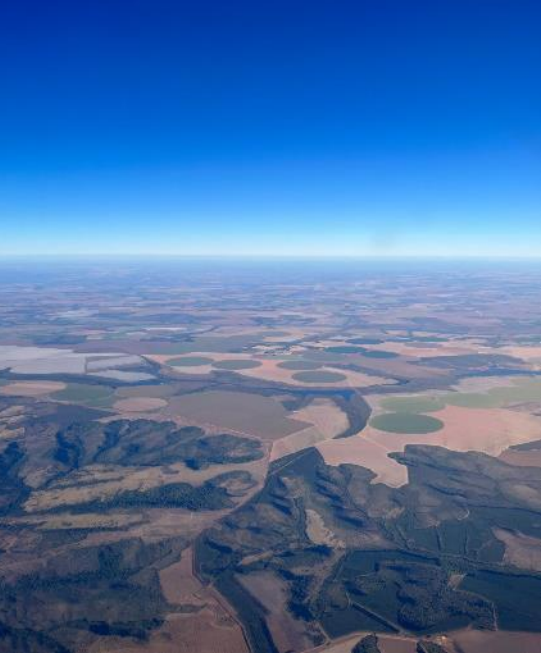
Current status of consideration of JICA's cooperation for the Restoration of Degraded Pasture

December 11, 2025

Issei Aoki
JICA Latin America and Caribbean Department



Goiás, July 2022

Bahia, February 2023

Overview: Brazilian Agriculture

- The Cerrado development (PRODECER) since the 1970s has led to a massive increase in grain production (from 47 million tons in 1977 to 312 million tons) .
- Emerging as world's largest exporter of soybeans, corn, etc.
- The world population is expected to exceed 9 billion by 2050 (UN estimate), and the demand for food will continue to increase.
- Brazil has the potential to further increase food production, but “environmental conservation” and “agricultural development” must be compatible.

The Japan - Brazil Cooperation Program for Agricultural Development of Cerrado Region **(PRODECER)**

The Japanese and Brazilian governments, private companies jointly conducted agricultural development for food production in Cerrado. PRODECER transformed Cerrado into one of the world's leading breadbasket.

- Period: 1979 - 2001 (Phase 1 to 3)
- Value: JPY 68.4 Billion
- Objective: Transform Cerrado, with its highly acidic soils, into arable land. Resulted the development of 345,000 ha.

Year	Soybeans	Corn	Rice
1981/1982	22,240 ton	1,164 ton	1,620 ton
1999/2000	257,274 ton	210,087 ton	30,234 ton

Phase 1： 60,000ha of farmland were developed for the production of soybeans, corn, and rice. Additionally, technological advancements were made through soil improvement and the selection of appropriate crop varieties.
Phase 2： Technological development was carried out in four districts (205,000ha) in Cerrado adapting to the respective climatic conditions.
Phase 3： Focused on the introduction of varieties under low-latitude conditions (80,000ha) and the establishment of irrigation-based farming techniques.

Necessity of Restoration of Degraded Pasture

- Strengthen Climate Resilience
- Support Small and Medium Farmers
- Improve Food Security
- Expand Sustainable Energy Access

National Plan for Converting Degraded Pastures into Sustainable Agricultural Production and Forests（PNCPD, December 2023）
Restoration of 40 million ha in 10 years, which requires 120 bi US$

Eco-Invest In April 2025, the Brazilian government held a auction to mobilize financial resources of private sector. Securing a total of 30.1 bi R$: 16.5 bi R$ in public funds and 13.7 bi R$ in private funds

The Brazilian government seeks further funding from development partners. Based on the experience of PRODECER, there exists high expectations for support from Japan and JICA.

