| Conservation area(s) (overlapping or bordering): | | - | |
| Indigenous Territories (overlapping or bordering): | | - | |

**Before & After Imagery:** limits of the property (blue) limits of the cleared area (red)

Feb 2022



Source: Imagery ©2022 Planet Labs Inc.

June 2022

Source: Imagery ©2021 Planet Labs Inc.

| Environmental fines and embargoes | | | |
|---|---|---|---|
| Embargoes: | Yes | 1 environmental embargo for non-authorized clearance of native vegetation in 2021 (Fazenda Gaúcha II) | |
| Environmental fines: | Yes | 3 environmental fine in the cluster of properties (Fazenda Gaúcha and Fazenda Lucata) and 3 environmental fines in linked properties. In 2021, 1 environmental fine linked to the embargoed area in Fazenda Gaúcha II and 2 other environmental fines in Fazenda Lucata I and II. In 2011 and 1999, 2 environmental fine for non-authorized use of fire in a property in Brasnorte (MT) and in 2010 for not presenting required documents to the State Environmental Agency regarding a property in Alta Floresta (MT) | BRL 192,725 |

| Ownership and other linked properties | |
|---|---|
| Ownership: | STX Agropecuária (SIGEF/CAR) / JCR Agropecuária (CAR) |
| Company group: | STX Agropecuária / JCR Agropecuária |
| Linked properties: | 14 other properties in Mato Grosso, totaling at least 77,651 ha. In Vila Bela da Santíssima Trindade: Fazenda Vitória do Guaporé (2,710 ha), Fazenda Lagoa do Encanto (12,040 ha). In Brasnorte: Fazenda Itauna (3,480 ha), Fazenda Santa Germen (8,500 ha), Fazenda Ingaí - Área A and B (2,990 ha), Fazenda Imburana - Área A (1,350 ha), Fazenda Tombador do Sangue (1,230 ha), and Fazendas Paraíso, Jaboticabal, São Paulo, Santa Madalena, Santa Maria, Loanda, and part of lote São Bento (8,213 ha). In Aripuanã: Fazenda São João (1,790 ha), Fazenda Boa Vista II / Fazenda Jatobá (3,405 ha), Fazenda Jeeda (17,826 ha), Fazenda Amor do Aripuanã (5,000 ha). In Nova Bandeirantes: Fazenda Matrinchã II (4,720 ha). In Comodoro: Fazenda Esperança (3,807 ha) |

| Supply chain links | | | | |
|---|---|---|---|---|
| Main Commodities | | Beef and Timber | | |
| Confirmed supply chain link, level of certainty, and soy trader/ beef processor | | Yes | Medium | JBS, Marfrig |
| Soy | Main exporters (municipality) | [Domestic Consumption (100%)] | | |
| | Warehouses (50 km radius) | 8 warehouses, e.g. Agropecuária Brianorte (21,160 MT) | | |
| | Supply chain links & details: | - | | |
| Beef | Main traders (municipality) | JBS (56%), Marfrig (24%), Minerva (7%) | | |
| | Slaughterhouses (sourcing from the municipality) | 29 different slaughterhouses sourced cattle from Juara (MT) in 2019, e.g.: 4 owned by JBS (Juará, Juína, Diamantino, and Alta Floresta, all in MT), 1 by Marfrig (Tangará da Serra - MT), 1 by Minerva (Várzea Grande - MT) | | |
| | Supply chain links & details: | Linked to 12 cattle ranches in Mato Grosso (Aripuanã, Vila Bela da Santíssima Trindade, and Brasnorte). Several of these properties directly supply JBS, e.g. unnamed property in Brasnorte (MT) directly supplied cattle to JBS in Juína (MT) in 2019, and Fazenda Vitória do Guaporé, in Vila Bela da Santíssima Trindade (MT), directly supplied JBS in Pontes e Lacerda (MT), in 2019. STX Agropecuária is also a direct supplier to MFG Agropecuária, a livestock confining company owned by Marfrig's CEO and main shareholder | | |
| Other supply chain links and details: | | In 2020, Fazenda Lucata I supplied timber to Estrela Indústria e Comércio de Madeiras, a supplier of wood residuals for energy generation to Bunge (Nova Mutum - MT) and Libra, an ethanol producer company | | |

