Novo Campo Program:
Practicing Sustainable Cattle Ranching in the Amazon

November 2016
ICV: WHO WE ARE

- Civil Society Organization, based in Cuiabá, Mato Grosso State, founded in 1991

- Mission: *Build shared solutions for land use sustainability*

- Geographic scope of work: *Mato Grosso State*

- 3 offices: Cuiabá, Alta Floresta and Cotriguaçu

- 40 staff
CELEBRATING

ANOS DE HISTÓRIA
ICV’s Approach

2 Macro-objectives

- Strengthening of monitoring and control
- Development of incentives for conservation

Support nucleuses:
- Administrative
- Communication
- Network articulation
- Geotechnologies

Environmental & land tenure regularization + Sustainable agricultural and forestry practices

- Forest Transparency Initiative
- Economic Incentives Initiative
- Sustainable Municipalities Initiative
- Sustainable Cattle Ranching Initiative
- Rural Communities Development Initiative

Local base solutions

Strengthening of monitoring and control

Development of incentives for conservation
ICV’S SUSTAINABLE CATTLE RANCHING INITIATIVE

Context
- Deforestation and pasture degradation
- Land use dynamics

Pilot Phase
- Technical basis
- Results

Novo Campo
- Protocol
- Commercial Arrangement
- Next steps
CONTEXT:
WHY WE WORK WITH CATTLE RANCHING
**Cattle Ranching: Main Use of Cleared Lands**

Area per type of use of cleared lands in MT (M ha)

- Soy: 26.5 Mt
- Corn: 18.1 Mt
- Cotton: 2.4 Mt

Total: 36.2 Mha

- Beef: 1.3 Mt
- Milk: 550 Ml

North & Northwest regions of MT: cattle ranching >95% of cleared area (not including regeneration)

Sources: IBGE, IMEA, INPE (2014/2015)
DEFORESTATION NOT YET UNDER CONTROL

Annual deforestation in forest areas in the Brazilian Amazon

Source: Prodes/INPE
DEGRADATION OF NATURAL RESOURCES

Soils Degradation

Pastures Degradation

Water Degradation

“Sudden death” of Pastures
LAND USE TRENDS IN MATO GROSSO

Agricultural expansion projections by 2024/25

Production (Mt)

- Soya
- Beef

Area (Mha)

- Soya
- Beef*

Productivity (t/ha; @/ha)

- Soya
- Beef

Source: IMEA (Agro MT Outlook 2025)
Cattle ranching receding, but still major deforestation driver

Productivity increase necessary to grow output without deforestation – challenging due to pasture degradation process

Producers need technical support and incentives to turn investments in production improvement and environmental compliance viable

Supply chain needs practical solutions for more complete and transparent control of deforestation

Strengthening of supply chain control of deforestation also necessary, to address “laundering” and indirect suppliers
Pilot: Demonstrating the Feasibility of Sustainable Intensification
TECHNICAL REFERENCE FOR SUSTAINABLE INTENSIFICATION

- Farm management
- Human Resources management
- Environmental management
- Animal welfare
- Pastures
- Facilities
- Supplemental feeding
- Pre-slaughter management
- Sanitary control
- Reproduction management
- Animal identification

Logos:
- BPA
- Embrapa
- Gado de Corte
- Instituto Centro de Vida
## Characteristics of the Pilot

<table>
<thead>
<tr>
<th>Number</th>
<th>10, being 8 beef cattle and 2 diary cattle</th>
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<tbody>
<tr>
<td>Size</td>
<td>Medium: 300 – 1,800 ha (average 770 ha)</td>
</tr>
<tr>
<td>Location</td>
<td>Municípios de Alta Floresta e Carlinda</td>
</tr>
<tr>
<td>Production Systems</td>
<td>Breeding (2), Rearing-fattening (2) and Complete cycle (4)</td>
</tr>
<tr>
<td>Selection criteria</td>
<td>- Environmental registry (CAR), compliance in process</td>
</tr>
<tr>
<td></td>
<td>- Different production systems</td>
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<tr>
<td></td>
<td>- Distribution in different areas in the county</td>
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<td>- Potential opinion leaders</td>
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### Ranches

- Diagnosis (base zero)
- Implementation of **intensification unit (30-40 ha)**, with pasture reform and rotational grazing
- Implementation of **Good Practices** – Farm and HR Management, Supplemental Nutrition (dry season), Environmental Management
- Monitoring

### Interventions

- Implementation of an **intensification unit** (30-40 ha), with pasture reform and rotational grazing
- Implementation of **Good Practices** – Farm and HR Management, Supplemental Nutrition (dry season), Environmental Management
- Monitoring
**Results of the Pilot 2012-2014**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Unit</th>
<th>Baseline</th>
<th>GAP ranch</th>
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<tbody>
<tr>
<td>Slaughter age</td>
<td>Months</td>
<td>Male: 44 Female: 34</td>
<td>Male: 30 Female: 24</td>
</tr>
<tr>
<td>Stocking rate</td>
<td>UA / ha</td>
<td>1.22</td>
<td>1.61</td>
</tr>
<tr>
<td>Productivity</td>
<td>Kg cw / ha / yr</td>
<td>70</td>
<td>160*</td>
</tr>
<tr>
<td>Quality</td>
<td>% qualification</td>
<td>Typically 0</td>
<td>70%+</td>
</tr>
<tr>
<td>Profit</td>
<td>R$ / ha</td>
<td>0 - 100</td>
<td>680</td>
</tr>
<tr>
<td>GHG emissions</td>
<td>tCO2e / ha / yr</td>
<td>4.8</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>tCO2e/ Kg cw</td>
<td>77</td>
<td>30</td>
</tr>
</tbody>
</table>

