



CCCA Activity Report 2020

(1) Introduction:

The following summarizes CCCA's projects carried out during the calendar year of 2020. These are: (1) the investigation tackling illegal deforestation in Brazil ("Brazil Forestry Investigation"); (2) the investigation of environmental and human harm caused by the Cerro de Pasco mine in Peru ("Cerro de Pasco Investigation"); and (3) the feasibility study: tackle polluters in Chile's *Zonas de Sacrificio* through evidence-based legal and advocacy avenues ("Chile Feasibility Study").

While the COVID-19 pandemic has had limited impact on the progress of the Brazil Forestry Investigation and the Chile Feasibility Study, it affected the Cerro de Pasco investigation, due to a lack of access to Peru.

This document should be read together with CCCA's financial report for 2020, which identifies the donors who have funded the above project activities. These are the Open Society Foundation, the Swedish Postcode Foundation and the European Climate Foundation.

(2) Brazil Forestry Investigation:

The purpose of the Brazil Forestry Investigation is to tackle illegal deforestation and its drivers by supporting law enforcement, litigation and advocacy action both in Brazil and abroad.

The active phase of the Brazil Forestry Investigation commenced at the beginning of 2020. The following summarizes the key activities and accomplishments during 2020, but anticipates a few outcomes that materialized only in 2021, while being primarily based on work conducted in 2020.

(i) Network building

All CCCA investigations are based on the cooperation with partners who either have access to information or who have expertise. This includes the cooperation with affected communities. Consistent with this principle, the early phase of the project focussed on building a broad and diverse network of partners. These include, but are not limited to the following organizations:

- Local and regional indigenous organizations, such as the Confederation of Indigenous Organizations of the Amazon Basin ([COIAB](#)) and [Kaindé](#) and Centro de Trabalho Indigenista ([CTI](#)).
- Brazilian civil society organizations with expertise in remote sensing analysis ([IMAZON](#), [MapBiomass](#)); environmental protection ([Greenpeace Brazil](#); [WWF Brazil](#), [ISA](#), [IEB](#)) and investigative journalism ([InfoAmazonia](#), [Conectas](#)).

- International NGOs with expertise in investigations/litigation ([OSJI](#)), corporate and financial investigations ([Profundo](#), [International Finance Corporation](#)), and Open Source Investigations ([University of California Santa Cruz - Human Rights Investigations Lab](#)).
- Domestic law enforcement authorities, in particular the Brazilian federal prosecution body ([MPF](#)) and foreign law enforcement authorities, including in Europe.

(ii) *Defining strategic priorities*

As a result of the extensive interaction with its partner organizations, CCCA refined its strategy and set out a detailed strategic plan for how it will implement its investigation and how to define and prioritize its output. This strategy can be summarized in the following four objectives:

Supporting legal action against trade of illegally logged timber: Prepare detailed investigative reports to prosecution authorities in the global North and to the competent [Monitoring Organizations](#) registered under the EUTR, that provide due diligence services or certifications to a large number of timber importers.

Supporting legal action on the beef supply chain: CCCA will build cases for Brazilian and foreign authorities, as well as foreign advocacy groups based on validated evidence of illegal deforestation and proof of its links to the supply chains of identified Brazilian slaughterhouses, as well as their foreign buyers.

Supporting legal action against financiers of illegal deforestation: CCCA will support action of partners targeting the financiers of illegal deforestation (and the commodity flows that drive it). For instance, CCCA has identified promising opportunities to target financing by Brazilian state-banks of cattle farms. In addition, together with partners, including [Profundo](#), CCCA will work to identify and target commercial financiers in the global North which are linked to deforestation in Brazil. We further see opportunities to target large commercial financiers as an element of a strategy to use the OECD NCPs, given [positive decisions](#) from the Dutch NCP on financiers and climate risk or harms and the December 2019 guidance on financing as a contribution to human rights harms.

Targeting the human rights abuses that facilitate or flow from illegal deforestation (in particular violence against indigenous and rural smallholder communities). Through our partners we have identified promising opportunities. The most likely form of our initial work under this pillar would be an application for sanctions under appropriate legislation in the U.S, the UK and Europe.

(iii) *Concrete outputs:*

Pursuing the above strategies, CCCA produced the following outputs. While some of these outputs were achieved in early 2021, the bulk of work was conducted in 2020.

Supporting cases in Brazil against Brazilian meatpacking companies:

CCCA concluded an MoU with the Brazilian federal prosecution body (MPF). According to this MoU, CCCA provides supply chain analysis of identified slaughterhouses and assesses whether the cattle is sourced from illegally deforested land. As a pilot case, CCCA provided information and analysis to the MPF regarding the slaughterhouse Frigorífico Amazonas. CCCA established that Frigorífico Amazonas has caused illegal deforestation by buying cattle deriving from illegally deforested areas in the State of Amazonas. This triggered a [public civil action](#) against the slaughterhouse by the MPF. The MPF also issued a fine of over R\$43 million (about US\$7.6 million). This lawsuit and fine prompted Frigorífico Amazonas to sign a [Conduct Adjustment Term Agreement](#) with the MPF. In it, Frigorífico Amazonas committed not to buy, process or trade any cattle deriving from farms that include illegally deforested land, that are mentioned in the Ministry of Labour's slave labour list or are otherwise infringing the rights of indigenous peoples. This agreement is a significant step towards reducing deforestation in the Brazilian Amazon.

