



Proteger a natureza é preservar a vida.

Sustainable Beef: Changing the Production Chain

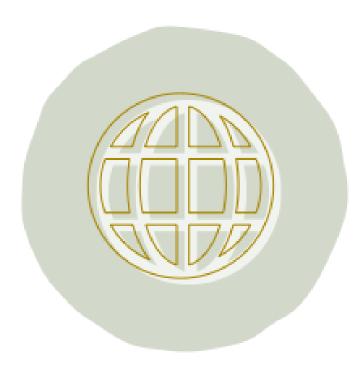




Brazil is the world's second largest beef producer with a herd of 200 million heads



Extensive livestock production was considered one of the main responsible for 80% of deforestation in the Amazon Rainforest



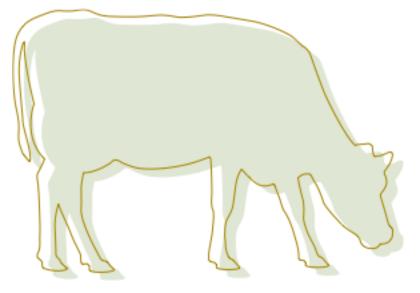
International markets and consumers demand a change in behavior

From Field to Table: A Model for a Sustainable Livestock Production





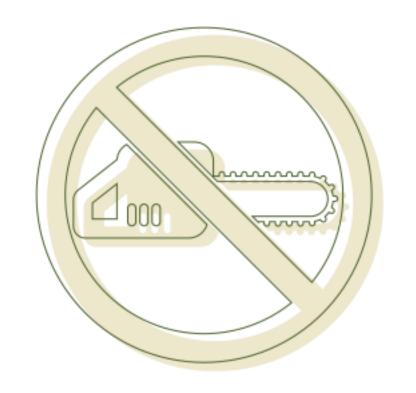
Environmental
Compliance,
Restoration of
degraded pasture
and forests.



