



# Conflict Beef

HOW THE BEEF INDUSTRY IS  
DESTROYING NICARAGUA'S FORESTS

OCTOBER 2025

AUTHOR: CAMILO DE CASTRO

# Acknowledgements

This report is dedicated to those who have lost their lives protecting Nicaragua's forests, the Indigenous rangers and community leaders who have been unjustly imprisoned by the Ortega regime for defending the rights of their people and to all those who continue to resist from within the country.

It was made possible thanks to a dedicated team of researchers in Nicaragua. Despite the risks of conducting fieldwork in the country, they worked with courage and determination to uncover the realities behind illegal cattle ranching and the broader beef industry.

Their efforts reflect a shared commitment to confronting the environmental destruction of Nicaragua's forests, and a conviction that it is essential to continue holding the government and the beef industry accountable. Urgent action is needed to stop environmental crimes that endanger the livelihoods of Indigenous and Afrodescendant communities and undermine the country's ability to respond to the escalating impacts of climate change.



# Table of Contents

<b>4</b>	<b>Executive Summary</b>
<b>10</b>	<b>1. Introduction</b>
<b>11</b>	<b>1.1 Objective of the report</b>
<b>13</b>	<b>2. The National Traceability System and Cattle Laundering in the Indio Maíz Biological Reserve</b>
<b>15</b>	<b>2.1 Cattle Laundering Networks</b>
<b>16</b>	<b>2.2 Case Study # 1 José Solís Durón, La Haciendita Farm, and Cattle Laundering in the Indio Maíz Biological Reserve</b>
<b>24</b>	<b>2.3 Case Study #2: Pablo Chaves "Chacalín" and Carmen Torres - Links to International Beef Markets</b>
<b>30</b>	<b>2.4 Case Study #3 Samaria: A Hub for Illegal Cattle Trade and Systemic Corruption</b>
<b>32</b>	<b>2.5 Systemic Failures and Environmental Impact of Illegal Cattle Ranching in the Indio Maíz Biological Reserve</b>
<b>33</b>	<b>3. Illegal Cattle Ranching in the Bosawas Biosphere Reserve: Guzmán and the Demise of the The Mayangna Sauni Bas Indigenous Territory</b>
<b>36</b>	<b>3.1 Case Study #1: Illegal Cattle Ranching and the Role of Middlemen in Guzmán</b>
<b>38</b>	<b>3.2 Case Study #2: Young Bull Sold to Eliseo Ibarra</b>
<b>40</b>	<b>3.3 Case Study #3: Young Bull Sold to Mateo Carcamo</b>
<b>40</b>	<b>3.4 Widespread Illegal Cattle Ranching in Guzmán</b>
<b>42</b>	<b>4. Problems Identified in Nicaragua's National Traceability System</b>
<b>44</b>	<b>5. The Role of Nicaraguan Slaughterhouses in Perpetuating Illegal Cattle Ranching</b>
<b>46</b>	<b>5.1 Processing Locations and Market Links in the United States</b>
<b>54</b>	<b>5.2 Links to U.S. Beef Importers and to Major Household Brands</b>
<b>59</b>	<b>Conclusions and Recommendations</b>
<b>59</b>	<b>Conclusions</b>
<b>60</b>	<b>Recommendations</b>
<b>63</b>	<b>Endnotes</b>



# Executive Summary

## Indio Maiz Biological Reserve in southeastern Nicaragua

This investigation, done in collaboration with Re:wild\*, offers new evidence that Nicaraguan beef sold in the United States, Mexico and other global markets is fueling the destruction of the largest remaining tracts of rainforest in the country. These forests are situated in the Bosawas Biosphere Reserve on the northeastern Caribbean coast and the Indio Maiz Biological Reserve in south-eastern Nicaragua. Despite claims by some companies sourcing beef from Nicaragua that they can trace the product from the ranch of origin to the final point of sale, our investigation reveals a concerning reality. Cattle raised illegally in Indigenous territories and protected areas in Nicaragua are infiltrating the supply chain and ultimately being sold to unsuspecting customers in the United States and other countries.

The report presents evidence discovered within Indigenous and Afrodescendant territories and reveals that slaughterhouses in Nicaragua, which export beef to the United States and other markets, are purchasing cattle from indirect suppliers involved in laundering practices and who illegally clear forest to raise the cattle and their feed. This is facilitated by a compromised traceability system, characterized by corruption, insufficient transparency, and the absence of effective institutional controls.

This investigative fieldwork focused on two Indigenous territories officially designated by the Nicaraguan government in the early 2000s. The Mayangna Sauni Bas Territory, situated in the core area of the Bosawas Biosphere Reserve—a UNESCO World Heritage Site and a crossroads for the wildlife of North and South America—encompasses an area spanning 432.4 km<sup>2</sup>. This tropical forest stands out as one of the most biodiverse ecosystems on the planet, with estimates suggesting that Bosawas harbors around 13% of known species worldwide.<sup>1</sup>

The Rama and Kriol Indigenous Territory, partly within the boundaries of the Indio Maiz Biological Reserve, spans an area of 4,068 km<sup>2</sup>. Indio Maiz is one of the best-preserved tropical rainforests in Mesoamerica and an important habitat for threatened species such as the Jaguar, Baird's Tapir, Giant Anteater and Great Green Macaw.

\*Re:wild is a nonprofit conservation organization, which works to protect and restore the wild in over 80 countries around the globe.

Recent satellite imagery reveals a trend of rapid deforestation in these forests, and the situation has only intensified in the last five years. Between 2011 and 2016, Indio Maíz lost 3,540 hectares of forest. However, this figure surged dramatically to 13,841 hectares from 2018 to 2023,<sup>2</sup> while the Mayangna Sauni Bas territory experienced a significant increase, transitioning from a loss of 2,784 hectares during the period 2012-2016 to 6,035 hectares in the period 2017-2021.<sup>3</sup> A similar trend can be seen in other Indigenous territories, where Indigenous and Afrodescendant peoples have suffered grave human rights violations.

The lack of access to official information related to the cattle industry posed a major challenge for our investigation. However, by engaging in interviews with various stakeholders along the cattle supply chain, conducting on-site observations and working with local Indigenous and Afrodescendant peoples and former employees of the Institute of Agricultural Protection and Health (IPSA), we successfully identified the main strategies employed in the laundering of cattle, as well as documented cases of cattle sourced from Indigenous territories and protected areas.

These findings confirm that the Nicaraguan traceability system is unreliable and that the IPSA is hiding information to avoid scrutiny, as well as to protect the cattle industry. This has created an environment in which stakeholders, including cattle ranchers, intermediaries, slaughterhouses and importers, feel empowered to violate the law without consequences..

Despite these issues, beef exports from Nicaragua continue to increase. In 2020, Nicaragua emerged as the third-largest supplier of frozen beef to the United States, accounting for 50.88% of Nicaragua's total beef exports. The main importers of Nicaraguan beef in the United States, such as Northwestern Meat Inc., Gurrentz International Corporation, Eastern Quality Foods/ASC Meyners, Exports Packers Co Ltd, Secrest Watson International, and Valley Foods Produce, allege that they can trace the beef back to its source. However, our findings suggest that this claim is dubious at best.

An investigation by the Environmental Investigation Agency (EIA) found that beef imported from Nicaragua is commonly blended into lean ground beef products by major meat processors that sell to household name companies like Aldi, Applebee's, Burger King, Chili's, Cracker Barrel, Dairy Queen, Kroger, Sam's Club, Taco Bell and Walmart, although the research did not confirm which specific retailers use products containing Nicaraguan beef, and the retailers did not respond to a request for comment.

Between January 2024 and June 2025, maritime shipping data indicates the U.S. imported over 60 million kilograms of Nicaraguan beef, with an estimated value of more than \$390 million. Northwestern Meat Inc. was the largest importer, sourcing from all major Nicaraguan slaughterhouses and distributing to U.S. processors who supply national retailers and fast-food chains. The blending of lean imported trimmings with domestic beef—a common industry practice—has facilitated the widespread, undisclosed use of Nicaraguan beef in everyday consumer products.

The Mexican beef giant SuKarne and the Costa Rican company Grupo CIISA, which acquired the Novaterra slaughter plant in Nicaragua in 2007, both bear a share of responsibility. In 2015, SuKarne inaugurated a \$115 million processing plant in Nicaragua, partially financed with a loan from the Inter-American Development Bank.<sup>4</sup> During our investigation, we were able to confirm that these companies have been involved with indirect suppliers raising and purchasing cattle in protected areas and Indigenous territories.

The report underscores the failure of Nicaragua's beef industry to honor its commitments to prevent illegal cattle ranching in protected areas and Indigenous and Afrodecendant territories. In 2020, under growing scrutiny over environmental and social impacts, the Nicaraguan Chamber of Bovine Export Plants (CANICARNE) assured the Meat Importers Council of America (MICA) that its supply chain excluded cattle raised Indigenous territories and protected areas. This assurance was accompanied by an "Agreement of Intention," outlining pledges to protect reserves like the Bosawás Biosphere Reserve and Indio Maíz Biological Reserve.

However, these commitments have not translated into meaningful action. Deforestation in Indigenous territories and protected areas continues to escalate. The industry's reliance on the National Traceability System has proven ineffective, as it lacks the mechanisms to assure transparency and enforce compliance among indirect suppliers. As a result, cattle raised illegally in these regions continue to enter legitimate supply chains, fueling environmental degradation and human rights violations.

Finally, the report emphasizes the urgent need for coordinated and immediate action from governments, companies, policymakers, and consumers to address the environmental, social, and ethical challenges caused by illegal cattle ranching and deforestation in Nicaragua. It calls on the Ortega administration to take decisive measures to dismantle illegal farming operations within Indigenous territories and protected areas. This includes confiscating illegally raised cattle, prosecuting offenders, and ensuring consistent monitoring to prevent further invasions.

To prevent illegal land grabs and ensure compliance with land-use regulations, the government must implement a transparent land registration system, mandating the use of geographical information system (GIS) mapping. Regular



SuKarne processing plant in Villa El Carmen, Managua

audits and enforcement efforts are necessary to uphold these regulations. Strengthening the National Traceability System is also critical; the government must provide full access to real-time data on cattle movements to trace illegal supply chains effectively. Regularly publishing updated lists of illegal farms, informed by satellite imagery and reports from Indigenous and Afrodescendant rangers, will help monitor deforestation and prevent further expansion into protected areas.

The report also highlights the need for enhanced regulatory oversight and combating corruption. Strengthening institutions like the Institute of Agricultural Protection and Health (IPSA) is vital to enforce laws effectively. Transparency and accountability in legal actions against illegal ranchers are essential to achieving measurable outcomes. In addition, the government should support sustainable alternatives, such as agroforestry, eco-friendly agriculture, and sustainable tourism, to protect biodiversity and forest ecosystems. It is equally important to legally recognize and safeguard the land rights of Indigenous and Afrodescendant communities, integrating their traditional knowledge into conservation efforts.

The report urges the United States government to play a proactive role in addressing these issues. It recommends enacting measures such as proposed in the FOREST Act, which would prohibit imports of agricultural commodities, including beef, produced on illegally deforested land. This legislation would also mandate companies to conduct supply chain due diligence, ensuring transparency and traceability. Additionally, reinstating Mandatory Country of Origin Labeling (MCOOL) for beef could significantly enhance transparency, empowering U.S. consumers with clear information about the origins of the beef they purchase. Furthermore, the United States should enhance its support for countries making efforts to reduce deforestation and improve governance while strengthening tools to combat corruption and financial crimes linked to deforestation.

The report also calls for federal agencies in the United States to promote zero-deforestation procurement practices and empower the U.S. Department of Agriculture to investigate human rights violations associated with imported commodities like beef. Finally, the report emphasizes the importance of increasing consumer awareness through educational campaigns that highlight the environmental impacts of illegal ranching. By taking these steps, stakeholders can curb deforestation, protect Indigenous rights, and promote sustainable practices in the global beef supply chain.

>> The report urges the United States government to play a proactive role in addressing these issues. It recommends enacting measures such as proposed in the **FOREST Act**, which would prohibit imports of agricultural commodities, including beef, produced on illegally deforested land.



## KEY FINDINGS

1. The National Traceability System in Nicaragua is compromised, with evidence of corruption, insufficient transparency, and lack of effective controls.
2. Nicaraguan slaughterhouses are purchasing cattle from indirect suppliers involved in laundering and deforestation practices.
3. The Institute of Agricultural Protection and Health (IPSA) is hiding information to protect the cattle industry and avoid scrutiny.
4. There is a pervasive sense of impunity among cattle ranchers, intermediaries, slaughterhouses and importers, who enable illegal cattle ranching in Indigenous territories and protected areas.
5. Major international buyers, including companies in the United States, Mexico, Central America and Europe, are implicated in the supply chain of illegal beef and the devastating environmental impacts that are a result of these actions.
6. Nicaraguan beef trimmings are commonly used in lean ground beef products by major meat processors that sell to household name companies like Aldi, Applebee's, Burger King, Chili's, Cracker Barrel, Dairy Queen, Kroger, Sam's Club, Taco Bell and Walmart.

## INFORMATION BOX 1

### Recent Changes to the National Traceability System

On August 14, 2024, the Ortega administration announced a reform of the National Traceability System. This updated system, now referred to as NTON 11004 Registros Pecuarios. Sistema de identificación y trazabilidad bovina, introduces changes such as the use of electronic ear tags and new penalties for those caught falsifying documents to sell stolen cattle. However, the reform fails to address critical issues, primarily due to the fact that the use of electronic ear tags is optional and there are no clear guidelines to prevent the laundering of cattle raised illegally in Indigenous and Afrodescendant territories and protected areas.

It is important to note that although the cases documented in this report were investigated before these legal reforms were enacted, they continue to underscore the persistent challenges within the National Traceability System. The procedures for selling and transporting cattle remain unchanged, along with ongoing vulnerabilities and gaps in enforcement that have yet to be resolved.



## INFORMATION BOX 2

### Outbreak of New World Screwworm in Nicaragua

Nicaragua is facing one of the most aggressive outbreaks of New World Screwworm (NWS) in its recent history. According to the country's Institute for Agricultural Protection and Health (IPSA), infections have surged by 65% in the first six months of 2025—rising from 11,930 reported cases in February to nearly 19,700 in early July. The outbreak has affected not only livestock but also humans, with 125 reported infections, nearly 40% of them in the capital, Managua. The pest has spread across 17 departments and autonomous regions, with Río San Juan, the South Caribbean Coast, and Rivas reporting the highest number of animal cases. A wide range of species have been affected, including over 13,000 cattle, nearly 3,000 pigs, more than 1,000 horses, and numerous wildlife and domestic animals. Despite intensified local control efforts, regional agencies have raised concerns about the Nicaraguan government's limited coordination, lack of transparency, and barriers to implementing effective public health campaigns—conditions that are fueling the pest's rapid spread.

This expanding outbreak in Central America has raised alarms in neighboring countries and the United States. On July 9, 2025, following a new screwworm detection in Veracruz, Mexico, just 370 miles from the U.S. border, Secretary of Agriculture Brooke Rollins ordered the immediate closure of livestock trade through southern U.S. ports. The decision reverses a phased reopening that had begun only two days earlier and underscores growing concern over Mexico's ability to contain the pest. The U.S. Department of Agriculture (USDA) is ramping up its eradication strategy, which includes building sterile fly dispersal and production facilities in Texas and working in close coordination with border states to protect domestic herds. With Nicaragua's outbreak contributing to the broader regional spread, the country's weak surveillance systems, political centralization and lack of institutionality now pose a significant threat not only to Central American agriculture but to the North American beef industry.