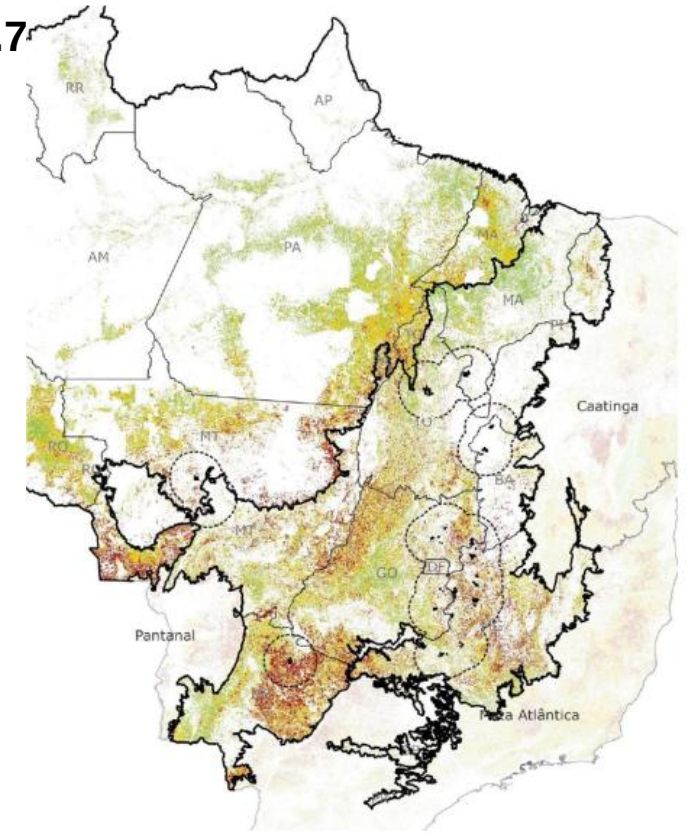


Image of restoration of degraded pasture in Cerrado

The Japan-Brazil Green Partnership Initiative (GPI)

Environmental and Climate Change Measures

- ❖ Contibution to the Amazon Fund
- ❖ Promotion of high-quality integrity initiatives
- ❖ Cooperation in disaster risk reduction
- ❖ Trilateral Cooperation
- ❖ Promotion of projects utilizing Private Sector Investiment Finance and support for StartUps

Sustainable Development

- ❖ **Restoration of degraded pasture**
- ❖ Agroforestry (SAFTA)
- ❖ Collaborative Development Project for Precision and Digital Agriculture
- ❖ Cooperation in the enegy sector

Key Concepts in Contributing to the Restoration of Degraded Pasture

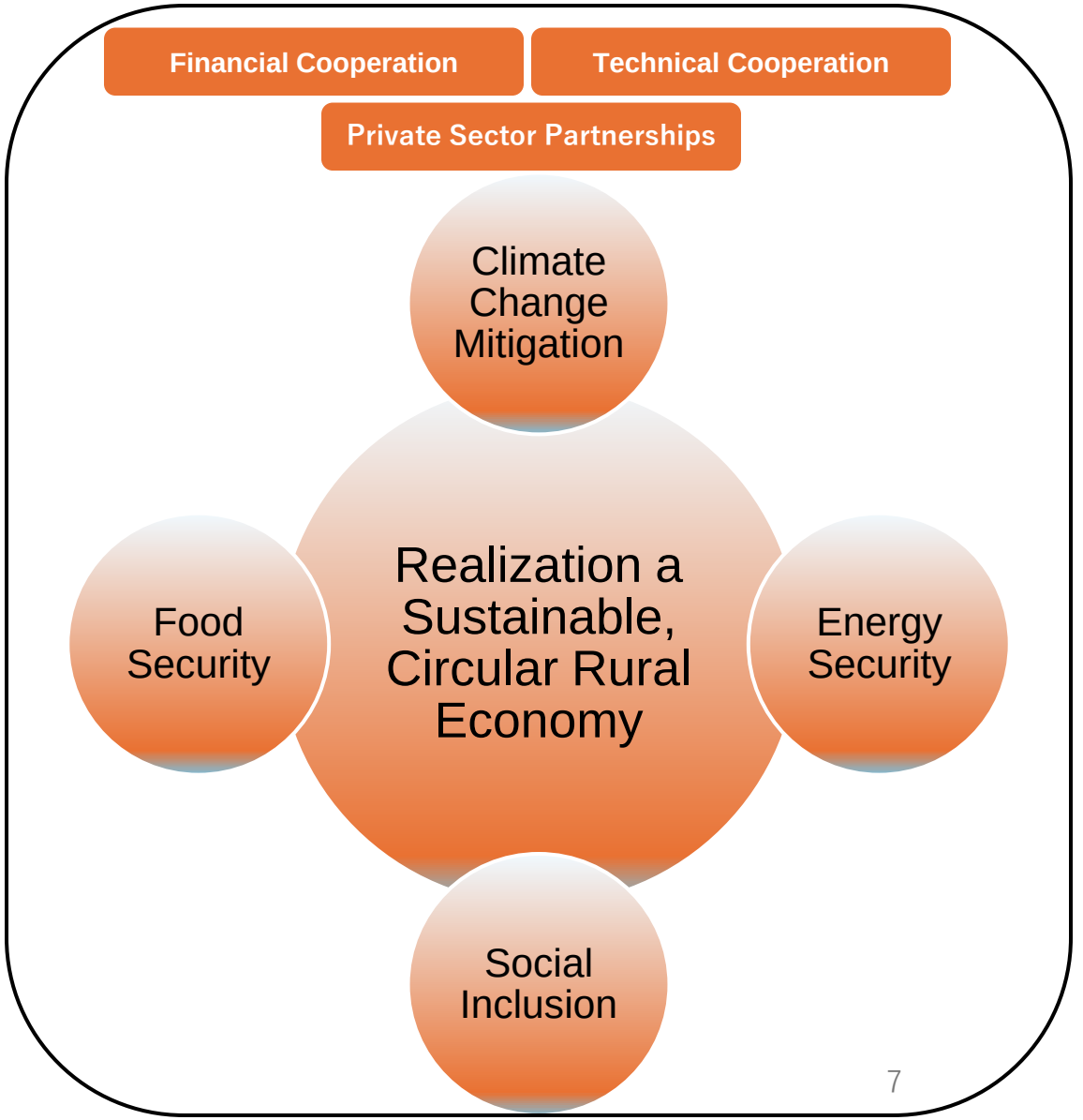
- Utilize the experience of PRODECER
- Provide support that combines financial cooperation, technical cooperation and private sector partnerships.
- Not only to increase agricultural production through soil improvement, but also to realize a sustainable, circular rural economy.

