

Supply chain traceability

EUDR requirements

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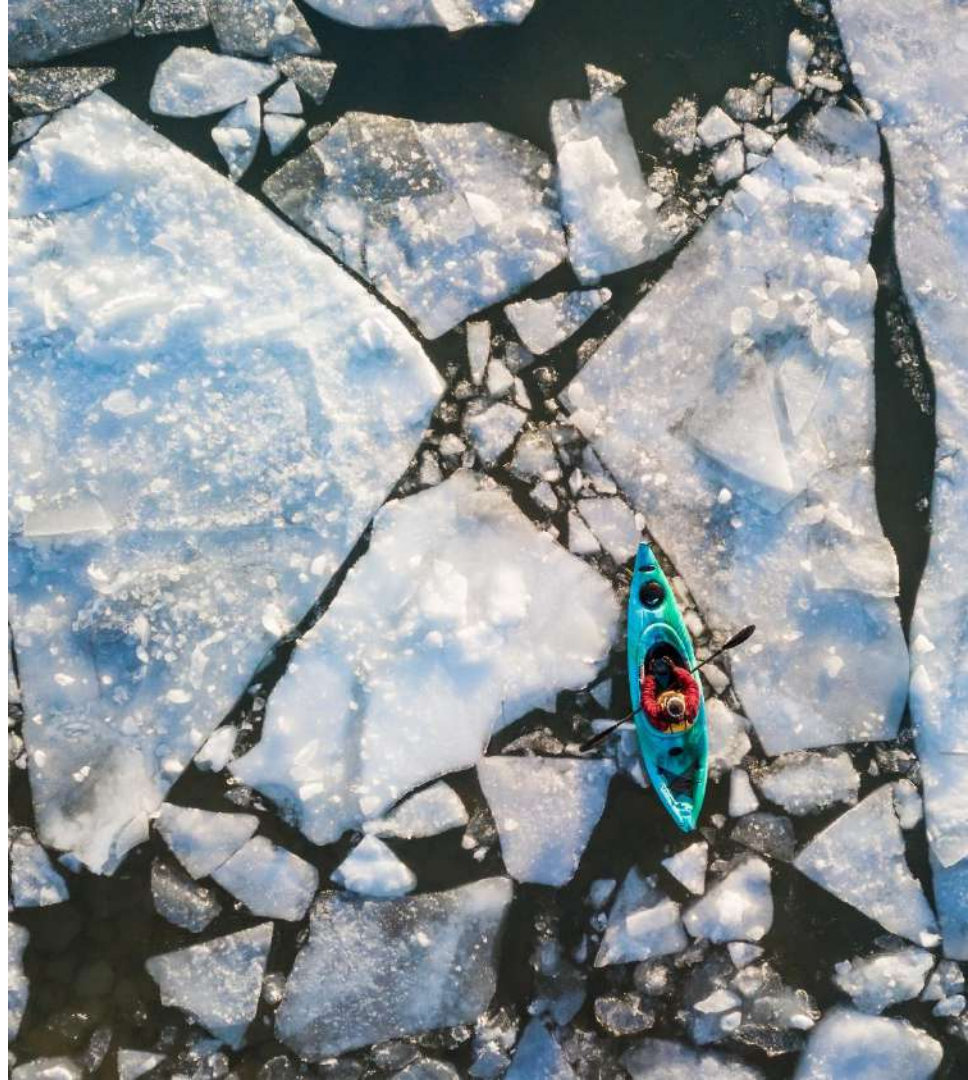
ClientEarth

