

Federal Public Prosecution Service

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# **Presenting the results of the 4th Cycle of Audits of the Cattle Ranching TAC - Pará**

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December 15, 2022

# Recommendations for the event

## For persons in the Teams event:

- The event will be transmitted live on YouTube. You may choose to leave the camera turned off.
- During the presentations we ask that you leave your microphone on mute.
- Any doubts and comments can be sent using the platform chat or during the time set aside for discussion.

## For persons on YouTube:

- Questions and comments may be sent to the chat service. We will be monitoring and selecting some to be read during the time reserved for discussion. Questions will be answered only by the Federal Public Prosecution Service.
- Journalists may use the MPF Service System MPF: [saj.mpf.mp.br/saj](http://saj.mpf.mp.br/saj)

# Program

<b>2:00 PM</b>	<b>Announcement of the results of Cattle Ranching TAC Audits</b> MPF PA Prosecutors
<b>2:30 PM</b>	<b>Discussions and information about Cattle Ranching TAC</b> <b>SECEX</b> (Amigos da Terra – Amazônia Brasileira and Imafloa) <b>Technical Council</b> (UFMG, UW and Imazon) <b>Social Chamber</b> (Aliança Paraense pela Carne, Acripará, Sindicarne and Niceplanet) <b>Government Representatives</b> (SEMA and IBAMA)
<b>3:00 PM</b>	<b>Section for discussion and general reports (next steps) of Cattle Ranching TAC</b> MPF PA Prosecutors
<b>3:15 PM</b>	<b>Questions</b> Press and General Public
<b>3:45 PM</b>	<b>Closure</b> MPF PA Prosecutors
<b>4:00 PM</b>	<b>Cocktail*</b>

\* After the event, there will be a cocktail reception in the building next door to the event (MPF headquarters) beginning at 4 PM

# General Information about the audits

- Audits performed in /2022
- Transactions July/2019 to June/2020
- Auditing firms: Grant Thornton, GeoMaster and BDO

# Signatories

## Signatory companies audited: 16

Agroexport  
Frigorífico  
Frigorífico Altamira  
Alvo Consultoria Agropecuária  
ForteFrigo  
Fribev/Xinguara  
Frigol  
JBS  
Mafrinorte  
Masterboi  
Mercúrio  
Minerva  
Matadouro Marchantaria Planalto  
Frigorífico Rio Maria  
Frigorífico São Francisco – Sampaio

M.J. Novaes (Curtume Ideal)

## Relevant signatory companies that did not present audits: 11

CE Mendonça Frig Vitória  
Frigorífico Mararu - Frigomar  
Frigorífico Ouro Verde  
Frigosan - Santarém  
Independência IG de Paula  
Matadouro Amazônia  
R.E. Ribeiro Soares  
Frigorífico Água Branca - Frinort  
SOCIPE - Coop Ind. Pecuária Pará  
Wellard do Brasil Agronegócios  
Casfrisa

**Automatic audit (UFMG/CT)  
195.329 cattle (33.5% non-compliance)**

## Signatory companies exempted from audit: 9

Abatedouro Boi Forte  
Amazônia Ind. Alimentícia  
Boi  
Branco Coml Exp e Imp de Bovinos  
BR Comércio de Carnes  
Frigorífico Eldorado  
Frigorífico Santa Cruz  
Kayapós Fabril e Exportadora  
M R Souza Junior  
Redenção Frigorífico do Pará

# Non-signatories

**Non-signatory companies with significant volumes : 13**

**Frigorífico Araticum  
Frigonorte - J M Soares  
Frigorifico Brasil Novo  
Frig Munic Oriximiná  
Uniboi Alimentos - Unibrax  
Mafrimar - Mat e Frig Marajoara  
Frigus - R C Moreira  
Frigovan - R Barcelos Ribeiro  
Marfrig Alimentos (audit in progress)  
Marfribe - Frig Bezerra  
Frigoríficoico Valencio  
Frigorífico Mariano  
Redentor Foods**