●Food Security: Increase Grain Production

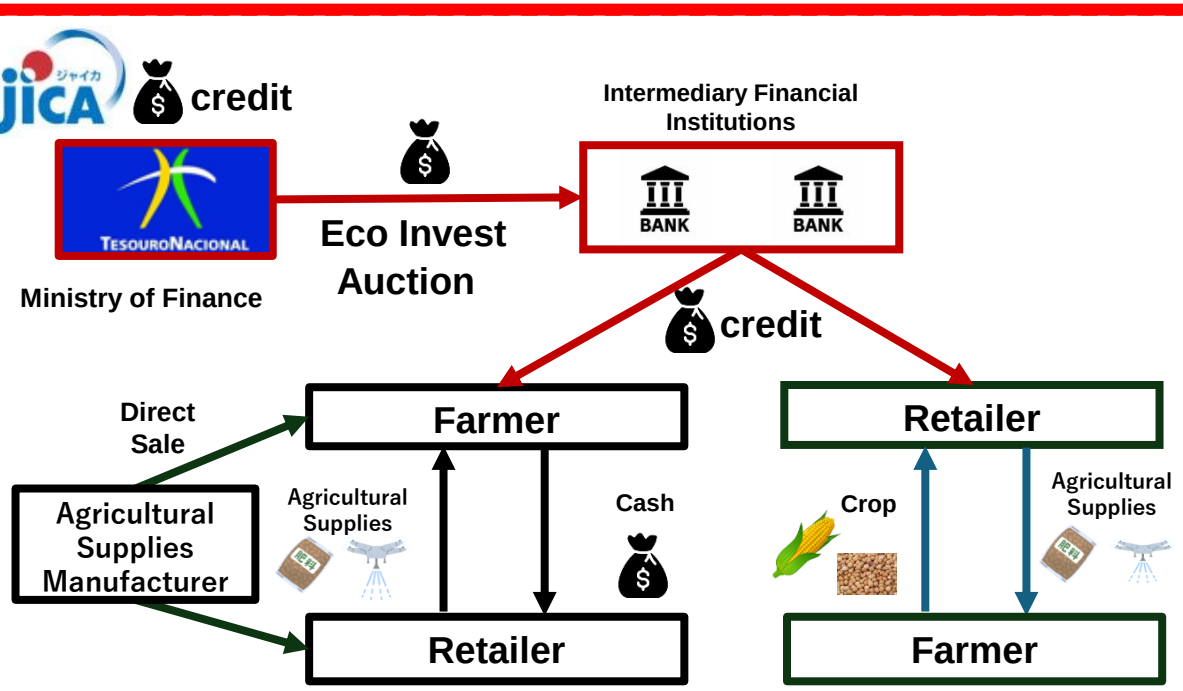
●Climate Change Mitigation: Achieving Zero Deforestation, Promoting Carbon Sequestration

●Energy Security: Biofuel Production

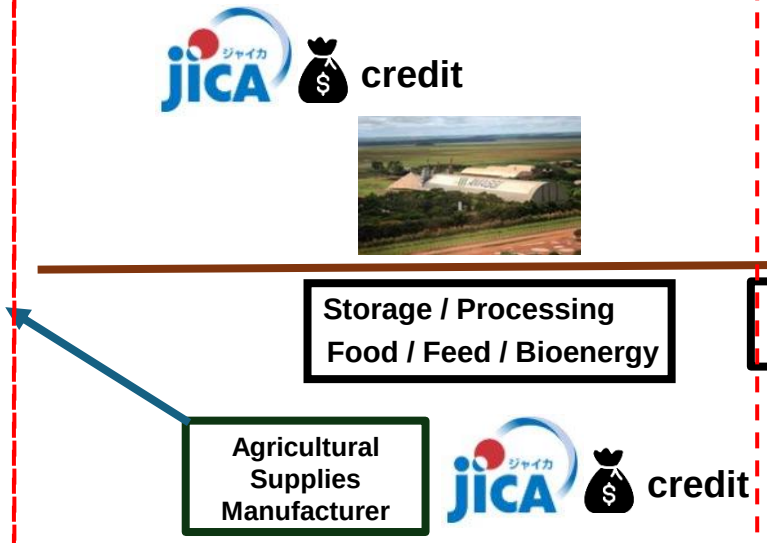
●Social Inclusion: Ensuring Benefits for Small and Medium-sized Farmers.



