

Practicing Sustainable Cattle Ranching in the Amazon

# The Novo Campo Program

### **Practicing Sustainable Cattle Ranching in the Amazon**

The Novo Campo Program promotes sustainable practices in cattle ranches in the Amazon, improving their economic, social and environmental performance, with the aim of reducing deforestation, conserving or restoring natural resources, and strengthening the local economy.

# **Background**

The Instituto Centro de Vida (ICV) began in 2012 a project to **promote good practices for beef cattle production in the region of Alta Floresta, a major ranching hub in the north of Mato Grosso state.** This initiative intends to reduce deforestation pressure while increasing the production's yields, profitability, quality and environmental sustainability through the adoption of Embrapa's **Good Agricultural Practices (GAP) for beef cattle ranching.** 

The project gathered various strategic partners, including: Embrapa, the local rural union, the International Institute for Sustainability (IIS), Solidaridad, and the meatpacking multinational company JBS. Financial support is provided by Fundo Vale, the Gordon and Betty Moore Foundation, Brazil's Sustainable Cattle Ranching Working Group (GTPS), and the Norwegian Agency for Development Cooperation (Norad).

The project started with a pilot in 14 production ranches in the municipalities of Alta Floresta and Cotriguaçu, testing a new production model based on the integrated management of the ranch and the progressive implementation of GAP, including:

- Implantation of an intensified area, with pasture reform and management;
- Supplemental feeding for livestock, especially during the dry season;
- Isolation and **recuperation of riparian forests**, and installation of watering systems;
- Reforestation with **commercial timbers**, providing animal well-being and an extra income for producers.

The results of the pilot project phase demonstrated the **viability of the model implemented:** 

- Reduction of slaughter age: from 44 down to 36 months for males and from 34 down to 26 months for females (as compared to the regional average);
- Increased productivity: from 70.5 to more than 180 @Kg cw/ ha /year (as compared to the regional average);
- Increased quality of product, qualifying the animals for bonuses offered by buyers and retailers.

Beginning in the second semester of 2014, we initiated the **dissemination phase**, via the Novo Campo Program – Practicing Sustainable Cattle Ranching in the Amazon. The Program aims to engage 200 to 300 producers over two years and demonstrate the viability of disseminating the good practices for beef cattle production at the regional scale.

# **Governance**

The Novo Campo Program is administered by a consortium of partner organizations with complementary roles, being principally:

Partners	Principal roles in The Program
ICV	Coordination of the Program     Monitoring and Information management and monitoring platform
Embrapa	Technical supervision and research
IIS	<ul> <li>Development of economic models and indicators</li> <li>Development of financial mechanisms for the adoption of GAP</li> <li>Strategic planning for sustainable land use at territorial level</li> </ul>
Solidaridad	Development of the territorial sustainability standards integrated with global commodity value chains
Imaflora	Development of the solution for beef traceability     Implementation of the Greenhouse Gases Protocol to     measure emissions and emissions reductions
JBS	<ul> <li>Development of quality-based price premium protocols</li> <li>Support to training of producers and technicians, and to the</li> <li>Program disclosure</li> </ul>
Local Rural Unions (Alta Floresta and Cotriguaçu)	Mobilization of producers



# Benefits for Participating Producers

Following the Program, producers have access to significant benefits, including:

- Techniques for increased productivity and reduced production costs;
- Exclusive quality-based price premium protocols offered by buyers partnered with the Program;
- Qualification for Embrapa's GAP certificate;
- Up-to-date technical information and guidance, as well as capacity building courses focused on the implementation of good practices;
- Through associating to the producers' organization, programming of deliveries to the slaughterhouse and commercial negotiations with buyers as well as suppliers of feeding and other inputs;
- Preparation and competitive advantage to access markets with increasing requirements in terms of quality and guarantee of legal and sustainable sources.



# Criteria and Commitments for Participants

The Program is open to producers adhering to determined criteria and commitments. In parallel, companies – especially in the meatpacking and retail sectors – and financial institutions can participate as partners by meeting specific criteria for partnership. Similarly, technical assistance professionals can join the Program and will receive credentials under certain conditions.