## 1 Introduction

Nicaragua's environmental record has faced serious setbacks in recent years, with the country's vast tropical rainforests now under severe threat. Nicaragua had the highest rate of primary forest loss in the world in 2024. According to the World Resource Institute, Nicaragua lost 4.7% of its remaining primary forest in 2024, more than any other country on the planet.<sup>5</sup> Since Ortega returned to power in 2007, the country has lost 31% of its primary forests.<sup>6</sup> This staggering loss places Nicaragua among the countries with the highest deforestation rates in Latin America.

While Nicaragua's deforestation crisis has been unfolding for decades, primarily driven by the expansion of the agricultural and cattle frontier, the scale and pace of forest loss have accelerated in recent years. This acceleration is especially pronounced along the country's Caribbean coast, home to most of Nicaragua's Indigenous and Afrodescendant communities. Their ancestral lands have become the epicenter of this crisis. Over the past 20 years, 98% of Nicaragua's forest loss has occurred in this region, a statistic that underscores the impact on local communities. In Central America over 92% of deforestation is caused by illegal cattle ranching.

A major factor behind this rapid deforestation is the cattle industry, which has expanded significantly to meet the growing global demand for beef. This expansion has been facilitated by several enabling factors, such as the construction of new roads, weak governance, the availability of cheap land and the lack of strong institutions and an effective, transparent legal system capable of preventing the illegal usurpation of Indigenous territories and protected areas and the enforcement of existing legal norms. The cattle ranching system in Nicaragua is largely low-tech and inefficient, necessitating vast areas of land for grazing. Consequently, large tracts of forest are cleared to create pastureland, leading to the loss of thousands of hectares of forest that supports the livelihood and health of local communities, and provides habitat to wildlife species, some found nowhere else in the world.

To clear forests, cattle ranchers in Nicaragua commonly use slash and burn techniques. This process involves cutting down trees and vegetation, burning the underbrush, and converting the land into pasture. Once the land is cleared, cattle are moved from legal farms, fattened, and eventually sold to slaughterhouses. The resulting beef and by-products are then exported to international markets, including the United States, Mexico, Central America, and Europe.

Despite the evidence linking cattle ranching to deforestation, the industry continues to deny its role in the crisis. Industry representatives argue that Nicaragua has put measures in place to curb illegal practices, including the establishment of a National Traceability System aimed at preventing the sale of cattle raised in Indigenous territories and protected areas. However, the reality on the ground paints a different picture, revealing significant gaps in enforcement and oversight.



Illegal cattle farm in the core area of the Indio Maiz Biological Reserve

## 1.1 OBJECTIVE OF THE REPORT

This report aims to investigate and reveal how Nicaragua's cattle industry is driving the destruction of the country's last remaining tropical rainforests. It focuses on exposing the methods by which cattle raised illegally in Indigenous territories and protected areas are laundered into the legitimate supply chain and eventually sold to consumers in international markets.

Furthermore, the report evaluates the effectiveness of the National Traceability System, which the Nicaraguan government first established in 2006 with a \$10 million loan from the Inter-American Development Bank.<sup>7</sup> This system was designed to increase the number of traceable cattle for export, thereby ensuring that beef sourced from Nicaragua could be reliably tracked from farm to slaughterhouse. However, the system's implementation and performance warrant scrutiny and reform.

As of 2021, the Chamber of Bovine Meat Export Plants (CANICARNE) reported that 125,220 out of 146,000 farmers were registered in the traceability system, totaling approximately 4.7 million head of cattle.<sup>8</sup> According to the law, cattle ranchers must register each animal with a unique code, report their movements, and obtain sales letters and transport permits to move them between farms and to slaughterhouses. Despite these requirements, this report will demonstrate that the system is riddled with flaws and has been severely undermined by corruption, a lack of transparency, and weak institutional controls.



### INFORMATION BOX 3

## National Traceability System and Tools for Controlling the Cattle Trade

The National Traceability System in Nicaragua employs four primary tools to regulate and monitor the cattle trade: livestock branding, ear tags, sale letters, and transportation permits. Each tool plays a specific role in tracking cattle ownership and movement, but gaps in enforcement and oversight weaken the system's effectiveness.



### Livestock Branding

Livestock branding is a method used to mark cattle for identification purposes. Every cattle rancher is required to have a unique brand registered with the local municipality. However, there are currently no measures to ensure that ranchers registering brands are not operating within Indigenous territories or protected areas, which creates loopholes for illegal cattle operations.



### Ear Tags

Ear tags are central to the bovine traceability system, providing a unique code for each animal that identifies its owner, farm, location, and any movement between farms or owners. IPSA uses these unique codes to maintain a database and to authorize various stakeholders within the supply chain, including aggregators, producers, slaughterhouses, and transporters. This system is designed to track and trace all cattle movements and interactions. Legally, cattle ranchers are required to report any movement of their cattle within one year of relocation. IPSA personnel are responsible for tagging cattle within the first three months after birth, and these tags remain on the animal until slaughter.



### Sale Letters

A sale letter is a document that must be obtained from the municipality every time cattle are sold. It is required for transporting cattle between municipalities and must be presented at control points, along with the animal's sales history. Municipalities typically process sale letters within a day and do not have stringent criteria to verify whether the cattle originate from protected areas. This lack of verification enables cattle laundering from illegal sources into the legal market.



### Transportation Permits

Transportation permits, issued by municipalities, are required for moving cattle and must be presented to police at checkpoints along major roads. These permits include the truck driver's information, the animal's unique identification code, and information about both the originating farm and the destination farm. However, the police can only verify if the ear tag numbers on the cattle match those listed on the documents. There are no mechanisms in place for the police to check the actual origin of the cattle.

## ② The National Traceability System and Cattle Laundering in the Indio Maiz Biological Reserve

The Indio Maiz Biological Reserve, established in 1990 in southeastern Nicaragua, is one of the Five Great Forests of Mesoamerica. It harbors rich biodiversity, including several threatened species such as the Jaguar (*Panthera onca*), Baird's Tapir (*Tapirus bairdii*), Giant Anteater (*Myrmecophaga tridactyla*), and Great Green Macaw (*Ara ambiguus*). However, the reserve faces a severe threat from escalating deforestation, primarily driven by illegal cattle ranching.

The extent of this threat is evident when considering the concentration of cattle around the reserve. Nearly 25.8% of the country's cattle herd—approximately 1.43 million cattle—are in the departments of Río San Juan and the South Caribbean Autonomous Region (RACCS), which surround the Indio Maiz Biological Reserve.<sup>9</sup>

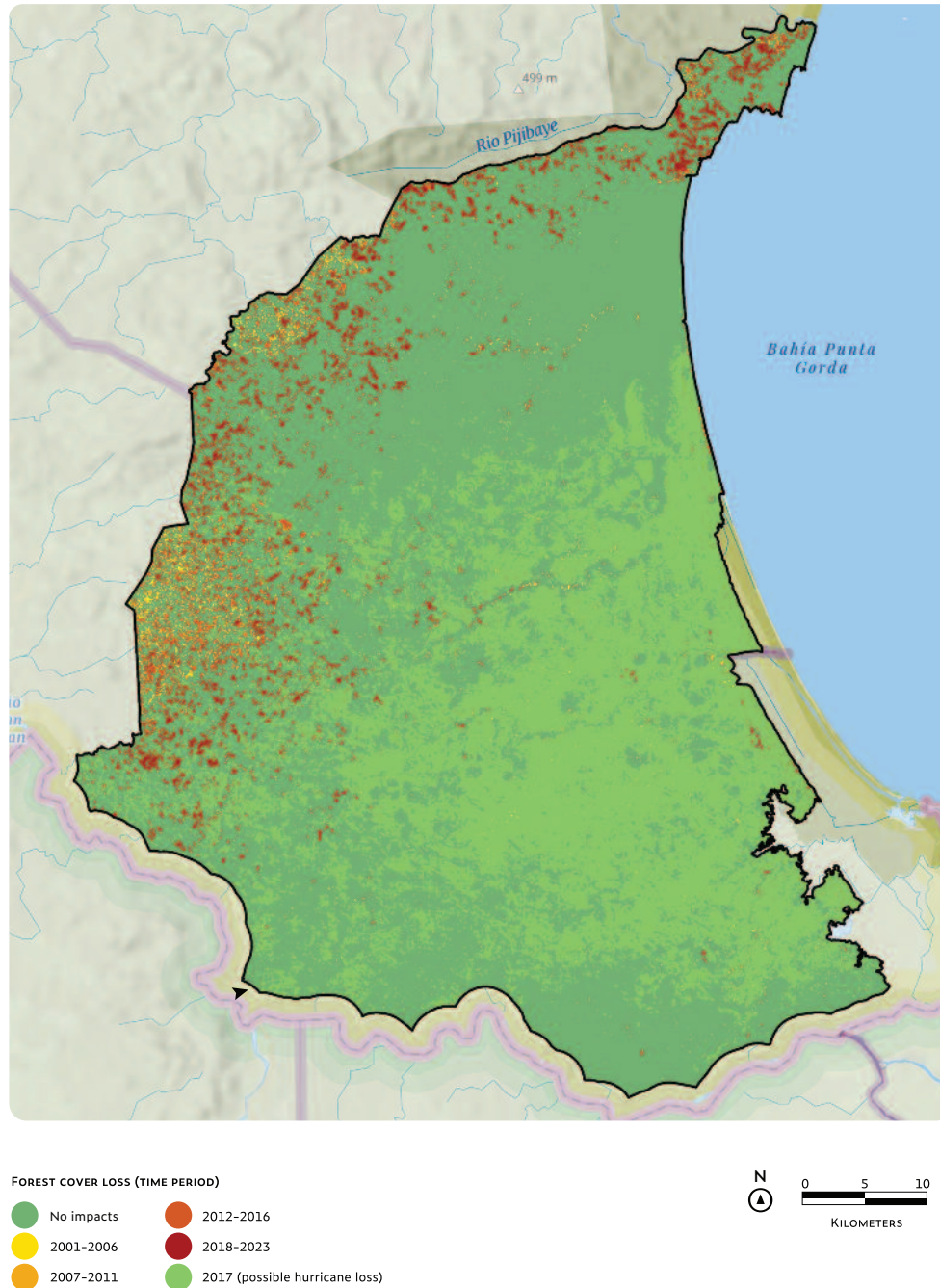
Forest loss in Indio Maiz has been substantial. Between 2011 and 2016, the reserve lost 3,540 hectares of forest. However, this figure surged dramatically to 13,841 hectares from 2018 to 2023, driven largely by the increasing demand for cattle pasture. Natural disasters have also played a role. In 2016, the reserve was struck by Hurricane Otto, a Category 2 hurricane that damaged nearly 70% of the forest canopy, making the ecosystem even more vulnerable to illegal encroachment. Further compounding the problem, in 2018, a fire ignited by an illegal cattle rancher burned 5,484 hectares in the core area of the reserve.



Illegal cattle farm in the core area of the Indio Maiz Biological Reserve

**Map 1. Time Period of Forest Loss in the Indio Maiz Biological Reserve (2001 - 2023)**

Sources: Hansen, M. C., P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, and J. R. G. Townshend. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." *Science* 342 (15 November): 850-53.10.1126/science.1244693  
Data available on line at: <https://glad.earthengine.app/view/global-forest-change>.





## 2.1 CATTLE LAUNDERING NETWORKS

The methods used to launder cattle in this region rely on a network of weighing stations, corrals and roads surrounding the reserve. A web of trails and dirt roads connects 46 scales and cattle collection points within the reserve's buffer zone. Cattle raised within the reserve are often driven on foot to these points, where they are either transferred to nearby corrals or loaded onto trucks for transport to other farms or directly to slaughterhouses. Many of these cattle are falsely registered as coming from farms outside the reserve or are sold without ear tags, with no proper controls in place to verify their origin.

The towns of Samaria, Nueva Quezada, and Las Maravillas serve as critical hubs for this illegal cattle trade, handling some of the highest volumes of transactions. Despite their significance, these towns lack checkpoints and controls to prevent cattle laundering, allowing illegally raised cattle to enter the legitimate supply chain unchecked. At these local auction houses and corrals, intermediaries facilitate transactions that enable illegal cattle to be sold to slaughterhouses, perpetuating these unlawful practices.

To gain a deeper understanding of how cattle laundering operates in this region, we examined three cases involving illegal ranchers who sell their cattle in Las Maravillas. These cases demonstrate the ease with which cattle raised illegally in protected areas can be funneled into the legitimate supply chain and ultimately sold to slaughterhouses in Nicaragua.

**Map 2. Cattle Industry Infrastructure Surrounding the Indio Maiz Biological Reserve**

Source: Fieldwork for investigation





Illegal cattle farm La Haciendita in the core area of the Indio Maíz Biological Reserve

## **2.2 JOSÉ SOLIS DURON, LA HACIENDITA FARM, AND CATTLE LAUNDERING IN THE INDIO MAÍZ BIOLOGICAL RESERVE**

The case of José Solis Duron and his La Haciendita farm exposes gaps in the National Traceability System that allow illegal cattle ranching and deforestation to persist in protected areas and Indigenous territories. It highlights the failure of government institutions to enforce environmental laws, fostering a culture of impunity within the cattle industry and undermining efforts to maintain a legal and sustainable beef supply chain.

### **Rama and Kriol Rangers Discover La Haciendita**

Fifteen years ago, the Rama and Kriol peoples launched a ranger program to safeguard and monitor their territory. Rangers from three communities conduct routine patrols to document wildlife and identify illegal activities. All findings are recorded in a relational database and shared with the Rama and Kriol territorial government.

**Map 3. Illegal cattle farm La Haciendita in the core area of the Indio Maíz Biological Reserve**  
Source: Fieldwork for investigation



During a patrol in February 2017, Rama and Kriol rangers in the core area of Indio Maíz encountered two men clearing forest to create pasture for cattle. This illegal operation had already led to the deforestation of 281 hectares of primary rainforest. Further inspection revealed infrastructure, including a house, a large corral, and approximately 40 steers grazing within the rainforest. Most of these cattle had ear tags issued by IPSA.

### **Legal Actions and Institutional Responses**

The discovery of the illegal cattle ranch, known as La Haciendita, prompted the Rama and Kriol territorial government to take legal action against José Solís Duron, the cattle rancher claiming ownership of the illegal ranch in Indio Maíz.

On July 12, 2017, the territorial government filed a formal complaint with the Office of the Public Prosecutor and the Ministry of the Environment, demanding the destruction of La Haciendita and penalties for those responsible for illegally occupying over 1,400 hectares of Rama and Kriol land and destroying 281 hectares of rainforest.



Copies of the complaint were also sent to the Nicaraguan Attorney General and meetings were held with representatives from the cattle industry and the Nicaraguan Chamber of Beef Exporting Plants (CANICARNE). However, the industry representatives refused to disclose any information about the illegal cattle, citing legal restrictions on sharing details related to the ear tags found on the animals. The Ministry of the Environment, on the other hand, declined to take action, citing a lack of funds to conduct an investigation.

## Investigation into José Solís Durón's Illegal Cattle Ranching Operations

Facing a lack of cooperation from authorities, the Rama and Kriol territorial government joined forces with a team of journalists to conduct their own investigation.

They discovered that José Solís Durón had acquired a 352-hectare plot from illegal settlers who had subdivided and sold the land. He employed six workers to clear paths, deforest large areas, and plant pasture seeds. These laborers were paid approximately \$8 per day and were promised parcels of land ranging from 35 to 70 hectares.<sup>10</sup>

Once the trail was cleared, Durón trucked his livestock to the frontier town of Las Maravillas and then walked them into the reserve. Additionally, he bought steers from a local supplier who provided the paperwork and ear tags for the cattle. All the steers were fattened for approximately 18 months and then sold to two major slaughterhouses in Nicaragua: SuKarne and Nuevo Carnic.



