



Collective Action to Make Nature and Climate Outcomes Financially Viable

High-Level Panel Discussion - São Paulo, Brazil November 4, 2025

Mutirão for Markets:

Collective Action to Make Nature and Climate Outcomes Financially Viable

- High-Level Roundtable -

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Disclaimer: *This paper is a compendium of perspectives expressed by participants at this High-Level Roundtable. It has been prepared for informational purposes only and does not constitute policy, investment, or legal advice. The views, findings, and recommendations summarized here are those of the participants as interpreted by the author and do not necessarily reflect the positions of the International Fertilizer Association (IFA). References to companies, products, programs, or countries are illustrative and do not imply endorsement. All errors are the responsibility of the compiler.*

CHAPTER 1

Background and Purpose

Against the backdrop of the COP30 Presidency's call for a **Global Mutirão** – a society -wide mobilization for climate and nature solutions – the IFA São Paulo roundtable focused on a specific dimension: Mutirão for Markets. The central question was how to use policy, finance, and value-chain initiatives as well as commitments to make nature and climate outcomes financially attractive along agri-food supply chains.

The purpose of the roundtable was threefold:

- To examine how climate- and nature-positive practices can be integrated into mainstream agri-food business models, not as an add-on but as a source of resilience, competitiveness, and long-term profitability.
- To identify the de-risking mechanisms and enabling policies required for banks, investors, and companies to scale such models across Brazil and other tropical regions.
- To converge on a small number of “super-leverage points” that could turn the Brazil experience into a platform for global cooperation.

Participants

The event was co-hosted by Eduardo Monteiro (Country Manager Brazil, The Mosaic Company) and Alzbeta Klein (CEO/Director General, International Fertilizer Association), who also moderated the discussion.

Financial institutions and investors were represented by institutions including Itaú BBA and the International Finance Corporation (IFC). The fertilizer and broader input sector was represented by Mosaic Company, OCP Brasil, and Brazil Potash. System-change and advisory perspectives were brought in from organizations such as Systemiq, ERM, Eurasia Group, Mission Possible Partnership, and the Instituto Equilíbrio. Implementation and certification expertise came from Imaflora.

Discussions followed the Chatham House Rule: perspectives and examples are reported here without attributing them to individual speakers or institutions.

CHAPTER 2

- OUTCOMES -

Brazil as a Proof of Concept for Climate-Smart and Nature-Positive Agriculture

A living laboratory in the tropics

Brazil functions as a “living laboratory” for climate-smart, nature-positive agriculture in the tropics, where public research institutions, universities, cooperatives, and private sector partners have driven a structural shift from naturally poor, acidic soils to highly productive systems. In the Central-West, integrated crop–livestock–forest systems combine multiple crops, livestock, and forestry on the same land, ensuring diversified, year-round production and efficient use of land and inputs. Today, more than 30 million hectares are under sustainable field management practices, including no-till and permanent soil cover, which maintain soil structure, reduce erosion, increase resilience to droughts and other climate-related shocks, and help prevent the clearing of additional native vegetation. Parallel investments in a relatively clean energy matrix - where bioethanol is now the second most important energy source - reduce embedded emissions from production and further consolidate the low-carbon profile of Brazil’s agri-energy complex.

Emergence of a New Generation of Inputs

Biological inputs are now used on approximately one-quarter of the planted area, supported by a dedicated regulatory framework and national initiatives aimed at promoting the efficient use of fertilizers. However, the current legislation does not fully reflect emerging biological technologies, limiting their integration into financial and policy frameworks and highlighting the need for regulatory updates.

Nature and Climate as Core Business Drivers

Nature-Positive Performance as a Financial Asset

Nature and climate outcomes now act as core business drivers and financial assets rather than peripheral ambitions. They shape cash flows, the cost of capital, and portfolio risk, making environmental outcomes part of core value creation. Over realistic time horizons, nature-positive practices are economically rational even without explicit green premiums at the farm gate, because their value is reflected in higher and more stable productivity, stronger asset values, lower risk profiles, and sustained access to demanding markets.