Participants	Criteria for Participation
Producers	<ul> <li>Possess register with Rural Environmental Registry (CAR)</li> <li>Not appear on the list of embargoed properties by the federal or state environmental agency</li> <li>Not appear on the list of forced labor of the Labor Ministry</li> <li>Not possess illegal deforestation posterior to 2008</li> </ul>
Processing and Distribution Companies	Meatpacking Companies:  • Possess agreement (TAC) signed with the Federal Prosecutors Office (MPF)  • Effect control of suppliers to guarantee the exclusion of those with illegal or socio-environmentally irresponsible practices
Financial Institutions	Offer rural credit for cattle producers  Possess capillarity in the north of Mato Grosso state
Agencies Offering Technical Assistance	<ul> <li>Possess university degree in a relevant area</li> <li>Possess specialization course in cattle ranching or equivalent experience</li> <li>Possess certificate of training in the GAP guidelines by Embrapa</li> </ul>

### **Commitments assumed by Participants**

- Follow Embrapa's GAP guidelines issued and gradually adopt the practices specified
- Contract technical assistance credentialed by the Program for the implementation and monitoring of the GAP project
- Affiliate with a producers organization partnered with The Program
- Implement the actions necessary for full compliance with the Forest Code
- Conserve all remaining forests on the property
- Develop and implement technical solutions to guarantee the legal sourcing of beef, from the animal's birth to the end consumer
- Implement in the region a program to incentivise the adoption of good practices for beef cattle production
- Develop and implement in the region a financing mechanism to facilitate GAP adoption, including a component for the financing of technical assistance
- Follow the technical directives, apply the procedures and use the planning and monitoring tools indicated and provided by the Novo Campo Program
- Attend and complete periodic professional development courses
- Participate in activities of exchange and training with the Technical Assistance Nucleus

## **How it Works**

# The functioning of the Novo Campo Program is based on six components:

### 1. Organization of Producers of Sustainable Livestock

The association or cooperative partnering with the Program manages relationships with participating producers, conducts commercial negotiations with buyers and plans deliveries to the slaughterhouse. Additionally, the association or cooperative arranges procurement of supplies shared services, and organizes capacity building courses for the farms' workforce in association with official institutions.

### 2. Technical Assistance Nucleus (NATI)

The NATI is a group of independent technical assistance professionals and companies credentialed by the Program. Contracted directly by the producers, the members of the NATI carry out the initial diagnosis and develop the GAP project for each new participating farm, and then conduct the implementation and monitor the results. They also participate in technical exchange and continued education activities.

### 3. Incentives for the Adoption of Good Practices

In respect to the superior quality of the product offered and to controlled origin of the animals, the participating producers have access to incentives from meatpacking and retailing companies, in the form of price premium protocols. In this way, producers and buyers establish long term relationships, with guarantees of volume and commercial conditions, to their mutual benefit. Calves with guaranteed genetics bought by participating producers will also receive a price incentive.

### 4. Financing for the implementation of Best Practices

To finance the investments and technical assistance necessary for the implementation of GAP, credit solutions will be offered with conditions adequate to the situation of local producers. Access will be facilitated by means of orientation to the producers in the preparation of financing projects, and differential treatment guaranteed through contracts with partner financial institutions.

### 5. Platform for the management of information, monitoring and traceability

The Program will develop a set of information management tools for and between the participating producers, technical assistance professionals, and the producers organizations. These tools will allow to make field activities more cost- and time-efficient and to maintain a complete register of the implementation of the GAP and of the operational and economic results obtained by participating producers. Additionally, these will include a system for the traceability of animals and beef, and for the monitoring of green house gases emissions.

### 6. Integration with territorial approach

The Novo Campo Program will be implemented in municipalities participating in the Mato Grosso Sustainable Municipalities Program (PMS) that demonstrate the necessary conditions of environmental governance, including: i) a minimum of 66% (two thirds) of total municipal area registered within the CAR; and ii) a functioning system of municipal environmental management, with Secretary, Counsel, and a system of environmental monitoring. In these municipalities, the Agriculture and Environment Secretariats and the Rural unions will be engaged in the Program, and the municipality's overall performance in terms of environmental conservation and agricultural output will be monitored, in order to value these territories in domestic and international agricultural commodities markets.

### Coordination:



### Partners:

















### Sponsors:







