



B Lab Statement on Belterra Agroflorestas' B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for agribusiness producers in Brazil:

Companies in the Brazilian agribusiness production industry operating in the Amazon, Cerrado & Atlantic forest biomes¹ are eligible for B Corp Certification as long as they meet the following requirements:

1. **Deforestation:** *Company is compliant with the Brazilian Forest Code (CAR, APP, RL & PRA requirements) including but not limited to no illegal deforestation since July 2008, as stipulated in the Forest Code. Further, the company has a formalized no-conversion policy for natural ecosystems for their own operations and future plans mentioning a cut-off date of Jan 1, 2020² (or before).*
2. **Land conflicts:** *The company complies with all pertinent Brazilian legislation including not operating on lands designated as protected areas or indigenous areas. The company has adequate and formalized policies and processes to uphold the rights of historic land owners and avoid land disputes. This could include a formal commitment to respecting land rights of indigenous peoples and practices such as identification and assessment of protected areas, indigenous lands and other areas of natural and cultural significance in the company's vicinity, dialogue and engagement with communities, grievance mechanisms for community members as well as evidence of having resolved any disputes in the past.*
3. **Additional Requirements Specifically for Cattle Ranches:** *Companies have formalized policies and processes in place to at least pursue the mitigation of risks of deforestation/land conversion, land encroachment and conflicts, and forced labor for feed and livestock suppliers along with ongoing monitoring. This could include practices such as supplier screening based on location, documentation and G4 agreement criteria, supply chain mapping, supplier code of conduct, audits for verification, geospatial monitoring, etc. for at least significant direct suppliers that are producers and potentially for indirect suppliers.*

Companies meeting the above requirements will be required to make transparent their practices on the above topics on their B Corp profile, as well as other relevant practices including their management of labor rights (which, while material to the industry, is

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https://data.globalforestwatch.org/datasets/54ec099791644be4b273d9d8a853d452_4?geometry=-173.406%2C-41.791%2C64.602%2C15.259

² To meet this requirement, a company cannot have converted land after January 1st 2020 and needs to have a formal no-conversion policy that states that no-conversion is permitted at least from January 1st 2020, even if the policy is instituted retroactively.



covered through the standard certification requirements and thus not called out separately above). Companies will also undergo a background check to independently affirm that there are no flags regarding the above topics, including a review of any recent and significant land acquisition, deforestation and land conversion practices in the last few years.

*Companies having certifications such as the RTRS, RFA, FSC, RSPO that cover their **entire** production will be meeting the above requirements. These requirements apply to agribusiness producers and exclude natural forest management companies, for whom a separate process may be required in the absence of FSC certification.*

Belterra Agroflorestas is required to disclose a summary of its practices in the above-mentioned areas as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's position statement on Agribusiness Producers in Brazil and B Corp Certification [here](#).

Summary of company

Belterra Agroflorestas is an agroforest company in the states of Bahia, Pará, Rondônia e Minas Gerais with farms located in the Cerrado, Amazon and Atlantic Forest regions. The company operates around 2,000 hectares of land in total, of which 100% was leased from 2019 onwards. While their main products are cocoa, banana and cassava, which – with exception of bananas – are utilized as raw materials for the food processing industry. Their main customers are the cocoa and cassava processing industries and the Brazilian consumers themselves. As of 2022, the company has not started its silvopastoral operations, but plans to start them in 2023.

Belterra Agroflorestas' Policies and Practices

Belterra Agroflorestas complies with local and national legislation and abides by the Forest Code and has never received any fines for non-compliance from IBAMA (*Brazilian Institute of Environmental and Renewable Resources*). They have a validated CAR license for all their ranches and annually renew other regulatory licenses such as the APF, ADA (IBAMA register), ITR (tax compliance) and the INCRA (land registration). Between 50% and 55% of the properties from which their land is leased is maintained in natural state. Belterra doesn't lease protected areas (APP and RL), only productive areas on which agricultural practices are allowed.

The areas managed by Belterra (leased areas) are plots within a given rural property, while the remainder is under the management of the property owner, as is the case of protected areas. Belterra uses its technical resources to adjust any regulatory non-conformities, helping partner owners (i.e. lessors) to regularize their land situation. More serious cases of land non-compliance are promptly discarded before signing a partnership, after going through their internal due diligence process. Belterra's internal due diligence process includes verifying properties' full compliance with local legislation and viability studies.



Belterra Agroflorestas is pursuing sustainable certifications for the products they produce. Two of their leased farms had their operations designed to meet all the necessary criteria to claim the Brazilian organic certification. The other farms will also pursue certifications as operations mature.

As stated before, Belterra Agroflorestas has plans to start implementing their cattle operations in 2023 on pasture land, in silvopastoral systems. The company claims that the operations will be overseen by third-party verifiers, such as Imaflora, the Brazilian leading organization in forest and agriculture audit schemes.

Deforestation

Agribusiness has an [environment protection policy](#) which outlines the company's overall approach to environmental stewardship and specific sustainable practices followed.

Within this policy, the company has affirmed their overall commitment to no-conversion of native ecosystems. The company has confirmed that since the beginning of their operations, in 2020, no conversion of native ecosystems has been carried out on the lands under their control. Maintaining the same approach for future acquisitions and new leases - (1) the company has a formal commitment to not carry out any conversion of native ecosystems in future acquisitions and leases and (2) the company will have a no-conversion policy since the cut-off date of January 1st 2020 along with Forest Code compliance as criteria for the lands acquired and leased.

Land Conflicts

Belterra Agroflorestas' land is not located in conservation units or on indigenous lands. The company complies with all pertinent Brazilian legislation including not operating on lands designated as protected areas or indigenous areas and is committed to doing so. The company has not had any land disputes with neighboring communities.

Further, the company establishes in its [Code of Ethics and Conduct](#) to uphold the rights of historic land owners and promotion of local communities and indigenous peoples' protection. The company's overall approach to potential conflict resolution is about respecting the people's rights to their land, most importantly native and indigenous populations' rights, and fulfilling all the agreed terms between the producers and Belterra. Any type of discrimination against indigenous groups is expressly prohibited.

Belterra is committed to maintaining an open dialogue channel with all communities and groups with which it maintains any type of relationship, directly or indirectly, including those located near its operations. In case of possible commercial relations with native and traditional communities, Belterra will carry out broad participatory processes following the Free, Prior and Informed Consent (FPIC) process, guaranteeing the legitimacy of its performance.



The company is currently in the process of developing the guidelines on how to apply it in actual situations and provide training to their employees. This process is being done in partnership with other two organizations: The Nature Conservancy and Solidariedad.

Supply Chain Practices of Cattle Ranching

The company is not involved in cattle ranching currently.

Management of Labor Rights

The company follows labor legislation for their part-time, temporary and full-time workers. They also carry out actions to enhance work life for their employees such as ergonomic analysis, health and safety consultancy, training and availability of courses and food and meal vouchers. They have an employee labor policy, salary policy and a company Code of Conduct outlining the rules and regulations that must be adhered to as well as details of a grievance mechanism for the reporting of any corrupt practices.