

Dutch government and Rabobank announce anchor investments in AGR13 Fund

Support of 80 million for billion-dollar sustainable agriculture and forestry initiative

The USD 1 billion sustainable agriculture and forestry initiative “AGR13” has been strengthened by two new cornerstone investors. On January 23, the Dutch Ministry of Foreign Affairs announced that it will become an anchor public investor in the AGR13 Fund by contributing USD 40 million. At the World Economic Forum in Davos Rabobank stated it will match this amount. Together these contributions will mobilize commercial finance, which can be used to finance sustainable agriculture and accelerate forest protection.

Forests are key to mitigating climate change

A growing demand for food is placing land and forests under tremendous strain. Seven million hectares of tropical forests disappear annually and emissions related to agriculture and tropical forest loss contribute 24% to total global greenhouse gas emissions: more than cars and planes combined. The AGR13 Fund was created by UN Environment Programme and Rabobank, together with partner IDH and supported by FMO, the Dutch entrepreneurial development bank, to mitigate climate change.

HE Sigrid Kaag, Minister for Foreign Trade and Development Cooperation: “The AGR13 Fund provides a unique opportunity to contribute to forest protection and sustainable agriculture at scale, while also helping to transform the financial sector’s attitude towards sustainable investments.”

Nature-positive agriculture

The fund acts as a blended finance vehicle aimed at unlocking at least USD 1 billion in finance. It provides additional de-risking financial instruments and grants for technical assistance for food value chain actors, and, particularly, farmers. “As a cooperative bank, we see it as our role to help our clients accomplish the required shift in the agricultural value chains,” says Wiebe Draijer, chairman of the Managing Board of Rabobank. “The Dutch government supporting our partnership is a more than welcome complement. Together with our contribution, I’m utterly convinced these combined contributions will spur this shift.”

“AGR13 and similar land use facilities, catalyzed with the support of UNEP, are the cornerstone of the financial architecture for deforestation-free and nature-positive agriculture,” said Inger Andersen, Executive Director of UNEP. “We are very grateful to the Dutch government for their crucial contribution to the AGR13 Fund. It is time for banks, investors, governments and agribusinesses to join institutions like Rabobank in financing sustainable food and forestry value chains, to save the climate, protect biodiversity, and ensure sustainable development.”

Role model

The AGR13 Fund will be a role model for banks and other financial institutions and is open for other banks and investors to join. The UN Sustainable Development Goals agenda urgently requires sustainable agriculture initiatives at scale. The Dutch government grant will help unlock further resources from impact investors and financiers. Farmers and food producers who would not normally have access to these resources now have an alternative to finance their investments in sustainable food production.

Start of the AGRI3 Fund

Now that the Dutch government has approved the USD 40 million grant, the AGRI3 Fund will be up and running in the first half of 2020. Mirova Natural Capital, FOUNT and Cardano Development will act as investment advisors. The fund will be open to participation by commercial banks aiming at sustainable agriculture and forest conservation. Linked to the fund, a dedicated Technical Assistance facility will be established, which will be managed by IDH. The AGRI3 TA facility will provide support to help potential projects become investment ready. It will also strengthen impact tracking and knowledge sharing from the AGRI3 Fund and its investees to spur growth of sustainable land use investments globally.

.....

NOTES TO EDITORIAL STAFF, NOT FOR PUBLICATION

Joris Hoff, press officer Rabobank

+31 6 8328 9607 or Joris.Hoff@rabobank.nl

Keisha Rukikaire, Head of News & Media UNEP

rukikaire@un.org

Potential clients and stakeholders can contact agri3@althelia.com for additional information.

Rabobank

Rabobank is a cooperative bank with agricultural roots that has grown to become an international financial services provider. Rabobank Group has a strong presence in the world's major food & agriculture countries. As such, we are committed to our motto "Growing a better world together": improve access to food, promote healthy nutrition and enhance the stability of the food industry. For more information: please visit www.rabobank.com

UN Environment Programme

UNEP is the leading global voice on the environment. It provides leadership and encourages partnership in caring for the environment by inspiring, informing and enabling nations and peoples to improve their quality of life without compromising that of future generations. For more information: please visit www.unenvironment.org

FMO

FMO is the Dutch entrepreneurial development bank. As a leading impact investor, FMO supports sustainable private sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. FMO believes that a strong private sector leads to economic and social development and has a close to 50-year proven track-record of empowering people to employ their skills and improve their quality of life. FMO focuses on three sectors that have high development impact: financial institutions, energy, and agribusiness, food & water. With a committed portfolio of EUR 9.7 billion spanning over 85 countries, FMO is one of the larger bilateral private sector developments banks globally. For more information: please visit www.fmo.nl

IDH

The Sustainable Trade Initiative (IDH) convenes companies, Civil Society Organizations, governments and others in public-private partnerships. IDH promotes sustainable agriculture and

forest protection through its Landscapes program, supporting land use planning for production, protection and inclusion. It also mobilizes investments and learning around business models that for smallholder inclusion and business models that combine land use intensification with forest and ecosystems conservation. For more information, please visit: www.idhsustainabletrade.com

FOUNT

FOUNT is an impact investment firm based in Amsterdam, active in emerging markets by supporting business solutions that combine demonstrable social and environmental impact with eligible financial returns. FOUNT offers high-quality advisory services and fund and investment management services for various sectors including agriculture, affordable housing, sustainable apparel and cookstoves. For more information, please visit: www.fount.eu

Cardano Development

Cardano Development empowers frontier financial markets by streamlining capital and applying risk insights to create innovative and scalable solutions. With over around €5 billion assets under management and €1.2 billion capital under management, predominantly sourced from international development finance institutions, the company supports six funds with ongoing management services and corporate governance oversight. TCX, GuarantCo and Frontclear are established funds whilst the Water Financing Facility and ILX are start-ups. To deliver the greatest developmental impact in local frontier markets, Cardano Development works with reputable partners including development finance institutions, foundations, governments, impact investors, institutional investors and commercial partners. For more information, please visit: www.cardanodevelopment.com

Mirova Natural Capital

Mirova is an investment manager dedicated to responsible investment. Through a conviction-driven investment approach, Mirova's goal is to combine value creation over the long term with sustainable development. Mirova's talents have been pioneers in many areas of sustainable finance. Their ambition is to keep innovating to propose the most impactful solutions to their clients. For more information, please visit: www.mirova.com