SuKarne cattle purchasing site in Nueva Guinea, Southeastern Nicaragua

## Confession and Further Revelations

In July 2017, Duron spoke to journalists from the radio program Onda Local, revealing how he sold his cattle. The interview, held at the “Restaurant and Bar La Haciendita de Jenny” in Nueva Guinea, shed light on his operations.

When asked how he sells his cows, Duron explained: “The buyer from Las Maravillas, he only sells to SuKarne. So, the guy told me: ‘Look, I’m going to program it for you, you tell me the weight, I’ll put on the tags for you. I’ll help you with the paperwork. I’ll even take them in my truck.’”<sup>11</sup>

Pressed further, Duron admitted to also selling cattle to Nuevo Carnic, the largest Nicaraguan exporter of beef to the United States.

Duron’s confession confirmed that intermediaries in Las Maravillas frequently buy and sell cattle from Indio Maiz. The town has three auction houses with corrals where cattle are weighed and sold before being moved to finishing farms and slaughterhouses. These auction houses buy illegal cattle and lack mechanisms for verifying the origin of the animals, facilitating cattle laundering.

### Routes for Transporting Cattle

According to local sources, there are two main routes used to transport cattle collected in Las Maravillas.

The first route, Las Maravillas to Los Chiles, involves transporting cattle by road for 13.8 km to Boca de Sábalos, where they go through a checkpoint run by IPSA personnel and the municipal government. Once cleared, they continue west to the community of La Esperanza, then travel along a dirt road to Los Chiles, in San Carlos, in the department of Río San Juan. At Los Chiles, the cattle rest in holding corrals before being transported by road to slaughterhouses in Juigalpa or Managua.

The second route, Las Maravillas to the national slaughterhouses, is preferred by buyers because there are no direct intermediaries, making it more profitable. Trucks travel 13.8 km from Las Maravillas to Boca de Sábalos. At the Sábalos checkpoint, they cross the river by ferry once their paperwork is checked and proceed through San Carlos, La Esperanza, and Las Azucenas before taking the paved road to slaughterhouses in Juigalpa or Managua.<sup>12</sup>

## Culture of Impunity and Government Response to José Solís Duron’s Confession

Duron’s taped confession exerted pressure on the government and the cattle industry to take action. In late September 2017, Ariel Enrique Miranda, a prosecutor from the Special Unit Against Organized Crime, established a commission to investigate Duron. However, before the commission could start its work, Miranda was removed from his position.

Shortly after, Rama and Kriol leaders learned that government officials had secretly visited La Haciendita. Representatives from the Ministry of the Environment, the police, and the army conducted a covert inspection of the illegal farm, resulting in the destruction of its main house and corral.

A leaked report of the visit, authored by Carlos Aquiles González, a coordinator at the Ministry of the Environment, accused Duron of multiple environmental crimes and recommended filing complaints with the National Police and reporting him to the Attorney General's Office and the Public Ministry to set a precedent for prosecution for committing environmental crimes.

Propietario de la Empresa/Finca: 616-220185-00090 <i>José Antonio Solís Durón</i>	Representante Legal de la Empresa/Finca: El mismo	Enlace de la Empresa/Finca: Santos Yuran Sandoval Gómez
Fecha de la Inspección: 8, 9 y 10 de Septiembre 2017	Hora de la Inspección: 11:00 AM	Hora de finalizada la inspección: 5:00 PM
Nombre del Inspector Responsable: Carlos Aquiles González Tejada	Su Número de Carnet: 527-081186-0000H	Su Número de Carnet: 604-281284-0005S
Participantes: Santos Yuran Sandoval Gómez (Capataz de la finca) Nathan Ali Ramírez Meléndez (Capitán E.N.) Sub-inspector Edwin Chevala Aguirre (Policia Nacional) 616-310375-0001T	082-180187-0000Y	
Objetivos de la Inspección: Recorrido de Vigilancia y Control		

**Conclusiones**

Se determina que el daño encontrado en la finca "La Haciendita", se ubica en la Región Autónoma Costa Caribe Sur (RACCS), municipio de Maiz, dentro de la zona núcleo de la Reserva Biológica Indio Maiz.

Se determina que existe un alto daño al Área Protegida Reserva Biológica Indio Maiz, en al menos 203.5 hectáreas o más de bosque, donde estas se encontraban como bosque virgen y se le afecto creando un desequilibrio natural del ecosistema por las actividades de deforestación no permitidas en el sitio, fragmentando el hábitat y la conectividad de las especies de flora y fauna silvestres existentes en el sitio y establecimiento de pasto mejorado, introducción de ganado, cambio de uso de suelo, contaminación de suelo, fuentes de aguas cercas (río Chontaleño, El Naranjo y quebradas) y quemadas.

Se determina que el Sr. José Antonio Solís Durón ha cometido delitos penales tales como daño a la propiedad pública (art. 243 del Código Penal, Ley 641), usurpación de dominio público y comunal (art. 241, Código Penal, Ley 641), estafa (art. 229, Código Penal) ya que ha vendido propiedades dentro de la Reserva Biológica Indio Maiz, promoviendo el corte y aprovechamiento de la veda forestal (art. 384, Código Penal), aprovechamiento ilegal de los recursos naturales (art. 73, Código Penal), caza de animales en peligro de extinción (art. 80, CP), cambio de uso de suelo lo que altera la vocación natural ya indicada anteriormente, estableciéndose circunstancias con los delitos antes referidos. Por lo que se recomienda que el presente informe se proceda a la interposición de las denuncias ante la Policía Nacional como otro mecanismo de hacer cesar el daño ocasionado por el Sr. Solís Durón, denunciándolo ante la PGR y el Ministerio Público y así establecer precedentes para judicializarlo por el deterioro del área protegida Reserva Biológica Indio Maiz.



Photos from a confidential government inspection report reveal illegal cattle ranching activities at La Haciendita, located within the Indio Maiz Biological Reserve



## IPSA's Complicity in Ongoing Cattle Laundering Activities

Despite the Ministry of the Environment's report, José Solís Duron avoided formal charges and rebuilt his illegal cattle ranch. In May 2021, nearly three years after their initial discovery, Rama and Kriol rangers found dozens of cattle with ear tags at La Haciendita.

Records from the National Traceability System, obtained during this investigation, showed that the ear tags were linked to a farm outside Indio Maiz. These ear tags were part of a shipment of 50,400 units delivered to IPSA in Nueva Guinea on January 17, 2020 and received by Catalino Gutiérrez Gonzalez, head of the local IPSA office. Shortly afterward, on February 10th, they were distributed to a service cooperative, which sold them to José Solís Duron.<sup>13</sup>

Photographs of La Haciendita from May 2023 reveal the construction of a new house and corral near the previous site. Satellite imagery further confirms significant deforestation in the area surrounding the farm. Additionally, local sources confirm that José Solís Duron continues to engage in cattle ranching within the protected area and has expanded his operations to include land trafficking and the acquisition of livestock from neighboring farms.



Illegal cattle at La Haciendita farm, inside the core area of the Indio Maíz Biological Reserve, 2021

#### Map 4. La Haciendita Forest Loss by Time (2016-2023)<sup>14</sup>

Source: Esri, NASA, NGA, USGS Map data ©



## Systematic Failures and Need for Reform

The case of José Solis Duron demonstrates the failures of government institutions to prevent illegal cattle ranching and uphold environmental laws in protected areas like Indio Maiz. Despite evidence of illegal activities, including deforestation and cattle laundering, government agencies such as the Ministry of the Environment and IPSA have not effectively enforced regulations or taken action against offenders. The lack of transparency, accountability, and coordinated enforcement has fostered a culture of impunity, allowing thousands of illegal cattle ranchers like Solis Duron to continue exploiting protected lands for profit. This case highlights the urgent need for the Nicaraguan government to enforce and uphold the law, implement stricter oversight, establish robust traceability systems, and demonstrate real political will to protect Indigenous territories and ensure a legal, sustainable, and environmentally responsible beef supply chain.

### INFORMATION BOX 4

#### Links to Narcotrafficking

On June 28, 2023, Nicaraguan police arrested Pedro Solis Duron, the brother of José Solis Duron, and Marlin Ariel Sanchez with 2 kilograms of cocaine in their possession. Marlin Ariel Sanchez was the administrator of "La Haciendita," the illegal cattle ranch linked to José Solis Duron.

A police press release revealed that Pedro Solis Duron had a history of charges, including illegal gun possession and personal injury. Both men were formally charged with drug trafficking.<sup>15</sup>

During this investigation, several sources noted possible connections between large-scale cattle ranchers and drug trafficking networks. While exploring these links is beyond the scope of this investigation, it is important to note that in Central America, cattle ranching is commonly used to launder money from illicit activities, including narcotrafficking.





## Case Study # 2

Chaves' illegal farm near the town of Samaria in the Indio Maíz Biological Reserve

### 2.3 PABLO CHAVES "CHACALIN" AND CARMEN TORRES - LINKS TO INTERNATIONAL BEEF MARKETS

#### Discovery of Illegal Settlers and Cattle Ranching in the Indio Maíz Biological Reserve

On November 23, 2016, Rama and Kriol rangers on a patrol near the Pimienta River in the core area of the Indio Maíz Biological Reserve discovered settlers who had cleared a significant section of protected forest. Among them were Pablo Chaves, known as "Chacalin," and his wife, Carmen Torres, who initially claimed to be poor, landless peasants. However, further investigation revealed they were not new to the area.

The couple had been engaged in illegal cattle ranching activities, clearing forest to expand their operations. While they asserted they were subsistence farmers, evidence showed they were selling cattle to middlemen supplying major slaughterhouses in Managua. Using the IPSA traceability database, the investigation linked their illegal ranching in protected areas to international beef markets, highlighting the broader impact of their activities.



**Map 5. Location of Chaves' illegal farms in the Indio Maíz Biological Reserve**

Source: Fieldwork for investigation



## **Establishment of an Illegal Cattle Ranch**

Chaves and Torres had settled in the reserve in the 1990s, when the first settlers founded the town of Samaria within the core area of Indio Maíz. By the time of the rangers' discovery, they had established a 33-hectare cattle ranch in another location within Indio Maíz, raising 50 cattle for both milk and beef production. Nearly all of their cattle had ear tags issued by IPSA, indicating their integration into the regional cattle trade.

## **Chaves's Admission of Illegal Land Acquisition**

In 2017, Chaves spoke to filmmakers documenting illegal cattle ranching in Indio Maíz, where he openly discussed his approach to acquiring land.

“When I arrived here, I knew that everything from Las Maravillas to this area was designated as a reserve. There were no official documents to prove it. Even the town of Samaria lacked documentation. I seized a piece of land because I didn't have to pay for it. If authorities eventually force me to leave, I won't incur any financial losses. You can earn money without having to invest any. That's the approach we've adopted.”<sup>16</sup>



Pablo Chaves at his illegal farm inside the Indio Maíz Biological Reserve, 2018

Chaves's initial activities mirrored those of other illegal cattle ranchers on the Caribbean coast, starting with clearing rainforest to cultivate crops for family sustenance. He began with a few dairy cows that provided milk and cheese for sale in the Las Maravillas market. Over time, his herd grew to 16 cattle, allowing him to expand into beef production.

### **Investment and Further Expansion**

The turning point for Chaves came when his brother, who resides in the Capital city of Managua, proposed investing in his cattle business. “I work with the help of my brother who lives in Managua,” Chaves explained. “He came, talked to me, and told me he had some savings we could use to buy the calves. We are starting to grow because it is the only way to get ahead here.”

As his operations expanded, Chaves leased additional illegally seized land from neighbors. In 2016, he sought even more space and claimed the new area near the Pimienta River to accommodate his growing herd. He also developed business relationships with middlemen in Las Maravillas, who facilitated sales to larger markets.

### **Market Relationships and Cattle Sales**

During an interview at his farm, Chaves admitted that he sold cattle to middlemen, who then supplied industrial slaughterhouses in Managua.

When asked how he sells his cattle, Chaves stated, “I find the buyer who purchases them. I go to the weighing station (in Las Maravillas). I tell them I have 10 calves, and they come to inspect them. If they already know me, they ask me their age and pay me. We sell to the strongest buyer who takes the meat to Managua. It goes to the slaughterhouse from here.”<sup>17</sup>

## Connections to the International Beef Market

Further investigation into Chaves's operations revealed connections to larger players in the beef supply chain.

Information obtained from the National Traceability System showed that three tagged cows found at Chaves's farm in February of 2018 were registered to other individuals, and one was registered to Matadero Novaterra S.A., a USDA-certified slaughterhouse in Nicaragua authorized to export beef to the United States.<sup>18</sup>

Former IPSA employees, speaking anonymously, confirmed that the official cattle registry indicated Matadero Novaterra S.A. purchased the cow with the ear tag ID number 558 004 02 2599, which was photographed on Chaves's farm in the reserve. Requests for a response from Matadero Novaterra S.A, a subsidiary of CIISA Group in Costa Rica, about this ear tag went unanswered.

Finally, the fact that the cattle are registered to other individuals confirms that cattle ranchers seldom report changes in ownership, making it impossible to track cattle movements accurately, rendering the National Traceability System ineffective.

## Continued Illegal Activities and Deforestation

Recent satellite images of Carmen Torres and Chaves's second farm near the Pimienta River, discovered by rangers in 2016, show a significant increase in forest cover loss since 2021.

In 2024, local sources confirmed that Pablo Chaves continued to raise cattle within the core area of the Indio Maíz Biological Reserve and to sell them in Las Maravillas, demonstrating ongoing violations of environmental laws and regulations.



Illegal cow with IPSA ear tags, later sold to Novaterra S.A. slaughterhouse

**Table 1. Traceable Eartag Owners Linked to Illegal Cattle at Chaves's Farm in Indio Maíz**

Source: IPSA National Traceability System database

CUA	NAME	NATIONAL ID	NAME OF ESTABLISHMENT	CUE	LOCATION
558 003 74 2778	Norma Angélica Mena Álvarez	522604810000V	El Delirio	558852500	El Castillo
558 004 03 5502	Rosalio Gaitán Pérez	60404096770001J	Loma Linda	558852502	El Castillo
558 004 02 2599	Matadero Novaterra S.A.	J0310000005184	Matadero Novaterra S.A.	558551000	Tipitapa

## INFORMATION BOX 5

### Featured in the Documentary *Patrol*

Two of the cases documented in this report also appear in *Patrol*, a feature-length documentary that follows Indigenous Rama and Afrodescendant Kriol rangers as they patrol the Indio Maíz Biological Reserve and confront the risks posed by the advance of illegal cattle ranching in their territory.

The film reveals how the expansion of the cattle frontier is directly linked to deforestation in protected areas and to systematic violations of the territorial rights of Indigenous and Afrodescendant peoples. *Patrol* has been used as a tool for raising awareness, calling for greater transparency in Nicaragua's beef supply chain, and promoting action in importing countries to halt the trade of beef linked to environmental crimes and deforestation.

The documentary is part of an impact campaign that seeks to amplify the voices of affected communities, generate international pressure, and drive concrete change in the beef industry.

*Patrol* was directed by Camilo de Castro and Brad Allgood, produced by Juli Films and Perpetuo Films in collaboration with Re:wild, and is available on HBO Max in Latin America.

