



Still At It

Major Soy Suppliers Caught in Continued Deforestation Linked to Fast Food, Supermarkets



In our February report, “[The Ultimate Mystery Meat](#),” we revealed how soy production is responsible for ongoing massive deforestation across the Brazilian Cerrado and Bolivian Amazon basin. Our initial field investigation to 28 different locations producing soy in Brazil and Bolivia in September 2016 showed that these large industrial farms sell soy to US-based traders, most significantly to two companies- Cargill and Bunge. In addition to their role in creating a market for deforestation-based soy, we found that these companies are also frequently involved in directly financing land clearance and associated infrastructure development. Cargill and Bunge in turn sell soy to meat and dairy companies, who then sell to large consumer-facing companies like Burger King.

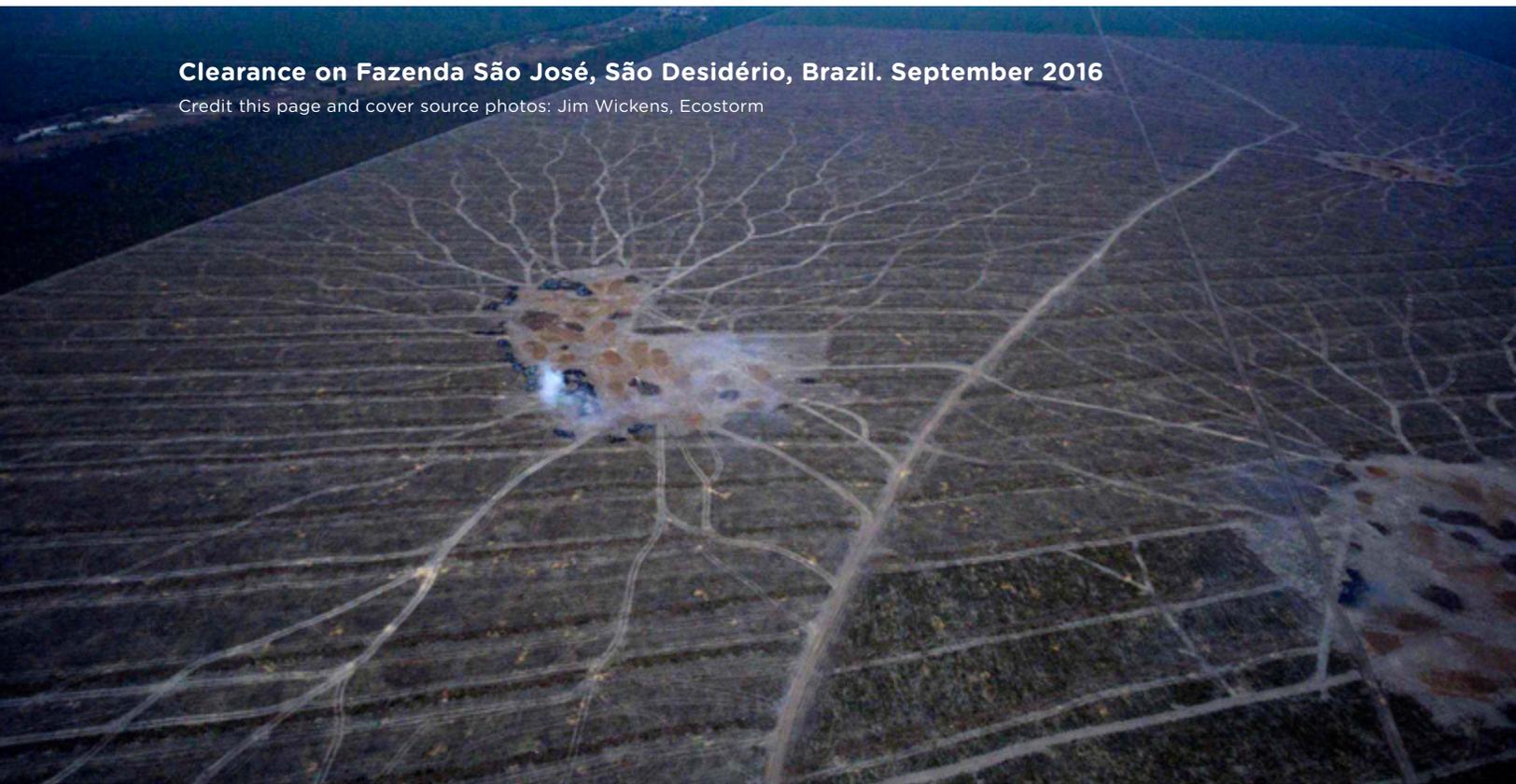
Prior to the publication of the report, and subsequently, we have been in touch with Bunge, Cargill and other soy companies like ADM, Louis Dreyfus, and Wilmar to urge them to adhere to their environmental commitments by ceasing purchases from any supplier engaged in deforestation. In addition, since the publication of the report, major consumer companies, investors, and governments have repeatedly urged these companies