April 2024



EUDR requirements

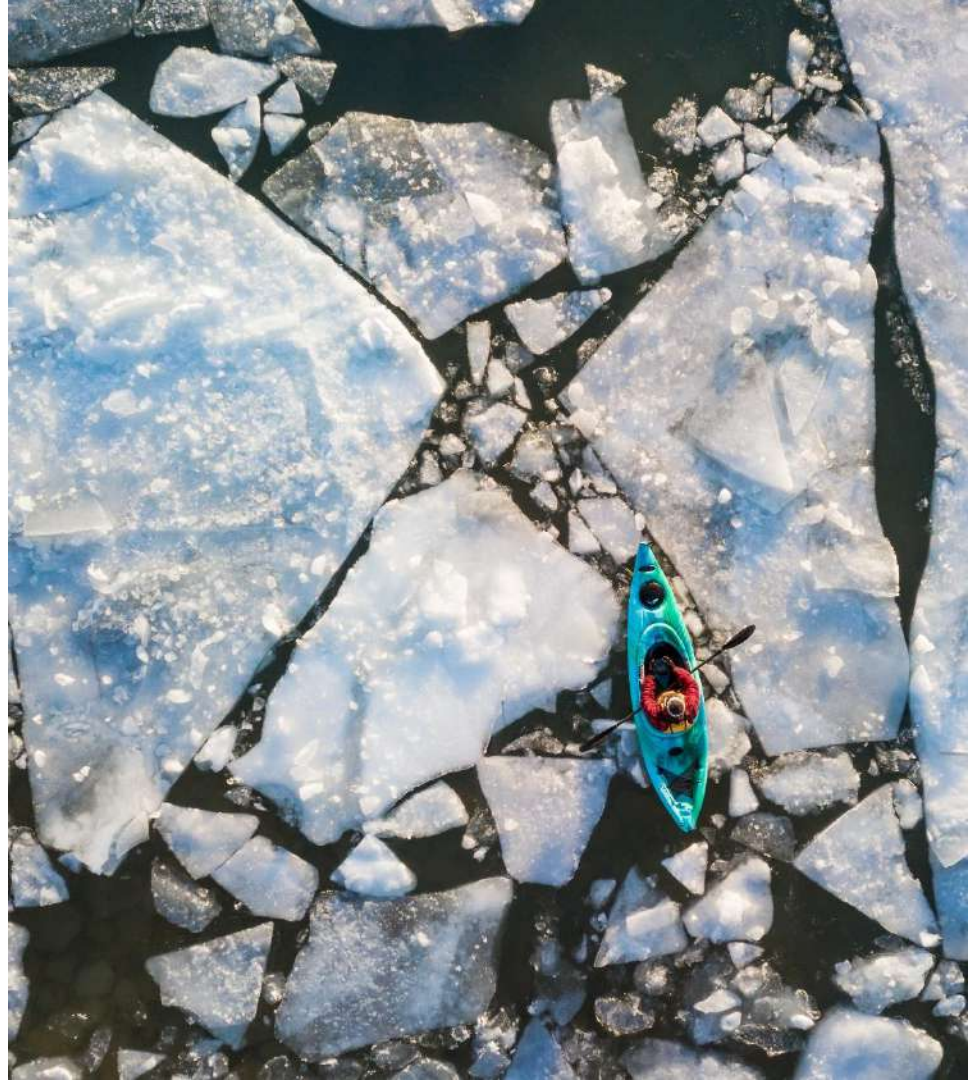
- Due diligence prior to market action.
- Relevant products supplied by each supplier at shipment/batch level.
- Geolocation: all plots of land / all establishments.
- Plots of land >4ha = polygon.
- All establishments from birth to slaughter.
- To demonstrate compliance with Article 3.
- (and discount risks of non-compliance.)

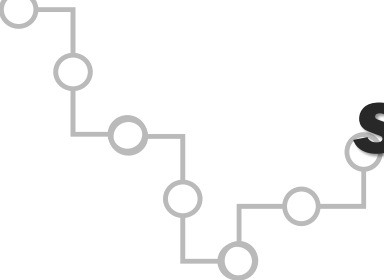


EUDR clarifications

- Mass balance accounting models insufficient.
- Bulking permissible.
- Segregation not mandatory.
- Product traceability / identity preserved chain of custody not required.
- No personal producer information required (unless also a direct supplier).
- Concession boundaries not required.
- No exceptions. Common EU-wide standard.
- *No silver bullet. Not an end in itself.*

[Outdated but still relevant: [Getting to "deforestation-free": clarifying the traceability requirements in the proposed EU deforestation regulation](#) | ClientEarth]





Supply chain traceability

Initiatives in cattle supply chains

27th meeting of the Multistakeholder Platform on
Protecting and restoring the World's Forests,
including the EUTR/FLEGT

24.04.2024

Sarah Drost, **Senior Researcher Deforestation-free Supply Chains**
Rita Raleira, **Researcher Deforestation-free Supply Chains**



Traceability initiatives in cattle supply chains

AidEnvironment



- Monitor land use change and deforestation through an **aggregated geographical dataset** with over a million data points, and trace its links to land ownership, supply chains and companies
- Publicly available **monthly reports** on potentially noncompliant cases (mostly beef and soy) with the EUDR, with deforestation after the cut-off date
- **Supply chain mapping** possible from cattle ranch to downstream market for beef and leather products.

