



Partnerships for
Forests

The Beef Alliance

**Building
environmental
transparency in the
international beef
trade**

November, 2023



This case study focuses on the role of Partnerships for Forests (P4F) in facilitating collaboration between the Brazilian beef sector and Chinese buyers to improve environmental standards and trade protocols. In collaboration with the Tropical Forest Alliance and Imafloa, P4F engaged with beef industry stakeholders. Together they established The Beef Alliance platform to facilitate discussions about environmental criteria in the beef trade. Thanks to the ongoing efforts and influence of the project, Brazilian Beef Exporters Association (ABIEC), the leading representative of the Brazilian beef sector in the global market, has adopted the 'Beef on Track' protocol, which increases transparency and standardises indicators, monitoring, reporting and verification of environmental and social commitments within beef production in the Amazon region.



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Background

The Brazilian beef industry plays a significant role in driving deforestation in the Amazon, with data suggesting that 1.7m hectares of the Amazon was destroyed near meat plants exporting beef around the world¹. It is therefore crucial to put measures in place that support efforts to combat deforestation and promote sustainable practices in the beef trade. Eighty percent of total beef exports² in 2021 went to China, making the country the largest trading partner for Brazilian beef. In response to these challenges, The Beef Alliance was formed through a collaboration between the Tropical Forest Alliance (TFA) and the Brazilian non-government organisation (NGO) Imaflores, with support from P4F. The Alliance aims to deepen engagement with key players from Brazil and China and develop more effective strategies for the deforestation-free beef trade. As well as promoting dialogue and supporting private beef sector companies, The Alliance aims to improve social and environmental standards by: proposing unified standards, minimum requirements, and monitoring, reporting and verification (MRV) processes; validating them through pilot transactions, and; fostering value chain transformation.

It serves as a platform for implementing environmental standards in the Brazilian beef trade, promoting sustainability with various trade partners and reinforcing Brazil's commitment to sustainable practices. Ultimately, The Alliance responds to the need for a pre-competitive platform where stakeholders can discuss and agree on global environmental standards and their compatibility with the existing practices of the Brazilian beef industry.

The P4F intervention's goal was to demonstrate environmental standard implementation through a pilot commercial transaction between one player in Brazil and another in China, informed by meatpackers' purchase teams and a monitoring system, that could be Conecta³ (also incubated by P4F).

1. Guardian 2023: [More than 800m Amazon trees felled in six years to meet beef demand](#)

2. Beef report 2022. Table 11. ABIEC. Available on: <https://www.abiec.com.br/en/publicacoes/beef-report-2022-2/>

3. <https://conectapecuaria.com.br/>

The Beef Alliance

a multistakeholder forum to leverage sustainability in the beef trade



In 2020, TFA initiated a series of six dialogues to foster collective solutions that would enhance their sustainability and improve business practices. As China is the main international buyer of Brazilian beef, the beef dialogue embraced existing initiatives around the Brazil–China trade, focusing on strengthening environmental requirements.

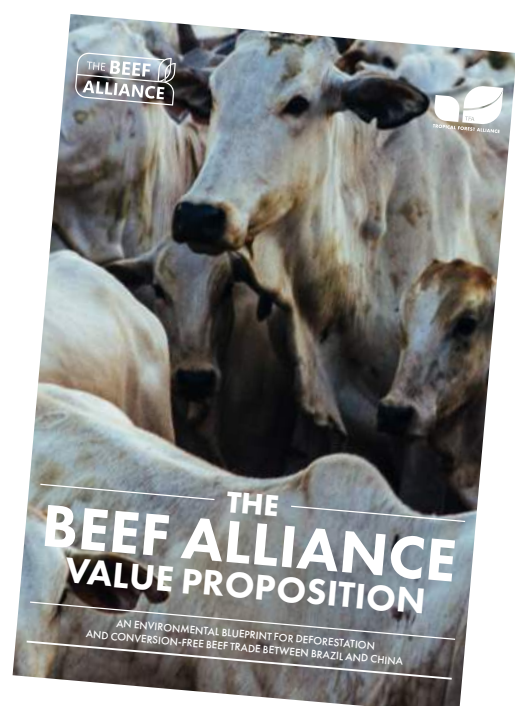
The **Tropical Forest Alliance (TFA)** is a network hosted by the World Economic Forum. Its main objectives are to reduce tropical deforestation and promote sustainable supply chains in the beef, palm oil, soy, cocoa, and pulp and paper sectors. Together with Imaflores, a Brazilian NGO that promotes sustainable land use and forest conservation, they formed The Beef Alliance.

