

# Can the Beef on Track Programme help the Amazon beef sector comply with EUDR implementation?

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Brazil is one of the world's largest beef exporters – it homes nearly 200 million heads of cattle, and the sector is the main cause of Amazonian deforestation. In 2020, the Beef on Track Programme was created to reduce deforestation and improve governance.

The Programme consists of a monitoring protocol, an audit protocol and an audit report. It aims to verify compliance with two existing agreements: the Term of Adjustment of Conduct (TAC) focusing on legal compliance with relevant Brazilian laws and the Public Livestock Commitment (CPP) - also called the G4 Cattle Agreement - focusing on ensuring no-deforestation (after 2009). Of the 158 meat packers in the Amazon, 84 are signatories to the TAC, six are signatories to the CPP and 24 are signatories to both.

A publicly accessible [online platform](#) lists the companies that have signed the agreements and will include the summary audit reports.

The 2022 EU Regulation on deforestation-free Products (EUDR) requires all companies to conduct due diligence to show that their products are free from deforestation and legally produced before entering the EU market. All companies must sign a due diligence statement for each consignment, specifying the geolocation - which for cattle means listing all the establishments where the cattle have been kept, including the birthplace, feeding grounds and slaughterhouses. They must also state that there is no or only a negligible risk that the product is not deforestation-free or not produced in accordance with the country's relevant laws.<sup>1</sup>

This report shows that elements of the Beef on Track Programme will help enable companies to prove some, but not all EUDR requirements and lacks a full traceability system.

<sup>1</sup> Relevant laws of the country of production means the laws applicable in the country of production concerning the legal status of the area of production in terms of: (a) land use rights; (b) environmental protection; (c) forest-related rules, including forest management and biodiversity conservation, where directly related to logging; (d) third party rights; (e) labour rights; (f) human rights protected under international law; (g) the principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples; (h) tax, anti-corruption, trade and customs regulations.

In terms of monitoring and auditing, the Beef on Track Programme requires companies to check public data on deforestation rates, land ownership and slave-labour conditions, and hence that they are likely to meet most key requirements of the EUDR.<sup>2</sup> The check, however, consists of comparing public data rather than performing on-the-ground due diligence.<sup>3</sup> This means that it could miss slave labour cases or conflicts around unrecognised community owned land, even though these which would fall under the EUDR legality criteria.

In terms of deforestation, only the 30 meatpackers that are signatory to the CPP must show proof of no deforestation; under the TAC, legal deforestation remains allowed and hence these consignments are not EUDR compliant.<sup>4</sup>

In terms of reporting, the EUDR requires companies to report annually on their due diligence system, including steps taken to mitigate risks. The Beef on Track Programme requires public audits and would therefore meet EUDR reporting requirements although these reports currently don't include information on mitigation measures.

The main obstacle for using the Beef on Track Programme for EUDR compliance is the lack of a traceability system; its monitoring protocol only applies to the direct suppliers to the slaughterhouses. Integrating the two existing Brazilian traceability

systems, the Animal Transit Guide (GTA) and the Brazilian Cattle and Buffalo Identification and Certification System (SISBOV)<sup>5</sup> with the Beef on Track principles may remedy this. Currently the GTA traces batches, not individual animals, and neither system focuses yet on environmental or social principles. Full traceability data, including all indirect suppliers, would be needed for EUDR compliance.

Furthermore, to improve the Beef on Track Programme as a tool to support EUDR compliance, it would be necessary to add social due diligence, such as checking for slave labour conditions on the ground and risk mitigation measures.

The authors conclude: "Even with these missing parts, the Beef on Track Programme, as a widely recognised system grounded in a complex multi-stakeholder process, is a starting point to reach full compliance with the EUDR."

A national system of traceability and monitoring of socio-environmental indicators is key to avoiding leakage of negative impacts from one biome to another, and from one link of the supply chain to another. A system such as Beef on Track is therefore essential to contribute to halting deforestation and human rights violations in the livestock supply chain. Partial solutions focussing solely on delivering legal volumes to the EU will not achieve the full positive impact.

2 It is not yet clear how the EU will assess compliance with relevant laws.

3 Companies currently check e.g. the list of slave-like labour and overlaps with Indigenous Land and Protected Areas. This approach has limitations since 1) the list of slave-like labour is only based on confirmed cases; 2) there are communities whose land rights have not yet been recognised or mapped; 3) this is not necessarily a due diligence process as it does not require checking all labour conditions and social conflicts on the ground.

4 Beef on Track does not check the percentages of deforestation and conversion allowed by the Brazilian Forest Code, nor compliance with the criteria related to the specific Permanent Areas of Protection.

5 The Animal Transit Guide (GTA) is linked to batches of animals, and not individuals. Hence, the control over the supply chain is only possible via a mass balance approach, which is not allowed under the EUDR. This system also allows the meatpackers to only view information on the last farm where batches were grouped. SISBOV is an individual identification and traceability system. It can track animals individually from birth but is not widely used. Both the GTA and SISBOV would need to include information on the environmental and social status of the farm of origin.

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