



### **B Lab Statement on Paraiso Verde's 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 biomes<sup>1</sup> 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, 2020<sup>2</sup> (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*

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[https://data.globalforestwatch.org/datasets/54ec099791644be4b273d9d8a853d452\\_4?geometry=-173.406%2C-41.791%2C64.602%2C15.259](https://data.globalforestwatch.org/datasets/54ec099791644be4b273d9d8a853d452_4?geometry=-173.406%2C-41.791%2C64.602%2C15.259)

<sup>2</sup> 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.



*including their management of labor rights (which, while material to the industry, is 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.*

Paraiso Verde 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**

Paraiso Verde produces coconut oil and various other coconut-based products sourced from dry Cocos Nucifera coconuts that grow naturally without cultivation or fertilization on their own property, as well as coconuts purchased from other locations in the coastal region of Bahia, Brazil.

The company owns and manages 62 hectares of land located within the Atlantic Forest biome. 60% of the company's production of coconut oil comes from coconuts that grow naturally on their land and the remainder comes from sites within a 15 km radius of the factory where there are naturally growing coconuts. Paraiso Verde collects fruits through a process called extractivism whereby only coconuts that have fallen on the ground are collected. The company's production process as well as the origin of the coconuts from all their suppliers is certified organic by [Ecocert](#).

### **Paraiso Verde's Policies and Practices**

Paraiso Verde confirms they comply with and commit to continue complying with all pertinent Brazilian legislation including not operating on land designated as protected areas or indigenous areas.

Paraiso Verde does not use pesticides or herbicides on the land they manage and only dried coconuts are used to create their products as part of their requirement for organic certification. This is controlled when coconuts are collected and Ecocert does a yearly visit to all forest areas that fall within the company's production area. The company is not carrying out its activities in the permanent Protection area nor in the Legal Reserve. The Legal Reserve represents 21% of the property size, exceeding the 20% of total property size that is required to have native vegetation cover for all property or rural possession in



the State of Bahia. Paraiso Verde has a signed agreement between their representative and the Institute for the Environment and Water Resources (INEMA), the environmental body from the state of Bahia outlining the commitment to comply with these legal requirements.

The company has a valid environmental license waiver for the production of vegetable oil; issued by the department of the Municipality of Ilheus, valid until April 2024.

Paraiso Verde does not currently have a formalized No Conversion policy for natural ecosystems for their own operations or future operations with a cut off date of Jan 1, 2020 (or before). In addition, Paraiso Verde does not currently have adequate formalized policies and processes to uphold the rights of historic landowners and avoid land disputes. As a Certified B Corp, Paraiso Verde will be required to meet these requirements by their next recertification.

The company does not manage cattle ranches on their property in the Atlantic Forest Biome.

### **B Lab's Public Complaints Process**

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.