| General comments |
| --- |
| The considered property is a cluster of 4 farms all registered under STX Agropecuária (SIGEF 9011211143910, Fazenda gapucha Gleba A and B - Gleba Centro Oeste). The CAR declarations of the properties are already validated by SEMA (Environmental Agency of Mato Grosso state) and are part declared by STX Agropecuária (Fazenda Lucata I and II) and part by JCR Agropecuária (Fazenda Gaúcha I and II). The clearance reported falls in the part of the property's cluster declared in the validated CAR as Fazenda Gaúcha I (by JCR Agropecuária). The previous RDM report from June 2022 (1) included detected clearance of native vegetation in this same cluster of properties, falling in two farms: Fazenda Gaúcha I (JCR Agropecuária) and Fazenda Lucata I (STX Agropecuária). Both clearances are authorized by the environmental agency (54138116 & 32172616) (2). The properties have also approved Sustainable Forest Management plans for timber, however, one of these areas was embargoed for forest degradation in October 2021 (1,100 ha in Fazenda Gaúcha II). STX Agropecuária is active in the cattle and timber sectors and registered in different address including its headquarter in São José do Rio Preto (SP) (3). The owner of STX Agropecuária is linked to the ownership/management of other 43 different companies (4). STX Agropecuária is linked to at least 12 different cattle ranches in MT, most of them directly supplying slaughterhouses owned by JBS. In 2014, the owner of STX Agropecuária signed a Conduct Adjustment Term (translated from Termo de Ajustamento de Conduta - TAC) with the Environment Agency of Mato Grosso that defines the payment of BRL 5,000 per hectare for the compensation of the degradation of the Area for Permanent Conservation (APP) in Fazenda Boa Vista II, in Aripuanã (MT) (5). The company sign other TACs linked to degradation of native vegetation: in 2013 regarding Fazenda Jeedá, also in Aripuanã (MT) (6), and in 2011 regarding an unknown property in Vila Bela da Santíssima Trindade (MT) (7). |
| (1) https://aidenvironment.org/wp-content/uploads/2022/06/Realtime-Deforestation-Monitoring-Report-June-2022.pdf<br>(2) https://geoportal.sema.mt.gov.br/#/<br>(3) https://consultacnpj.com/cnpj/stx-agropecuaria-ltda-05268414000381<br>(4) https://www.consultasocio.com/q/sa/luiz-carlos-tavares<br>(5) https://www.jusbrasil.com.br/diarios/76345931/doemt-09-09-2014-pg-10<br>(6) https://www.escavador.com/diarios/647639/DOEMT/P/2013-10-17?page=15<br>(7) https://www.jusbrasil.com.br/diarios/28237262/pg-25-diario-oficial-do-estado-do-mato-grosso-doemt-de-14-06-2011?ref=serp |

# Methods & Sources

Deforestation and fire alerts data are the starting point of the analysis for each of the case studies. After confirming the clearance of native vegetation through satellite imagery, each of the case is then analysed through the Aidenvironment database crossing data from different sources and datasets as described below. Finally, the data is validated by a local partner and a qualitative analysis of each case is developed making use of publicly available data.

### Deforestation & Fire

We processed deforestation alert data from the INPE/Deter program for both biomes, Amazon and Cerrado. An alternative source is the Global Forest Watch (GLAD alerts) and the Mapbiomas Alertas platforms. The fire alerts are checked in the NASA/Firms platform and processed using EO Browser Copernicus Sentinel platform. For each selected case, the deforestation is confirmed through satellite images.