to extend their highly successful efforts to jointly stop deforestation in the Brazilian Amazon to the rest of the soy growing regions in Latin America. Cargill and Bunge have continued to resist these calls, but have made a variety of commitments to clean up their own supply chains.

We wanted to test whether these companies were actually adhering to their commitments to address deforestation in their own supply chains, and whether the systems they had established were adequate to actually stop deforestation. To find out, we conducted repeat satellite monitoring of the same sites we had visited originally, using satellite imagery from Planet Labs. Planet makes it possible to remotely monitor virtually anywhere on earth via its fleet of compact, highly precise satellites. In several cases, we found continued deforestation connected to these major soy companies since our investigation and also since media like The New York Times, The Guardian, Canada’s CTV, Le Monde, and many other publications around the world have focused on these cases. Given the enormous scrutiny of these particular farms, we assumed that the soy traders would launch intensive efforts to stop deforestation in these locations.

Clearance on Fazenda São José, São Desidério, Brazil. September 2016

Credit this page and cover source photos: Jim Wickens, Ecostorm



In fact, in several instances, that deforestation connected to the major soy traders had continued, casting doubt on their commitments, and highlighting once again the need for them to establish an effective industry-wide mechanism to stop deforestation. We found a total of 60 square kilometers of new clearance on the farms we visited initially, as well as 120 square kilometers of planned clearance—land that has been prepared for imminent clearance.