*Minimum productivity to pay investment and enable state level zero deforestation: 100 Kg cw/ha/yr

**Feasibility of sustainable intensification confirmed, with potential to also bear costs of environmental compliance**
NOVO CAMPO PROGRAM:
PRACTICING SUSTAINABLE CATTLE RANCHING IN THE AMAZON
**Objectives**

- Promote cattle ranching sustainable intensification
- Reduce deforestation pressure
- Meet demand of global companies for verified sustainable, zero deforestation beef

**Partners**

- Instituto Centro de Vida
- (JBS)
- pecsa
- TERRAS Terra App Solutions
- GTPS
- Arcos Dorados
- Embrapa
- Solidaridad
- althelia ecosphere
**NOVO CAMPO PROTOCOL**

Minimum criteria to participate:
- Environmental registry (CAR)
- No deforestation post July 2008
- No embargo by Ibama or Sema-MT
- Not included in slave labor list of MTE
- No overlap with protected or indigenous areas

= Criteria of the TAC + zero deforestation (instead of zero illegal) + Sema embargo

Participants’ commitments:
- Adopt Good Agricultural Practices and GTPS guidelines
- Contract with credentialed cattle ranching management firm
- Apply zero deforestation criterion to the purchase of animals (indirect suppliers)
- Fulfill Forest Code compliance
- Conserve all forest remnants

Monitoring Report Verification

✔ Commercialization
MONITORING OF MINIMUM CRITERIA

Minimum Criteria

- Environmental registry (CAR)
- No deforestation post July 2008
- No embargo by Ibama or Sema-MT
- Not included in slave labor list of MTE
- No overlap with protected or indigenous areas

- Collection of ranch and owner’s information, including environmental registry (CAR)
- Registry on Novo Campo Plataform
- Application of BusCAR tool, with assessment of deforestation (PRODES)
  - If recent PRODES polygon, validation through satellite imagery => Technical opinion

- TAC criteria assessed again by JBS before each purchase

✓ Complying with all minimum criteria, entry into Program and signature of commitment term
**MONITORING OF THE COMMITMENTS (1)**

**Participants’ commitments**

- Adopt **Good Agricultural Practices** and **GTPS guidelines**
- Contract with credentialed **cattle ranching management** firm
- Apply **zero deforestation criterion to the purchase of animals** (indirect suppliers)

**Complying with these initial commitments, ranch is able to commercialize**

- Initial diagnosis and annual assessment of GAP and GIPS
- Contract with firm
- Registry of indirect suppliers and of all cattle transactions in the Platform
  - Access to GTA extract for verification
- Assessment of deforestation (PRODES)
  - If recent PRODES polygon, validation based on satellite imagery => Technical opinion
  - If confirmed, isolation of lot of animals and block of indirect supplier
**MONITORING OF THE COMMITMENTS (2)**

**Participants’ commitments**

- Fulfill **Forest Code compliance**
- Conserve all **forest remnants**

- Detailed assessment of liabilities in areas of permanent preservation (APP) and legal reserve (RL) through satellite imagery => Technical project for forest recovery
- Monitoring of execution through satellite imagery and/or UAV
- Monitoring of compliance process (CAR validation, Restoration project, Terms of compensation)
  - In case of non fulfillment of project or compliance process, notification
    - If not repaired, suspension and posterior exclusion

- Monthly and annual monitoring of deforestation based on SAD and PRODES
  - If new polygon, validation based on satellite imagery => Technical opinion
  - If confirmed, exclusion
INITIAL RESULTS

• Innovative model of partnership and investment (Pecsa - Althelia - Producers): € 11.5 m to implement 10,000 ha

• Commercial agreement with leading value chain players McDonald’s and JBS

• Monitoring protocol and platform that guarantee sustainable, deforestation-free origin:
  – Control of deforestation including indirect suppliers
  – Environmental compliance plans
  – Use of GIPS for practices’ assessment and continuous improvement
  – GHG monitoring showing strong reductions in net emissions
**Next Steps**

- **New Technical Assistance modalities to accelerate dissemination:**
  - Private Technical Assistance
  - Partnership with official Rural Apprenticeship Service (SENAR)
  - Workforce training

- **Consolidation of Novo Campo Platform (Terras):**
  - EcoTrack tool for the registry of transactions
  - Monitoring of Environmental Compliance Plans
  - Inclusion of evidences of good practices (GIPS)
  - Implementation of GHG Protocol

- **Jurisdictional approach:**
  - Monitoring of municipal indicators
  - Integration of public policies (REDD+, IMAC, PCI and PMS)
Thanks!

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