As that work matured, P4F supported TFA to set up The Beef Alliance through:

- Facilitating stakeholder consultations and publishing The Alliance's Value Proposition;
- Promoting dialogue with industry stakeholders from Brazil and China;
- Creating communication materials with a well-defined strategy;
- Identifying potential Alliance members and establishing a governance structure;
- Defining a monitoring and audit protocol to pilot a commercial transaction;
- Building capacity for the use of the protocol;
- Engaging two actors from Brazil and China to pilot a commercial transaction using the environmental standard;
- Refining and improving the standard based on lessons learned during the pilot phase.

Stakeholder engagement and the origin of The Beef Alliance

While setting up The Beef Alliance, TFA ran engagement activities to foster a collaborative forum for beef stakeholders. In partnership with Imaflores, TFA conducted one-on-one sessions to gather feedback from key stakeholders, including Brazilian beef industry players – Marfrig, Minerva, JBS and Frigol – and Chinese importers. Several key stakeholders involved in the beef environmental agenda in China, such as the United Kingdom's embassy in China, World Wildlife Fund (WWF) China and TFA China were also involved. Three open meetings with stakeholders from Brazil and China and bilateral meetings with individual organisations gathered feedback on the value an alliance⁴ would add for them, and how this could be operationalised.



4. An alliance represents the convergence of individuals, groups or states united by a common benefit or shared objectives, even when their interests may differ.

This led to the creation of [The Beef Alliance's Value Proposition](#), outlining the advantages of joining the platform. For Brazilian meatpackers, the platform provides an opportunity to enhance their reputation while proactively addressing a myriad of global environmental standards. It also opens doors to easier access to finance, including options such as green bonds, ultimately ensuring greater stability and profitability in their trade relations. For Chinese buyers, the benefits are equally compelling. They gain a secure beef source while adhering to environmental responsibility standards. Their commitment to driving transformative change within the sector is also recognized, further solidifying their position.

Through ongoing collaboration with TFA and Imaflora, the stakeholders proposed a preliminary governance structure, with a rotating Secretariat and all members being responsible for sharing their knowledge with the group. The structure sets out that The Beef Alliance will bring together professionals from various sectors, including industry, non-profits and specialists, dedicated to advancing the global shift towards deforestation-free supply chains. Their goal is to secure a forest-friendly future for the Brazilian cattle sector. The structure will be further approved as new members join The Alliance.

Enhancing existing national standards to align with international norms

To foster a pre-competitive business environment, The Alliance worked to comprehensively understand the various environmental standards that promote deforestation- and conversion-free beef supply chains. [The Comparative Analysis of Sustainable Beef Protocols, Platforms and Initiatives](#) study looked at six reference documents: i) Selo Verde Platform; ii) Accountability Framework Initiative; iii) Guide to Sustainable Livestock Indicators (GIPS); iv) Beef on Track; v) Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado, and; vi) the Consumer Goods Forum Forest Positive Coalition Beef Working Group Beef Roadmap and Guidance on Forest Supplier for Cattle Derived Products. These protocols were compared with the Specification for Meat Industry Green Trade, launched in December 2021 by the main representative body of the industry and importers in the country – the China Meat Association (CMA).