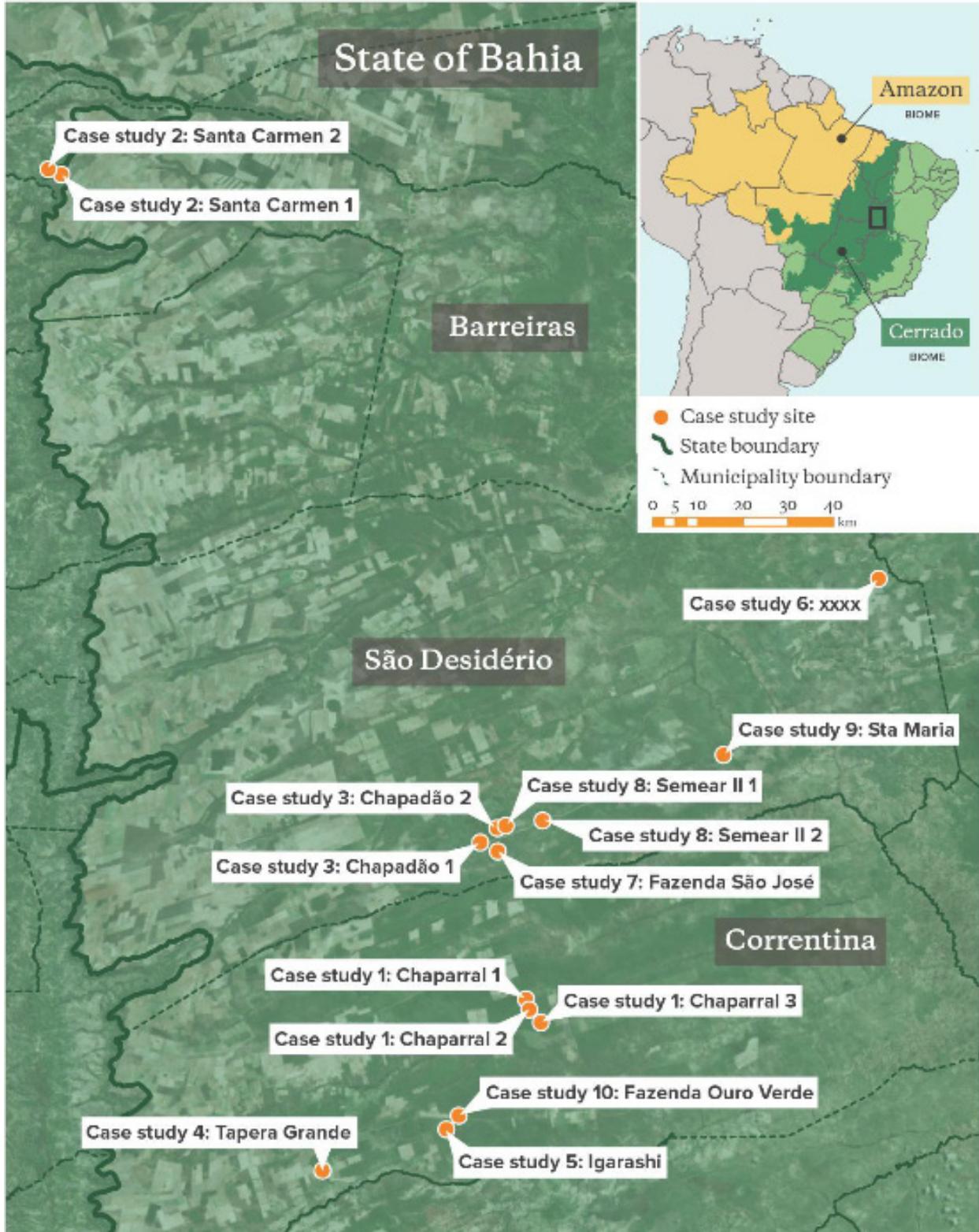
We have contacted Cargill, Bunge and ADM, and their major customers to inform them of our findings, and ask them to take urgent action to stop the planned deforestation – as well as to move quickly to set up an industry-wide system to stop deforestation across South America. Their responses follow the case studies below.

As these examples illustrate, Cargill and Bunge have continued to drive rapid deforestation. In the case of Cargill especially, its actions stand in stark contrast to the tens of millions of dollars it is spending on advertising

campaigns to tell the world how much it cares about the environment. This kind of disconnect between the image Cargill is paying for and the reality of what it's doing on the ground is fortunately no longer possible in the modern world. Satellite monitoring, combined with increased connections between on-the-ground forest communities and international actors, as well supply chain tracking technology, makes it possible to identify deforestation and land grabbing in almost real-time.

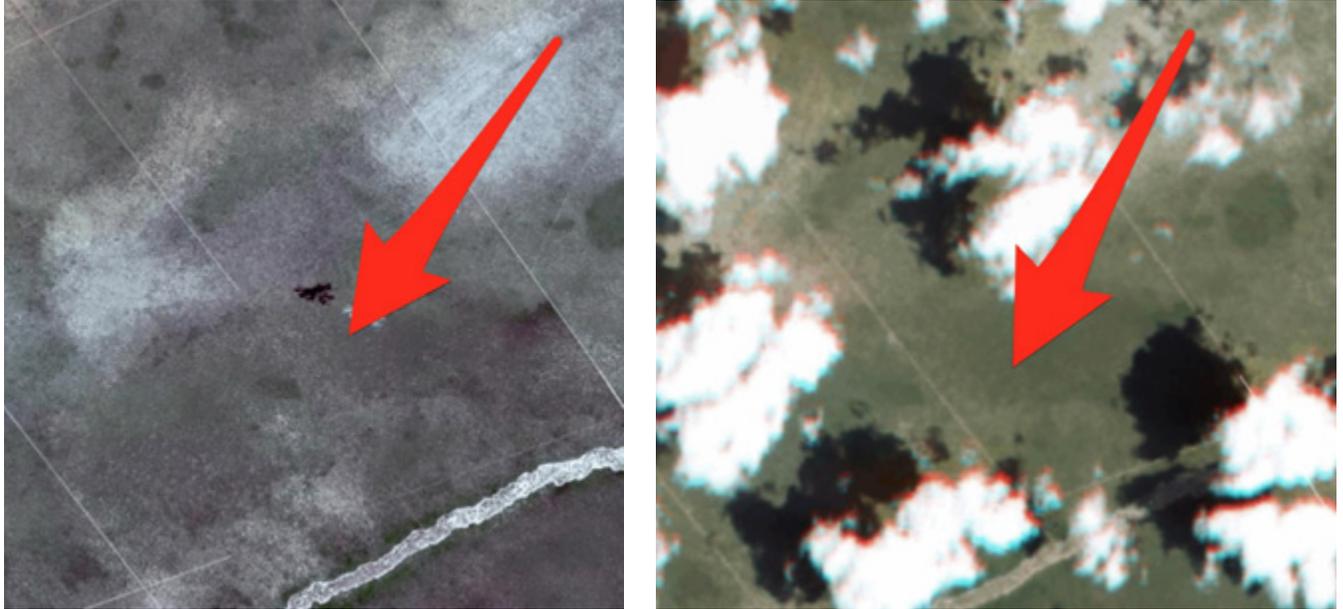
Stopping deforestation requires industry-wide action—and major soy end users such as Carrefour, Unilever and Tesco agree. As the tables below show, there is growing demand from the companies that sell soy-linked meat and dairy to consumers to extend joint action to the other soy growing regions in Latin America. These companies recognize that doing so is affordable (costing less than \$1 million a year in monitoring) and necessary to maintain the trust of consumers and access to global markets—and provide the environmental success that their customers want and that the world needs.

