BNP PARIBAS DEFORESTATION

→ Formal Notice

October 17, 2022

→ Summons

February 27, 2023

ISSUES

On October 17, the Brazilian association Comissão Pastoral da Terra (CPT) and the French association Notre Affaire À Tous (NAAT), supported by the North American NGO Rainforest Action Network, sent a formal notice to the French bank BNP Paribas for its financial support of Marfrig, Brazil's second largest meatpacking company. In a letter to BNP Paribas, NAAT and CPT's lawyers claim that Marfrig is guilty of serious violations due to the inadequate regulation of its supply chain, contributing to deforestation, land grabs from indigenous peoples, and slave-like practices on the cattle farms that supply Marfrig. By turning a blind eye to these abuses and continuing to help Marfrig obtain billions of dollars in financing, the letter states that BNP Paribas is contributing to these illegal practices and could be held liable.

ACTORS

- COMISSÃO PASTORAL DA TERRA (CPT)
- Notre affaire à tous (NAAT)









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To go further



<u>CP/Déforestation illégale, travail forcé et accaparement</u>
<u>de territoires : BNP Paribas mis en garde par une</u>
<u>organisation brésilienne - Notre Affaire à Tous</u>
(notreaffaireatous.org)

PRESENTATION OF THE CASE

In a first-of-kind effort to ensure financial actors' accountability regarding illegal deforestation and grave human rights violations linked to the Brazilian beef industry, the Comissao Pastoral da Terra (CPT), a Brazilian NGO, and the French NGO Notre Affaire À Tous, supported by US-based NGO Rainforest Action Network, have sent a letter of notice to the French bank BNP Paribas that highlights how the bank's provision of financial services to Marfrig, the second largest meat packing company in Brazil, enables serious abuses.

The letter sent to BNP Paribas by the organizations, which constitutes a first necessary step if the groups decide to bring forward a complaint under France's Duty of Vigilance Law, alleges that Marfrig is involved in major abuses through its poorly-regulated supply chain, including de facto contributions to severe deforestation, Indigenous land grabbing, and practices akin to slave labor at cattle farms that supply Marfrig. By turning a blind eye to such abuses and continuing to help Marfrig to obtain billions of dollars in financing, the notification contends that BNP Paribas contributes to these illegal practices and may incur liability.

According to an analysis by the non-profit Center for Climate Crime Analysis (CCCA) of two meatpacking plants operated by Marfrig from 2009 to 2020, supplier farms were allegedly responsible for over 120,000 hectares of illegal deforestation in the Amazon rainforest and neighboring Cerrado savanna during period. According to the formal notice, Marfrig has also been found to have directly and indirectly sourced cattle from ranchers who raised animals illegally inside Indigenous territory, andan investigation by Repórter Brasil found that this included farms within the Apyterewa Indigenous territory in Pará state – one of the most deforested Indigenous lands in recent years.

"Since Jair Bolsonaro's government has interrupted any process for legally recognizing traditional lands, cattle ranchers have been moving onto traditional territories of indigenous people with complete impunity," according to Xavier Plassat, a campaigner against slave labor at the CPT.

Moreover, although Brazilian law rigorously prohibits practices akin to slavery including practices such as forced labor and debt bondage, the organisations claim that Marfrig has also sourced cattle from supplier farms that have engaged in modern-day slavery. Individuals subjected to contemporary forms of slavery in Brazil are disproportionately represented in the cattle breeding industry, numbering a third of freed laborers between 1995 and 2020. According to a Greenpeace report released last year, Marfrig still has no effective procedures to guarantee that cattle ranchers linked to illegal deforestation or human rights violations are excluded from its supply chain.

According to Jérémie Suissa, a general delegate from Notre Affaire À Tous: "It is high time that banks stop financing deforestation. They can no longer pretend they don't know that their financing and investments are actively fuelling climate chaos, biodiversity loss, indigenous land grabbing and slavery-like practices. The law is on our side, BNP Paribas must change its practices."