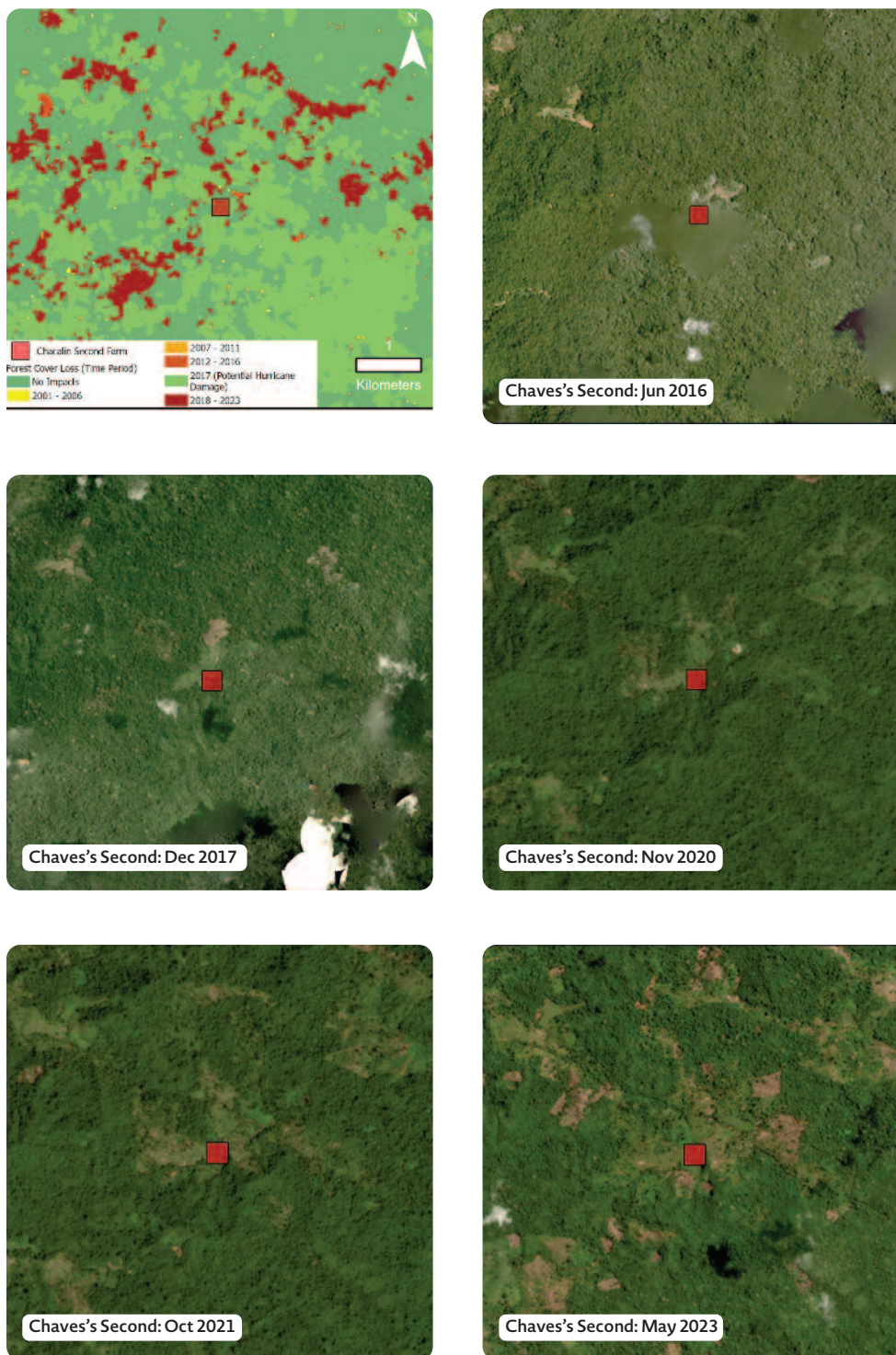
To learn more, follow the film on social media:





# Map 6. Chaves's Second Illegal Farm Forest Loss by Period (2016 - 2023)<sup>19</sup>

Source: Esri, NASA, NGA, USGS Map data ©







Illegal cattle in the core area of the Indio Maíz Biological Reserve

## **2.4 SAMARIA: A HUB FOR ILLEGAL CATTLE TRADE AND SYSTEMIC CORRUPTION**

This case study explores how the town of Samaria, located in the core area of the Indio Maíz Biological Reserve, serves as a critical point for the illegal cattle trade, highlighting the systemic corruption and weak enforcement that enable these practices.

### **Cattle Trade in Samaria**

The town of Samaria, located in the core area of the Indio Maíz Biological Reserve, serves as a critical transit point for cattle moving toward Las Maravillas. It functions as a weighing station with corrals where cattle are routinely bought and sold, making it a hub for cattle transactions in the area.

In 2023, our investigation documented the sale of a cow raised on a farm within the core area of Indio Maíz. The cow was walked by foot to Samaria, where it was weighed and then taken to Las Maravillas to be sold to a middleman from the community of Marlon Reyes. Despite lacking an IPSA issued ear tag, the cow's owner had no difficulty completing the sale.

## Lack of Traceability and Regulatory Loopholes

When questioned about the sale, the illegal cattle rancher<sup>20</sup> revealed that it is common practice to sell cattle without ear tags or a livestock bill of sale. Instead, in this instance, he provided the indirect buyer with a branding certificate issued in 2020. This document included details such as the owner's name, identification number, brand of the cow, and the number of cows, mules, horses, and bulls registered by the original owner. However, it lacked information on the cow's origin or its movement history.

## Connections to Smuggling and Corruption

Moreover, the cattle rancher pointed out that the buyer is known for selling cattle to slaughterhouses in Managua and to cattle ranchers in Costa Rica, who are involved in the illegal smuggling of cattle across the border.

**Interviewer:** “You say the cattle are sold to slaughterhouses in Managua, but the slaughterhouses say they only buy cattle that are tagged?”

**Cattle rancher:** “Nowadays, just with that document, the cattle can be taken to the slaughterhouse if possible. When it comes to business, it's just business. There's someone authorized who's only interested in the money, and the same goes for sales documents. They're all in it, I mean, everyone there—the police, the Army, everyone who checks. It's a shared business. There's a percentage for both sides. If they have good connections and they pay off the police, everything goes smoothly, no matter what. And it's even worse when the cows are raised inside the reserve.”<sup>21</sup>

Datos actuales	
al Año:	1
Vacas:	2
Vaquillas:	2
Toros:	2
Mulas:	2
Vacas p/r	2
Caballos: -	
Terberos: -	
Terneas:	
Fecha:	

Document used in the sale of illegal cattle in the town of Las Maravillas



## 2.5 SYSTEMIC FAILURES AND ENVIRONMENTAL IMPACT OF ILLEGAL CATTLE RANCHING IN THE INDIO MAÍZ BIOLOGICAL RESERVE

The investigation into illegal cattle ranching within the Indio Maíz Biological Reserve has uncovered deep-rooted systemic issues, regulatory failures, and widespread corruption that facilitate these unlawful activities. For example, the investigation of José Solís Durón and his illegal operation at La Haciendita farm revealed that significant loopholes in the National Traceability System allow illegal cattle farms to continue operating unchecked. Despite legal actions taken by the Rama and Kriol territorial government, Durón was able to continue his operations by obtaining IPSA ear tags, demonstrating a lack of oversight and accountability within regulatory bodies.

The findings by Rama and Kriol rangers, which documented extensive deforestation and infrastructure development for illegal cattle farming, emphasize the environmental impact of these activities. Legal complaints filed by the territorial government against Durón, as well as meetings with industry representatives, have failed to produce meaningful outcomes, further highlighting the complicity and inaction of regulatory authorities and the cattle industry. Adding to the gravity of the situation is the arrest of Durón's brother for drug trafficking, which raises concerns that illegal cattle ranching is interconnected with other criminal activities.

Similarly, the case of Pablo Chaves "Chacalín" and Carmen Torres shows how long-term residents of the reserve have expanded their illegal cattle operations with external investment and support from middlemen. Chaves openly admitted to claiming land illegally and selling cattle to intermediaries who supply major industrial slaughterhouses in Managua, effectively linking their illegal ranching to larger beef markets. Leaked information from the IPSA database confirmed that Matadero Novaterra S.A., a subsidiary of CIISA Group in Costa Rica, purchased cows that were raised in this illegal farm. Satellite images reveal significant deforestation around Chaves's farm since 2021, signaling ongoing environmental degradation.

The third case study brings to light the routine transit and sale of illegal cattle through the town of Samaria, a critical point in the reserve. Cattle ranchers in this area have openly admitted to selling cattle without the required ear tags or documentation, often using falsified branding certificates instead. According to an illegal rancher interviewed, this practice is enabled by systemic corruption and the complicity of regulatory bodies, law enforcement, and the military. The ease with which illegal cattle are sold and transported undermines both conservation efforts and legitimate livestock operations in the region.

Overall, these cases highlight a widespread problem of illegal cattle ranching in the Indio Maíz Biological Reserve, exacerbated by regulatory failures, systemic corruption, and a lack of accountability. The resulting environmental impact, challenges to Indigenous land rights, and threats to the integrity of the international beef supply chain are of critical concern and demand urgent attention.



### ③ **Illegal Cattle Ranching in the Bosawas Biosphere Reserve**

#### **Guzma and the Demise of the Mayangna Sauni Bas Indigenous Territory**

Another clear example of the impact of illegal cattle ranching is the significant loss of forest cover in the Mayangna Sauni Bas territory within the Bosawas Biosphere Reserve. This territory spans 43,200 hectares, with 39,100 hectares falling within the core area of Bosawas. Between 2001 and 2022, the territory lost 15,568 hectares of forest, an area roughly equivalent to 20,000 soccer fields. Notably, 61% of this forest loss occurred between 2017 and 2022.<sup>22</sup>

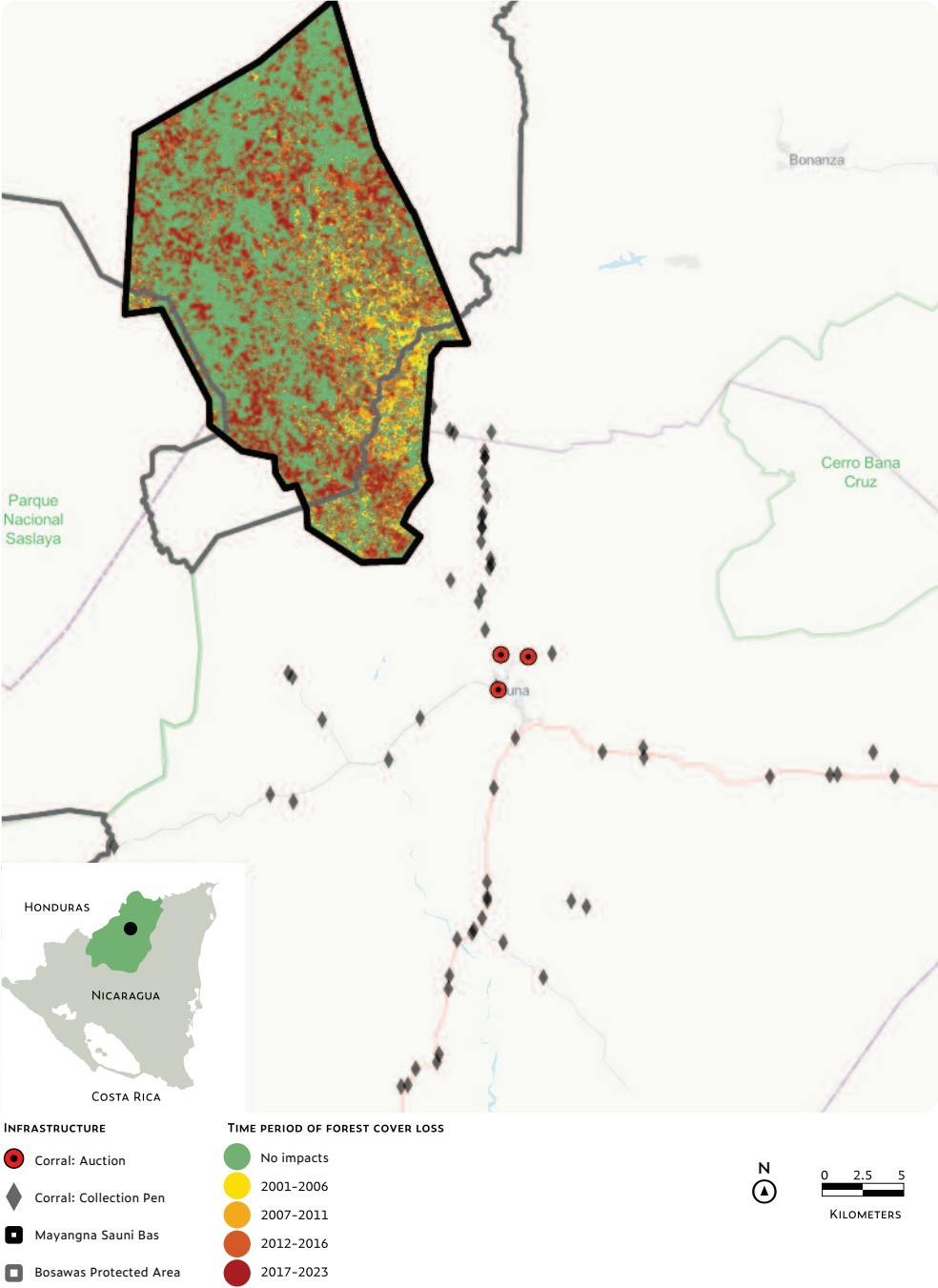
The town of Siuna, located 33 kilometers south of the territory, has become a major hub of economic activity, attracting ranchers and farmers seeking cheap land. In 2020, Eloy Roque, a delegate from the Ministry of the Economy, reported the sale of 84,218 cattle in Siuna during the first seven months of the year.

Similar to the buffer zone of the Indio Maíz Biological Reserve, in Siuna there is a network of intermediaries who collect cattle for large cattle collectors. According to local cattle ranchers interviewed for this investigation, the larger cattle ranching operations raise between 100 to 1000 calves every 16 months in farms inside and outside the protected area.<sup>23</sup>



Town of Guzma in the Bosawas Biosphere Reserve

Map 7. Cattle Infrastructure Mayangna Sauni Bas in Bosawas (2016-2023)<sup>24</sup>  
Source: Fieldwork for investigation



This investigation mapped 86 locations around the Mayangna Sauni Bas territory where cattle industry activities are conducted across 35 communities. These locations encompass 63 corrals, 5 mountain ports, 3 cattle auctions, and 15 control posts situated along the main roads leading to and from Siuna.

The highest concentration of cattle corrals is located near the mountain ports of El Hormiguero and Guzma, which serve as the principal entry points into the Mayangna Sauni Bas Indigenous Territory.

This investigation identified 17 corrals along the road from Guzma to Siuna, where cattle from the Indigenous territory are gathered before being transported by truck. According to local sources, cattle are loaded onto trucks at the end of each month, with an estimated 12 trucks transporting 192 heads of cattle per month.

To better understand the dynamics of the cattle trade near Guzma, we surveyed 17 illegal farms in the area and documented the sale of two tagged cows that were raised in the Mayangna Sauni Bas territory.

The following cases show how cattle are laundered in the Bosawas Biosphere Reserve.

#### INFORMATION BOX 6

##### **Expansion of Road Infrastructure and Administrative Services Facilitates Illegal Cattle Ranching**

In recent years, the Municipal Government of Siuna has opened roads into the mountain ports, making previously remote areas accessible by truck. The municipality has also established branch offices in mountain port towns, enabling cattle ranchers to obtain cattle letters of sale and transport permits more easily. Cattle ranchers within the buffer zone of the reserve, now accessible by road, conduct their transactions directly at the municipal government offices in Siuna.