INDIVIDUAL CASE STUDIES: BRAZIL



Brazil Case Study 3, 7, 8: --- Fazendas Chapadão, São José, and Semear

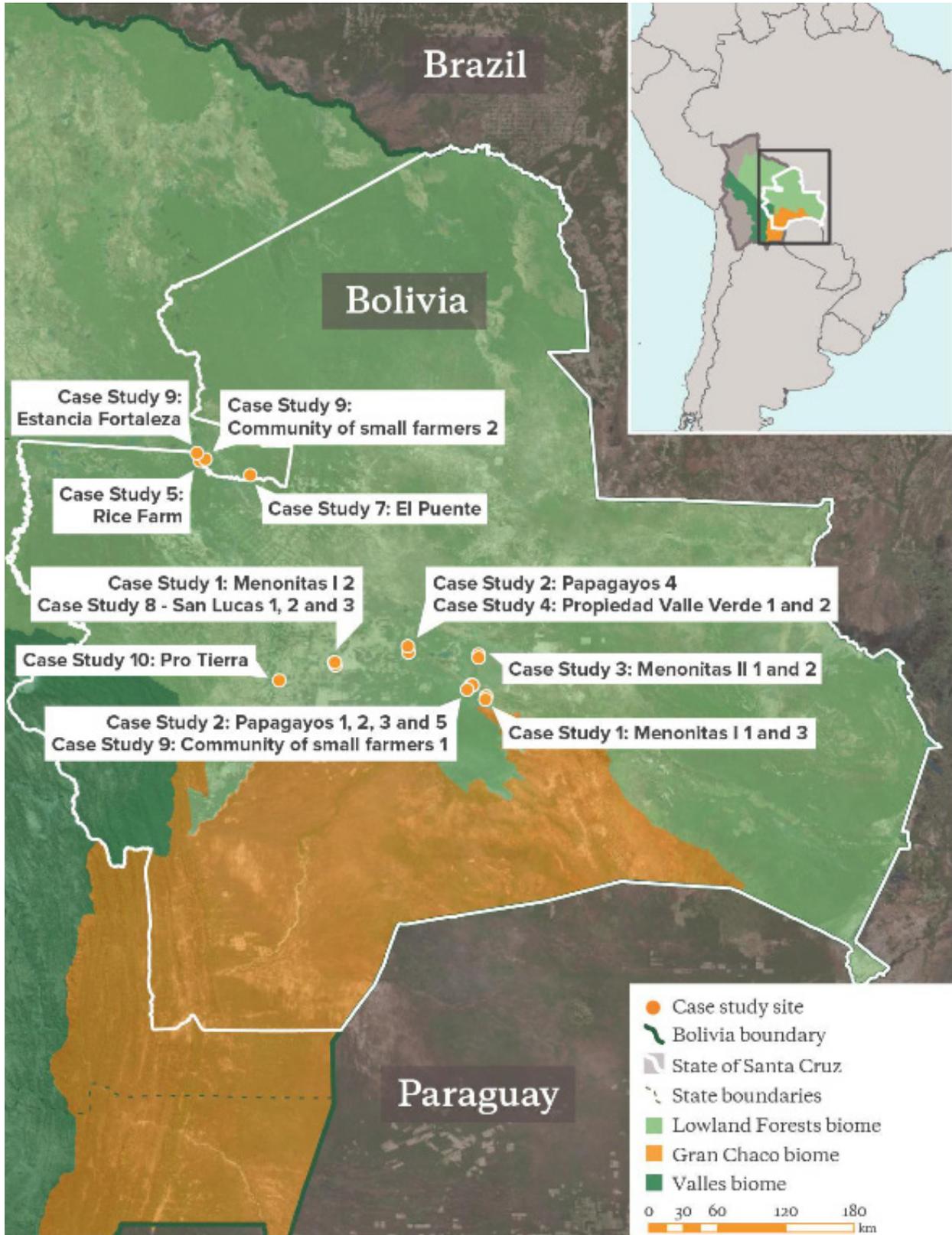
GPS 13°04.953'S 045°30.316'W, 13°03.246'S 045°28.090'W