Other initiatives



- CORFOGA is a non-state public entity, with the objective of promoting sustainable cattle ranching in **Costa Rica**
- Technical support to setting up **bovine traceability** by SENASA, Ministry of Agriculture and Livestock through the National Animal Health Service
- Traceability system makes use of cattle **ear tagging**



- **Blockchain-based** platform integrating traceability and risk assessment data
- Applicable throughout the **entire Brazilian territory** and to all types of rural properties dedicated to cattle ranching
- Covers cattle supply chains from the initial stages of production to the slaughterhouse and the information on origin is transferred to the **derived leather products**.



- **Public traceability system** of agricultural commodities, with an openly available platform
- **Launched in 2021** through a cooperation between Brazilian state governments and agencies, academic institutions and non-profit scientific associations
- **Real-time integration of information** from federal, state and municipal databases.

Selo Verde - Pará

SeloVerde PA 2.1

- Brazilian initiative first applied in the state of Pará
- Focuses on environmental compliance and traceability of specific commodities

Main characteristics of Selo Verde

Integrates daily data from datasets produced by governmental agencies

Identifies environmental irregularities and land regularization issues

Assesses compliance with the Brazilian Forest Code and other socioenvironmental legislation

Assesses compliance with the Monitoring Protocol for Cattle Suppliers in the Amazon, developed by the Federal Prosecutor's Office as part of the Conduct Adjustment Term (TAC in Portuguese).

Traces direct and indirect suppliers/producers of the commodities covered.

The screenshot displays the SeloVerde PA 2.1 platform interface. It features a header with the SeloVerde logo and a date filter set to 2024. The main content is divided into two panels. The left panel, titled 'Criteria of the Monitoring Protocol for Cattle Suppliers in the Amazon', shows a table with columns for criteria and status. The right panel, titled 'Environmental balance sheet', shows a table with columns for criteria and values. Below these panels, there is a section for 'Social and environmental impact' with a table of criteria and values. The interface includes various status indicators (green checkmarks, red X's, yellow warnings) and a 'CAR registered' button.

Criteria of the Monitoring Protocol for Cattle Suppliers in the Amazon	Status
CAR Status*	Atto
Legal deforestation	2.08 mil (ha)
Integrity Limits	Não
Conservation Units	Não
Embargoes	Não
Changes to CAR limits	—

Environmental balance sheet	Value
Legal reserve surplus	531 mil (ha)
Legal reserve deficit	0 (ha)
Deficit of permanent preservation area	347 (ha)
Post-2008 deforestation	2.58 mil (ha)
Joined the FSA	Não

Unlocked traceability	Value
Contamination with direct deforestation	Não
Percentage of cattle from indirect deforestation	More than 20%
Other properties of the same ownership with post-2008 deforestation	Não

Social and environmental impact	Value
Environmental infection index	Não
Environmental embargo	Não
Environmental embargo - EIA/IMA	Não
Authorization for the Suppression of Native Vegetation (ASV)	4784.540(1) N°: 2012/000022158 - 2942 - 25552.6214 EIA/IMA: Não
Rural Activity License (LAR) - SEMASPA	Não

Source: SeloVerde PA (Selo Verde platform of the state of Pará) – Analysis report example from CAR consultation

Selo Verde - Pará

By cross-referencing data from the CAR, GTA, and satellite imagery, the platform provides information on:

- If there is cattle production in corresponding property
- If there have been occurrences of deforestation after 2008 (cut-off date of the Brazilian Forest Code)
- Identifies other environmental non-compliances taking place

Livestock traceability	
Contamination with direct deforestation	Não
Percentage of cattle from indirect deforestation	Maior que 20%
Other properties of the same ownership with post-2008 deforestation	Não