## Case Study # 1

Illegal farm in the Mayangna Sauni Bas Indigenous Territory

### 3.1 ILLEGAL CATTLE RANCHING AND THE ROLE OF MIDDLEMEN IN GUZMA

As part of our investigation, we conducted interviews with 17 illegal settlers who operate farms near the frontier town of Guzma. These farms, ranging in size from 14 to 422 hectares, have been settled anywhere from 3 to 30 years ago. Thirteen of the seventeen farmers interviewed are involved in cattle ranching for both milk and beef production.

Even though their cattle are not registered in the National Traceability System, none of the farmers reported facing difficulties in selling their livestock. They routinely transport their cattle to frontier towns like Guzma, where sales occur without any formal registration or oversight. Most of these farmers walk their animals to local corrals, where middlemen take over, loading the cattle onto trucks and transporting them to farms located outside the protected area.

The interviews further revealed that small and medium-sized cattle ranchers heavily depend on middlemen to obtain the necessary paperwork for their cattle sales. Nine ranchers disclosed that their cattle were not branded, and to facilitate sales, they rented and used cattle brands from other cattle ranchers in Guzma. Furthermore, 12 farmers admitted they were unaware of the proper procedures for tagging their cattle. All of them described the tagging process as overly complicated, with one rancher explicitly stating that he did not tag his cattle because the government only issued tags to individuals with government connections.



Additionally, two farmers with larger properties within the protected area shared that they rent out their pastures to other cattle ranchers, who bring their cattle from farms outside the protected area. This indicates a deeper level of cooperation and complicity among ranchers to sustain illegal cattle ranching practices.

## Large Cattle Collectors

When questioned about the buyers, the farmers consistently mentioned major cattle ranchers including Mateo Carcamo and Eliseo Ibarro as frequent purchasers of illegal cattle in the town of Guzma. Follow-up interviews with other cattle ranchers in Siuna corroborated that Carcamo and Ibarro are among the largest cattle buyers in the region

The investigation reveals that the sale of illegal cattle to large-scale cattle collectors is a widespread practice, with no effective mechanisms in place to prevent these unlawful activities. Local sources report that these major cattle collectors purchase thousands of cattle annually, many of which are raised in Indigenous territories and protected areas.

This is further evidenced by our documentation of the sale of two steers, raised in the core area of the Mayangna Sauni Bas Territory.

### INFORMATION BOX 7

#### Enrique Urbina Leyva

Enrique Urbina Leyva, one of the largest cattle collectors in Siuna, serves as a deputy in the National Assembly representing the FSLN party. Leyva owns La Hacienda Altamira, a 1,020-hectare ranch located 30 km southeast of the town of Siuna. According to a 2017 thesis paper about the ranch, it has six corrals with a capacity to hold 1,828 adult animals.<sup>25</sup>



## Case Study # 2

Bull sold to Eliseo Ibarra raised inside the Mayangna Sauni Bas Indigenous Territory

### 3.2 YOUNG BULL SOLD TO ELISEO IBARRA

A cattle rancher from Siuna purchased a young bull in the community of Kulta, situated in the core area of the Mayangna Sauni Bas Territory, inside the Bosawas protected area. The tagged bull, weighing approximately 370 kilos, was then walked 8 kilometers to Guzma. From Guzma, the animal was transported by truck to La Arenera, on the outskirts of Siuna, where it was delivered to Eliseo Ibarra's corral.

At the corral, the bull was received by an individual who manages cattle purchases for Ibarra. Neither Ibarra nor the individual inquired about the bull's origin.

Upon arrival at Ibarra's corral, the cattle rancher proceeded to complete the necessary paperwork to obtain a sale letter from the Municipality of Siuna. He paid \$1.77 at the municipality and the transaction was finalized within hours.

Municipal officials did not inquire about the origin of the bull, nor verify the information provided by the cattle rancher. Although the ear tags were not registered to a farm belonging to the person who requested the sales letter, no questions were asked. This lack of due diligence allowed the sale to proceed without scrutiny.<sup>26</sup>

While we were unable to confirm the exact location of the farm where the bull's ear tags were registered, it is presumed to be outside the protected area, as farms within the reserve cannot be registered in the National Traceability System.

To protect the identity of the original owner and to avoid any repercussions against the cattle buyer, their information has been redacted in this report.

**Map 8. Route Used to Transport Illegal Cattle from the Mayangna Sauni Bas Indigenous Territory**  
Source: Field work for investigation



The image shows a sales letter form from the Municipality of Siuna. The form includes sections for 'DESCRIPCIÓN DE FIERROS, ARETES Y NUMEROS DE LOS ANIMALES COMPRADOS' and 'DESCRIPCIÓN DE DUEÑOS ANTERIORES Y NUMEROS DE CARTAS DE VENTAS DE LOS ANIMALES COMPRADOS'. The form is filled with handwritten text and a large blue ink signature. The top section is partially obscured by a black redaction box.

Sales letter issued by the Municipality of Siuna





### Case Study # 3

Bull sold to Mateo Carcamo raised inside the Mayangna Sauni Bas Indigenous Territory

### 3.3 YOUNG BULL SOLD TO MATEO CARCAMO

Similar practices were observed in another case involving the sale of a young bull with IPSA issued ear tags, also purchased from the community of Kulta, located about 8 to 10 kilometers from Guzma.

Following the purchase, the cattle rancher moved the animal on foot to Guzma, from where it was transported by truck to La Bomba Central, on the outskirts of the municipality of Siuna, in the North Caribbean Coast Autonomous Region. The bull was taken to the corral of Mateo Carcamo, where his son, Adonis Carcamo, requested that the sale letter be issued in his name using the unique establishment code number 9130039487.<sup>27</sup>

As with the previous case, the cattle rancher encountered no difficulties in obtaining a sale letter from the Municipality of Siuna. The sale was easily processed, transferring the bull from the original owner to Mateo Carcamo.

### 3.4 WIDESPREAD ILLEGAL CATTLE RANCHING IN GUZMA

The findings from our investigation into illegal cattle ranching practices in Guzma and surrounding areas highlight a well-organized network facilitated by middlemen, lax regulatory oversight, and systemic corruption. Despite the absence of cattle registration in the National Traceability System, illegal cattle sales occur with minimal barriers.

Middlemen play a crucial role in securing necessary paperwork, while local authorities fail to verify information or inquire about the origins of the livestock, enabling these transactions to proceed without scrutiny. The cases of the young bulls sold to Eliseo Ibarra and Mateo Carcamo illustrate the ease with which illegal cattle are laundered into legal markets.

**CARTA DE VENTA DE GANADO** N° [REDACTED]

Municipio de Siuna del Departamento de Parícuti

[REDACTED]

Registro de los animales comprados y vendidos con los siguientes fierros y N° de aretes y latitudes que a continuación damos, con presencia de (los) animal (es), herrados y venteados en los casos de saneamiento y evicción en los casos de

Código único de finca de origen CUE [REDACTED] Código único de finca de destino CUE [REDACTED]

**DESCRIPCIÓN DE FIERROS, ARETES Y NÚMEROS DE LOS ANIMALES COMPRADOS**

N°	Fierros	Marca	N° de Arete	Categoría/ Especie	Criollo	Fecha de Venta	Observación
1	[REDACTED]						
2	[REDACTED]						
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

**DESCRIPCIÓN DE DUEÑOS ANTERIORES Y NÚMEROS DE CARTAS DE VENTAS DE LOS ANIMALES COMPRADOS**

N°	Nombres y Apellidos	N° de C/V Antecedente	Fecha Elaboración	Lugar	Observaciones
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					

[REDACTED]

Firma del Registrador [REDACTED] N° Cedi: [REDACTED]

[Stamp: MUNICIPIO DE SIUNA, DEPARTAMENTO DE PARÍCUTI]

Sales letter issued by the Municipality of Siuna

## ④ **Problems Identified in Nicaragua's National Traceability System**

**T**his investigation highlights a series of critical failures within Nicaragua's National Traceability System, undermining its ability to effectively track cattle movements and prevent illegal practices that are decimating the country's tropical rainforests. Through interviews with former IPSA employees, veterinarians, and cattle ranchers, a number of systemic issues have emerged:

### **1. Lack of Verification and Oversight**

The problems start right from the initial step of registering farms in the National Traceability System. According to a former IPSA employee who worked on the Caribbean coast, cattle ranchers are given a registration form to fill out to register their farms. However, the verification visits by IPSA staff rarely happen. "Sometimes you can go up to a year or longer without anyone coming to visit you, even though it's supposed to be mandatory," the former employee stated. The lack of oversight allows cattle inventories to go unverified, enabling ranchers to transfer tagged cattle from legal to illegal farms with ease.

### **2. Unreported Cattle Movements**

Another significant issue is the failure to report cattle movements, especially in remote rural areas. There is little to no oversight in these regions, and police checkpoints are ineffective or more likely totally absent. A source close to IPSA explained, "There is no control, no checkpoints from the police. Since the farm is far away, they herd the animals, moving them from pasture to pasture, and then from one farm to another." This lack of control allows cattle to be moved easily and illegally, often into and out of protected areas, without any accountability.

### **3. Ineffective Checkpoints**

Even where checkpoints exist, they are largely ineffective. As one source noted, "They only check that the brand matches the descriptions you provide for the movement. They look for the brand, verify it matches the list you have, and then you can pass." Only in rare cases, such as when a missing animal is reported, do authorities conduct more thorough inspections. This limited scrutiny means that cattle from illegal sources can and do pass through these checkpoints with ease. Reports also indicate widespread corruption among public officials at checkpoints.



#### 4. Failure to Report Changes in Ownership

The lack of reporting of changes in cattle ownership is another point where traceability breaks down. A former IPSA employee explained, “The cattle rancher should report the change, but I don’t think that is being done.” This failure to update records means that cattle may remain registered under their original owner's name even after multiple transfers, making it nearly impossible to track the true origin of the cattle.

#### 5. Restricted Access to the National Traceability System Database

According to individuals linked to the cattle industry, IPSA has taken additional steps to restrict access to the National Traceability System database. “There are several restrictions on accessing your own information. Sometimes even as an owner, you might go with your ID to request information, and they might say you need a letter from someone else or from a specific entity to be allowed access, when it shouldn't be like that for the owner,” explained one source.

Under the new traceability law published on August 14, 2024, cattle owners must obtain authorization from IPSA to see the information related to their own herd, and the information in the National Traceability System database cannot be shared with third parties. Even if owners bring their ID, they need to justify why they want that information, whether to sell or for another reason. This restriction not only limits transparency but also adds bureaucratic hurdles that further complicate the already flawed system.

These gaps in enforcement, monitoring, and reporting expose a traceability system that is not only weak but also easily manipulated. As a result, illegal cattle movements continue unchecked, contributing to deforestation and environmental degradation in Nicaragua’s protected areas. The systemic corruption and lack of accountability within IPSA further exacerbate these issues, undermining efforts to establish a sustainable and lawful cattle industry in Nicaragua.



Cattle with IPSA issued ear tags inside the core area of Indio Maiz

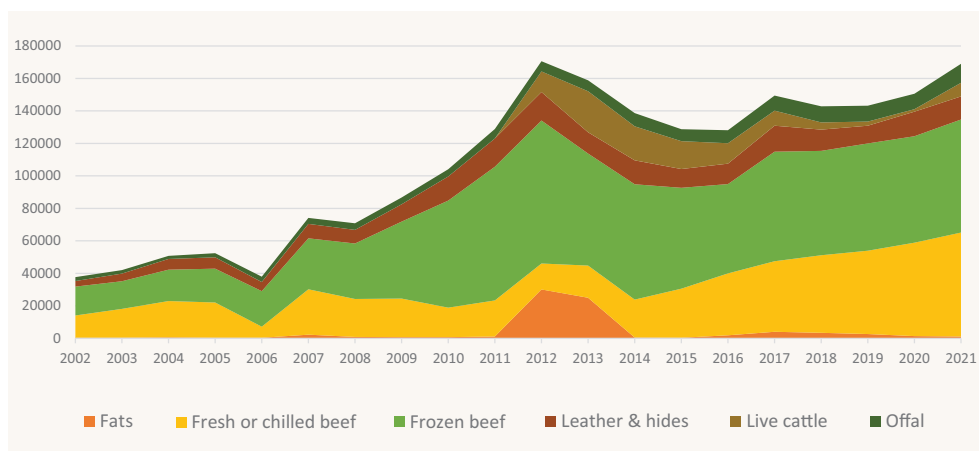
## 5 The Role of Nicaraguan Slaughterhouses in Perpetuating Illegal Cattle Ranching

The Nicaraguan beef industry is dominated by seven industrial slaughterhouses, which control nearly 95% of the country's beef exports. These slaughterhouses, central to the beef supply chain, have profited from the growing global demand for Nicaraguan beef. Since President Daniel Ortega returned to power in 2007, beef export revenues have soared from \$120.5 million in 2007 to \$682 million in 2022, making beef one of Nicaragua's most lucrative export products, representing approximately 8.62% of the nation's total exports in 2023.

However, these slaughterhouses are complicit in illegal cattle ranching, which is driving deforestation, human rights abuses, and environmental destruction. The absence of an effective traceability system to distinguish legally sourced cattle from those raised illegally in Indigenous territories and protected areas has allowed conflict beef to flood international markets, particularly the United States. This broken supply chain enables slaughterhouses to profit from cattle linked to deforestation, effectively laundering illegal beef into the global market.

**Figure 1. Accumulative exports of major beef related commodities from Nicaragua 2002-2021 (tons)**

Source: UN Comtrade



## The Expansion of Nicaragua's Beef Industry

According to the U.S. Department of Agriculture, Nicaragua was the 25th largest beef producer globally in 2023 and the leading producer in Central America.

From 2018 to 2023, Nicaragua's annual beef exports steadily increased, rising from 125,000 tons in 2018 to 146,000 tons in 2021 before experiencing a slight decline to 127,000 tons in 2023. Frozen beef accounted for 47% of total exports, while fresh and chilled beef products made up 43%. Offal and fats constituted the remaining 9%.

## Shifting Export Markets

While the United States remains a key market for frozen beef, accounting for 75% of this category on average per year, fresh and chilled beef exports are diversifying. El Salvador (33%), Mexico (31.5%), the United States (22%), Costa Rica (7.2%), and Guatemala (5.47%) have emerged as major importers of fresh and chilled beef. Notably, exports to Mexico have doubled since 2018, reflecting a growing reliance on regional markets.

The slaughterhouses' complicity in illegal ranching extends beyond beef exports. In 2021, Mexico was the largest importer of Nicaraguan leather and hides, accounting for over 4,000 tons (30.3% of the total) valued at just over \$1.5 million. Italy followed closely, importing a quarter of leather-related exports valued at \$3.9 million.



Novaterra slaughterhouse in Nicaragua  
Google Earth, Google, 11:24:2024, [www.google.com:earth](http://www.google.com:earth)



## 5.1 PROCESSING LOCATIONS AND MARKET LINKS IN THE UNITED STATES<sup>28</sup>

There are seven major slaughterhouses in Nicaragua exporting to the United States and other international markets. These facilities operate through an extensive network of buyers and intermediaries across the country. They purchase cattle weighing over 220 kilograms, which are then sent to finishing farms or directly to processing plants for slaughter. The majority of these processing plants are owned by economic groups with strong ties to Nicaragua's financial sector.