Financial Cooperation (Under Discussion)

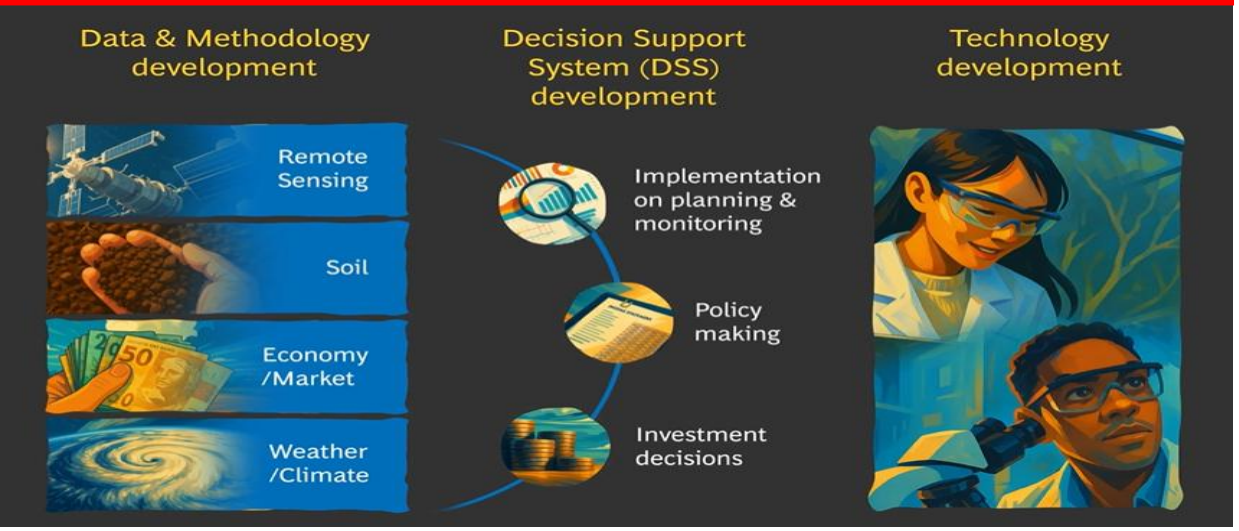


Private Sector Invest and Finance (PSIF)



Food Security
Energy Security

Technical Cooperation and Research Collaboration



Successful Model

Strengthening Climate Resilience Benefits to Small and Medium-Sized Farmers

Restoring 40 million ha

Embrapa and JICA are advancing their flagship cooperation with three key initiatives to restore and convert degraded pastures into sustainable farmland

I DATA & METHODOLOGY development

- Remote sensing
- Soil
- Economy/market
- Weather/climate
- \+ Other data

II DSS (Decision Support System) development

- Investment decision
- Policy making
- Implementation planning & monitoring

III TECHNOLOGY development

Policy development & evaluation

Investment decision

Technology Dissemination

Soil management & productivity improvement

Source: JICA, BCG Analysis

Financial Cooperation

Selection of Pilot areas for financial cooperation in bioma Cerrado

- Existence of degraded pastures
- Potential for recovery
- Experience of development of Cerrado (PRODECER)
- Under discussion for potential areas such as East MT, Southwest GO, Northwest MG, Central and South TO

Financing for restoration of degraded pasture utilizing Eco-Invest

- **Blended Finance with resources of private banks**
  National Treasury (STN) implements auctions to leverage private finance for recovery of degraded pasture with focus on support for small and medium scale farmers

- **Loan conditions for borrowers will be set using conditions of Plano Safra/ Renovagro as a reference**