Intensification:
Increase in productivity

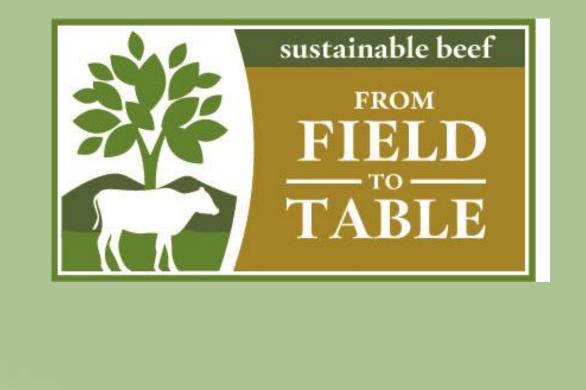


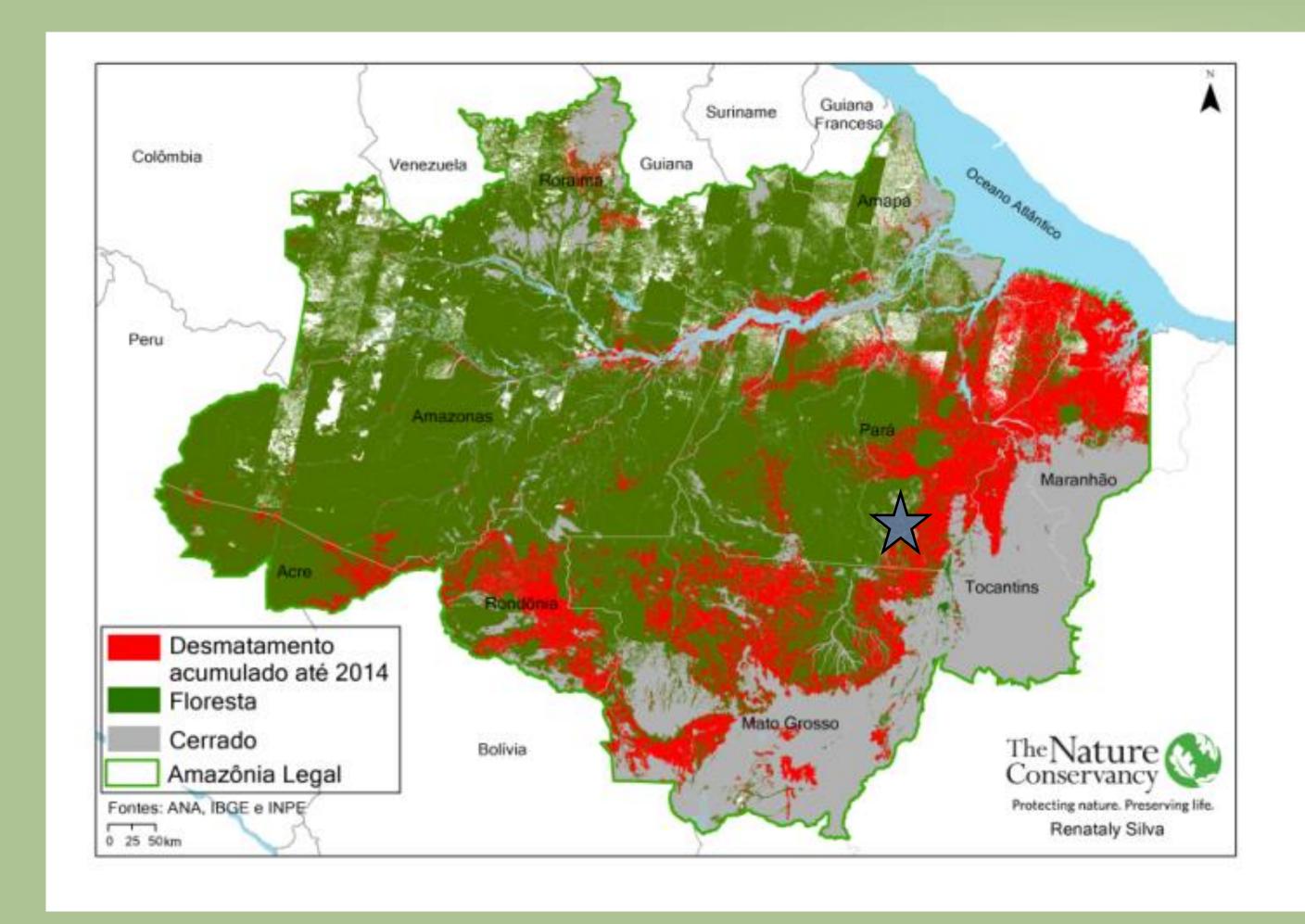
Tracking and Scalability.