Evidence from Brazil's Banking and Investment Sector: “Green Credits” and “Produce and Protect” models

Brazil's banking and investment experience shows that nature-aligned finance can be both profitable and scalable. Itaú has deployed over US\$1 billion in green agricultural finance, supporting the recovery of more than 1 million acres of degraded land and building a stronger, lower-risk portfolio in which climate and nature performance are embedded in credit decisions. On degraded lands, produce-and-protect models such as TIG's eucalyptus strategy reserves roughly half the area for native ecosystem restoration and the other half for high-productivity eucalyptus plantations, turning low-value land into an asset for both nature and the economy. At the international level, IFC now channels about 45% of its annual commitments into climate-related investments, while sustainability-linked finance ties conditions directly to regenerative practices and nature-positive performance. In parallel, a US\$2 billion biodiversity bond arranged by BBVA in Colombia links capital mobilization to forest outcomes. Together, these approaches demonstrate that environmental performance can be priced into the cost of capital and incorporated into large-scale, bankable structures.

Perennial and annual crops require different finance systems in Brazil. Perennial systems, such as tree crops and forestry, can support long-term payback periods of 5–25 years, aligning well with climate and nature investment horizons. Annual crops, however, operate on six-month cycles, making it harder to capture long-term environmental value without supportive financial structures and risk-sharing mechanisms.

Commercial Robustness Beyond Carbon Markets

These models remain commercially robust even when environmental markets are immature or volatile: carbon and biodiversity revenues add income, but the primary rationale lies in enhanced supply-chain resilience, compliance with tightening environmental and due diligence regulations, and strengthened ESG and brand value. Nature and climate thus form part of a broader concept of long-term competitiveness and enterprise value, not a discretionary reputational add-on.

De-Risking as the Binding Constraint

Capital exists, but does not reach the right projects

Capital is available in aggregate, but perceived risk, institutional gaps, and transaction costs prevent it from flowing into nature-positive agriculture at scale. The key constraint is not capital scarcity but the absence of coherent frameworks and instruments that reshape risk-return profiles in favor of regenerative and low-carbon systems.

Land tenure and legal clarity

Land tenure and legal clarity are first-order constraints. Large-scale programs to recover degraded pasture and expand low-carbon systems depend on secure land titles and clear rules for environmental service rights. Without recognized titles, farmers cannot access public credit

lines or private lending, even when technical potential and business models are strong. Treating land titling as a climate, nature, and development reform unlocks both investment and inclusion.

Fragmented taxonomies and eligibility rules

The absence of a coherent national taxonomy for regenerative and “green” agriculture leads to fragmented and restrictive eligibility rules. The Safra Plan, Brazil’s major annual package of subsidized rural loans, currently supports less than 2% of regenerative practices, largely due to narrow criteria and complex procedures.

Each financial institution is effectively forced to define its own criteria. This increases transaction costs, creates inconsistent signals for farmers, and keeps the green share of public credit low despite strong political and financial interest.

MRV gaps for soil carbon and land use

Measurement, reporting, and verification (MRV) for agriculture lag behind other sectors. Soil carbon dynamics and landscape-level changes are more complex to track than point-source emissions, yet they are central to credible green finance and environmental markets.

Weak or incompatible MRV systems complicate the design of green financial products, expose institutions to accusations of greenwashing, and hinder the emergence of high-integrity carbon and biodiversity markets. Separating land-use change emissions from on-farm production emissions is particularly important to recognize low-carbon production in landscapes with a history of deforestation.

Concessional finance under pressure

Official development assistance and concessional climate finance are not keeping pace with the needs of nature-based and regenerative transitions in tropical regions. Large public programs move significant volumes, but only a small fraction is explicitly targeted at regenerative agriculture or small and medium farmers. They are more complex to access than conventional credits. Strategic use of concessional resources as first-loss capital, guarantees, and preparation funding remains underdeveloped.

Towards a Scalable and Equitable Nature-Positive Transition from Field to Fork

Avoiding a two-track transition for farmers

A successful Mutirão for Markets must avoid a two-track transition in which large, capital-intensive systems advance while smallholders fall further behind as they still face structural barriers to water, infrastructure, technology, and markets. Many smallholders lack access to credit and agronomic advice. Others rely on biological products of uncertain quality and performance. Under these conditions, climate- and nature-related standards are seen by them as

additional obligations rather than opportunities. At the same time, highly productive irrigated models in competing regions risk outpacing traditional systems if pathways for smallholder upgrading are not created.