The study found six common requirements among the six protocols analysed:

- 1. Eliminate illegal beef sourcing;**
- 2. Improve transparency and traceability in supply chain management;**
- 3. Respect human rights, indigenous people, local communities and mechanisms to prevent child and slave labour;**
- 4. Pledges to achieve both zero deforestation and zero conversion (though some documents exclusively address deforestation);**
- 5. Highlight the cut-off dates to eliminate conversion and deforestation, even though recommendations on the dates vary across the sector;**
- 6. Monitoring and verification processes.**

Photo Project Archive



The assessed standards also include topics not covered by the CMA, such as grievance mechanisms for human rights and environmental issues, guidance on specific cut-off dates, specificities of Brazilian biomes, and monitoring, reporting and verification tools and data sources. Finally, the study raised issues that would require further alignment with the stakeholders involved in Brazil-China trade – in CMA's guidelines, companies are advised to avoid sourcing from high-risk regions, such as the Amazon and Cerrado,

where a significant portion of beef production occurs. The CMA requirements do not cover collaboration with suppliers to establish re-entry criteria or to implement measures to prevent the permanent exclusion of suppliers from a company's supply base. This is an example of the type of trade challenges The Alliance works to solve with stakeholders, to advance sustainability in the beef trade.

Beef on Track the harmonisation of Brazilian environmental protocols



In 2009, Greenpeace published [A Farra do Boi na Amazônia](#), shedding light on the connection between slaughterhouse operations and deforestation in the Amazon. In response to these concerns, the voluntary Beef Public Commitment was established. This entailed signatory companies like JBS, Marfrig and Minerva committing to not sourcing beef from farms engaged in the following activities: deforestation after October 2009, invasion of Indigenous Land and Conservation Units, farms inclusion in the Brazilian Government's Environmental Protection Agency (IBAMA) embargo list or listed in the Blacklist of Slave Labour.

In that same year, the Public Prosecutor's Office of Pará State extended its efforts to address beef sourcing from regions with socio-environmental and land ownership issues. It established the beef Term of Adjustment of Conduct (TAC), commonly referred to as the *TAC da Pecuária* (Cattle Sector TAC), for meatpackers operating in the area. Alongside, Mato Grosso State also published a TAC in 2010 with the same criteria for slaughterhouses active within the state. In the same year, numerous companies located in other states within the Legal Amazon region also signed up for this agreement, giving rise to what is now recognized as the *TAC da Carne Legal* (Legal Beef TAC).

Managing the diverse monitoring criteria established by the various TACs presented challenges in terms of tracking which company was bound by which specific TAC. Additionally, the absence of technical specifications for monitoring parameters and variations in the methodologies employed within the protocols made comparisons difficult.

In response to the absence of standardization, another P4F supported project, [Beef on Track](#) created a [Unified Monitoring and Audit Protocol](#). This protocol established 11 criteria that can be monitored through geospatial analysis, publicly available data, document examination, and supplier productivity analysis.

Beef on Track was created in 2019 by Imaflora in partnership with Brazil's Public Prosecutor's Office (MPF) and aims to strengthen the implementation of social and environmental commitments in the beef production sector in the Amazon region. P4F supported the initiative to increase its impacts and engage with relevant stakeholders – such as slaughterhouses and the MPF – and to come up with a unified monitoring and audit criteria. The initiative emerged in response to the absence of standardized regulations for monitoring sustainability across the Brazilian beef sector. It also serves as a catalyst for enforcing private commitments made by retailers and slaughterhouses regarding deforestation within the value chain. Beef on Track aims to align cattle producers, slaughterhouses, retailers, investors, public stakeholders, and civil society organizations. Since its inception, the initiative has mapped 158 meatpackers with activities in the Amazon, with 107 of them having adopted the Beef on Track commitment, and approximately 70 have undergone the audit process.

Specification for Meat Industry Green Trade

In May 2021, the China Meat Association (CMA) launched the [Specification for Meat Industry Green Trade](#). The document emphasises the importance of eradicating the sourcing of illegal meat, avoiding purchase from high deforestation risk areas, including the Amazon and Cerrado, and establishing robust monitoring mechanisms while adhering to existing commitments. It represents a significant step toward formalising monitoring tools and promoting sustainable meat trade between Brazil and China.

The specification comes as a result of continuous engagement with Chinese representatives. In 2017, CMA and WWF announced the [Chinese Sustainable Meat Declaration](#)⁵, which stated amongst other criteria to

“i) Continuously move to conserve nature and resources by avoiding land degradation, deforestation and conversion of natural vegetation in the livestock production and feed value chains, ii) Continuously avoid and eliminate illegality during animal husbandry, meat production and trade, iii) Continuously improve traceability and transparency in supply chain management, iv) Strengthen multi-stakeholder dialogue and build consensus, for continuous dissemination, sharing and extension of sustainability concepts, best practices and lessons learnt in meat production, v) Develop time-bound plans and establish the regular reporting, overall assessment and continuous improvement mechanism to progress the sustainable meat project in China”.