**Table 2. Nicaraguan exports of beef products to the USA by slaughterhouse (tons, 2018-2023)**  
Source: UN Comtrade

Exporter	2018	2019	2020	2021	2022	2023
Nuevo Carnic	11,540	17,592	14,968	17,922	16,955	14,880
Industrial Comercial San Martin	17,452	13,153	14,125	15,552	18,846	14,579
Matadero Central (MACESA)	8,066	14,388	13,386	13,391	16,330	13,891
Novaterra	4,545	6,156	4,664	5,277	6,561	6,585
Nica Beef Packers	-	-	-	282	2,090	1,810
Ganaderia Integral De Nicaragua	770	1,132	2,928	1,516	1,610	1,043
Industrias Carnicas Integradas	-	-	-	19	19	20
<b>Grand Total</b>	<b>42,373</b>	<b>52,422</b>	<b>50,070</b>	<b>53,959</b>	<b>62,410</b>	<b>52,808</b>

**Table 3. Nicaraguan exporters of beef products to the USA by slaughterhouse (percent of annual total, 2018-2023)**  
Source: UN Comtrade

Exporter	2018	2019	2020	2021	2022	2023
Nuevo Carnic	27.23%	33.56%	29.89%	33.21%	27.17%	28.18%
Industrial Comercial San Martin	41.19%	25.09%	28.21%	28.82%	30.20%	27.61%
Matadero Central (MACESA)	19.04%	27.45%	26.73%	24.82%	26.17%	26.31%
Novaterra	10.73%	11.74%	9.32%	9.78%	10.51%	12.47%
Nica Beef Packers	0.00%	0.00%	0.00%	0.52%	3.35%	3.43%
Ganaderia Integral De Nicaragua	1.82%	2.16%	5.85%	2.81%	2.58%	1.97%
Industrias Carnicas Integradas	0.00%	0.00%	0.00%	0.04%	0.03%	0.04%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## Nuevo Carnic S.A.

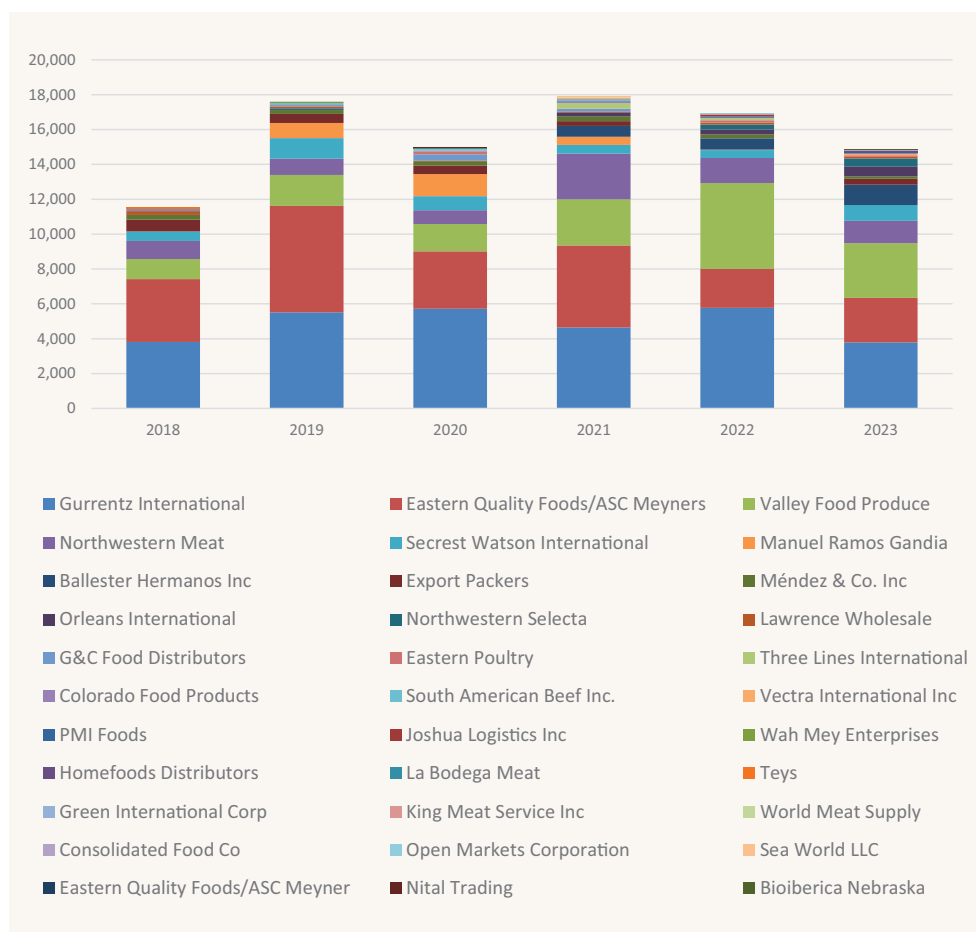
Founded in 1962, Nuevo Carnic S.A. is one of Nicaragua's largest beef exporters. After being confiscated from the Somoza family following the Sandinista revolution, the company was privatized in 1990 when the Sandinistas lost power. It has the capacity to slaughter up to 800 animals per day and sources beef from around 30,000 cattle ranchers annually, utilizing a network of 1,100 suppliers across Nicaragua.

A former employee who left the company in 2023 described how Nuevo Carnic S.A. covers 50% of transportation costs for cattle. Newer suppliers deliver to two company-owned feedlots, while established suppliers send their cattle directly to the processing plant. At the El Rancho feedlot in San Francisco Libre, five employees are dedicated to recruiting suppliers and purchasing cattle.

Between 2018 and 2023, Nuevo Carnic's exports to the United States were dominated by two buyers: Currentz International (31% of exports) and Eastern Quality Foods/ASC Meyners (24%).

**Figure 2. Nuevo Carnic exports to the US (tons, 2018-2023)**

Sources: Customs data, US import Comtrade



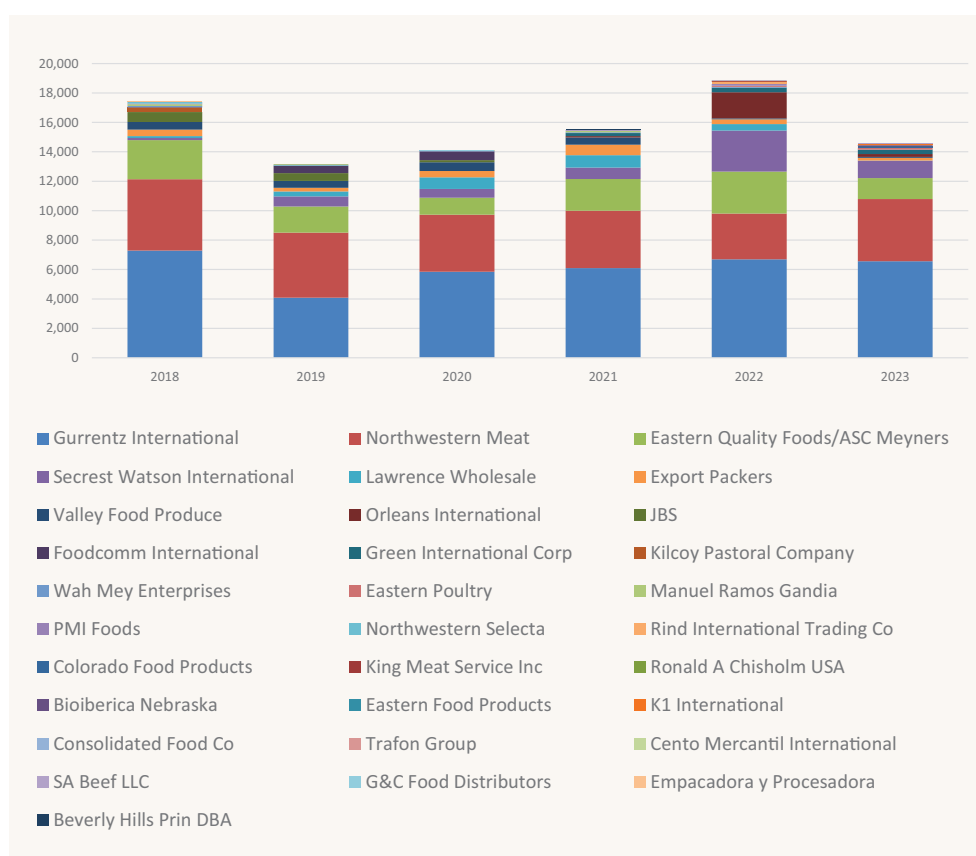
## Industrial Comercial San Martin S.A.

Established in 1975 in Nandaime, this slaughterhouse has the capacity to process 1,500 animals daily and can store up to 2 million pounds of product. The company sources animals from over 2,000 farmers nationwide, with 65% coming from grass-fed farms and 35% from their own feedlots. At the El Paraiso feedlot in Nandaime, 16 employees are dedicated to supplier recruitment and cattle procurement.

Industrial Comercial San Martin S.A. plays a significant role in processing beef for Industrias Cárnicas Integradas S.A. (ICI), a Walmart subsidiary supplying supermarkets in Costa Rica, Nicaragua, Guatemala, and El Salvador. Key U.S. distributors of San Martin's beef between 2018 and 2023 were Gurrentz International (39%), Northwestern Meat (26%), and Eastern Quality Foods/ASC Meyners (13%).

**Figure 3. Industrial Comercial San Martin S.A. exports to the US (tons, 2018-2023)**

Sources: Customs data, US import Comtrade





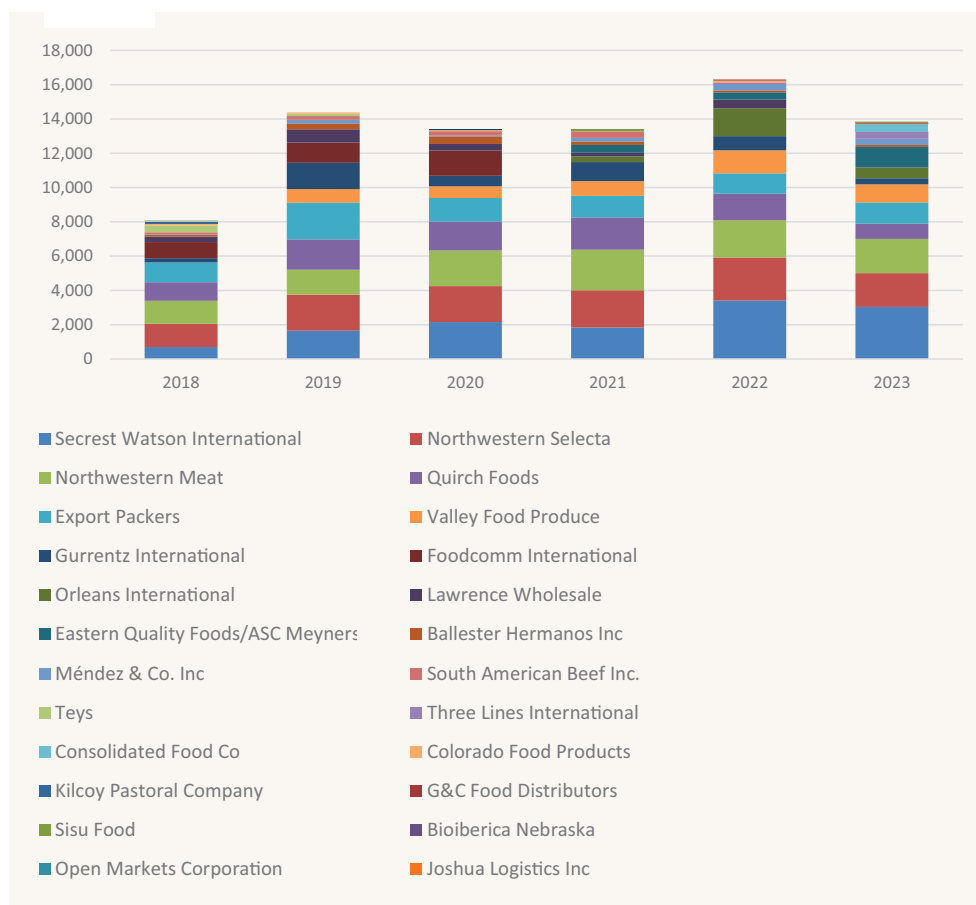
## Matadero Central S.A. (MACESA)

MACESA S.A. began operations in 2000 and has the capacity to slaughter 13,750 cattle monthly. According to a 2015 study, the company sourced 45% of its cattle from Nicaragua's South Caribbean Coast, 30% from Chontales, 8% from Boaco, and 5.7% from the North Caribbean Coast. Its feedlot, Agropecuaria el Ancla, can house 70,000 cattle, and 25% of the cattle it processes are finished at this facility.

Between 2018 and 2023, MACESA's primary U.S. buyers were Secrest Watson International (16%), Northwestern Selecta (15%), Northwestern Meat (14%), Quirch Foods (11%), and Export Packers (10.51%).

**Figure 4. MACESA exports to the US (tons, 2018-2023)**

Sources: Customs data, US import Comtrade



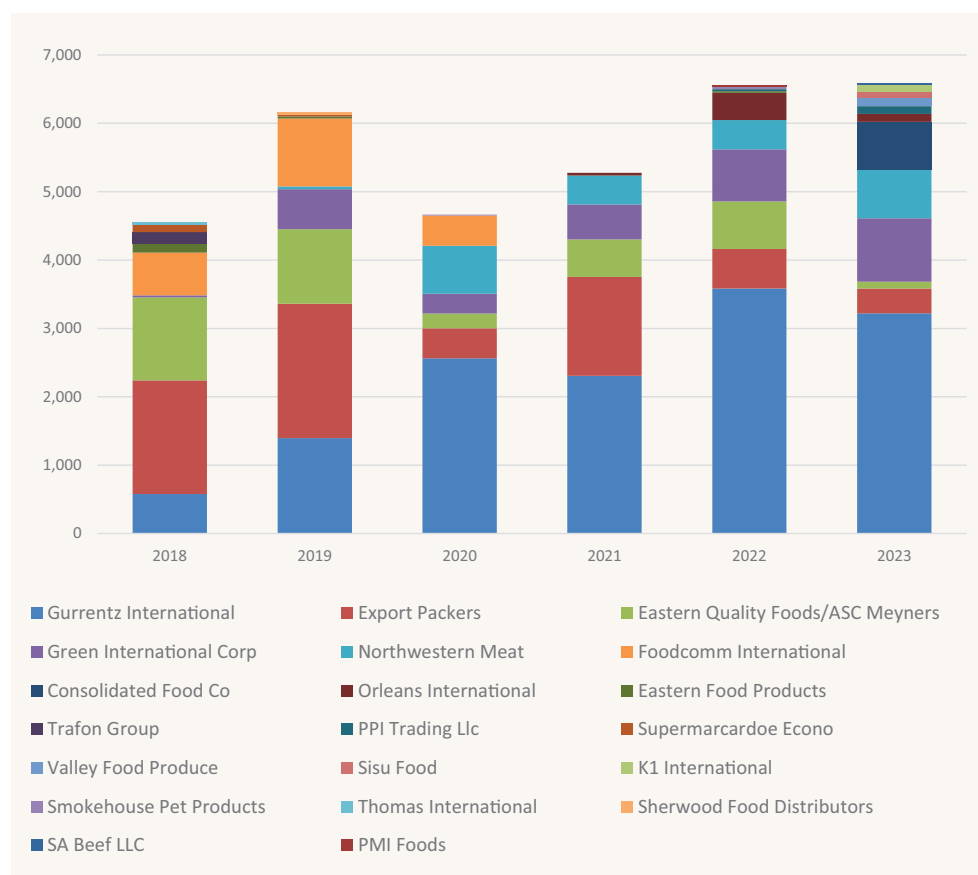
## Novaterra S.A.

