

Climate Bonds Initiative and Brazil Ministry of Agriculture sign Memorandum of Understanding to foster growth in sustainable Agribusiness financing

New York 22 /11/2019 10 am: The Climate Bonds Initiative and the Brazil Ministry of Agriculture signed in New York a Memorandum of Understanding with the aim of developing the green bond market for Brazilian agribusiness and attract new sources of much needed investment for the sector.

The initiative directs the efforts for greater exchange of knowledge, development of green criteria for evaluation and certification of projects in the sector and coordinating such efforts with Brazilian institutions to drive forward green finance opportunities.

In the signing ceremony, the Brazil Minister of Agriculture Tereza Cristina highlighted the importance of the MP 897/2019, which is now under evaluation in Congress and establishes mechanisms for investment in the Brazilian rural sector.

The minister also cited the recent green issuance of the São Paulo Colorado plant, the first company in the world to issue certified green CRA for bioenergy. The issuance of US\$ 50 million is in agribusiness credit receivables (CRA) and has been certified according to the [Climate Bonds Standard & Certification Scheme](#).

Tereza Cristina, Minister of Agriculture, Brazil

"We seek to build an innovative, dynamic, profitable and sustainable agriculture. The Ministry is committed to the development of the green bond market. The memorandum of understanding with the Climate Bonds Initiative will surely bring important results to the segment. It may serve, for example, as an important tool for accelerating the conservation process of public areas."

"I reinforce the government's commitment to continue fostering a healthy business environment by simplifying bureaucracy, easier access to credit, improving infrastructure and addressing the needs of farmers, regardless of their size."

"I am confident that together we will continue to build a sustainable agriculture industry that will bring prosperity to all Brazilian society and our partners around the world."

Justine Leigh-Bell, Vice President, Climate Bonds Initiative:

"Brazil is open for business, and that is clearly visible. We know that a significant portion of the Brazilian agricultural sector depends on the government for funding and that has to change. This capital has to come from the private sector, where there are trillions in assets looking to invest in green."

"International investors are demanding more transparency and want to connect their portfolio to green investments. The time is now for Brazil to unveil the investment opportunities it has in its sustainable agriculture industry where new sources of capital, potentially cheaper capital, can be directed to achieve global scale. Brazil has all the tools to make this happen."

Moacir Teixeira, Economist and Founding Partner, Ecoagro

"Brasil has agro-technology and an enormous potential to grow. That's why we decided to invest in the Green Bond market. Now I am proud to say that we made the first Climate Bonds Initiative Certified CRA for the sugar and alcohol sector."

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About the Climate Bonds Initiative: Climate Bonds Initiative is an international investor-focused not-for-profit organization working to mobilise the USD100tn bond market for climate change solutions. The Climate Bonds Initiative carries out market analysis, policy research, market development; advises governments and regulators; and administers a global green bond Certification Scheme. For more information, please visit <http://www.climatebonds.net>.

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