The shot on the left is from January 5, 2017 and is an action shot—the roads are in the process of being carved. In the shot on the right, from January 9, 2017, the roads appeared to be finished. This section has not been cleared yet, but the road cutting signifies imminent clearance, as it is the first step in the clearance process.

They only produce soy. Through our investigation, we found that they sell to Cargill, Bunge, and Multigrain (a subsidiary of the Japanese agricultural trader Mitsui). In December, three sections were carved for future clearance. Road cutting continued into January and likely February.

INDIVIDUAL CASE STUDIES: BOLIVIA



Bolivia Case Study 1- Menonitas 1

GPS 1—17°50.888' S 061°03.249' W, 17°52.179' S 061°03.702' W



March 10th 2017: New section began in December, but most clearance was done in 2017. We found approximately 10 square kilometers of new clearance since our initial investigation. This site is a Mennonite colony about one hour away from the city of San Jose, in the Santa Cruz department. They had been granted permits to deforest a large area, and in interviews said that they will use it to grow soy. We found that they supply Cargill. In response to this report, Cargill confirmed that it sources from this farm.

Bolivia Case Study 2- Papagayo Agropecuaria Celestina

GPS 1—S 17°45.507' W 061°09.628'; GPS 2—S 17°45.505' W 061°10.54';
GPS 3—S 17°45.507' W 061°09.630'; S 17°47.625' W 061°12.058'