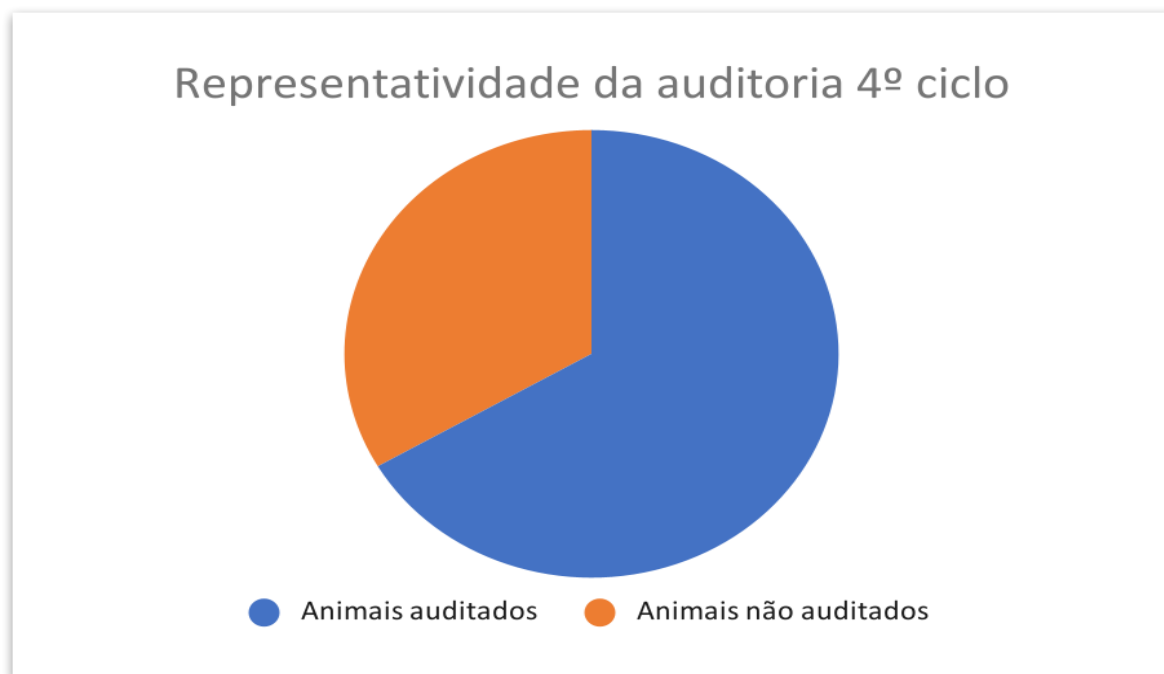
**Automatic audit (UFMG/CT):  
485,194 cattle (23.80 % non-compliance)**

# Representativeness of audits in the State of Pará and % of cattle with non-compliance

Total of cattle sold for slaughter/export..... 3,502,566 (100%)

Total of cattle sold by audited companies..... 2,333,642 (67%)

Total of non-audited cattle ..... 1,168,925 (33%)



- Cattle effectively audited (sampling).....2,255,319 (100%)  
↳ Cattle with non-compliance .....136,172 (6,04%)

