

**MEMORANDUM OF UNDERSTANDING  
CELEBRATED BY THE BRAZILIAN FEDERAL UNION,  
REPRESENTED BY THE MINISTRY OF  
AGRICULTURE, LIVESTOCK AND FOOD SUPPLY,  
AND THE CLIMATE BONDS INITIATIVE FOR THE  
PURPOSE OF ESTABLISHING A JOINT AND  
SYNERGIC WORK TO DEVELOP A GREEN BOND  
MARKET FOR THE AGRICULTURAL SECTOR.**

The **MINISTRY OF AGRICULTURE, LIVESTOCK AND FOOD SUPPLY**, hereinafter referred to "MAPA", registered under CNPJ nº 00.396.895/0001-25, at Esplanada dos Ministérios, Bloco D, Brasília, Distrito Federal, CEP 70.043-900, hereby represented by the Minister of State for Agriculture, Livestock and Supply, Tereza Cristina Corrêa da Costa Dias, Brazilian, bearer of CPF nº 209.694.306-04

The **CLIMATE BONDS INITIATIVE**, non-governmental and non-for profit organization, hereinafter referred to "CBI", registered in London under nº GB128750504, hereby represented by Justine Leigh-Bell, British Citizen and bearer of UK Passport° 548119713, as the Climate Bonds Initiative Deputy CEO, at 40 Bermondsey Street, Londres, SE1 3UD,

Hereinafter mutually referred to as "Parties", recognize the importance of stimulating new sources of financing for the Brazilian agricultural sector, and at the same time, scale sustainable practices and technologies, respecting the following guidelines, without prejudice to others that may be proposed by mutual agreements in the form of amendments:

- a) Promote financial instruments and green securities for the development of the agricultural sector, as green bonds, green agribusiness securities (Law 11.076/2004) and their variations in structure and denomination, among others, in order to stimulate and encourage financial resource flow for Brazilian sustainable agriculture;
- b) Promote market and regulatory incentives to stimulate the development and liquidity of the Brazilian financial and capital markets, enabling a greater attraction of domestic and international investors who demand sustainable investment alternatives in their portfolios;
- c) Prioritize mitigation and adaptation technologies and practices to tackle climate change in the agricultural sector;
- d) Stimulate economic sectors connected to the development and promotion of sustainable competitiveness throughout the agricultural chain, including logistics, supporting infrastructure and renewable energy generation.

Therefore, the Parties have, among themselves, agreed on the following Memorandum of Understanding, that will be governed by the following clauses:

**First Clause**

Institutionally support the progress of the aforementioned themes, as well as other initiatives that may emerge within the scope of this Memorandum, acting together in the planning, implementation and monitoring of agreed actions;

**Second Clause**

Establish an open and fluid communication channel, with the aim of developing marked products and solutions and public policies for sustainable agriculture financing.

### **Third Clause**

Prioritize sectors and activities, align the respective taxonomy and develop support mechanisms to attract private financial resources destined for sustainable agriculture in Brazil.

### **Fourth Clause**

Promote events, workshops and meetings with the objective of transferring technical knowledge on financing instruments and green capital markets, agricultural criteria and best sustainability practices, amongst different stakeholders – producers, class associations, agroindustry, financiers, governments, amongst others.

### **Fifth Clause**

Prepare a Work Plan detaining actions that will be adopted to comply with this Memorandum and the respective delivery schedule, within ninety days of its conclusion.

### **Sixth Clause**

Seek to complement and sustain the actions under this Memorandum.

### **Seventh Clause**

The Parties, in common agreement, may include other public institutions that are considered as relevant for the current Memorandum.

### **Eighth Clause**

The administrative expenses related to the collaboration activities under this Memorandum, such as personnel expenses, travel expenses, communication and office expenses, will be borne by the Parties within their respective attributions and covered by their respective budgets, without transfer of financial resources between the parties or any other costly activity to national resources.

### **Ninth Clause**

This Memorandum may be amended by mutual agreement between the Parties at any time, upon the written request of either Party at least 30 (thirty) day in advance.

### **Tenth Clause**

This Memorandum may be terminated: (i) by mutual agreement between the Parties; or (ii) unilaterally, by formal notice, at least 30 (thirty) days prior to receipt of the notice by the other Participant.

**Single Paragraph.** No indemnity, fine or charge of any kind will be due as a result of the termination of the Memorandum.

### **Eleventh Clause**

The Parties will jointly define the treatment that will be given to ongoing collaboration activities.

### **Twelfth Clause**

The term of the Memorandum shall be 36 (thirty-six) months from its signature, and may be extended by both Parties, subject to the total limit of 60 (sixty) months.

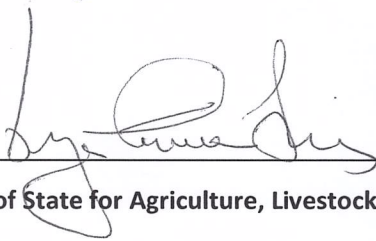


**Thirteenth Clause**

The Federal District Forum is hereby elected by the Parties to settle issues arising from this Memorandum, which could not be resolved through negotiations between the Parties and/or arbitration, and that in mutual agreement, sign the present document in 04 (four) original copies of equal content, in the present of two witnesses, who also sign.

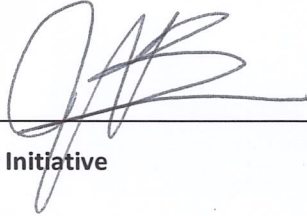
And, being thus fair and agreed, the Parties sign this Memorandum of Understanding in 02 (two) copies of equal content.

New York/NY, 21<sup>th</sup> October 2019.



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**Minister of State for Agriculture, Livestock and Food Supply**



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**Climate Bonds Initiative**