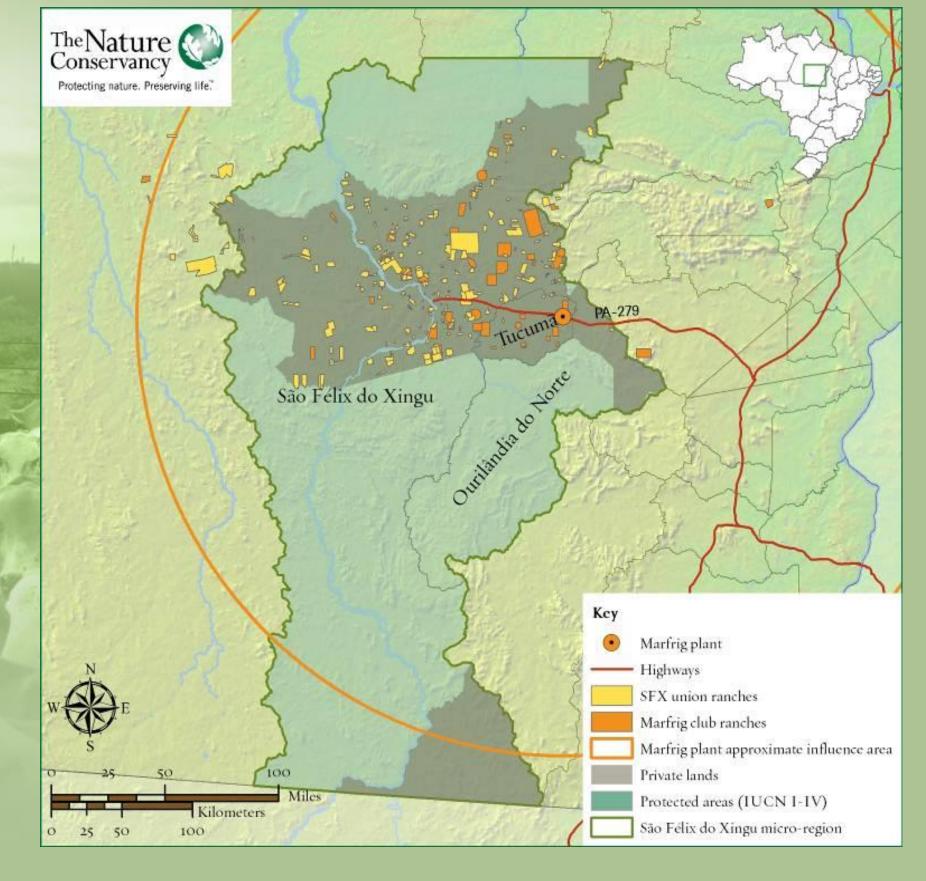


Zero Deforestation

Project: São Félix do Xingu (SFX)







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The Conservancy, Walmart, Marfrig and supporters as Norad, BNDES (Fundo Amazonia) and Moore have been working together in SFX since 2012.

Main focus São Félix do Xingu (SFX)



- Creation of Business Plan Model for sustainable intensification of livestock production
- Development of a production traceability model.
- Producers applying Best Practices and following Brazilian Roundtable on Sustainable Beef - GTPS indicators.
- Sustainable supply to meet industry demand.
- Development of a model of rural credit operations, that is attractive to and adjusted for the region.

SUSTAINABLE BEEF

From Farm to Fork





Prefeitura Municipal São Félix do Xingu

Ranchers

Property Management Rural Good Practices Improve Efficiency



