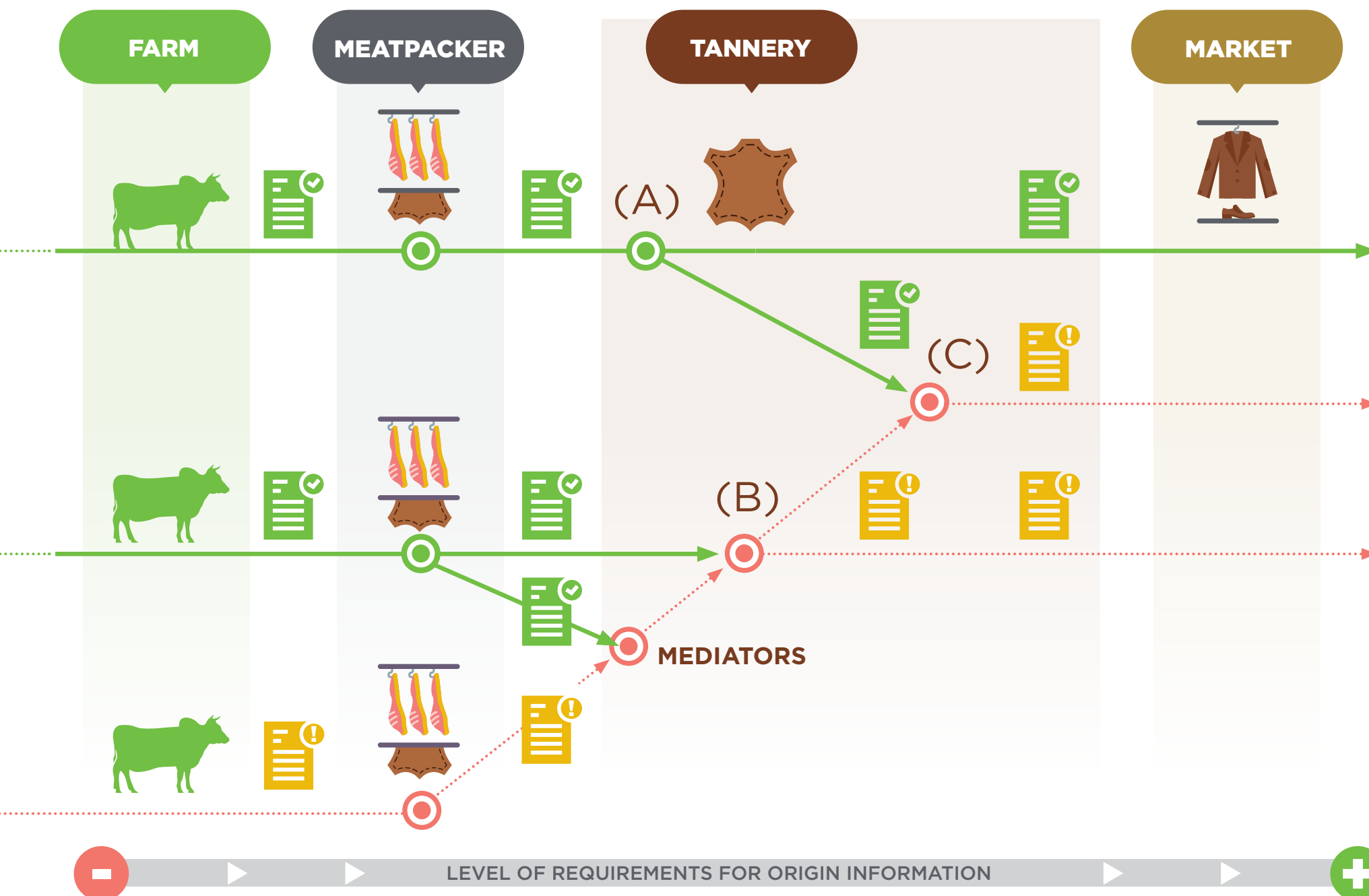


# TRACEABILITY THROUGH THE CATTLE SUPPLY CHAIN IN BRAZIL



	GROUP A	GROUP B	GROUP C
Documents			
Declaration			
Traceability			
Uncertain Traceability			
	<p><b>GROUP A</b></p> <p>Vertically-integrated meat-packing plants with direct access to the animal-breeding facility and that process hides in their own factory or hire third-parties. This group is small but these companies hold a significant share of the local leather production market.</p>	<p><b>GROUP B</b></p> <p>Tanneries that work with raw materials obtained from meat-packing plants or mediators but do not have direct access to the farms. This consists of around 80 tanneries of various sizes (small, medium and large) that account for a significant share of national leather production.</p>	<p><b>GROUP C</b></p> <p>Tanneries that work with treated leather, acquired from Groups A and B or mediators. This consists of around 120 small and medium-sized companies in Brazil.</p>

## RECOMMENDATIONS FOR LEATHER TRACKING

### MEATPACKERS

#### DOCUMENT-BASED:

- Purchase Agreements that describe a commitment to not acquire animals sourced from areas of deforestation, indigenous lands, embargoed areas or that use child, slave or slave-like labour.
- Daily logs to keep track of the number of animals slaughtered daily at each farm of origin (CNPJ/CPF identification numbers).
- Filing of invoices (Nota Fiscal - NF) relating to the purchase and transport of animals (GTA) along with the Rural Environmental Register Protocol (CAR) of the property. This will simplify checks and/or audit by a tannery or a certification system.
- Verification that farms are registered concerning deforestation (Amazon biome), use of child, slave or slave-like labour and IBAMA (environmental protection agency).
- Assessment of suppliers through georeferencing systems (desirable).

#### PHYSICAL:

- Markings on hides to identify the farm of origin (desirable).

### TANNERY (Up to Wet Blue)

#### DOCUMENT-BASED:

- Filing of invoices (NF) and documents provided by the meatpacking plant.
- Description of the in-house tracking system that links the leather to a Service (SO) or Production Order (PO).

#### PHYSICAL:

- Alphanumeric stamp on the hides to identify the tannery, the meatpacking plant of origin, date of purchase and SO or PO number.

#### AUDIT: (DESIRABLE)

- Perform audits at partner meatpacking plants and tanneries.
- Audit and system assessment reports.

### TANNERY (Up to crust of finished leather)

#### DOCUMENT-BASED:

- Filing of documents sent by tanneries supplying the wet blue leather.
- Description of in-house tracking system.
- Issue of traceability report of the raw material with details of the place of origin.

#### PHYSICAL:

- Alphanumeric stamp with OS or OP number on each piece of leather.

#### AUDIT: (DESIRABLE)

- Perform audits at tanneries and partner meatpacking plants.
- Audit and system assessment reports.

