

Summary of outreach to Brazilian beef and timber companies on forced labour

An [estimated](#) 369,000 people in Brazil are living in conditions of modern slavery. Since [1995, when the government recognised the existence of modern slavery](#) and created the Special Mobile Inspection Group, more than 52,000 workers have been rescued. The beef and timber industries are considered among those with the highest forced labour risks. Both have far reaching supply chains that span the globe.

In recent years, Brazil has been applauded for its significant efforts to combat slave-like labour, adopting [strategies](#) such as the creation of the National Commission to Eradicate Slave Labour (CONATRAE), the Special Mobile Inspection Group under the former Ministry of Labour; labour courts in the areas most affected by forced labour, the Dirty List (“Lista Suja”), the National Pact for the Eradication of Slave Labour and its monitoring institution, InPacto, among others. The Dirty List is a public list of companies found to have benefitted from slave-like labour. Companies on this list are banned from government contracts, their access to credit and public financing is limited, and other companies are discouraged from doing business with them.

The Brazilian Government, the UN, and many companies have held up the Dirty List and other measures, as an effective tool for preventing forced labour, monitoring companies, and holding them accountable for using slave labour. Despite this, there are growing attempts to weaken the definition of forced labour in Brazil, undermine the Dirty List by not publishing it, for example, and cut funding to departments able to monitor working conditions and rescue forced labour victims.

There is also new legislation that threatens decent work, for example by allowing rural workers to work for days without a salary, just with housing and food. And new [outsourcing legislation](#) makes it more difficult to hold companies accountable for labour rights violations.

Meanwhile legislation like the UK Modern Slavery Act is asking that companies report on forced labour risks in their global supply chains and the efforts they are taking to eradicate slavery. This includes understanding what their Brazilian suppliers are doing to halt forced labour and modern slavery.

In October 2018, Business & Human Rights Resource Centre approached 9 Brazilian timber and beef companies with [a questionnaire](#) on their action to prevent forced labour in their supply chains. Seven companies responded representing a response rate of 77% (the Resource Centre’s Global Response Rate is around 75%). These companies were chosen because they are large timber or beef companies with exports to the UK. Full responses are available in Portuguese [here](#).

Company Name	Sector
● BRF	Beef
● JBS Global	Beef
● Marfrig	Beef
● Minerva	Beef
● Grupo Sudati	Timber
● Grupo Tramontina (response from Tramontina Belém)	Timber
● Klabin	Timber
● Suzano Papel e Celulose (merged with Fibria Celulose during this process and response applied to both companies)	Timber
● Tradelink Madeiras	Timber

● Responded ● Not yet responded

Summary findings:

- **Due Diligence largely limited to third party checks:** All companies could point to policy commitments that reference labour issues and forced labour. Most companies relied on third party tools like the Dirty List, audits and certifications to assess forced labour risks of their suppliers. Two companies described a more detailed approach. One company mentioned that its process included visits to potential suppliers, with specific checks on working conditions and employment relationships. Another company said it developed a forced labour risk management tool that considers information not only from the Dirty List, but also other data. One company promotes trainings for suppliers.
- **Only one company discloses their suppliers publicly:** All responding companies said that they track their suppliers, 5 of them track 100% of their suppliers. However, only one company discloses this information publicly, and three companies said they have no intention of disclosing this information. Disclosing this information publicly is important for transparency and public monitoring.
- **Companies are detecting some forced labour:** Only one company clearly said it had never found any forced labour in its supply chain. Given the prevalence of forced labour in these industries in Brazil it is positive that these companies have mechanisms in place that can identify at least some instances of forced labour.
- **There was a common understanding of forced labour:** All the companies that responded to the survey made clear references to key international and national law. Some responses mentioned key drivers of forced labour, including exhausting working hours (mentioned three times across all responses), degrading working conditions (twice), exhausting working hours (twice), retention in the workplace (twice), retention of personal documents (twice).
- **The Dirty List is being used by companies:** All responding companies said they immediately suspended contracts with companies on the Dirty List, some resume contracts after suppliers meet legal requirements to operate again. They all reported checking the Dirty List before choosing a new supplier.
- **Engaging with workers and other stakeholders:** Five out of six respondents outlined communications channels for workers to report issues, however these were largely limited to phone and email. One company mentioned trade unions and an internal safety committee formed by workers. Four out of six respondents said clearly that they engage with other stakeholders such as community members, civil society organizations, trade unions.
- **The UK Modern Slavery Act and certification:** One company reported improving its due diligence efforts in response to the UK Modern Slavery Act. Two companies responded clearly that they were influenced by certification processes to combat forced labour in their supply chains. Four out of six companies said they have suppliers certified.
- **Remediation:** Only three companies clearly mentioned they have a remedy process in place to deal instances of forced labour. One of the companies said it never had any problem in its supply chain.

About this project

The University of Nottingham, BRICS Policy Centre, Business & Human Rights Resource Centre, Reporter Brasil and Core Coalition, with the support of the British Academy, have conducted research on the beef and timber supply chains in Brazil in 2018.

Business & Human Rights Resource Centre was responsible for outreach to Brazilian companies in such supply chains, inviting them to respond to a questionnaire on due diligence and labour issues. The main objectives of this outreach were to understand better how companies view the issue of forced labour in their supply chains and understand their approaches to prevent forced labour and conduct human rights due diligence.