Proteger a natureza é preservar a vida.

Coordination Institutional Link

Management and Monitoring:

- Good Practices Dissemination Plan -Restoration and Environmental Compliance Plan -Sustainable Ranching Business Plan



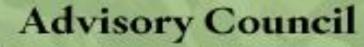






Government

Environmental Regularization - PRA
Land Planning
Economic Tools and Credit
Technology Transfer



Periodic meetings with project partners



Sustainability

Risk Management/Credibility

Integrated Strategies and Actions

- 1. Sustainable Intensification
- 2. Tracking and Monitoring
- 3. Efficiency and Incentives to the Productive Chain



Source Assurance Meet Global Sustainability Goals

Project: São Félix do Xingu (SFX)



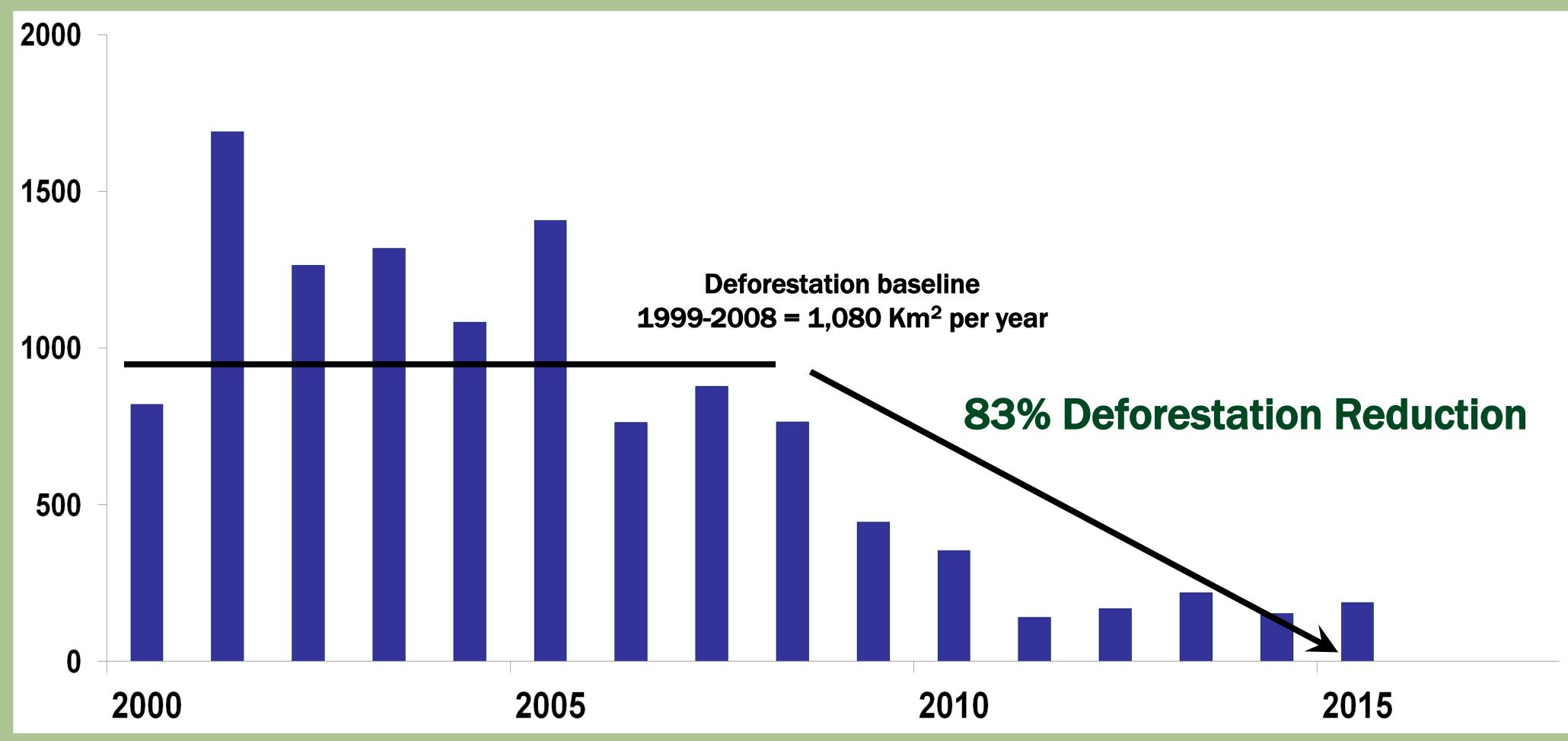
Public agreements to make SFX a model for sustainable agriculture in Pará State and other Amazon regions.