With the movement of cattle contaminated with indirect deforestation



No cattle movements identified



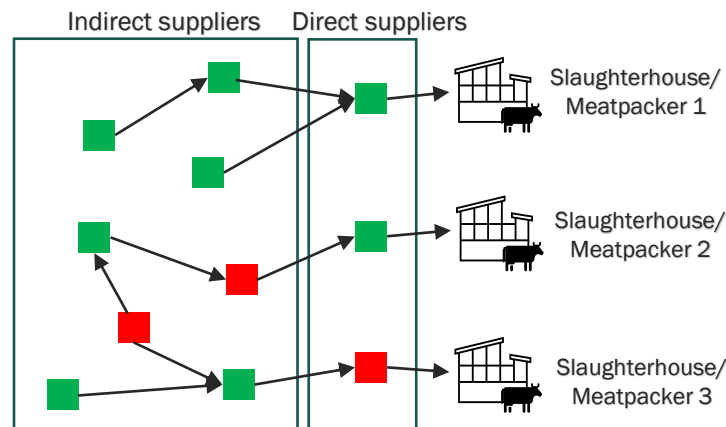
Cattle movements free of deforestation in APP/RL post-2008



Cattle movements linked to indirect deforestation



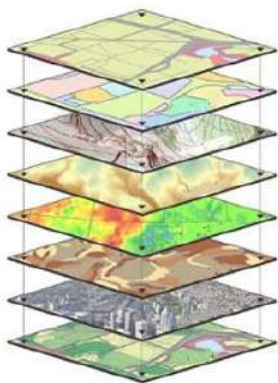
Cattle movements linked to deforestation



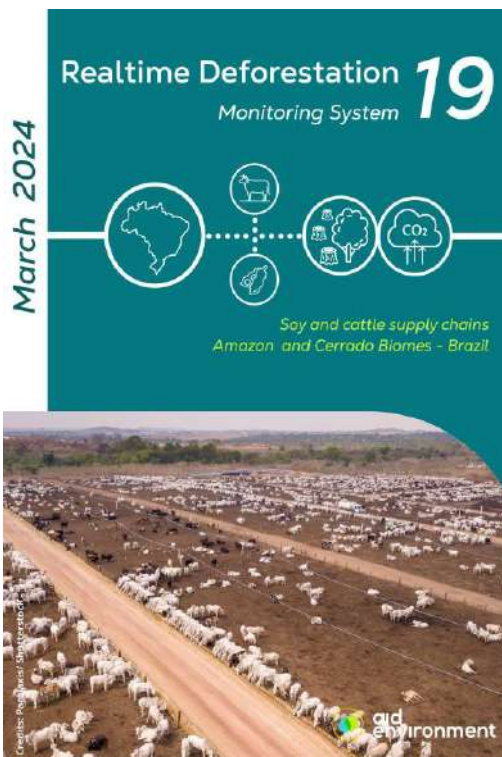
Sources: Analysis report example from CAR consultation at [SeloVerde PA](#) and AidEnvironment based on information from Webinar SeloVerde Pará by Centro de Sensoriamento Remoto IGC/UFMG (available [here](#)).

Real-time Deforestation Monitoring: tracing from farm to operator

Our geospatial dataset



- Socio-political issues
- Supply chain linkages
- Corporate ownership and groups
 - Company asset locations
 - Land ownership and cadaster data
- Deforestation and fire alerts
- Land Cover classifications
 - Satellite Imagery
- Base Map



At least 250 ha of the cleared area of native vegetation overlaps with the definition of Forest adopted by the EUDR

Case Study 2

Property			
Fazenda Bela Vista			
Santo Rita de Cássia, Bahia		Cerrado biome	
CAR: BA-2928406-608073F8688241	2A1DA16417C19C567	SIGEP/SNCI: 9999380881134	
Area property (ha): 2,301		Coordinates property: -11.06708,-44.46054	
Cleared Area			
Coordinates clearance: -11.07206,-44.40730			
982 hectares			
126,291 tons of CO ₂		period clearance: Late November '23 - February '24	
- three alerts			
Inside Forest Code: protected areas: No			
Type of vegetation: Forested Savanna	Priority for Biodiversity Conservation:	Very high	
Conservation area(s) (overlapping or bordering):		Inside APA do Rio Preto	
Indigenous Territories (overlapping or bordering):			
Imagery: limits of the property (green), limits of the cleared area (red)			
November 2023		February 2024	