Adoption of Beef on Track by the largest Brazilian industry association

The [Brazilian Beef Exporters Association](#) (ABIEC) is the industry's representative body in both domestic Brazilian and global markets. Its objective is to advocate for decisions in normative and legislative processes that support international beef trade. It also deals with tariff and non-tariff barriers promoting Brazilian beef and consolidating markets. The 39 industry members that ABIEC represents account for 98% of Brazil's beef exports. As the main representative of the sector in the international market, ABIEC can effectively promote sustainable practices and foster a deforestation-free supply chain. It is an official member of The Beef Alliance.

Imaflora has long engaged with ABIEC as a key stakeholder in driving environmental compliance in the Amazon. Given ABIEC's status, Imaflora has made a concerted effort to

encourage the organisation to take a stronger stance on environmental responsibility and transparency within the industry.

As a result of these activities, ABIEC has adopted the P4F-supported Beef on Track's Unified Monitoring and Audit Protocol⁶. At present, 16 of ABIEC's 39 members have independently adopted this protocol. As part of ABIEC's collaboration with Imaflora, the NGO will offer training sessions to facilitate the implementation of the protocol by ABIEC's member companies. The goal is to systematically guide the remaining 23 members through the process of aligning their operations and supplier selections with this protocol. ABIEC's adoption of the protocol means that 98% of all beef exporters will be supported to only source beef compliant with the protocol's standards and requirements.

5. China Meat Association and its 64 Chinese Company Members Jointly Announce Chinese Sustainable Meat Declaration with WWF. Available on: <https://www.wwf.org.br/?61882/China-Meat-Association-And-Its-64-Chinese-Company-Members-Jointly-Announce-Chinese-Sustainable-Meat-Declaration-with-WWF>

6. Projeto 'Boi na Linha', para conter desmatamento, será aplicado a todos os biomas brasileiros. Available on: <https://reporterbrasil.org.br/2023/06/projeto-boi-na-linha-para-conter-desmatamento-sera-aplicado-a-todos-os-biomas-brasileiros/>

Next steps for The Beef Alliance

The Beef Alliance is currently working on a pilot transaction between JBS and Walmart China to test the practical application of the Beef on Track standard. To run the pilot, P4F looked for synergies with Conecta, a monitoring system run by Safe Trace and one of The Beef Alliance's partners. Conecta can tailor a purchase protocol to align with the buyer's specifications, supporting the monitoring system, providing georeferenced analysis, and providing the buyer with product feedback. As a result, a pilot proposal was developed to operationalise the CMA's requirements.

The pilot consists of seven phases, starting with the commitment of producers in relation with the current environmental protocols and policies (e.g., Beef on Track, Proforest, etc). In the second phase, the pilot will define an information protocol, taking into account all available databases, including the Cadastro Ambiental Rural (CAR) or Rural Environmental Registry and the Guia de Tránsito Animal (GTA) or Animal Transport Document. The third phase involves engaging with meatpackers and analysing procurement information. After this, data validation will take place, checking for environmental compliance and prompt communication of non-conformities to meatpackers. In such instances, meatpackers may request supplementary data or suspend suppliers. All data will be consolidated in a dashboard. Finally, the pilot will introduce incentives to encourage producers to continue to adhere to environmental protocols and policies.

Retailer protocol for Chinese market



Key supplier



MRV



Incentives



1

COMMITMENT AND POLICY

- Apply Beef on Track with zero deforestation protocol for Amazon biome
- Apply Proforest protocol for Cerrado biome
- Verify if producers are located inside Conservation Units, indigenous and quilombola lands, and if they are related to deforestation
- Deforestation embargoes and Slave Labour at the national level
- Apply GTFI⁷ protocol for indirect suppliers

2

DEFINE THE PROTOCOL OF INFORMATION

- GTA specifying animals with less than 30 months of age at the time of slaughter
- Carcass id and classification confirming GTA information (sex and number of permanent teeth) and informing weight and fat cover
- Number of classified animals
- Producer and property identification confirming GTA information
- CAR number
- Environmental analysis compliance results