Registered
2.8 million hectares in the environmental registry - a record in Brazil

Pact to End Ilegal Deforestation Environmental
Observatorium
(deforestation
monitoring)

Progress in SFX Toward Zero Deforestation





Pilot Project: São Félix do Xingu



Animals raised in São Félix do Xingu

2.3

million



Demonstration
Units - Farms

16

46 thousand hectares



Monthly slaughter rate

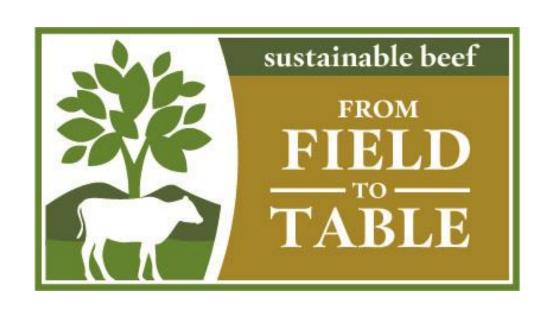
500 animals

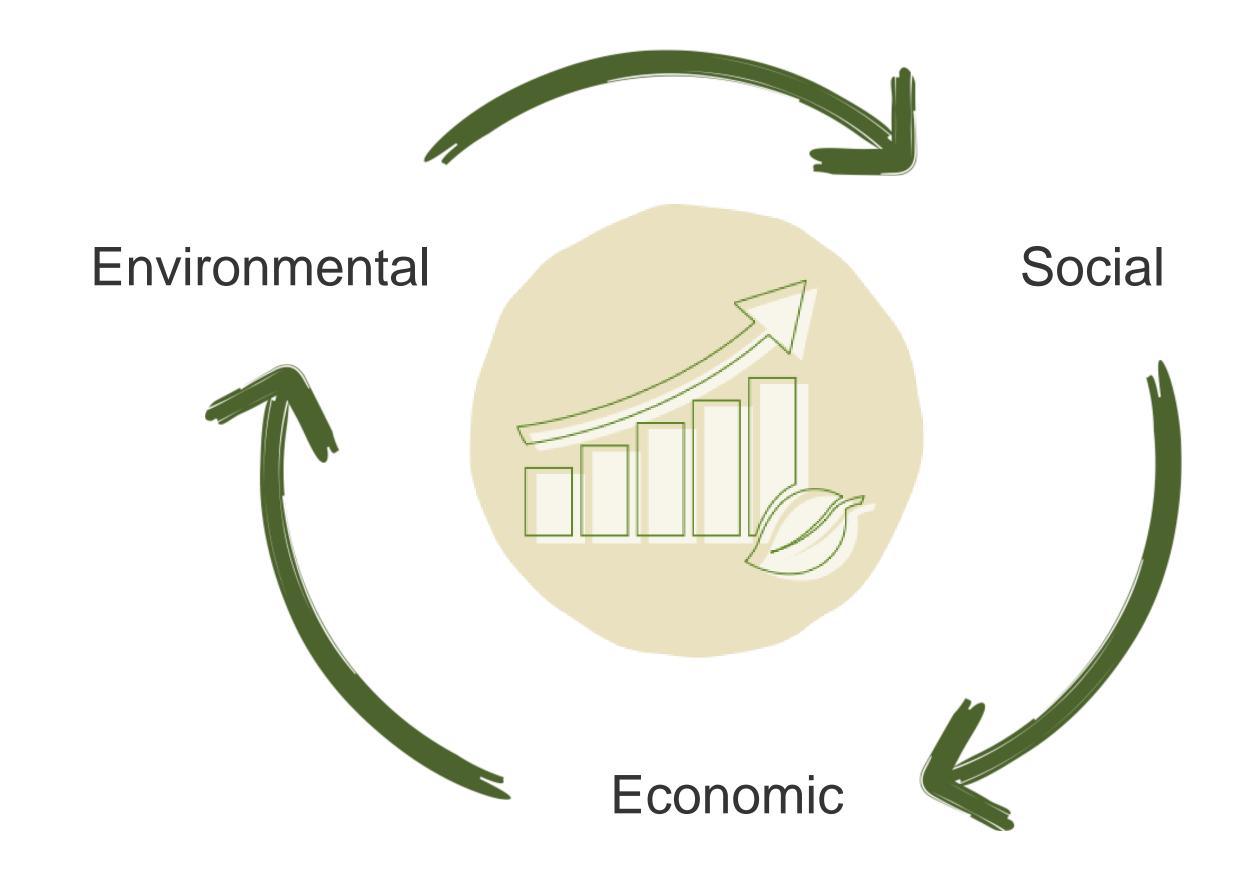


Beef in supermarket shelves

70 tons a month

From Field to Table: Reaching the Triple Bottom Line





From Field to Table: Environmental Aspects







Zero Deforestation:

Intensification of already-cleared land, which eliminates the need to deforest new areas.



Environmental Compliance:

Implementation of the Rural Environmental Registry (CAR)



Infrastructure:

Fences and water supply facilities



Restoration of pasture and forests:

18 Environmental Restoration Plans; 120 hectares of Permanent Protection Areas (APPs) and 1,010 hectares of pasture undergoing restoration.

From Field to Table: Social Aspects







Capacity-building and training for more than 250 producers and 40 technicians



Development of a Business Plan for southeastern Pará, increasing access to credit linked to sustainability and connecting small and medium producers to the Market



Founding of the Producers' Association: implementation of Good Agricultural Practices (GAP) concepts



Better working conditions for rural workers



Animal welfare practices and improved animal nutrition

From Field to Table: Economic Aspects







Intensification costs are lower as compared to farms in Mato Grosso and Pará States



Establishment of the Rural *Poupa Tempo* (Save Time) in São Félix do Xingu: land tenure task force, first municipal rural credit Low-Carbon Agriculture (ABC) program in Brazil



54% increase in the number of animal units/hectare in pilot farms



Launching of the *Rebanho Xingu* seal, recognition and value of deforestation-free beef.

143 producers as members of the Association

^{*} A Portuguese or Spanish custom unit of weight, mass or volume equal to 32 pounds (14.7 kg) in Portugal, and 25 pounds (11.5 kg) in Spain.

50 mm -

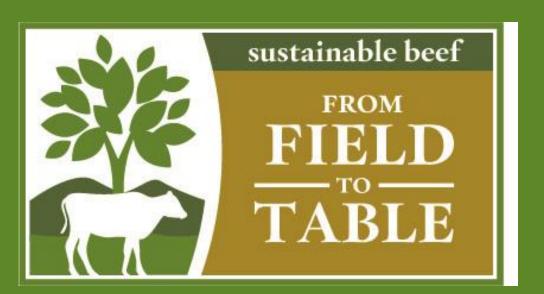






Walmart começa a vender carne bovina produzida na Amazônia...