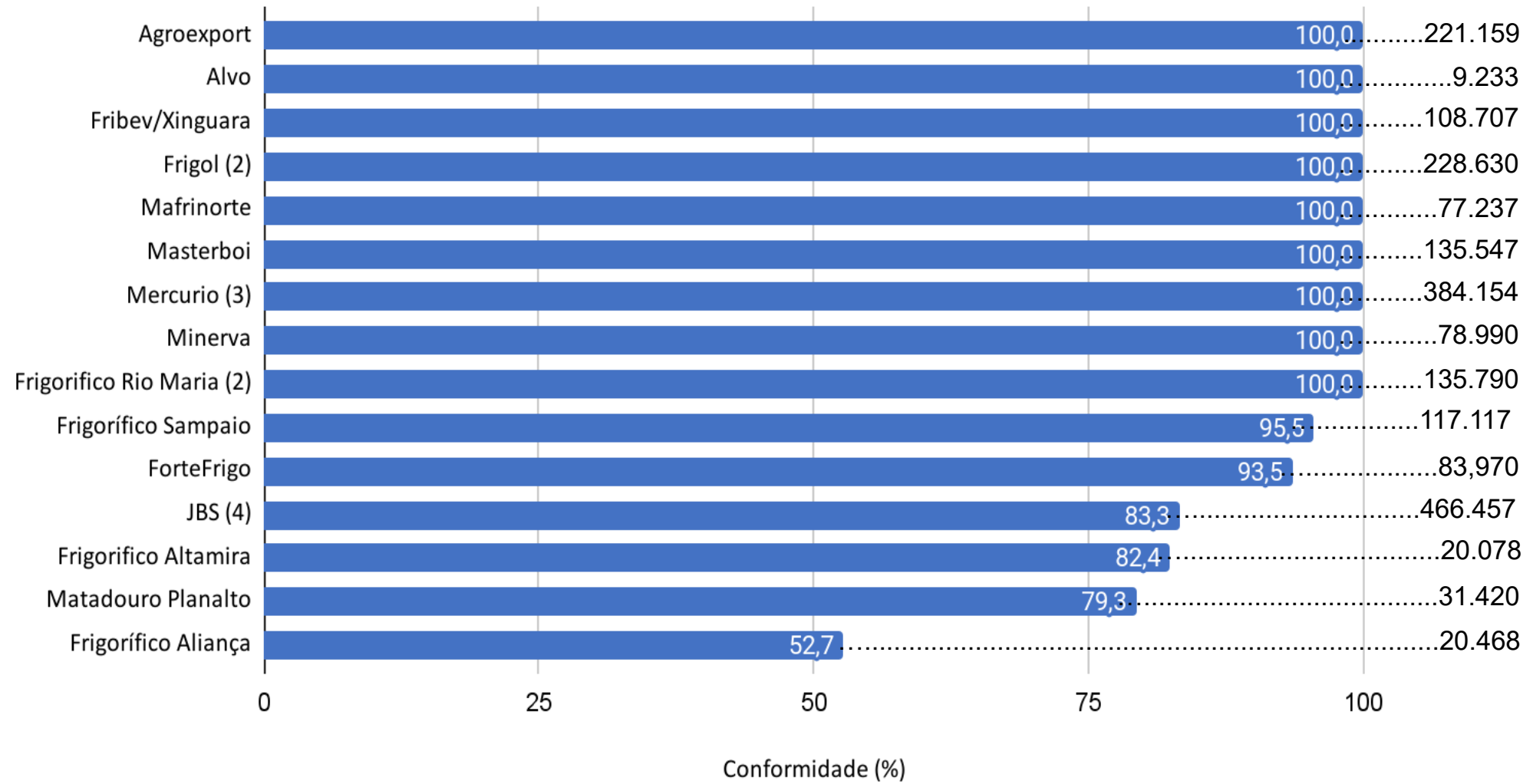
**6.04% of  
non-compliance**

# Number of cattle sold and degree of non-compliance with audits

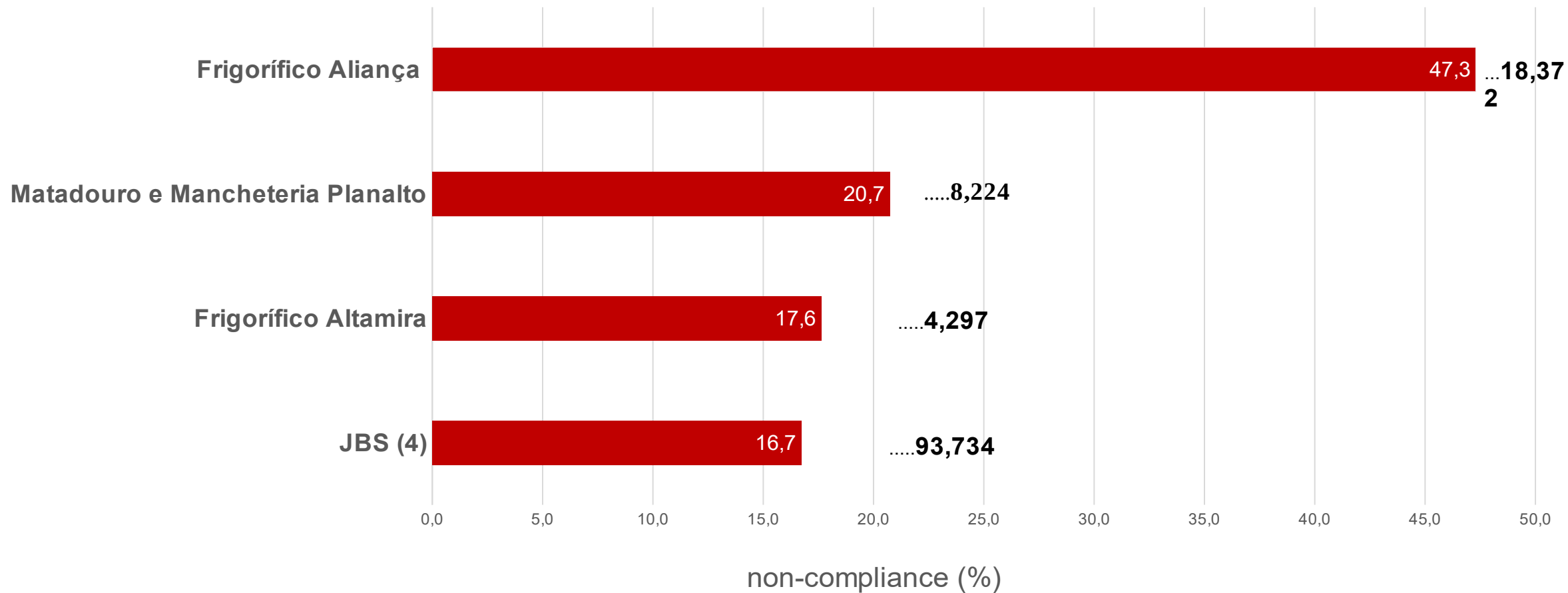
Comparison		12 months	12 months	18 months	12 months
		Audit 1st cycle	Audit 2nd cycle	Audit 3rd cycle	Audit 4th cycle
<b>Number of cattle sold by by audited companies</b>		2,368,089	2,193,834	4,018,115	2,333,642
%		73%	65%	69%	67%
<b>Number of non-audited cattle</b>		888,546	1,179,829	1,839,487	1,168,925
%		27%	35%	31%	33%
<b>Total Number (slaughter + export)</b>		3,256,635	3,373,663	5,857,602	3,502,567
%		100%	100%	100%	100%
<b>Degree of non-compliance</b>		246,343	137,093	376,812	136,172
%		10.40%	6.25%	9.95%	6.04



# Signatories with highest rates of conformity (% and number of cattle)



# Signatories with highest non-compliance rates (% and number of cattle)



# Clarification

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JBS expresses its disagreement with the application of the Prodes 2008 database in the current audit, considering, among other arguments:

- (1) insertion of the expression “Prodes 2009” in the cattle ranching monitoring protocol in the text with MPF’s approval.
- (2) not using the Prodes 2008 database in the previous audits.
- (3) the fact that Prodes 2008 was not supposed to contain deforestation data from after 08/01/2008, and that JBS did not receive any formal communication regarding residual data in Prodes 2008 for the later period.