Novaterra S.A. is a subsidiary of El Centro Internacional de Inversiones S.A., a Costa Rican company founded in 1969 that specializes in meat production and commercialization. Novaterra has established a nationwide network of suppliers to ensure a steady supply of cattle and has a processing capacity of 12,000 head monthly.

From 2018 to 2023, Novaterra's largest U.S. buyer was Currenttz International, which accounted for 40% of exports. Other significant buyers included Export Packers (19%), Eastern Quality Foods/ASC Meyners (11%), and Green International Corp (9%), collectively purchasing about 80% of Novaterra's exports to the U.S.

**Figure 5. Novaterra S.A. exports to the US (tons, 2018-2023)**

Sources: Customs data, US import Comtrade



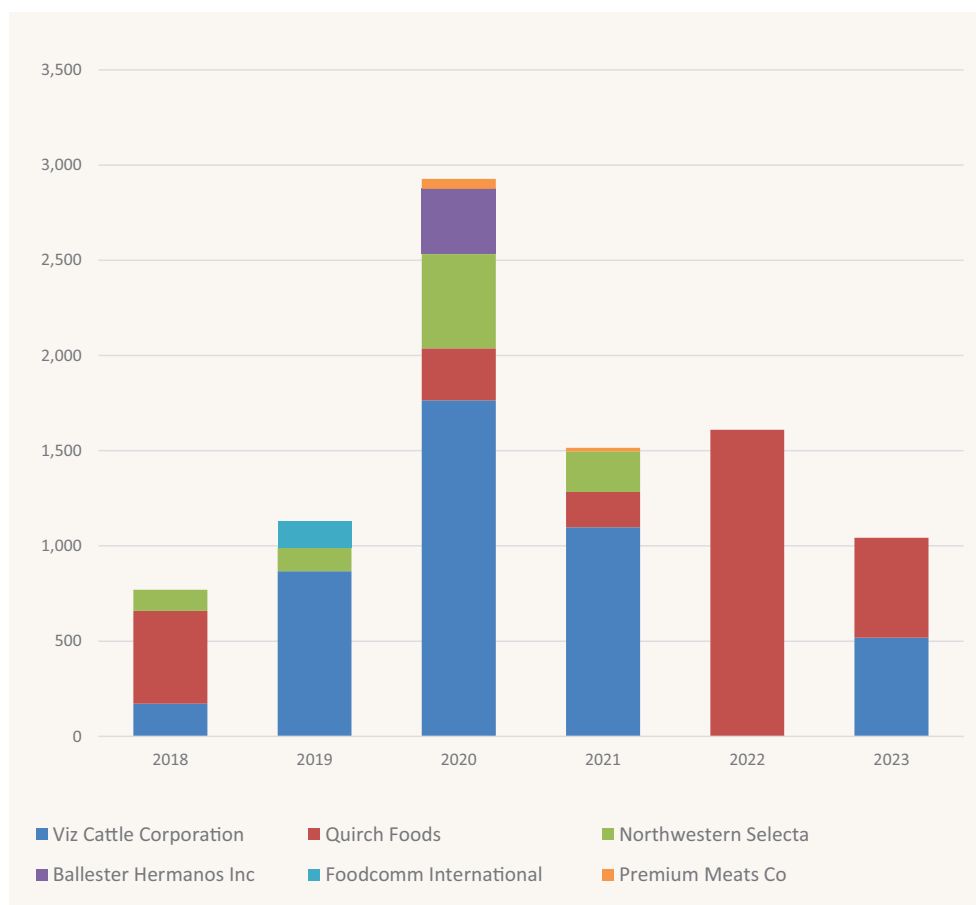
## Ganadería Integral de Nicaragua, S.A. / SuKarne

Ganadería Integral de Nicaragua, S.A. (GINSA) expanded abattoir opened in 2015, backed by funding from multiple corporate investors, including Rabobank-Mexico, Bancomext, and Bladex, under the leadership of the Inter-American Investment Corporation. The facility has a processing capacity of up to 180,000 head of cattle annually. GINSA is linked to Grupo Viz de México, which owns the SuKarne brand, Mexico's largest beef producer and exporter.

Half of GINSA's exports are shipped to the Viz Cattle Company, a Grupo Viz subsidiary. Other significant U.S. buyers are Quirch Foods (34%) and Northwestern Selecta (10%).

**Figure 6. GINSA exports to the US (tons, 2018-2023)**

Sources: Customs data, US import Comtrade





#### INFORMATION BOX 8

### **SuKarne denies it purchases cattle originating from Indigenous territories or protected areas**

In an interview for this report, illegal rancher José Solís Durón confirmed that he sells cattle from protected areas to intermediaries at Las Maravillas, who in turn supply SuKarne. According to Junier Samuel Herrera, SuKarne's representative in Nueva Guinea, a city in Southeastern Nicaragua, the company purchases about 2,000 head of cattle each week and maintains an inventory of at least 50,000.

When asked to comment, SuKarne stated “we categorically reject any insinuation that SuKarne purchases cattle originating from Indigenous territories or protected areas. None of our purchasing centers are located in such areas, and our procedures are designed to verify the legal and responsible origin of every animal. These processes have been confirmed through audits and ongoing reviews, including the most recent in 2025, conducted by the British Retail Council (BRC), one of the strictest certifications worldwide.

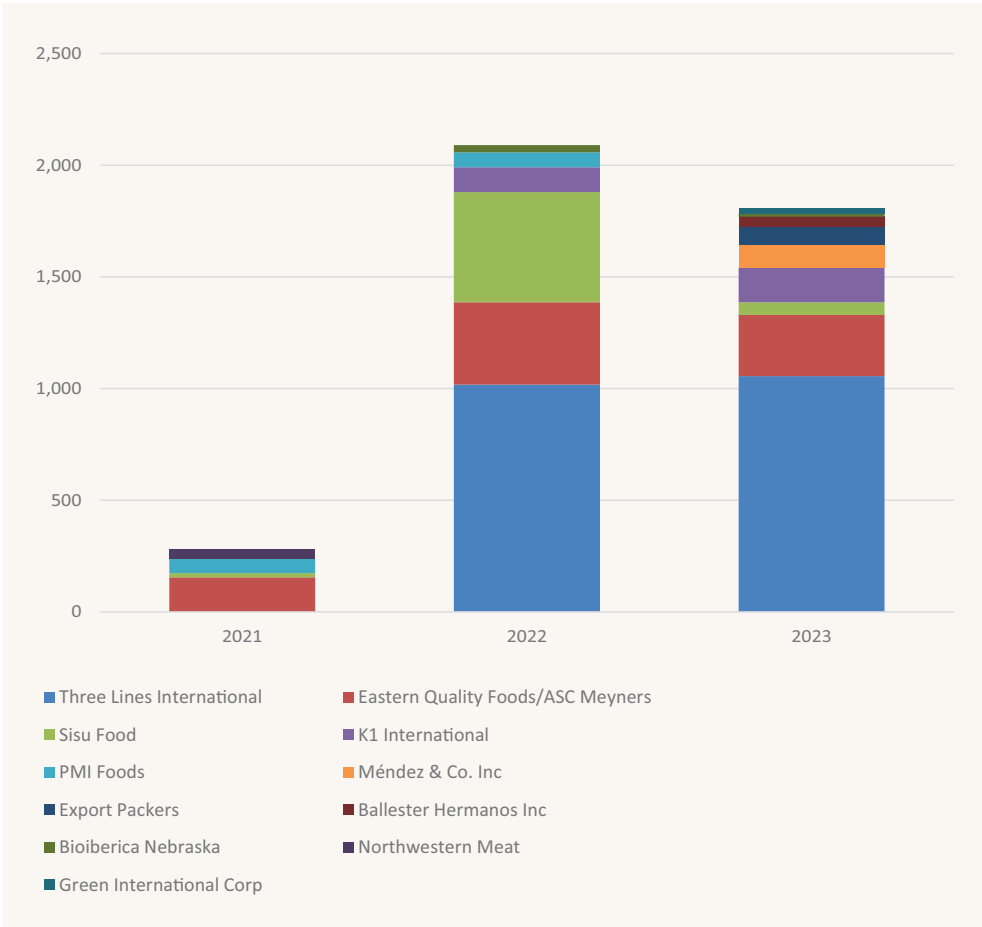
Moreover, the wide availability and quality of the Nicaraguan cattle herd in areas authorized for production makes it unnecessary—and even illogical—for a company of SuKarne's size and prestige to purchase from prohibited areas”. The company also added: “we reiterate our willingness to engage in constructive dialogue and collaboration with organizations that seek to strengthen responsible practices and sustainable growth in the sector, always based on objective and verifiable information.”

Nonetheless, these statements appear to conflict with testimonies from ranchers who report selling cattle from protected areas into supply chains connected to SuKarne, suggesting potential gaps in the company's traceability and monitoring systems.

Nicabeef Packers S.A.

Located in Condega, Estelí, Nica Beef Packers S.A. has the capacity to slaughter 300 cattle per day. There is limited additional information available about this company.

Figure 7. Nicabeef Packers exports to the US (tons, 2018-2023)  
Sources: Customs data, US import Comtrade



## 5.2 LINKS TO U.S. BEEF IMPORTERS AND TO MAJOR HOUSEHOLD BRANDS

An investigation by the Environmental Investigation Agency (EIA) found that beef imported from Nicaragua is commonly blended into lean ground beef products by major meat processors that sell to household name companies like Walmart, Burger King, Sam's Club, Kroger, Aldi, Applebee's, Chili's, Cracker Barrel, and Dairy Queen, although the research did not confirm which specific retailers use products containing Nicaraguan beef.

The sourcing by major U.S. grocery retailers and fast-food chains from meat processors and distributors that use Nicaraguan imports creates a risk that beef tied to deforestation, illegal ranching, and violations of Indigenous rights ends up in everyday American meals, largely without consumer awareness.

Between January 1, 2024 and June 30, 2025, an analysis of commercially-available maritime shipment data showed that the United States (including Puerto Rico) imported over 60 million kilograms of beef from Nicaragua by sea freight, with an estimated value of over \$390 million.<sup>29</sup> Despite persistent concerns about the traceability of Nicaraguan beef, demand remains strong, particularly in the U.S. market.

Northwestern Meat was the largest importer during this period, accounting for more than 15 million kilograms—roughly a quarter of all Nicaraguan beef entering U.S. sea ports—with an estimated value of more than \$90 million. Most shipments arrived through Port Everglades, Florida, followed by smaller volumes through Miami and Los Angeles.

The next three largest importers were:

- Currentz International: >11.6 million kg (estimated value >\$62 million)
- Eastern Quality Foods: >8.5 million kg (estimated value >\$56 million)
- Valley Food Produce: >5.7 million kg (estimated value >\$36 million)



Northwestern Meat, Inc. headquarters in Miami, Florida



These companies sourced beef from all four of Nicaragua's largest slaughterhouses—Nuevo Carnic, Matadero Central, Industrial Comercial San Martin, and Novaterra—with the exception of Valley Food Produce, which did not import from Novaterra.

A central industry practice investigated by EIA is the blending of lean imported trimmings with fattier U.S. trimmings to produce ground beef with optimal fat content. This process is largely driven by cost and fat ratios—not origin—and is standard practice across the industry. EIA confirmed that Nicaraguan beef is integrated into the U.S. beef supply chain primarily for this reason and is likely present in a wide range of lean ground beef products consumed by American households, whether as store-brand ground beef and patties or fast food burgers. These findings align with broader media investigations into the use of imported beef in U.S. hamburger production. Thus, while EIA focused specifically on Northwestern Meat's supply chains, as the largest importer of beef from Nicaragua, the findings likely extend to the supply chains of other major importers as well.

### **Northwestern Meat, Inc. Supply Chains**

According to the maritime shipment data described above, Northwestern Meat sourced roughly 84% of its U.S. beef imports from Nicaragua by weight between January 1, 2024 and June 30, 2025, with the remainder from Costa Rica and Uruguay. Its key Nicaraguan suppliers were Industrial Comercial San Martin (48%), Matadero Central (21%), Nuevo Carnic (19%), and Novaterra (12%).

Northwestern sells this beef to a network of U.S. processors and distributors. These actors then supply products to grocery stores and restaurant chains across the country. EIA found evidence that the following companies source beef from Northwestern Meat and use beef trimmings from Nicaragua in their ground beef products:

- **FPL Foods**, which operates two facilities in Thomasville, GA, is a major ground beef supplier to Walmart. A company representative confirmed they use imported beef in their ground beef mix and that Nicaragua was an approved source. EIA found evidence of regular transport of beef between Northwestern Meat and FPL's Thomasville ground beef facility. When asked to comment, FPL stated that it is "firmly committed to upholding high standards of environmental stewardship, animal welfare, and respect for Indigenous rights" and has "a comprehensive Supplier Approval Program in place, designed to ensure that all of our suppliers adhere to both our internal policies and relevant national and international regulations." Regarding its sourcing from Nicaragua, the company said "prior to purchasing product from this region, FPL received formal documentation from our Nicaraguan suppliers confirming their full commitment to and compliance with Nicaragua's National Traceability System. This includes assurances that cattle are not sourced from protected areas, Indigenous territories, or lands subject

to illegal deforestation” and that “should any credible evidence arise indicating a breach of compliance by any supplier, we will promptly investigate and take corrective action as appropriate.”

- **Brown Packing**, based in South Carolina, sells a 90% lean ground beef product sold under the "Walter's Best" brand by Sam's Club. A company representative confirmed the use of imported beef—including from Nicaragua—and explained that beef from multiple countries may be mixed to meet lean content specifications, raising the possibility that Nicaraguan beef is used in products supplied to Sam's Club.
- **Birchwood Foods/Kenosha Beef**, with processing plants in Georgia, Ohio, and Wisconsin, confirmed it uses Nicaraguan beef in some of its ground beef products. The company supplies ground beef products such as hamburger patties and pre-cooked beef to Burger King, Taco Bell, Chili's, Applebee's, Cracker Barrel, and Dairy Queen. It also supplies ground beef for private label use in Kroger, Walmart, and Aldi stores. While the research did not confirm which of Birchwood's customers use products containing beef from Nicaragua, a company representative stated that imported beef including from Nicaragua is commonly used in their ground beef product lines due to the shortage of lean trimmings produced in the U.S. When asked to comment, the company stated that it “does not have any reason to believe that any of its beef products are sourced from cattle raised illegally in Indigenous or protected areas in Nicaragua. Our suppliers have assured us that they have in place a system of full cattle traceability to ensure this.”
- **Quirch Foods**, a Miami-based distributor with a national footprint, confirmed that about 5% of its beef is imported, including from Nicaragua. Quirch distributes for numerous brands, though it remains unclear which of these products contain Nicaraguan beef.

Taken together, these findings reveal a clear pattern: Nicaraguan beef, including from slaughterhouses linked to illegal cattle ranching, is entering U.S. supply chains and reaching consumers through major retailers and food service brands. Despite marketing that emphasizes “local” or “U.S.-sourced” beef, many of these products use imported lean trimmings—often without any disclosure of origin. What's more, under current U.S. regulations even products containing imported beef may be labeled “Product of the USA” if the meat was processed in the U.S., although a new rule expected to take effect at the beginning of 2026 would close this loophole.<sup>30</sup>

The opaque nature of the supply chain, combined with weak traceability standards, allows beef from deforested and Indigenous lands in Nicaragua to enter U.S. food systems. Major retailers—from Walmart and Sam's Club to Burger King—are exposed to these risks, while consumers remain unaware.