The MPF prosecutor who brought the case against Frigorífico Amazonas [publicly stated to a Brazilian newspaper](#) that CCCA's support has been essential for him to bring a public civil action against a slaughterhouse driving illegal deforestation. He said that "[t]he MPF has its personnel difficulties, structural difficulties. The analyzes made by our experts sometimes take years, because there is a queue, an organization that needs to be followed. [...] The analysis made by the CCCA was delivered in 40 days." The Prosecutor further stated that the MPF's partnership with CCCA "was very successful, because we were able, in the short term, to analyze the purchases of the slaughterhouse, to file a Public Civil Action and the slaughterhouse itself sought the MPF to sign the agreement. It is a successful work and an example of a partnership that we hope to reissue in the future, perhaps even on a larger scale".

Having laid the foundation for this work, CCCA has started to automate a number of analysis steps with a view to scaling up the number of cases that we could develop together with the MPF and with other partners in Brazil and abroad. In fact, at the end of 2020, CCCA started to prepare a similar case file against the slaughterhouse Alvorada Industria e Comércio de Carnes LTDA, based in the state of Mato Grosso. It was submitted to the MPF in Mato Grosso in March 2021.

Supporting a case in France against supermarket giant Casino:

CCCA provided evidence and analysis to support [litigation in France](#) against supermarket giant Casino over deforestation and human rights violations. The case has real potential to impact on the current practices of deforestation in Brazil and in other Latin American countries. This is because Casino is Latin America's largest food retail company and it is known to be exposed to deforestation risk in its beef supply chain (see [here](#)).

CCCA collected and analysed large amounts of diverse data. It validated the data to ensure its accuracy and reliability and created a case file. In it, CCCA established that Casino regularly

bought beef from three slaughterhouses owned by JBS, a multinational meatpacker. The slaughterhouses sourced cattle from 592 suppliers responsible for at least 50,000 hectares of deforestation between 2008 and 2020. CCCA provided its case file to the consortium of NGOs and indigenous communities that appears as the plaintiffs in this case (see [here](#)). In addition, CCCA (together with OSJI) filed an expert report on the case record that covers the full scope of the case. The case, as it was ultimately presented in court could not have been filed in that way (in terms of its strength and scope) if it had not been for the evidence and analysis provided by CCCA.

This is the first time that a French supermarket chain has been taken to court over deforestation and for indigenous organizations from Brazil and Colombia to request indemnity for the damages done to their customary lands and their livelihoods. This case applies the new French due diligence law (*loi de la diligence*), which is a powerful tool to address human rights violations and environmental description caused by French corporations abroad. The legislators in the UK, the EU and a number of EU member states are currently developing similar legislation for their own jurisdictions. We believe that the Casino case can be used as a model how to use any such new legislation (once adopted) effectively to impact on the drivers of illegal deforestation.

Supporting investigations in The Netherlands against Dutch importers of illegally sourced timber from Brazil:

At the request of the Netherlands prosecution authority, CCCA analysed and detailed violations found by Brazilian authorities (administrative and judicial) against 30 timber exporters, and identified links between those exporters and Dutch importing companies. Our extensive report is intended to be used by the Dutch prosecution authority for the purpose of potential enforcement or due diligence actions under the EU Timber Regulation (EUTR).

(3) Cerro de Pasco Investigation:

(i) Background

Cerro de Pasco is a mining town located on the high plateau of central Peru. Numerous Peruvian governmental authorities and NGOs, as well as international organizations, have reported that Cerro de Pasco is exposed to extreme levels of environmental pollution caused by mining which impacts on the health of the town's inhabitants. Cerro de Pasco's mines are owned and operated by the Peruvian company Volcan Compañía Minera S.A.A. ("Volcan"). In November 2017, Glencore acquired additional shares from Volcan and is now holding 55,03% of Volcan's voting shares. In February 2019, the Council invited CCCA to provide a report on the situation in Cerro de Pasco, including an analysis of any "responsibilities of the company" for the human and environmental harm caused.