# The MPF position

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The MPF did not accept the methodology that discarded the Prodes 2008 database. The TAC criterion is post-July 2008 deforestation.

The wording of the Monitoring Protocol that mentioned “Prodes 2009” is subsequent to the purchases made by the company during this cycle. In fact, this wording has already been corrected.

Even if this problem were to be disregarded, it was found that JBS had 8.85% of non-compliance in the 4th cycle.

## History of the audits – non-compliance

Companies	irregularities (%)			
	Audit 1st cycle	Audit 2nd cycle	Audit 3rd cycle	Audit 4th cycle
Frigorífico	69.90	36.20	24.80	47.30
Marchanteria Planalto	43.10	12.10	31.10	20.74
Frigorífico Altamira	72.00	17.60	--	17.63
JBS Total	19.10	8.30	32.00	16.73
ForteFrigo	8.40	15.30	18.70	6.51
Frigorífico São Francisco - Sampaio	--	30.80	15.20	4.50
Mercúrio Total	0.30	0.20	0.00	0.04
Agroexport	0.00	0.00	0.00	0.00
Alvo Consutoria Agropecuária	--	--	0.68	0.00
Frigol Total	17.40	18.70	4.10	0.00
Mafrinorte	0.30	0.00	0.70	0.00
Masterboi	31.00	3.70	0.00	0.00
Minerva	0.00	0.30	0.00	0.00
Frigorífico Rio Maria	0.00	0.00	0.00	0.00
Fribev - Xinguara	0.00	0.06	0.67	0,00

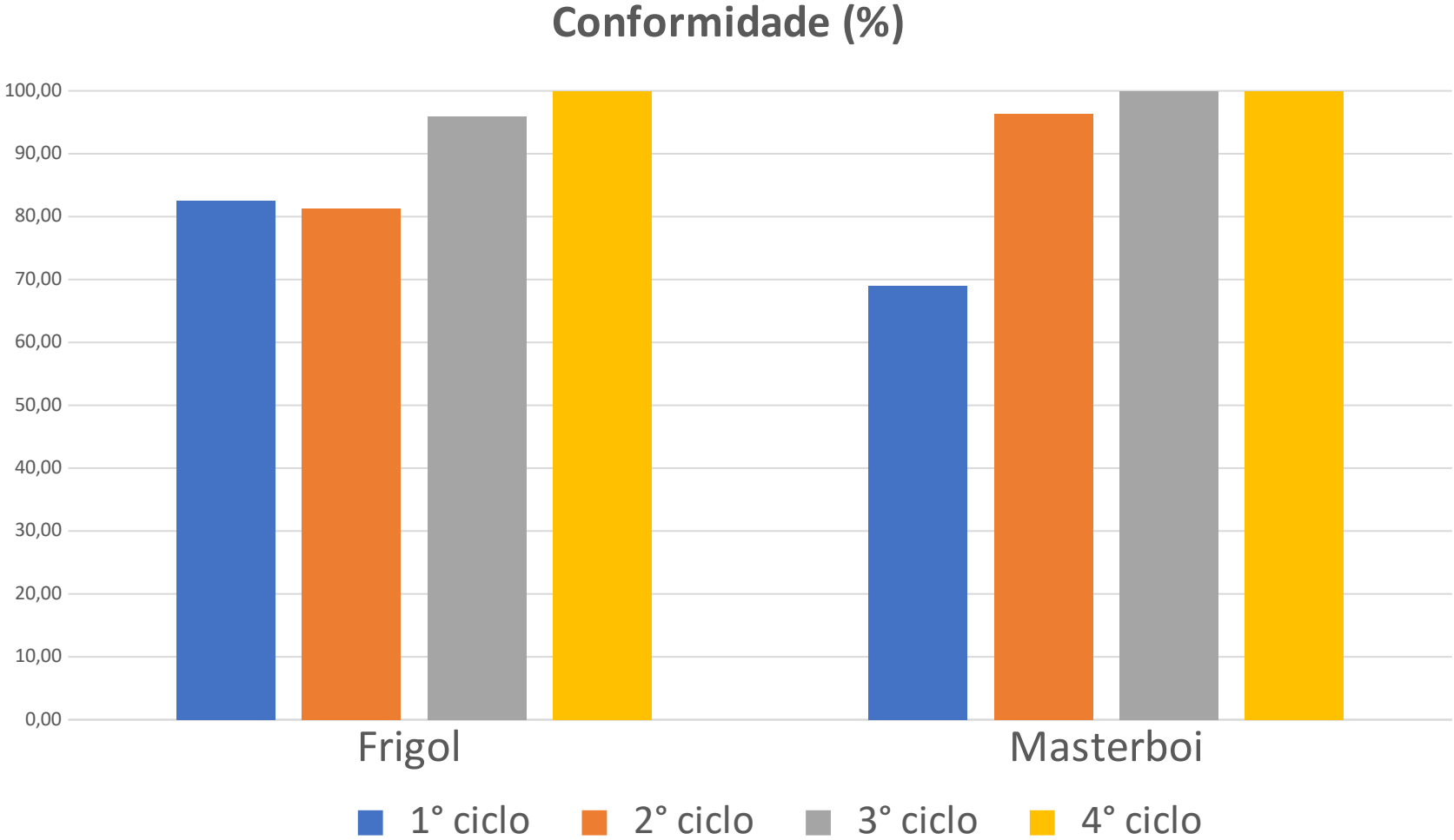
Companies with less than 1% of non-compliance during the four audit cycles

