

## Weekly Review

Food companies are driving a soya bean industry that is destroying the rainforest, writes *John Vidal*

# From the Amazon to chicken nuggets

A handful of the world's largest food companies and commodity traders, including the McDonald's fast-food chain, are driving illegal and rapid destruction of the Amazon rainforest, according to a six-year investigation of the Brazilian soya bean industry.

The Greenpeace report, published last week, follows a 7,000km chain that starts with the clearing of virgin forest by farmers and leads directly to Chicken McNuggets being sold in British and European fast food restaurants. It also alleges that much of the soya animal feed arriving in the UK from Brazil is a product of "forest crime" and that McDonald's and supermarkets have turned a blind eye to the destruction of the forest.

The report details how the world's largest private company, the \$70bn-a-year US agribusiness giant Cargill, has built a port and 13 soya storage works in the Amazon region. It provides farmers with seeds and agrochemicals to grow hundreds of thousands of tonnes of beans a year, which the company then exports to Liverpool and other European ports, mainly from Santarem, a city on the Amazon river.

From Liverpool much of the high protein soya, which is used as animal feed, goes to Hereford-based Sun Valley, a wholly owned Cargill subsidiary that rears chickens. The company provides McDonald's, the largest fast-food company in the world, with up to 50% of all the chicken it serves in Britain and across Europe.

According to Greenpeace, public and indigenous land is being seized by farmers using bulldozers and even slave labour. Last year more than 25,000 sq km of Amazon forest were felled, largely for soya farming.



Lost forest . . . A 1,645-hectare swath illegally logged to plant soya between Manaus and Santarem in the Amazon Photograph: Daniel Beltra

Much of the damage, says the report, has followed the entry of large multinational firms. Using satellite photography and government records, Greenpeace claims it can pinpoint where the destruction has taken place. For instance, only five years ago, much of the land around Santarem was heavily forested. But when Cargill announced plans to build two grain silos, a \$20m terminal and its own port, it had a momentous impact. Satellite images show that in two years, deforestation rates doubled to 28,000 hectares a year, land prices rocketed and soya took off as farmers from all over Brazil arrived to take advantage of guaranteed markets.

Much of that soya would have been trucked to Cargill's silos in Santarem, then shipped to feed Sun Valley-reared chickens that would be sold to McDonald's.

The scale of Amazon deforestation due to soya expansion is unprecedented, says Greenpeace. About 14,000 hectares in the Santarem/Belterra areas now produce 34,000 tonnes of soya a year. Further south, Mato Grosso has become Brazil's largest soya-producing state and the one with the greatest deforestation.

Cargill makes no secret of aiding soya farmers in Amazon states. According to Greenpeace, its help is fuelling the development of large soya farms only made viable by the infrastructure the company has put in place.

Others are driving the destruction of the forest, says the report, including Brazil's "soya king", Blairo Maggi, and other US grain companies. Maggi, the governor of Mato Grosso, is the world's largest individual soya grower and has accessed \$30m of World Bank loans to help finance soya growing on 2m hectares, much of it former rainforest.

"Most of the land in the Amazon is classed as 'empty' land and is unprotected and vulnerable," says Greenpeace. "Soya farmers target these areas. They use loggers and bulldozers to clear and burn it in readiness of the crop . . . What makes the new assault even more damaging is that farmers have access to cheap credit and a guaranteed market . . . The rainforest is largely beyond the law, so the risks are low. Such activities in effect constitute perverse financial subsidies for Europe's cheap meat."

Europe is now a key market for Amazon soya, partly because it is mostly still GM-free.

Sun Valley rears and processes about a million chickens a week, of which up to half go to McDonald's. According to Greenpeace conversations with the company, roughly 25% of the soya that Sun Valley uses is Brazilian.

Although only 5% of the soya grown in Brazil is from the Amazon, that small quantity, says Greenpeace, threatens to destroy the forest's ecosystems. The report follows attempts by campaigners in the 90s to link McDonald's to rainforest destruction. Those accusations were refuted in Britain's longest civil trial, dubbed *McLibel*, which ended in 1997.

Greenpeace is hoping to tap into the growing awareness over food sourcing. "[Large-scale] soya farming leads to soil erosion, it requires massive chemical inputs to boost harvests. As the soil becomes exhausted, farmers move to other areas and repeat the vicious cycle of soil degradation and chemical pollution."

Keith Kenny, senior director of quality assurance at McDonald's Europe, said: "Worldwide, we take our supply chain and environmental responsibilities very seriously. We believe that the claim made by Greenpeace relates to the GM-free soya used in chicken feed.

"We can confirm that we will be investigating this claim fully and will review it for consistency in line with our existing policy not to source beef from recently deforested areas."

Cargill and Sun Valley issued a joint response, saying they have always been transparent about their supply chain and were working with conservation groups to minimise environmental harm. "We are committed to sustainable development which creates income to support thriving communities and enables responsible environmental management over time," said a spokeswoman. "While we are satisfied that we apply our global standards for responsible environmental management in our operations, there are significant broader challenges. We alone cannot ensure sustainable soya development throughout Brazil."

Meanwhile the Xingu basin in the pristine heart of the forest is being turned into the regional waste drain, says the report. Home to 14 indigenous tribes, it is changing fast, says Ionaluka, a director of the Xingu Indigenous Land Association. "Every time I leave the reserve I do not recognise anything because the forest keeps disappearing," he says.