3

ENGAGE MEATPACKERS

- Engagement meeting with meatpacker
- Analyse the procurement information
- Pre-homologate meatpacker
- Implementation plan

4

FOR EVERY INVOICE SAFE TRACE VALIDATES CHECK COMPLIANCE REQUIREMENTS

- Validate information received and double-check environmental analysis compliance results
- Inform meatpacker about non-compliance and ask for complementary information when needed
- Block non-compliant suppliers
- Blockchain to audit information

5

DASHBOARD WITH KPIS

- KPIS according to transparency required

6

SMART APPROACH TO ENGAGE INDIRECT SUPPLIERS

- Verify information available about direct suppliers and their indirect suppliers
- Integrate indirect suppliers information from multiple platforms

7

TRANSPARENCY AND ENVIRONMENTAL PERFORMANCE INCENTIVES

- Define incentives to producers to be declared by meatpackers by their bonus for producers (strong message to producers that want to classify their carcass for the Chinese market)



Photo: Project Archive

Going forward, The Alliance's main focus is to deepen engagement with key players from Brazil and China and establish a compelling case for a commercial pilot that showcases the technical and financial feasibility of sustainability criteria.

THIS INVOLVES SEVERAL SPECIFIC OBJECTIVES:

1. Run a commercial pilot with industry champions who are willing to explore more sustainable approaches to the beef trade. For instance, Walmart China has shown interest in piloting a commercial transaction that aligns with Beef on Track's protocol and meets CMA's requirements;

2. Reach a consensus on unified standards auditing to support the proposal that Beef on Track is the transparency tool that will embed

the CMA protocol and, in the future, others (e.g., EU and UK due diligence);

3. Validate these standards through pilot commercial transactions involving two or more group members, demonstrating the practicality of the harmonised standards;

4. Agree and define the transaction costs that need to be carried across the value chain actors, e.g., monitoring system costs.

The Beef Alliance aims to expand its scope to promote these standards with all of Brazil's trade partners. This approach ensures a strong reputation for both food safety and environmental responsibility, reinforcing Brazil's commitment to sustainable practices. After the delivery of initial results, The Alliance has received funding from The Betty and Gordon Moore Foundation for its continuation and expansion.

The Partnerships for Forests strategy in the beef value chain

Brazil's cattle industry is a global heavyweight, with over 232 million cattle covering 151 million hectares of pasture, making it the world's largest beef exporter. The beef industry is an important pillar of the Brazilian economy, contributing significantly to employment and GDP. However, it faces severe environmental challenges. These include the division of land into small, poorly utilised parcels, limited adoption of modern agricultural technologies and sustainable farming practices, deforestation for expanded pastures leading to biodiversity decline and higher emissions, insufficient transparency and traceability concerning the origins of beef products – particularly in cases of deforestation and illegal land clearance – and a lack of infrastructure in remote regions, posing logistical challenges for both ranchers and regulatory authorities. These are just a few of the challenges the industry grapples with. Addressing these multifaceted challenges requires a comprehensive approach encompassing government policy, private sector involvement, technical assistance, and robust traceability systems.

P4F has supported a portfolio of six projects in the beef industry in Latin America that aim to enhance the beef industry's environmental sustainability by improving cattle ranching management, developing emissions measurement methodologies, promoting traceability, standardising monitoring, and auditing, and fostering environmental compliance. This case study adds an exploration of the establishment of consistent monitoring protocols between Brazil and China, potentially standardising international beef trading processes.

P4F has contributed to promoting sustainable practices, transparency and resource provision that can help guide the Brazilian cattle industry towards greater environmental responsibility and sustainable development.

To know more about our beef portfolio, visit:

[Conecta Monitoring Platform](#)

[Responsible Beef Partnership](#)

[Accountable Beef Value Chain \(Beef on Track\)](#)

[Accelerating Cattle Intensification Through Carbon Markets](#)

[Brazil-China: sustainable, safe and productive beef value chain](#)

[PECSA – Sustainable Cattle Ranching in the Amazon](#)

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