<b>Companies</b>	<b>1st Cycle</b>	<b>2nd Cycle</b>	<b>3rd Cycle</b>	<b>4th Cycle</b>
<b>Agroexport</b>	<b>0.00</b>	<b>0.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Frigorífico Rio Maria</b>	<b>0.00</b>	<b>0.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Mafrinorte</b>	<b>0.32</b>	<b>0.00</b>	<b>0.74</b>	<b>0.00</b>
<b>Mercurio Total</b>	<b>0.30</b>	<b>0.22</b>	<b>0.01</b>	<b>0.00</b>
<b>Minerva</b>	<b>0.00</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>
<b>Xinguara/Fribev</b>	<b>0.00</b>	<b>0.06</b>	<b>0.67</b>	<b>0.00</b>

Companies  
with  
significant  
improvement

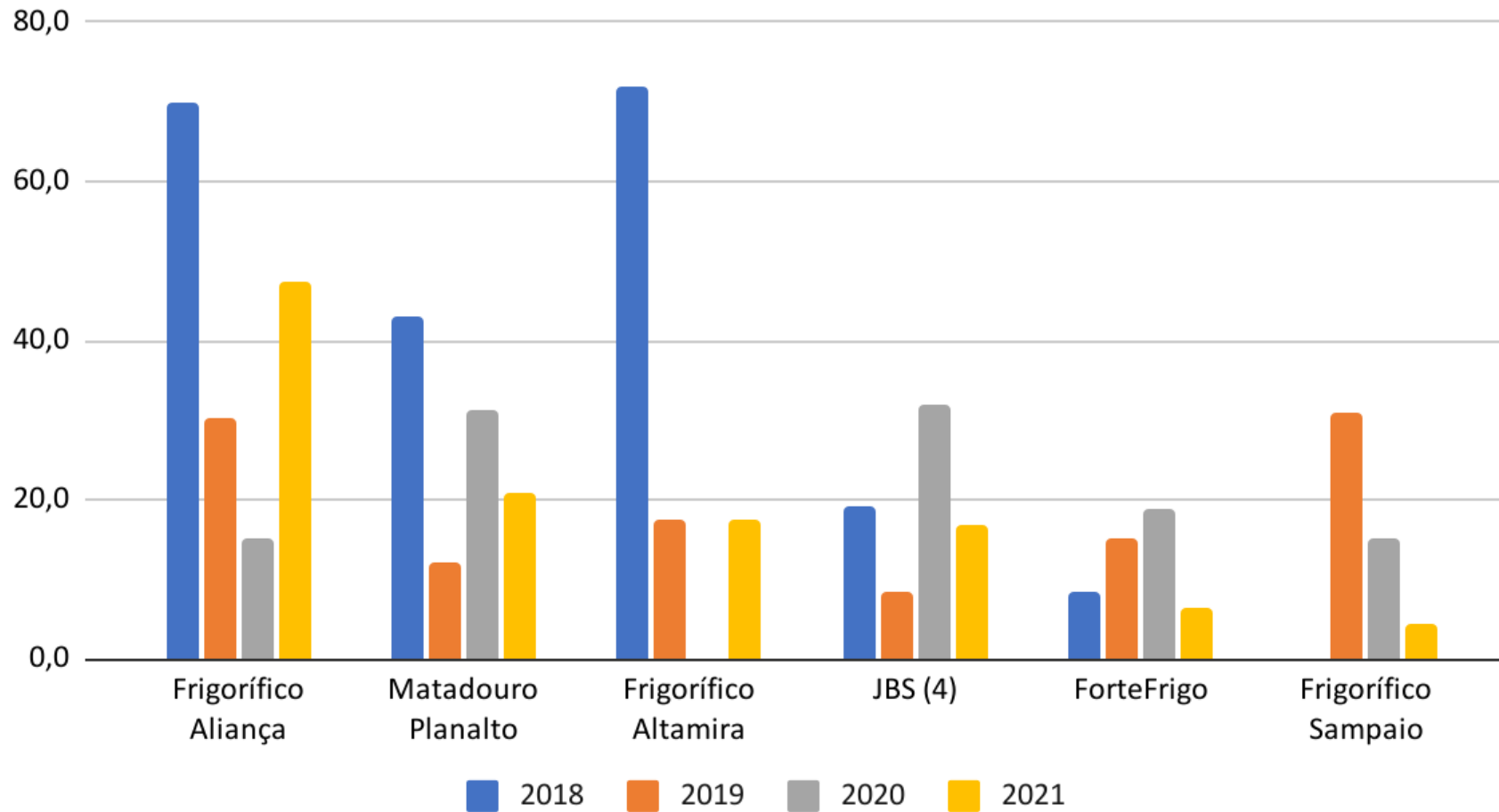
<b>Companies</b>	<b>1st Cycle</b>	<b>2nd Cycle</b>	<b>3rd Cycle</b>	<b>4th Cycle</b>
<b>Frigol</b>	<b>17.39</b>	<b>18.72</b>	<b>4.12</b>	<b>0.00</b>
<b>Masterboi</b>	<b>31.00</b>	<b>3.72</b>	<b>0.00</b>	<b>0.00</b>

# Companies with significant improvement in audit results





# History of audits: non-compliance



\* Companies that had unsatisfactory results in the 3rd cycle.

# Recommendations

% de Tolerância			
Auditoria 2018	Auditoria 2019	Auditoria 2020	Auditoria 2022
1° Ciclo	2° Ciclo	3° Ciclo	4° Ciclo
<b>Até 30%</b>	<b>Até 20%</b>	<b>Até 9,95%</b>	<b>Até 7%</b>

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# Federal Public Prosecution Service - MPF

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**Daniel Cesar Azeredo Avelino**  
Federal Public Prosecutor

**Ricardo Augusto Negrini**  
Federal Public Prosecutor

**Gabriela De Góes Anderson Maciel Tavares**  
Federal Public Prosecutor

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# Beef TAC Support Committee

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Technical Cooperation Agreement between MPF-PA, Imaflora and AdT signed  
in October, 2021

