

The Acre Beef Industry: Pathway to a Zero Deforestation Beef Industry

Preliminary Contributions

IPAM
together with
Embrapa-Acre

Profile of the Acre Beef Industry

- *Rapid Growth* (20-fold since 1975)
- *Herd Size*: 2.6 million head
- *Major export*: US\$320 million/yr
- *Export could increase*: access to new markets
- *Major driver of deforestation*: pasture occupies 83% of cleared area
- *Half the herd on small properties*: <100 head per property

Building a Zero-Deforestation Beef Sector

Assumptions:

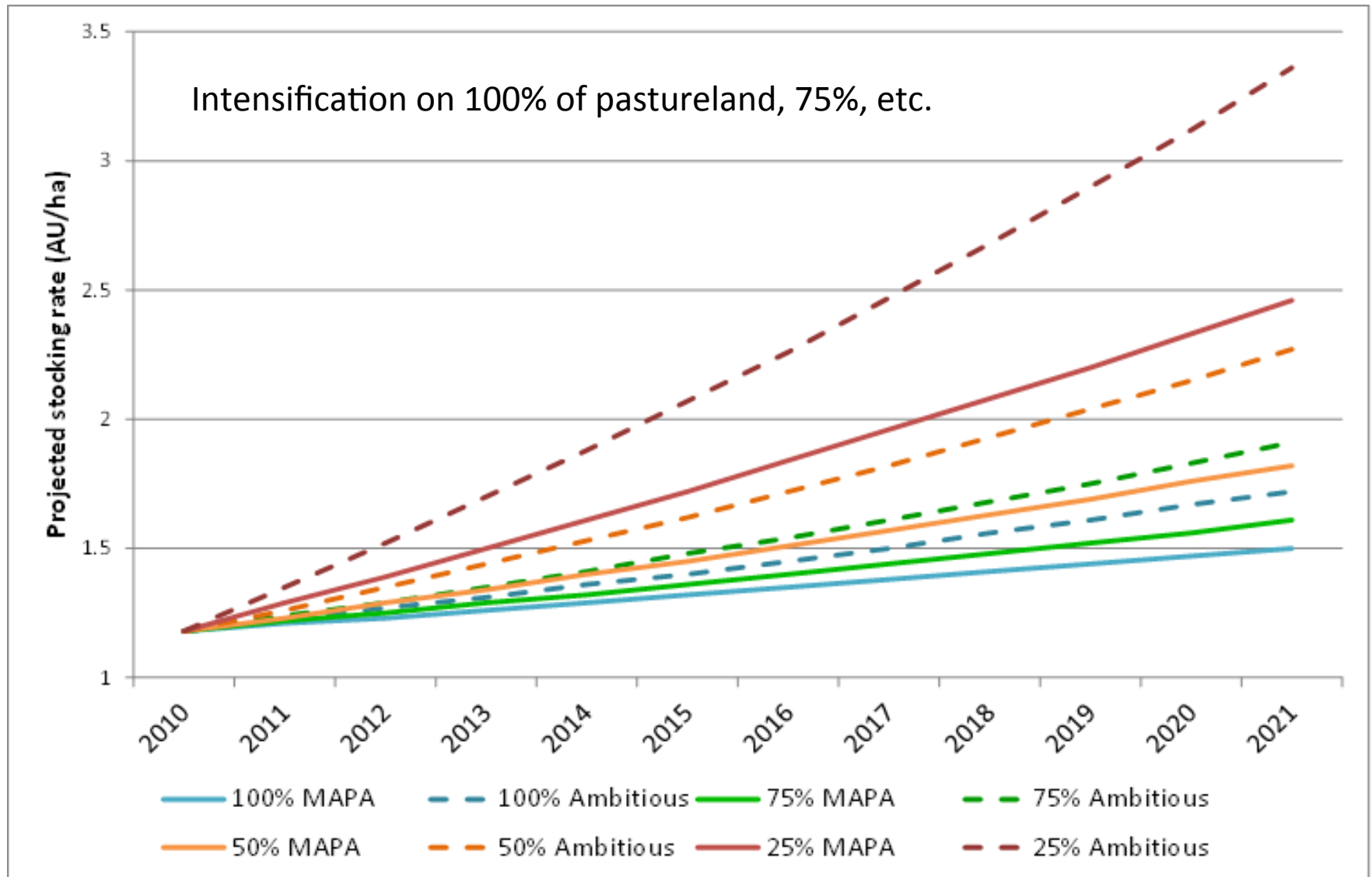
- Beef production will grow between 2.2% (Ministry of Agriculture estimate) and 3.5% (industry estimate) through 2020
- Growth will take place through intensification: greater production/ha/yr

