



Press Release

&Green Fund Makes Investment in Brazilian Group Roncador for Integrated Sustainable Soy Cattle Production at Scale

Sao Paulo/Amsterdam, [June 3], 2020 – The &Green Fund, a blended finance impact investment fund focused on forest protection and tropical forest commodities, has announced the signing of a USD 10 million, 8-year loan facility with Grupo Roncador, a Brazilian company invested in cattle ranching and soy and corn production, in the Mato Grosso state.

The transaction seals &Green’s first investment in Brazil. It will support Roncador in upscaling their sustainable production blueprint centred on the integration between crop and livestock systems, thereby intensifying and recuperating degraded pastures on over 60,000 hectares of farmland. At the same time, Roncador, which is committed to adhering to the highest standards of environmental and social performance, guarantees the protection of more than 70,000 hectares of forest, and the restoration of 200 hectares of forest.

The investment helps restoring soil fertility and decreases the need for pesticides as well as having a positive greenhouse gas impact leading to lower emissions per unit of protein produced and aiming at lowering absolute emissions despite increased production. Roncador estimates a productivity increase on tons of food of 58% in the same area of land and has already reversed its carbon emissions balance. The farm not only neutralizes its own emissions, but also generates a surplus of carbon capture in the soil, contributing to the rebalancing of the planet.

Roncador’s efforts are in line with the State of Mato Grosso’s progressive green growth strategy (“*production, conserve, include strategy*”) and the Brazilian Forest Code, including through investments in sustainable land use and intensification, as well as improved farming management, which lead to reducing the pressure on the forest. Such private sector action is critical to continued public support of important regulation aiming at combining sustainable low-carbon economic development with forest and biodiversity protection.

In collaboration with &Green’s investment advisor, Dutch catalytic investment company SAIL Ventures, Roncador has developed a comprehensive environmental and social action plan as well as a landscape protection plan that commits the company to disseminating its blueprint and know-how across the industry. From the farmer’s movement Liga do Araguaia, comprised of 63 farms in the Araguaia Valley, to existing work with Embrapa, the Agricultural Research Corporation of Brazil, as well as through its own communication campaigns, Roncador help others to understand and adopt the crop-livestock integration system model, catalyzing the replication and scale-up of its transformative approach.

“Supporting farmers in their efforts to develop more efficient production models in food production, soil regeneration and carbon capture is critical in tomorrow’s land use strategies. We welcome &Green’s focus on financing companies like ours, working on creating sustainable and commercially viable projects for the sector”, says Pelerson Penido Dalla Vecchia, CEO of Group Roncador.

Nanno Kleiterp, Chairman of the Board of the &Green Fund, adds: “&Green’s first investment in Brazil sends a message about rewarding and supporting reputable players that operate beyond “business-as-usual” from a production and protection perspective, and helping them to get to scale – this is core to &Green’s vision of decoupling commodity production from deforestation.”

“&Green’s USD 10 million, 8-year loan, complemented by a BRL facility extended by a leading Brazilian financial institution, provides Roncador and its financiers with the confidence to implement an ambitious sustainable intensification programme that can serve as a blueprint for other farmers on how commercially viable cattle and soy farming can be combined with accelerated regulatory compliance and forest protection”, says Gustavo Oubinha, Investment Director for Brazil at SAIL Ventures, &Green’s investment advisor.

--- ENDS ---

For more information please contact

info@andgreen.fund / oubinha@sailventures.com

contato@gruporoncador.com.br

About &Green (www.andgreen.fund)

&Green, incorporated as a Dutch Stichting, was developed under the leadership of IDH in close collaboration with **Norwegian International Climate and Forests Initiative (NICFI)**. It is a blended finance debt fund investing in commercial projects that can demonstrate decoupling of commodity production from deforestation while being socially inclusive. &Green is focused on tropical forest jurisdictions with progressive forest protection strategies and targets in place. Its targets sectors are the commodities that are driving deforestation such as palm oil, soy, beef, forestry and others. Current contributors to the fund include the Government of Norway, through its International Climate and Forest Initiative (NICFI), Unilever, the British-Dutch consumer goods company, and **the Global Environment Facility (GEF)**, with **UN Environment** acting as its implementing agency. Dutch advisory firm **SAIL Ventures** acts as the fund's investment advisor.

About Roncador (www.gruporoncador.br)

Grupo Roncador, considered one of the main agricultural groups in Brazil, started its activities in 1978, the year in which its founder, Pelerson Soares Penido, acquired the first lands in the state of Mato Grosso. Fazenda Roncador, headquartered in Querência (MT), is one of the largest productive rural properties in the country. A reference in beef cattle in the Araguaia Valley region, the group is involved in breeding, rearing and fattening cattle. It has developed and continuously improved its production system that integrates agriculture, livestock, forest conservation and people development. It takes care of a herd of approximately 70,000 head of cattle and plants 50,000 hectares annually interspersing soybeans, corn and grass for grazing, which allows nutrient recycling, regeneration and accumulation of organic material in the soil.