**BOL** NA  
**LINHA**

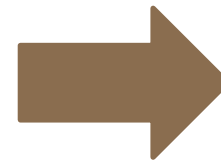
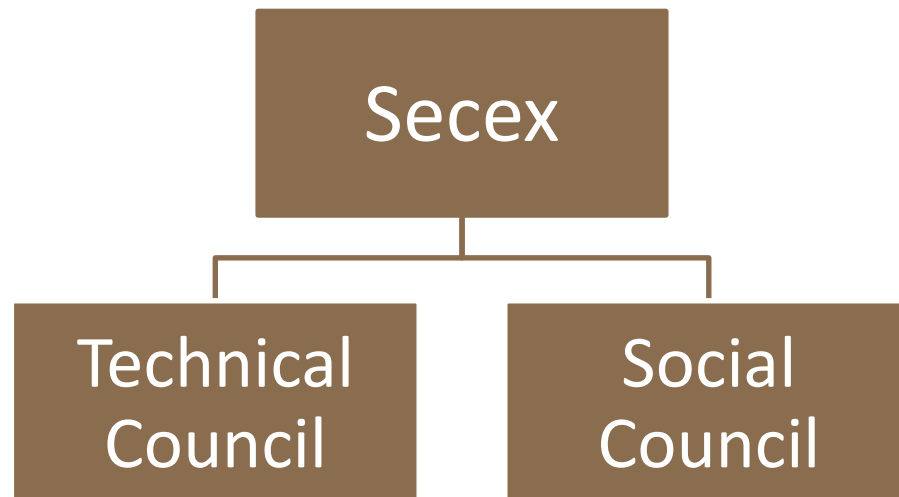


# Objectives of the TAC Pará Support Committee (CAT PA)

- a) Support effective implementation of the Beef TAC in the State of Pará;
- b) Support expansion of the Beef TAC in the State of Pará (expansion to new meatpacking plants);
- c) Act as an instrument of **technical, scientific, consultive and instructional support** to collaborate in improving the efficiency and **transparency** of processes related to implementing the Beef TAC. The goal is to enable its implementation and communication in a structured and organized manner with private stakeholders.

# Operational Structure

## TAC Pará Support Committee



Beef  
TAC

Federal Public Prosecution Service

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# **NEXT STEPS**

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December 15, 2022

# Next Steps

## **Non-audited companies**

- Enforcement of the TACs with companies that are absent in the process;
- Filing lawsuits against companies without TACs;
- Analysis of data (direct audit) from unaudited companies in order to disseminate these results together with the 5th cycle;
- Recommendations from retailers;
- Work together with IBAMA and SEMAS for priority inspections of unaudited companies



## Next Steps

**Companies in an intermediate situation** (poor results in the 4th cycle, or did not present audits for 1 or more cycles)

- Seek to negotiate (if unsuccessful, take measures provided for unaudited companies audit)

# Next Steps

## **Indirect suppliers**

- Pilot test with automatic audit tool based on Green Seal
- CT analyses for data calibration and reliability
- Establish a timeline for including indirect suppliers in the traceability criteria

# REQUEST FOR INFORMATION ON ACTIONS FOR MANAGING THE DEFORESTATION RISK

## Regional supermarkets – State of Pará

1. Macre
2. Formosa \*
3. Grupo Nazaré
4. Grupo Mateus
5. Lider Comercio e Industria \*
6. Supermercados Y Yamada
7. Lojas Portugal \*

\* Companies that responded to the MPF

## Nationwide supermarkets

1. A Angeloni e Cia
2. Carrefour \*
3. Cencosud \*
4. Comercial Zaragoza
5. DMA Distribuidora AS
6. Grupo Big
7. Grupo Pão de Açúcar – GPA \*
8. Grupo Zaffari \*
9. Irmãos Muffato
10. Mart Minas
11. Savegnago \*
12. Sonda Supermercados\*
13. Supermercados BH Comercio de Alimentos

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**THANK YOU**

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December 15, 2022