From Field to Table: Phase II 2016-2018 Expected Results



Expansion of our model to low-productivity pasture areas undergoing moderate intensification in the Amazon and *Cerrado* biomes:



Expansion to the southeastern region of Pará, home to 12 million head of cattle as of 2016



Inclusion of regions of Mato Grosso that have both Amazon and *Cerrado* biomes: alliance with Roncador Group & The Netherland's Sustainable Trade Initiative (IDH)



From Field to Table: Phase II 2016-2018 The Project's Differential





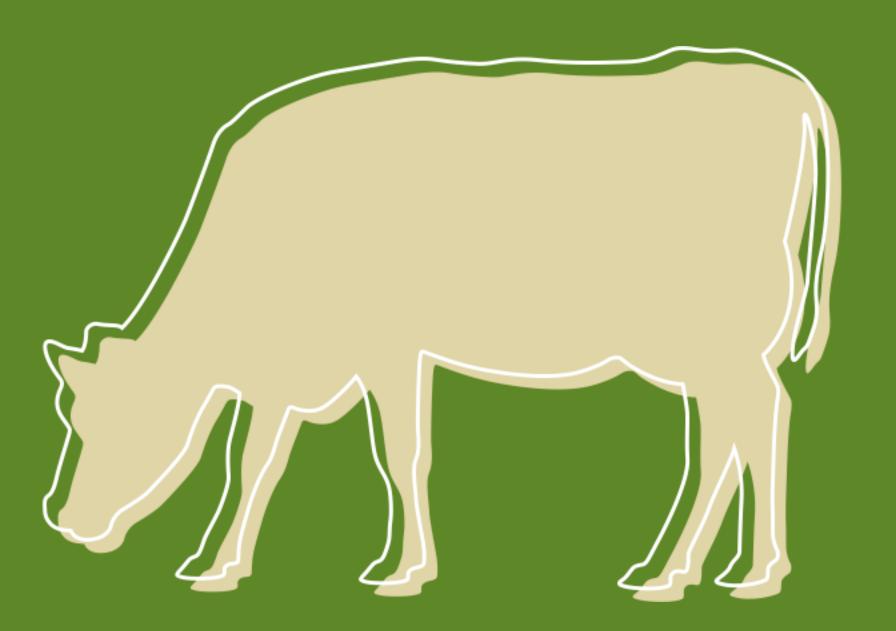
Improved **tracking system** from the breading stage to the final deforestation-free product. Help to implement a low-cost system has an integrated, accessible and public platform: CAR, electronic Transport Note (e-GTA), and the Amazon Monitoring System (PRODES)



Complete coverage of the value chain: indirect and direct suppliers,



Three rural *Poupa Tempo* hubs implemented in partnership with the Brazilian Association of Beef Exporters (ABIEC), Brazilian Confederation of Agriculture (CNA) and the Ministry oof Agriculture to disseminate and implement good practices, environmental compliance and rural credit through the Sustainable Farming Protocol



From Field to Table: Phase II 2016-2018 Expected Results





Addition of over 300 farms: 170,000 hectares undergoing intensification



Rural *Poupa Tempo*: expansion from São Félix do Xingu to Redenção and Marabá in Pará, and in the Araguaia region in Mato Grosso state



100 producers with access to ABC credit to invest in sustainable production by December 2017



900 producers with Environmental Restoration Plans by 2018



Sistema de Rastreabilidade da carne





Pilotos Integrantes da Associação



Análise do Rebanho

ADEPARÁ Fichas Sanitárias GTAs



Análise/Cruzamento

PRODES IBAMA Ministério do Trabalho



Rebanho Linha base

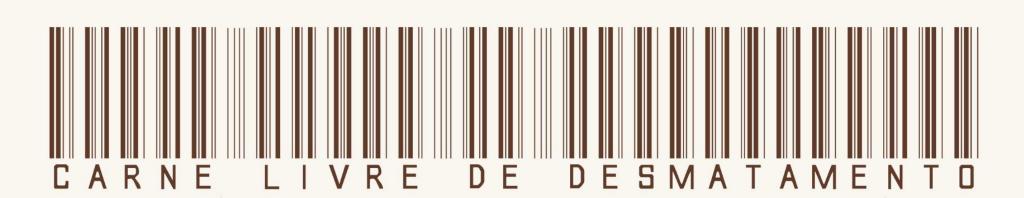
Identificação/ Monitoramento/ Rastreabilidade de origem

> Marca de Fogo/ Chip GTA CAR

Animais para Frigorífico

Cortes Cárneos Identificação

Selo Pecuária Sustentável Código de Barras ou QR Code



Thank you!



https://youtu.be/eeOAK7bS5_o