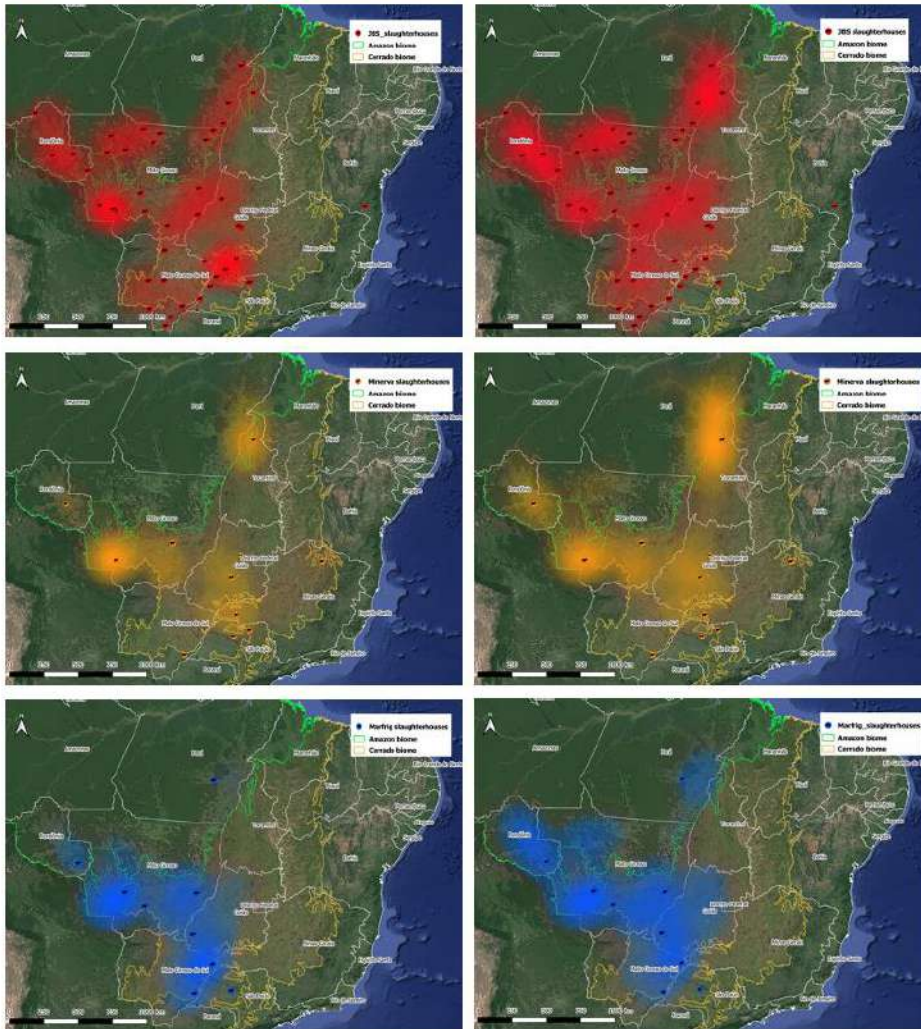
At least 250 ha of the cleared area of native vegetation overlaps with the definition of Forest vegetation adopted by the EUDR

AidEnvironment RDM system - Example Brazilian beef

- Deforestation hotspots based on a sample of approx. 20,000 direct and 40,000 indirect supplying farms of Brazil's main three meatpackers: JBS, Marfrig and Minerva
- Potentially **65,969 ha** of Amazon and **6,694 ha** of Cerrado vegetation clearing non-compliant with EU deforestation law (deforestation alerts between December 31, 2020 to July 2022)

Meatpacker	Relationship	Amazon (ha)	Cerrado (ha)	Total (ha)
JBS	Direct	9,779	2,269	12,048
	Indirect	32,635	5,660	38,295
Marfrig	Direct	1,224	854	2,078
	Indirect	12,810	3,400	16,210
Minerva	Direct	914	430	1,344
	Indirect	8,607	2,600	11,207
Total, All 3 meatpackers	Direct	11,917	3,553	15,470
	Indirect	54,052	11,660	65,712
	Direct & Indirect Under scope of Regulation*	65,969	15,213	81,182
		65,969	6,694	72,663