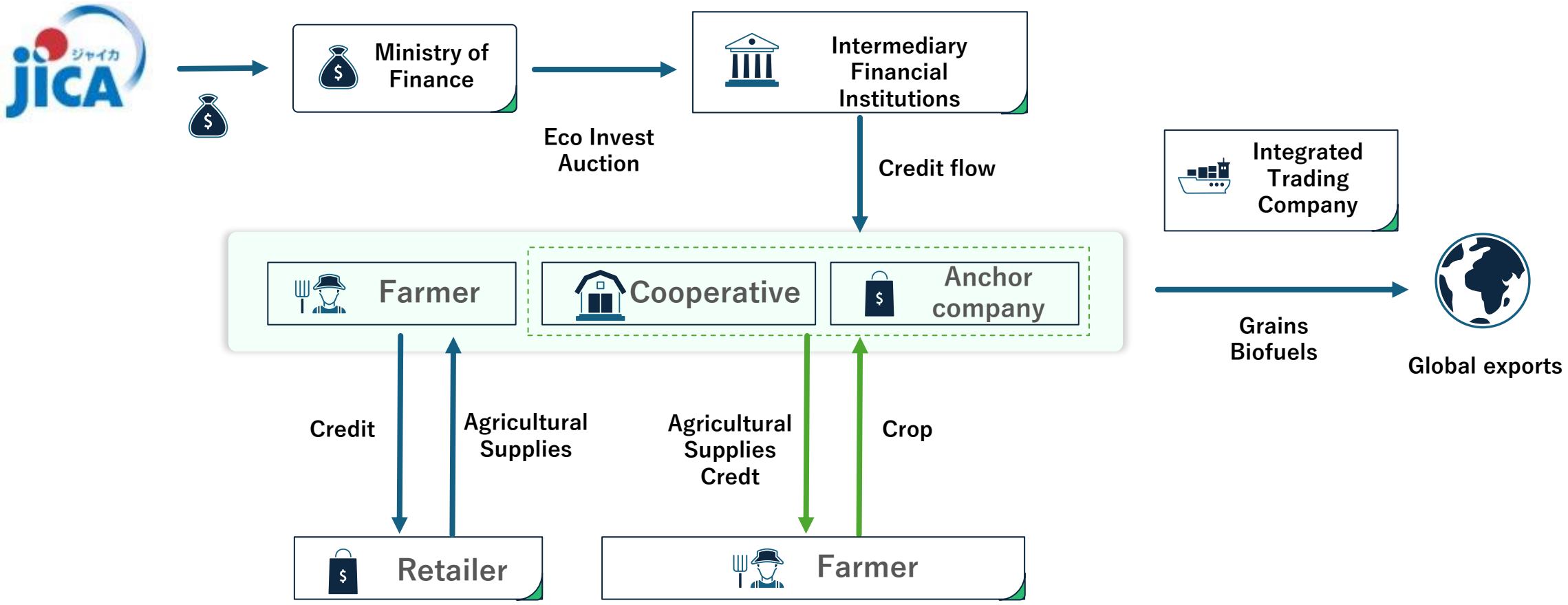
Establish a guidelines to define the interest rate to be applied ensuring alignment with market compatible levels and with economic and financial viability of the operations

- **Eligible items to be financed (under discussion)**

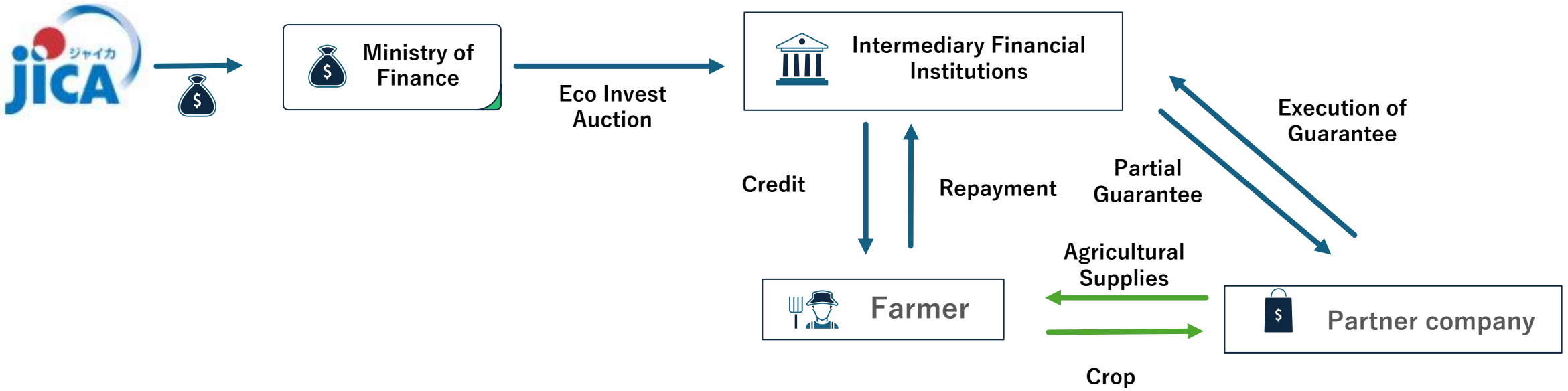
Costs for land acquisition by small scale farmers, soil improvement, agricultural production, processing / storage, equipment and materials for small scale afforestation and agroforestry, and related activities