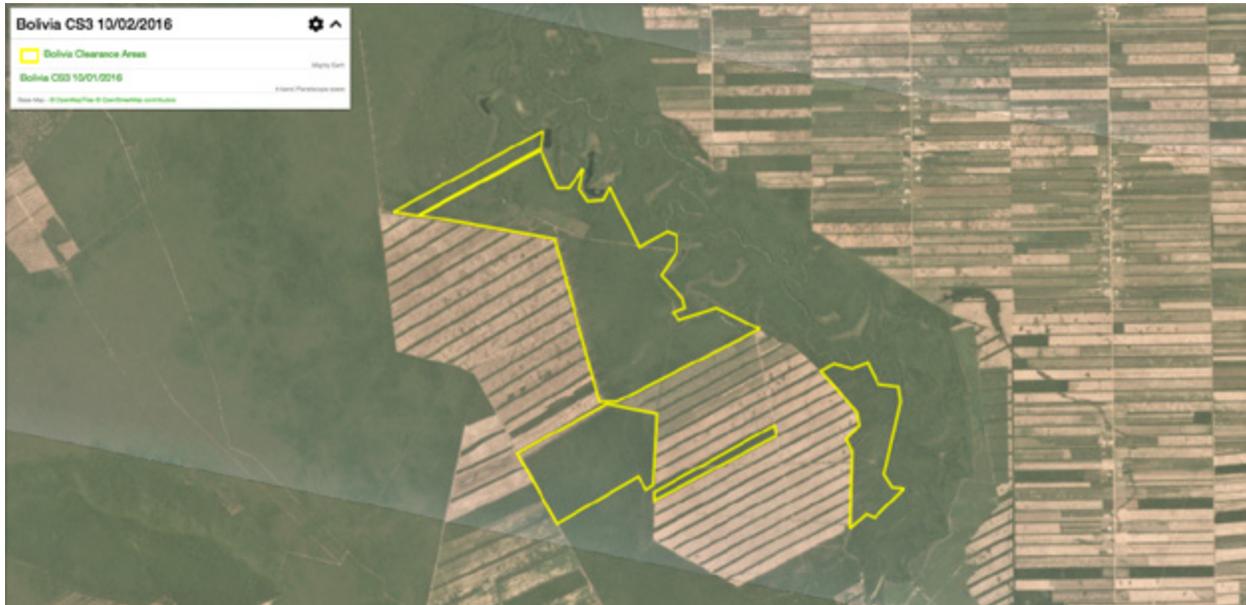


March 10th 2017: New clearance in two locations, done in 2017

We found approximately 4.7 square kilometers of new deforestation since our initial investigation. This farm is about 45 minutes away from the city of San Jose and is clearing land for both soy and cattle. In interviews with our field investigators, workers on the farm reported that they sell to Cargill, ADM, and other major Bolivian traders. In response to this report, Cargill denied that it sources from this farm. ADM said that it was “not able to find any evidence that we currently source from this farm.”

Bolivia Case Study 3- Area of Menonitas 2

GPS 1—17°31.076'S 061°06.873'W, 17°32.431'S 061°06.914'W



March 10th 2017: Clearance in the center.

ADM did confirm sourcing from the Menonitas 2 site in our original investigation; however, the company reported that in its follow up investigation, the new deforestation highlighted here was found to be outside the Menonitas colony, and not part of ADM's supplier.

Bolivia Case Study 4- Propiedad Valle Verde

GPS 1—17°29.851'S 061°40.815'W, 17°27.067'S 061°41.124'W



February 12th, 2017: New clearance

We found 100 square kilometers of new deforestation since our initial investigation. During the field visit, farm gates were locked so our field team could not enter the road to the farm house and speak to the owners directly. A big fire was filmed inside the property.



Fire on Propiedad Valle Verde, taken from September 2016 field investigation.

Jim Wickens, Ecostorm

INVESTIGATION FINDINGS

Country	Case Study Site	Clearance Found Since Initial Investigation (ha)	Customers Identified Through Field Investigation
Brazil 3,7,8	Fazendas Chapadao, São Jose and Semear	3,179 + 12,084 planned clearance	Cargill, Bunge, Multigrain/Mitsui
Bolivia 1	Menonitas 1	1,086	Cargill*
Bolivia 2	Papagayo Agropecuaria Celestina	471	Cargill**
Bolivia 3	Menonitas 2	1206	Unclear (see above)
Bolivia 4	Propiedad Valle Verde	100	Unknown

*In follow up, company confirmed sourcing from this farm

**In follow up, company denied sourcing from this farm

SOY TRADER RESPONSES

Company	Responded?	Supportive of Expansion?	Actions Taken
ADM	Yes	Yes	Investigated suppliers, and continuing to educate suppliers (including Menonitas communities highlighted above) about expectations for no deforestation production in collaboration with The Forest Trust (TFT)
Bunge	Yes	No	Establishing monitoring system, and will flag the Chapadao farm and other areas in the Cerrado for follow up monitoring.
Cargill	No	No (from other correspondence and public statements)	Unknown

CONSUMER COMPANY RESPONSES

Company	Responded?	Supply Chain Information	Supportive of Expansion?	Actions Taken
Ahold Delhaize (Food Lion, Stop & Shop, Hannaford, Giant, Peapod, Albert Heijn, bol.com, Etos, Shop & Go, Albert, Alfa Beta, ENA, Maxi, Mega Image)	Yes	No information provided	Supports Cerrado only, with conditions	Policy that 100% of South American soy in own brand products should be certified by RTRS or Proterra; however, have not actually secured supply so relying on credit trading scheme
Burger King (Restaurant Brands International)	Yes	No information provided	No information provided	Say they are developing a policy, but declined to share any information about it