(ii) Activities prior to 2020

In 2019, CCCA and its partners conducted extensive investigations. CCCA then compiled a case file demonstrating the human and environmental harm caused in Cerro de Pasco and the responsibility of the Volcan mining company for that harm ("[June 2019 Report](#)"). This report was submitted to the Council on Ethics for the Norwegian Pension Fund on 28 June 2019. CCCA expressly indicated that it "intend[ed] this report to inform the Council's position on whether the Norwegian Government Pension Fund Global should divest from Glencore", of which Volcan is a subsidiary. In November 2019, the Pension Fund informed CCCA that Volcan has sold the Cerro de Pasco mine and asked for guidance. CCCA then submitted a second report to the Pension Fund ("[December 2019 Report](#)"), in which it concluded that notwithstanding the sale agreement examined by CCCA, Glencore/Volcan will continue to exercise substantial influence over CDPR's mining operation in Cerro de Pasco and the sale does not eliminate their responsibility for past or future harm in Cerro de Pasco. On 13 May 2020, the Norwegian Pension Fund publicly [announced](#) its decision to divest its holdings from Glencore.

(iii) Activities during 2020

During the reporting period, CCCA and its partners focusing on consolidating the evidence with a view to supporting potential court litigation in relation to Cerro de Pasco. To that end, CCCA has partnered with Earth Rights International, Source International and the grassroots community organization of Cerro de Pasco (LABOR). We refined the legal analysis in light of the relevant law, continued the investigation to close any identified gaps and liaised with victims and their families on whose behalf any legal action would be brought. Key investigations included obtaining access to additional documentation held by various government agencies through requests for access to information.

Other investigative steps had to be postponed, due to the outbreak of the COVID-19 pandemic and the related travel restrictions. All necessary preparatory steps have been taken and CCCA is ready to deploy to Peru as soon as the Peruvian government lifts the travel restrictions.

(4) Chile Feasibility Study:

(i) Background

The European Climate Foundation commissioned a report from CCCA to examine how its evidence-based model could be applied to tackle polluters in Chile's *Zonas de Sacrificio*.

The term *Zonas de Sacrificio* is generally used to refer to areas with high concentration of industry where industrial development is prioritized over inhabitants' health and the environment. This includes the areas of Tocopilla and Mejillones in the Antofagasta region (northern Chile), Huasco in the Atacama region (below Antofagasta), Quintero-Puchuncaví in the Valparaíso region (central Chile) and Coronel in the Biobío region (southern Chile). These five areas comprise an

overall population of 215,533. Many of them, and in particular children, are negatively affected by the high levels of pollution present in their environment and their health suffers as a consequence.

The five *Zonas de Sacrificio* include virtually the entirety of Chile's coal plants, among other pollution facilities. This means that action in these areas has the potential to target climate change whether directly (by targeting the coal plants, including their investors, insurers and lenders) or indirectly (by targeting human rights violations arising from the situation of pollution in the area).

The project's overall purpose was to assess the feasibility of an investigation to collect evidence that is needed to hold legal entities and physical persons responsible for the pollution and human harm caused by the coal plants in the *Zonas de Sacrificio*. The evidence that would be collected during such an investigation would be used to trigger and support criminal or regulatory enforcement, civil litigation and other advocacy activities, both in Peru and abroad. This would include persuading investors, insurers or shareholders of the polluting entities to trigger change. By pursuing these legal and other advocacy avenues, CCCA could contribute to ensuring that the polluters are forced to lower their emissions, to clean up the environment that they have polluted and to compensate the victims who have been harmed as a result of the pollution.

(ii) *Project activities*

CCCA delivered the commissioned Chile Feasibility study to the European Climate Foundation in January 2021. It included the following three outputs, which were based on the activities listed thereunder:

First, CCCA developed a number of case hypotheses. To that end, CCCA:

- Examined the applicable legal framework, also in consultation with local NGOs. This included an assessment of the reach and potential impact of the recent Quintero-Puchuncaví decision by the Supreme Court of Chile;
- Explored potential avenues for enforcement, litigation and advocacy. Particular attention was given to assessing their probability of success and their potential impact; and
- Consulted with affected communities to assess their concerns, their strategic views concerning action against the polluters and their willingness to cooperate in a potential investigation.

Second, CCCA developed a preliminary investigation plan. To that end, CCCA:

- Conduct open source investigations to identify organizations and individuals who have collected or have access to relevant information or who have relevant expertise;
- Reached out to these organizations to assess their willingness to share information or to collect and generate additional information;

- Reached out to academics that have previously carried out medical studies in some of the *Zonas de Sacrificio* and consult them on their findings and the feasibility of additional studies; and
- Contacted hospitals and health centres to assess whether they have relevant information and under which conditions they could share that information.

Third, CCCA developed a *preliminary legal enforcement, litigation and advocacy strategy*. To that end, CCCA:

- Consulted with competent law enforcement authorities in Chile to assess the relevant requirements;
- Identified potential partner organizations for civil litigation; and
- Identified avenues for legal and non-legal litigation and advocacy, including in the state of registration of the main polluters.

While the actual investigation will require access to the ground, the feasibility study was designed in a way that it could be conducted remotely and with virtual access to organizations and individuals of interest.