## INFORMATION BOX 9

### Response to Media Exposure and Industry Commitments

In October 2020, [PBS NewsHour](#) aired an [investigation](#) that exposed serious human rights violations and illegal cattle ranching in Indigenous territories in Nicaragua.<sup>31</sup> The report highlighted the environmental and social impacts of illegal cattle farming, which has been a driving force behind deforestation in protected areas. In response to this negative publicity, the Nicaraguan Chamber of Bovine Export Plants (CANICARNE) swiftly sought to address concerns by sending a letter to the Meat Import Council of America, Inc. (MICA). The letter aimed to reassure U.S. importers and consumers about the integrity of their supply chain:

**“We guarantee the traceability of cattle that is processed in our establishments and also guarantee that these animals DO NOT originate from protected zones and/or forest or biological reserves. Similarly, our traceability system does NOT allow for the registry of establishments located in areas not legally zoned to produce cattle.”**

Alongside this letter, CANICARNE provided a document titled “Agreement of Intention to Promote Mechanisms that Guarantee Zero Agriculture and Livestock Activity in Protected Areas and Zero Deforestation in Buffer Zones, Especially in the Bosawas Biosphere Reserve and the Indio Maíz Biological Reserve.”<sup>32</sup> This document outlined a series of commitments made by livestock and agricultural organizations, along with the Meat and Dairy Industry, to safeguard Nicaragua’s protected areas. Key commitments included:

#### **1. Zero Livestock and Agricultural Activity in Protected Areas:**

A pledge to prevent any livestock or agricultural operations in protected areas and ensure zero deforestation in buffer zones, particularly in the Bosawás Biosphere Reserve and Indio Maíz Biological Reserve.

#### **2. Promotion of Sustainable Alternatives:**

Encouraging alternatives like forest plantations, silvopastoral, and agroforestry systems within buffer zones to mitigate environmental impacts.

#### **3. Strengthening Communication Channels:**

Establishing robust communication networks among local associations, Indigenous communities, and other stakeholders to foster compliance with zero deforestation and zero livestock activity in protected areas.

#### **4. Guarantees Against Raw Material Sourcing from Protected Areas:**

Developing mechanisms to ensure that raw materials, including cattle, are not sourced from protected regions, particularly those in the Bosawás Biosphere Reserve and Indio Maíz Biological Reserve.

Despite these assurances, the evidence points to a different reality. The continued rise in primary forest loss in regions such as Indio Maíz and the Mayangna Sauni Bas territory indicates that the cattle industry has not adhered to its commitments. While the industry claims compliance with the National Traceability System, it has failed to enforce mechanisms that verify the practices of indirect suppliers. This oversight has allowed cattle raised illegally in protected areas and Indigenous territories to enter the legitimate supply chain, contributing to ongoing deforestation and environmental degradation.

Indigenous leaders also condemned the agreement put forward by the cattle industry, pointing out that it was signed by the president of the Alliance of Indigenous and Afro-descendant Peoples of Nicaragua (APIAN) without formal approval from the organization's members. This has raised concerns about the industry's attempts to mislead importers in the United States and other markets.



## 6 Conclusions and Recommendations

### Conclusions

The investigation into the Nicaraguan beef industry reveals a troubling reality: illegal cattle ranching is a primary driver of deforestation in the country's protected areas, particularly in the Indio Maíz Biological Reserve and the Mayangna Sauni Bas Territory within the Bosawas Biosphere Reserve. Despite existing regulations and the National Traceability System intended to prevent illegal cattle from entering the supply chain, compromised oversight, and lack of transparency mean that cattle raised illegally in protected areas and Indigenous lands are being purchased by the main slaughterhouses exporting beef to the United States and other countries.

Key stakeholders—ranging from cattle ranchers and intermediaries to slaughterhouses and even consumers—are implicated in this destructive supply chain. Slaughterhouses in Nicaragua, such as Nuevo Carnic, Novaterra and SuKarne, have been identified as purchasing cattle from sources that include protected areas and Indigenous territories. The complicity extends beyond national borders, with major international importers and retailers in the United States and Europe sourcing Nicaraguan beef without ensuring adequate traceability and transparency and selling to unsuspecting consumers.

The ongoing illegal cattle ranching activities threaten not only Nicaragua's last remaining tropical rainforests but also the lives and livelihoods of Indigenous and Afrodescendent communities who depend on these ecosystems. These communities face severe human rights violations as they strive to protect their ancestral lands from encroachment and deforestation. Without urgent, coordinated action, these issues will continue to drive environmental destruction, fuel violence in local communities, and entrench unsustainable practices across the global beef supply chain.



Illegal cattle farm in the core area of Indio Maíz

## Recommendations

To effectively address the environmental, social, and ethical challenges highlighted in this investigation, coordinated and immediate action is required from governments, companies, policymakers, and consumers. Below are clear and actionable steps for key stakeholders:

### For the Ortega Administration:

#### 1. Dismantle Illegal Farming in Protected Areas:

- Take decisive action to dismantle illegal farms within protected areas and Indigenous territories.
- Confiscate illegally raised cattle, prosecute illegal ranchers, and ensure consistent monitoring to prevent further invasions.

#### 2. Implement Comprehensive Land Registration and Management:

- Enforce a transparent and verifiable land registration process for all rural properties, mandating the use of geographical information system (GIS) mapping to prevent illegal land grabs.
- Ensure compliance with environmental and land-use regulations through regular audits and enforcement.

#### 3. Enhance and Enforce the National Traceability System:

- Provide full access to real-time data on cattle movements to identify and address supply chains linked to illegal sources.
- Regularly publish an updated list of illegal cattle ranches and farms involved in deforestation and land grabbing, using satellite imagery and information from Indigenous and Afrodescendant rangers to monitor these areas.
- Take immediate actions to stop expansion into protected areas and Indigenous territories.

#### 4. Strengthen Oversight and Combat Corruption:

- Increase the capacity and integrity of IPSA and other regulatory agencies to ensure active enforcement of laws governing cattle ranching and beef exports.
- Ensure transparency in legal actions against illegal cattle ranchers, with measurable outcomes.

#### 5. Support Sustainable Alternatives and Indigenous Rights:

- Promote economic alternatives like agroforestry, sustainable tourism, and eco-friendly agriculture to protect forests and biodiversity.
- Legally recognize and safeguard the land rights of Indigenous and Afrodescendant communities, integrating their participation and traditional knowledge in conservation strategies.

### For International Importers and Retailers:

#### 1. Demand Full Supply Chain Traceability:

- Require Nicaraguan suppliers to establish full traceability systems that track cattle back to their birth farms, with a strict deadline for compliance.
- Enforce a zero-tolerance policy for beef linked to deforestation and human rights abuses, working only with suppliers who meet robust traceability and ethical standards.

#### 2. Support Independent Monitoring and Verification:

- Partner with third-party organizations and NGOs to create independent monitoring systems that verify the origin of beef products and ensure transparency.
- Share findings from these systems publicly to enhance accountability and consumer trust.

These recommendations aim to create a more ethical and sustainable beef industry in Nicaragua by addressing the systemic issues of deforestation, illegal ranching, and human rights violations, while holding all stakeholders accountable.

### For Consumers:

#### 1. Make Informed Purchasing Decisions:

- Choose beef products that can be proven to have not caused deforestation or human rights violations, prioritizing suppliers and brands that demonstrate a commitment to ethical sourcing.
- Advocate for greater transparency and accountability from retailers and brands regarding the origins of their beef products and their environmental and social impacts.
- Advocate for the approval of legislation, such as the FOREST Act in the United States, which aims to promote the consumption of deforestation-free products, contributing to protect and restore the world's forests.
- Reduce beef consumption. Find planet-friendly alternatives like beans, legumes, and plant-based alternatives.

By adopting these recommendations, stakeholders at all levels can help address the systemic issues in the Nicaraguan beef industry, reduce deforestation, uphold human rights, and ensure a future for the country's tropical rainforests and Indigenous and Afrodescendant communities.

## For local, state and federal governments in the United States:

### 1. Regulate Beef Supply Chains and Promote Accountability

- To reduce deforestation globally and address corruption and environmental crimes abroad, including in Nicaragua, we strongly urge Members of Congress in the United States to support and enact measures such as proposed in the FOREST Act. This legislation provides essential tools to protect the world's forests and includes the following provisions:
- Ban Imports from Illegally Deforested Land. Prohibit agricultural commodities, such as beef, produced on illegally deforested land from entering U.S. markets.
- Require Supply Chain Due Diligence. Mandate companies to conduct risk-based due diligence on imports linked to deforestation, ensuring full traceability and transparency within supply chains.
- Support for Global Governance Improvements. Enhance U.S. engagement with and provide support for countries making tangible efforts to improve governance and reduce deforestation.
- Combat Corruption and Financial Crime. Strengthen tools to address corruption and financial crimes connected to deforestation, ensuring accountability throughout the supply chain.
- Promote Zero-Deforestation Procurement. Establish state and federal government preferences for procuring products that adhere to zero-deforestation practices.
- Reinstate Mandatory Country of Origin Labeling (MCOOL) for beef to enhance transparency, empowering U.S. consumers with clear information about the origins of the beef they purchase.
- Provide USDA with a mandate to investigate human rights violations related to commodity imports, such as beef.
- Increase consumer awareness campaigns to highlight the environmental impacts of illegal ranching and promote sustainable beef consumption.

## For Slaughterhouses and Beef Exporters:

### 1. Commit to Zero Deforestation Supply Chains:

- Source exclusively from suppliers with verifiable zero-deforestation practices, supported by third-party verification mechanisms.
- Require suppliers to provide proof of legal cattle origin, detailing every farm where the animals were raised from birth to slaughter, and enforce adherence to environmental and social standards.

### 2. Increase Transparency and Accountability:

- Publicly disclose detailed information about all suppliers, including the geographical location of farms and their environmental impacts.
- Implement robust systems, such as blockchain, to ensure cattle from protected areas or Indigenous territories are excluded from the supply chain.



# Endnotes

1. UNESCO, Bosawas Biosphere Reserve, <https://www.unesco.org/en/mab/bosawas>.
2. Sources: Hansen, M. C., P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, and J. R. G. Townshend. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." *Science* 342 (15 November): 850-53. [10.1126/science.1244693](https://doi.org/10.1126/science.1244693) Data available on-line at: <https://glad.earthengine.app/view/global-forest-change>.
3. Ibid.
4. Banco Interamericano de Desarrollo (IDB Invest). Ganadería Integral de Nicaragua, S.A. Última modificación el 18 de octubre de 2011. <https://idbinvest.org/pt/node/54627>.
5. World Resources Institute, Latest Analysis of Deforestation Trends, Global Forest Review, <https://gfr.wri.org/latest-analysis-deforestation-trends>
6. World Resources Institute, Tree Cover Loss in Nicaragua (2007–2023), Global Forest Watch, <https://www.globalforestwatch.org/dashboards/country/NIC/>
7. CREA Comunicaciones, "BID ejecutó exitoso proyecto piloto de trazabilidad en Nicaragua," CREA Comunicaciones, <https://www.creacomunicaciones.com/bid-ejecuto-exitoso-proyecto-piloto-de-trazabilidad-en-nicaragua/>
8. "Nicaragua apuesta por la trazabilidad bovina para conquistar Estados Unidos," Infobae, February 1, 2021, <https://www.infobae.com/america/agencias/2021/02/01/nicaragua-apuesta-por-la-trazabilidad-bovina-para-conquistar-estados-unidos/>
9. El 19 Digital. 2021. "Resultados del Estudio Nacional al Hato Ganadero 2021". 19 de octubre 2021. <https://www.el19digital.com/articulos/ver/titulo:121733-resultados-del-estudio-nacional-al-hato-ganadero-2021>.
10. Onda Local. "Interview with José Solís Duron on Illegal Cattle Sales." Nueva Guinea, 2017. Audio recording on file with authors.
11. Ibid.
12. Confidential Interviews with Former IPSA Employees, Veterinarians, and Cattle Ranchers. Conducted by authors, 2021–2023.
13. Instituto de Protección y Sanidad Agropecuaria (IPSA). Sistema Nacional de Trazabilidad Bovina (SNTB) Database. Managua: IPSA, 2020. Access via confidential interviews.
14. ESRI, NASA, NGA, and USGS. Satellite Imagery Analysis of Forest Cover Loss in Nicaragua, 2016–2023. Processed by the investigation team.
15. "Par de sujetos fueron detenidos con más de dos kilos de cocaína en Nueva Guinea, Caribe Sur," Radio La Nueva Ya, <https://nuevaya.com.ni/sucesos/par-de-sujetos-fueron-detenidos-con-mas-de-dos-kilos-de-cocaína-en-nueva-guinea-caribe-sur/>
16. de Castro, Camilo, Field Investigation and Interviews Conducted in Rama and Kriol Territory, 2017–2018
17. de Castro, Camilo, Field Investigation and Interviews Conducted in Rama and Kriol Territory, 2017–2018.

# Endnotes

18. Instituto de Protección y Sanidad Agropecuaria (IPSA). Sistema Nacional de Trazabilidad Bovina (SNTB) Database. Managua: IPSA, 2020. Access via confidential interviews.
19. ESRI, NASA, NGA, and USGS. Satellite Imagery Analysis of Forest Cover Loss in Nicaragua, 2016–2023. Processed by the investigation team.
20. In this case, the cattle rancher's identity was withheld to protect him from government reprisals for cooperating with our investigation.
21. Confidential Interviews with Former IPSA Employees, Veterinarians, and Cattle Ranchers. Conducted by authors, 2021–2023.
22. Hansen, M. C., P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, and J. R. G. Townshend. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." *Science* 342 (15 November): 850–53. [10.1126/science.1244693](https://doi.org/10.1126/science.1244693) Data available on-line at: <https://glad.earthengine.app/view/global-forest-change>.
23. Confidential Interviews with Former IPSA Employees, Veterinarians, and Cattle Ranchers. Conducted by authors, 2021–2023.
24. Field Investigation and Interviews Conducted in Bosawas Biosphere Reserve, 2021–2023.
25. Alvarado Urbina, Hilenne Lisbeth, and Luis Enrique Urbina Tinoco. n.d. Evaluación del bienestar animal en ganado bovino de producción de carne y leche en la Hacienda Altamira (código 9130-011336), comarca La Bu, municipio de Siuna, RACCN. Undergraduate thesis, Universidad Nacional Agraria, Facultad de Ciencia Animal, Departamento de Medicina Veterinaria.
26. Field Investigation and Interviews Conducted in Bosawas Biosphere Reserve, 2021–2023.
27. Ibid.
28. Mario Rutner. Nicaragua Beef Export and US Import Analysis 2018–2023. Data Analysis, 2023. (Internal report)
29. Analysis by EIA of maritime shipments accessed through [panjiva.com](https://panjiva.com) containing goods classified under Harmonized Tariff System (HS) codes 0201 or 0202
30. <https://www.rounds.senate.gov/newsroom/press-releases/rounds-introduces-legislation-to-permanently-protect-product-of-usa-label-for-meat-products>
31. PBS NewsHour. 2024. "In Nicaragua, Supplying Beef to the U.S. Comes at a High Human Cost." PBS NewsHour, February 18, 2024. <https://www.pbs.org/newshour/show/in-nicaragua-supplying-beef-to-the-u-s-comes-at-a-high-human-cost>.
32. Canicarne Environmental Statement, Canicarne, <https://www.gurrentz.com/wp-content/uploads/2021/04/Canicarne-environmental-statement.pdf>