Eco Invest Brasil — Tesouro Nacional

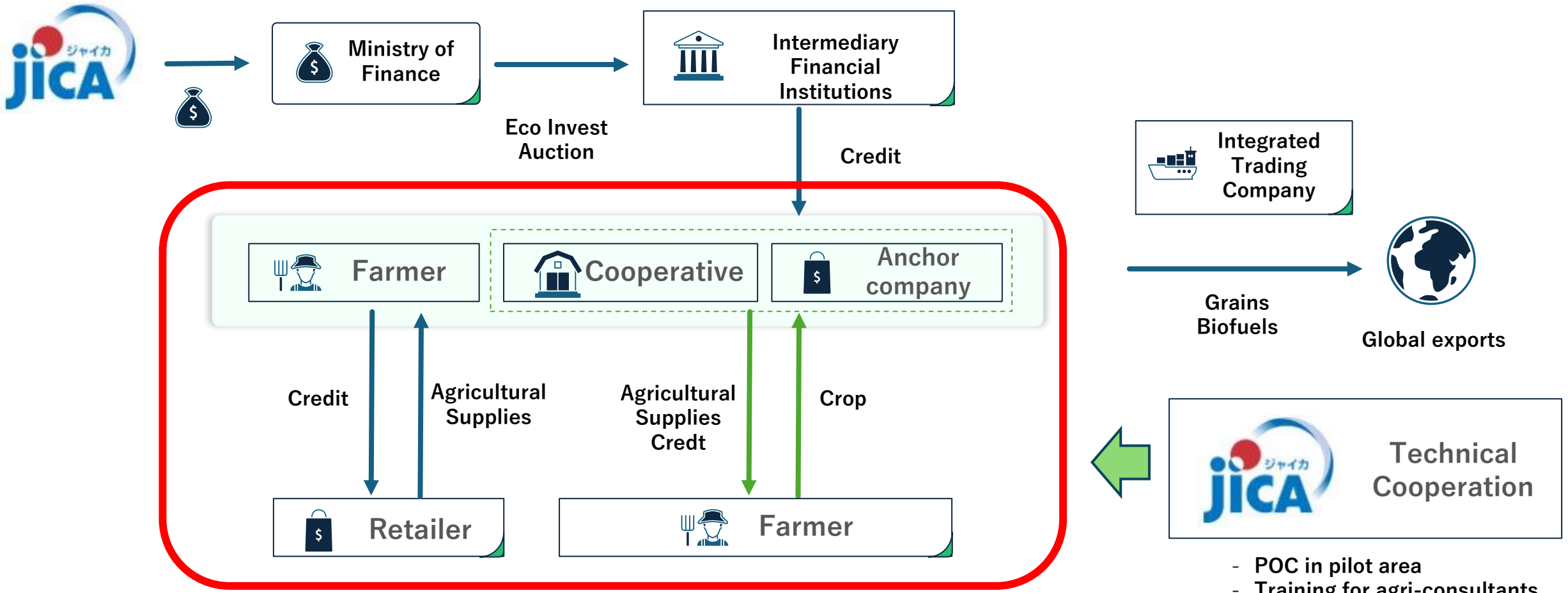
Idea of Finance flow



Idea of Involvement of partner company as intermediary



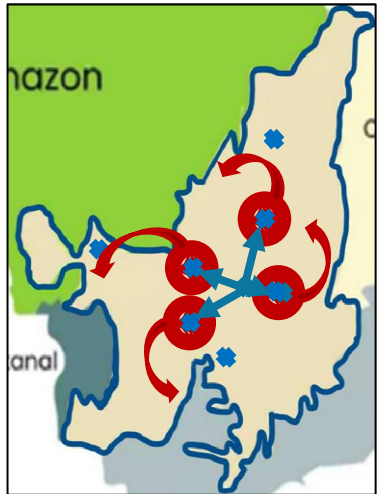
Possible collaboration with technical cooperation



Consulting Services for overall coordination will be implemented.