### Landownership (SIGEF/SNCI/SNCR) and the Environmental Cadastre self-declaration (CAR)

The landownership data is from the Federal Tenure Land systems SIGEF and SNCI, crossing it with SNCR to identify the ownership. The landownership registration on local notary offices is not checked and might be different than the federal systems. The self-declaration for the Environmental Cadastre (CAR) is checked in the Federal System SICAR, including the Legal Reserves and Permanent Preservation Areas (APP) according to the Brazilian Forest Code. For some states, such as Mato Grosso and Pará, it is possible to check the CAR declarant name through the Environmental State Agencies' CAR platforms. It is important to highlight that CAR is not recognized as official ownership data.

### Brazilian Forest Code protected areas

*Legal Reserves* and *Permanent Preservation Areas (APP)* are defined by the Brazilian Forest Code as having mandatory conservation status on private properties. The size of *Legal Reserves* in private properties varies according to the biome [80% Amazonia biome, 35% Cerrado biome inside Legal Amazon, 20% other areas], and *Permanent Preservation Areas (APP)* are those linked to water and soil conservation areas (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, in some cases it still provides the most recent information on who is operating in a property.

### Conservation areas and Indigenous Territories

Conservation Areas data is from the ICMBio, responsible for monitoring and management the 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 Territories data is from FUNAI, the National Foundation for Indigenous Populations. Indigenous Territories are officially recognized and determine areas where local Indigenous populations have customary rights to access and use the land.

### Type of Vegetation and Priority for Biodiversity Conservation

The type of vegetation data is from the IBGE (Brazilian Institute of Geography and Statistics) and Embrapa, consulted through the INPE website. The classification according the Priority for Biodiversity Conservation is from a study elaborated by the Brazilian Ministry of the Environment updated in 2018.

### Environmental Embargoes and Fines

Embargoed areas and Environmental fines are checked in the database form IBAMA, the Federal Environment Agency. Embargoes are areas where any kind of activity is suspended or unauthorized by IBAMA oftentimes due to environmental degradation or other crimes such as slavery labor. Properties can be removed from the list of embargoed areas after having addressed the problem. Environmental fines are usually linked to regulation infractions and are addressed to the owner of the property.

### Company Group and linked properties

Once the ownership of the property is clearly linked to an individual, we use the SINTEGRA database to check all the registered companies under this individual or group of individuals names. If the ownership is already registered by a company, we also check the corporate structure of the company through open sources websites. Once the ownership, linked companies and corporate structure are defined, we search for other properties registered under the same or similar ownership in the Federal Tenure Land systems SIGEF and SNCI.

### Level of certainty of links to soy traders and beef processors

**Soy** – *High*: trading relationship between the owner of the property and the trader is confirmed by traders or by the National Supply Company (Conab) trading subsidy programs, or traders have assets (warehouses) within the boundaries of the property; *Medium*: trading relationship with the corporate group, not necessary with the specified property is confirmed by traders or by Conab's subsidy programs; *Low*: trader is the main soy exporter in the municipality (Trase platform), or traders have assets (warehouses) within a radius of 50 km from the property.

**Cattle** - *High*: animal transportation data (GTA) confirm direct trading relationship between the property and beef processors; *Medium*: animal transportation data (GTA) confirm indirect trading relationship between the property and beef processors; *Low*: beef processor is the main meat exporter in the municipality (Trase platform), or beef processors have assets (slaughterhouse) within a radius of 50 km from the property.

### Main exporters (municipality), warehouses and slaughterhouses

The data on main soy and beef exporters per municipality is from Trase platform. Warehouses' location is from the SICARM, and slaughterhouses' location are from the Ministry of Agriculture. The municipalities' export data and companies' assets location are only an indication of a potential trading link, not being used as prove of trading links as explained in the previous item (level of certainty of links to soy traders and beef processors).

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* * * *

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