Source: AidEnvironment, based on 2022 DETER deforestation alerts; SIGEF, SNCI, 2022 GTA records



AidEnvironment RDM system – Examples Paraguay, Brazil, Colombia

Paraguay: beef and soy

5. Mazurica Inversion(es) – Estancia La Cumbreña (Mariscal José Félix Estigarribia)

Boquerón

Property Location



Yellow border – boundary of Mariscal José Félix Estigarribia (Boquerón) / White border – boundary of Estancia La Cumbreña / Red dot – location of cleared area

Alert Imagery (before and after clearance)

November 11, 2019



March 5, 2020



Source: Sentinel-2 from Copernicus Sentinel-2 data, processed with B1 channel

Boquerón: Sentinel-2 from Copernicus Sentinel-2 data, processed with B1 channel

Brazil: cattle, soy, palm oil, coffee

Coffee case studies Brazil

Case study 3: Fazenda Planalto (Barragem, Bahia) (1/2)

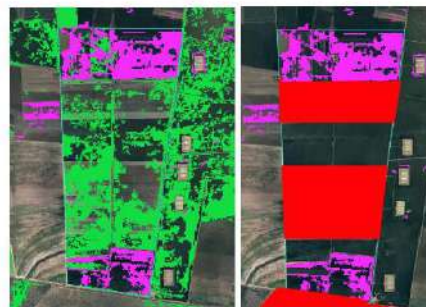


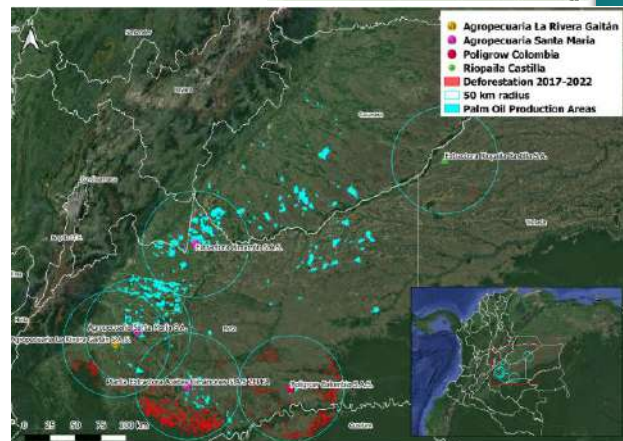
Figure 32. Fazenda Planalto (marked with a blue line). Source: AidEnvironment. In purple the coffee area (Mapbox.com, 2022). In green the 2017 Forest Conservation Classification of forest, and in red the deforested area. Other than coffee and eucalyptus, the left had sugarcane (mostly with native vegetation) and the right had been cleared after the EUDR cut-off date. Coordinates in the map: -12.0552, -45.4223

Fazenda Planalto in Barragem (Bahia) has cleared 854 hectares of native vegetation between February and June 2022, of which large part is classified as forest under the EUDR. In 2011, [Mapbox](#) hardly [reported](#) any coffee plantations in the Planalto farm, but from 2013/2014, coffee was planted in northern and southern parts of the farm. Apart from coffee vegetation [eucalyptus](#) and other perennial crops (unspecified), Fazenda Planalto also [planted](#) eucalyptus trees. Other than coffee and eucalyptus, the farm was largely covered with native vegetation which has been cleared after the EUDR cut-off date. With the clearing right next to the coffee plantation areas, there is substantial concern under the EUDR that the area will be used for coffee production in the near future.

Colombia: palm oil, coffee



Radius approach: deforestation within 50 km around the mill



Example EUDR leather study

Tanneries can be recognised in Google Earth (blue wrappings)



GTA-cadaster

Proximity

- BR shipments
- High risk municipalities
- Tannery databases

- Supply chain research
- Ownership analysis

Ranch

Slaughter-house

BRL Tannery

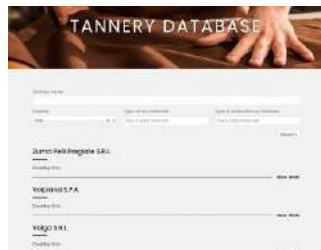
EU tannery

Downstream sector

End-user



Only 3 KM distance between JBS slaughterhouse and tannery in Pedra Preta municipality



Supply chain research on operators in EU based countries



Thank you

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