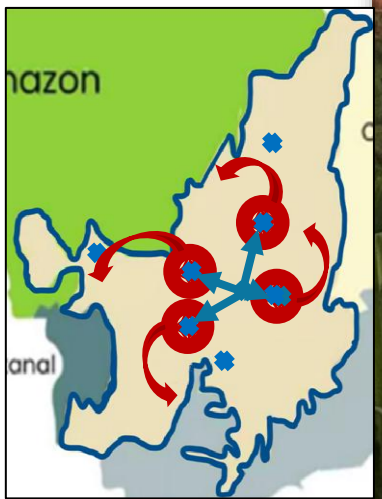
Promotion of introduction of agricultural products

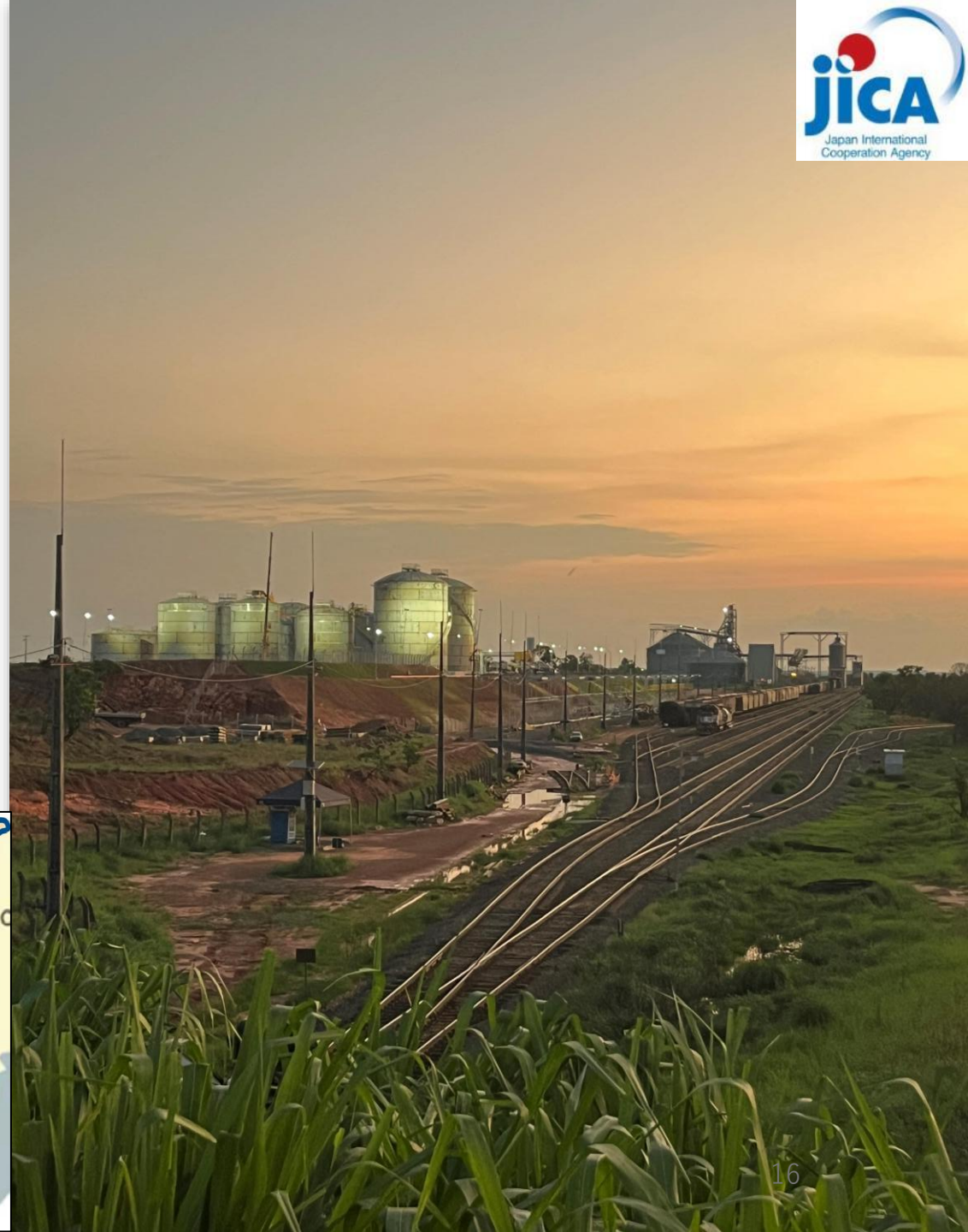
- Ensure that Japanese products are not excluded from the Eco Invest Operation Manual.
- Conduct training by agricultural input manufacturers for agricultural extension officers on proper use of agri-inputs.
- Public relations through ‘Dia de Campo’
- Continuous support for Proof of Concept (POC) in pilot areas (MT, GO, MG, TO)



Involvement of Anchor companies

- Involvement as a borrower of loan through Eco-Invest to outreach medium and small-scale farmers
- Interveniente model might be used
- Continuous support for Proof of Concept (POC) in Pilot areas (MT, GO, MG, TO)





Tentative Schedule (Option 1)

Year and Month	Milestone
December 2025	Finalization of overall Concept of the Project
Early 2026	Appraisal Negotiation Signing of ODA Loan contract Launch of Eco-Invest
Late 2026	Disbursement of resources