Current Intensification Technology

System	Stocking Rate (AU*/ ha)	Productivity (kg/ha/year)	Production cost (\$/kg)	Cost per ha (\$/ha/yr)
Traditional	1	68	1.4	97
Improved	1.5	130	1.1	141
Advanced	2.5	208	0.9	189

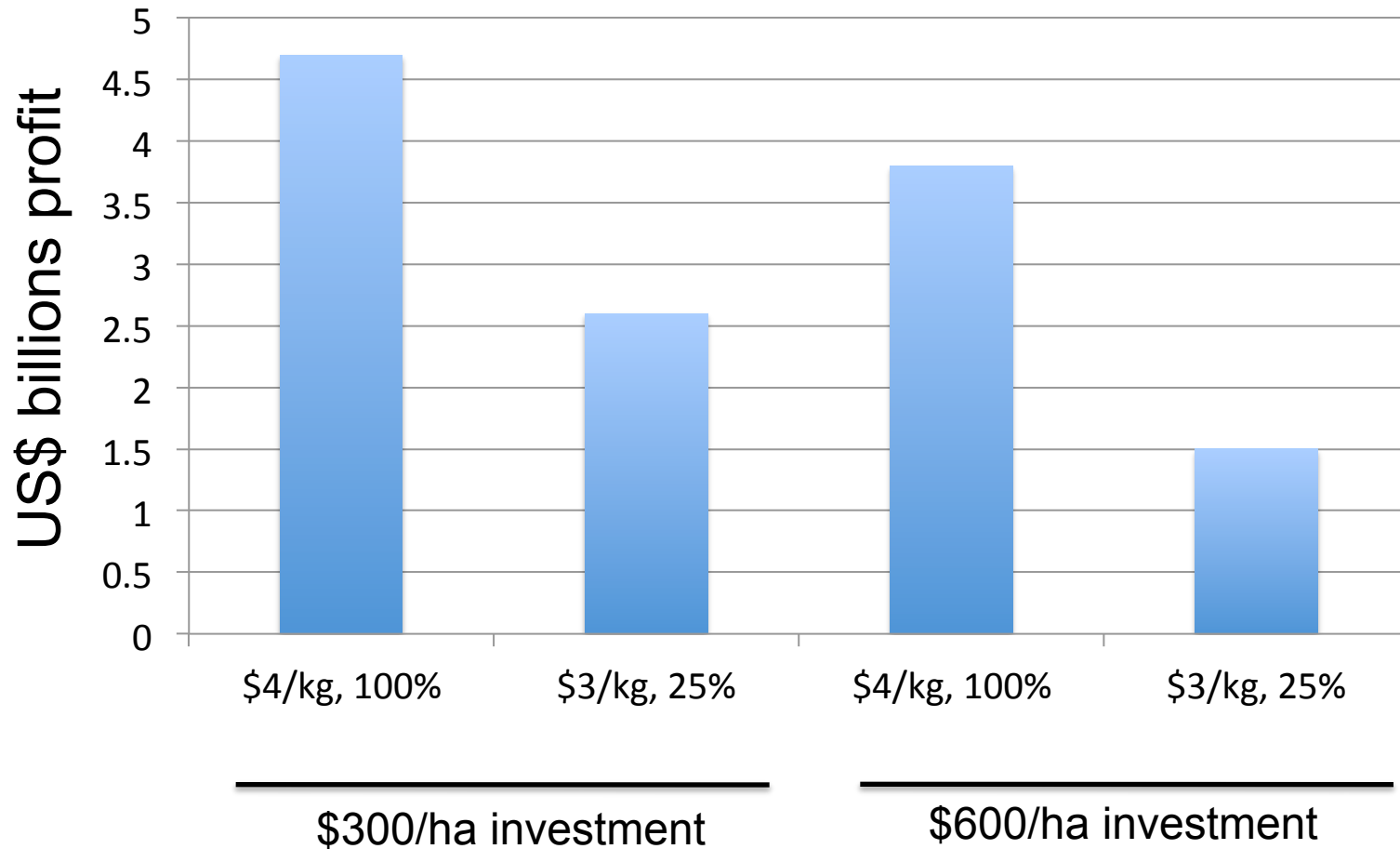
*AU = animal units

Minimum Intensification Necessary for Growth with Zero Deforestation



Profits to Acre Beef Industry by 2020

(Transition to Zero Deforestation, 3.5% Growth Rate)



Price (per kilo), % of pastureland intensified

Acre Reference Level, Crediting Baseline, Target, Measured Deforestation

