

SUCCESS CASES OF THE STATE OF MINAS GERAIS/BRAZIL

CLIMATE FINANCING

Agro Sustentável

In 2022, the LabAgroMinas was released, a partnership between the BDMG and Embrapa which aims to promote and stimulate the low carbon agriculture. The program focuses on promoting sustainable practices, by the adoption of new agriculture technologies that reduce the greenhouse gas emissions and promote the soil regeneration, ensuring high productivity with the use of local inputs and reduce costs for the producer. Two financial products were created to attend the project: “BDMG Bioinsumos” (BDMG Bio-inputs), to finance the implementation of bio factories that produces bio-inputs in rural properties for own use, as the implementation of biodigesters and composting; and “Solo Mais” (Soil Plus), which finances the acquisition of soil remineralizers, natural fertilizers, bio-inputs and cover crop seeds. BDMG also invests in training the local technical assistance network to apply the technologies promoted by the program. In 2023, more than 400 professionals were trained in a 61-hour course, which included a field day.

In December 2022, the first disbursement was made within the scope of LabAgroMinas, in the amount of USD 399,408, for a project to convert animal waste into clean energy and biofertilizers to use in corn planting. With this, it is estimated to generate annually USD 239,645 in clean energy and avoid the emission of CO₂ equivalent to 425,000 km driven by a heavy diesel truck.



In June this year, the first disbursement of the BDMG Solo Mais credit line was made, in the amount of USD 838,758. The funding was intended for the conversion of grain crops planting under the conventional system to a regenerative system. Thus, it will be possible to substantially reduce the use of chemical inputs, with the use of soil remineralizers, natural fertilizers, bio-inputs and cover crop seeds. At a conservative estimate, the project is expected to reduce greenhouse gas emissions by approximately 1,173 tons of CO₂ per year.

BDMG intends to release USD 26,960,099 over the next 5 years in the program's credit lines. Added to other lines of financing aimed to sustainable agriculture, between 2020 and 2023*, the Bank has already disbursed USD 17,414,226 for 26 projects.