Company	Responded?	Supply Chain Information	Supportive of Expansion?	Actions Taken
Carrefour	Yes	Carrefour provided no information on suppliers or requirements for areas outside the Brazilian Amazon. The company says that Carrefour Brazil requires and verifies that suppliers of Private Label products ensure that soy used in its products comes from suppliers that meet the existing Soy Moratorium, which applies to only the Brazilian Amazon.	Yes	On Jan 10 2017, Carrefour gathered a panel of stakeholders to determine a plan to better protect forests. They have requested a follow up meeting to discuss potential further actions.
Chipotle	Yes	Very small portion of pork is fed on soy from South America	No response	Investigating supply chain. As most of their supply is from the United States, they have prioritized sustainability in US agriculture.
Danone	Yes	Confirmed that it sources from Cargill and Bunge and that since the publication of its Soy Forest Policy, Danone has engaged with its suppliers to develop actions to address the risk of deforestation and meet commitments	No meaningful response	Committed to eliminating deforestation impacts from its supply chain by 2020.
Dunkin' Donuts	Yes	Have not provided specific information about suppliers.	Yes	Said they will follow up with Cargill and Bunge if they are suppliers to urge support; have spoken out in support at industry forum
Edeka	Yes	Refused to provide any information	No information provided	Working with WWF, but no details provided on scope

Company	Responded?	Supply Chain Information	Supportive of Expansion?	Actions Taken
Kellogg's	Yes	Confirmed sourcing small percentage of soy from Cargill and Bunge	Yes	Have had extensive discussions with their suppliers including Cargill and Bunge, working to eliminate deforestation from their supply chain
Kraft Heinz	Yes	Cannot disclose the names of suppliers	No meaningful response	Did not answer questions
Mars Petcare	Yes	No information on supplier identity, but have mapped global soy production, and require legal compliance in Brazil – though existing requirements don't exclude deforestation in other biomes	Yes	Will advocate for joint action to address deforestation across South America, and take other steps.
Marks & Spencer	Yes	Do not have a direct trading relationship with the companies concerned	Yes	Participated in program to map soy supply chains, using this analysis to formulate next steps to remove deforestation from products. Supports expansion
Metro AG	Yes	Report no direct sourcing from Cargill and Bunge, but analyzing connections through meat and dairy suppliers, such as JBS.	No information provided	Responded that they are taking action to reduce deforestation from supply chains by 2020 and requested a meeting
McDonald's	Yes	Did not provide supply chain info, but publicly available data shows that it is Cargill's biggest customer in Europe	Yes	Has communicated desire for collective joint action with its suppliers and in public forums
Nestlé	Yes	Indirectly confirmed sourcing	Yes	Met with Mighty, expressed for support for expansion

Company	Responded?	Supply Chain Information	Supportive of Expansion?	Actions Taken
Sainsbury's	Yes	While don't have a direct sourcing relationship, are exposed to Cargill through meat and dairy supply chains of products sold in stores	Yes	Exploring possibility of teaming up with other companies to call for action
Tesco	Yes	Have supply chain connections to major soy traders with operations in Latin America	Yes	Have asked suppliers for plans to eliminate deforestation.
Unilever	Yes	Have supply chain connections to major soy traders with operations in Latin America	Yes	Have repeatedly communicated support for joint action to protect Latin America with major suppliers, including Cargill.
Walmart/Asda	Yes	No information provided	Yes	Planning a trip to Brazil and follow up actions
Aldi Nord (Trader Joe's)	No	-	-	-
Aldi Süd	No	-	-	-
Arla Foods	No			
JBS	No	-	-	-
Groupe Casino	No	-	-	-
Arla Foods	No	-	-	-
Starbucks	No	-	-	-
Wendy's	No	-	-	-
Yum! Brands	No			

Photo: Alex Costa
Design: Cecily Anderson / Anagramist.com



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MIGHTY

A Canela-de-Ema flower, a common lush flower in the Brazilian Cerrado, which blooms in a bluish violet, purple, and white. The Canela-de-Ema is resistant to fires and is one of the first flowers to bloom after a fire.