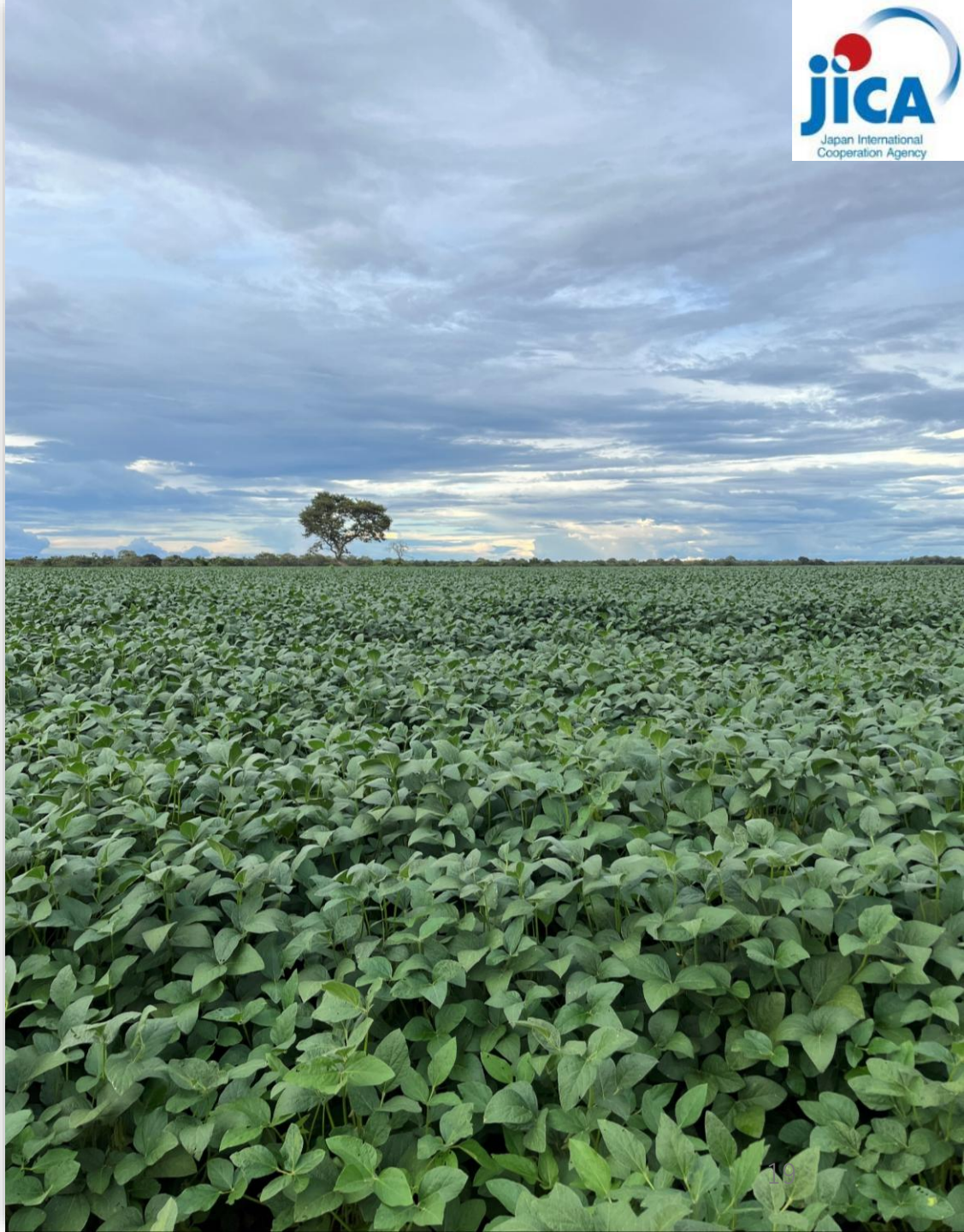
Tentative Schedule (Option 2)

Year and Month	Milestone
Early 2026	Finalization of overall Concept of the Project
2026-2027	Appraisal Negotiation Signing of ODA Loan contract
January 2027	Launch of Eco-Invest
June 2027	Disbursement of resources

Contact points

Issei Aoki
Deputy Director General
JICA LAC Dept
Aoki.issei@jica.go.jp

Maki Tomuro
Director
South America Div, JICA LAC Dept
Tomuro.maki@jica.go.jp



Disclaimer

The materials contained in this presentation are designed for the explanation of status of consideration of JICA’s cooperation in Brazil. The materials serve only as the focus for discussion; they are incomplete without the accompanying oral commentary and may not be relied on as a stand -alone document. The whole idea, schedule and contents of the cooperation are totally subject to change based on further consultations among related entities.