Grounding transition in real consumer demand

Consumer demand for low-carbon or sustainably sourced products remains ambivalent. Regenerative labels are growing rapidly in some markets, often outpacing organic labels, yet public understanding of concepts such as “carbon” remains low. Misinterpretations of climate labels show the limits of technical language at the point of sale.

Effective framing will need to link climate and nature benefits to values that consumers already care about, such as taste, health, quality, local origin, and fairness.

Partnership-based platforms for inclusion

Equitable transition requires partnership-based platforms that bring together input suppliers, financial institutions, NGOs, local governments, certification bodies, and cooperatives. These platforms can deliver bundled offers that include technical assistance, high-quality inputs (including biofertilizers), tailored financial services, and access to differentiated markets. This model is more scalable and cost-effective than isolated, project-based interventions.

When supported by such platforms, smallholders become agents of transformation rather than peripheral beneficiaries. Their active participation is essential for achieving equity and environmental effectiveness, given the significant proportion of land and production they represent in many tropical landscapes.

“Super-Leverage Points”

From pilots to system change through large-scale approaches

Existing pilots in green credit, restoration, regenerative agriculture, biofertilizers, and low-carbon fertilizers already show what works. System change, however, requires transitioning from isolated successes to value-chain partnerships and landscape-scale approaches that can be scaled to tens of millions of hectares over time, providing an organizational backbone for change. Large agribusiness and input suppliers act as aggregators of finance, technology, and services. Cooperatives, municipalities, and NGOs ensure that small and medium farmers are reached and that benefits are distributed fairly.

A cluster of mutually reinforcing transition drivers

The transition hinges on a synergistic cluster of “super-leverage points” rather than a single silver bullet. These include:

- Integration of nature and climate KPIs into mainstream agricultural lending, aligning interest rates and loan terms with regenerative and low-carbon performance.

- Performance-based finance for soil health and emissions reduction, scaling sustainability-linked loans, bonds, and revenue-linked structures.
- Shared data and MRV infrastructure for soils, land use, and emissions, providing a common basis for finance, policy, and certification.
- Land titling as a core climate and finance reform, unlocking access to credit and investment for restoration and regenerative practices.
- Demand-side signals, standards, and long-term offtake commitments for low-carbon commodities, especially through FMCG and retail companies that can internalize small premia at the product level.
- Updated fertilizer and bio-input legislation that fully recognizes biological and advanced technologies, allowing them to benefit from public support and green finance.

Pursued together, this cluster of actions and levers can flip the economics of nature-positive agriculture across Brazil and other tropical regions, moving a Mutirão for Markets from narrative to tangible outcomes, such as hectares restored, emissions reduced, livelihoods improved, and food systems transformed.

CHAPTER 3 - Priority Actions -

Governments

Policy coherence, regulatory clarity and targeted public investment will determine whether Mutirão-for-Markets ambitions translate into real outcomes on the ground. Therefore, it is recommended that governments

- **Make land titling a core climate and finance reform.**
Prioritizing land rights to unlock restoration, regenerative agriculture, and access to credit to create immediate gains for both climate resilience and rural development.
- **Establish a Brazilian taxonomy for regenerative and low-carbon agriculture.**
Grounded in science and practice, it should define regenerative and low-carbon systems (including integrated crop–livestock–forestry, no-till, biological inputs, and degraded land restoration actions, among others).
- **Build interoperable MRV standards for soils and land use.**
Pragmatic measurement, reporting and verification standards for soil carbon, emissions intensity and land-use change, combined with remote sensing, sampling and modelling, would allow the public and private sector to use one and the same reference guide and toolkit.
- **Update fertilizer and bio-input legislation.**

The modernization of legal frameworks is a priority so that enhanced-efficiency fertilizers and biological and other innovative products are fully recognized, safely regulated and eligible for public support and green finance.

Investors and the financial community

By redirecting capital towards sustainable intensification and restoration, the financial sector can transform climate and nature objectives into core business conditions. Building on the innovations already emerging in Brazil, financial institutions are encouraged to:

- **Embed nature and climate risk in core credit processes.**
This includes the systematic inclusion of climate and nature risk into mainstream credit analysis, collateral assessment and pricing, as well as deforestation, soil degradation, and climate vulnerability. Standard procedures for assessing land-use histories, using geospatial data to monitor compliance, can help adjust financing conditions accordingly.
- **Expand sustainability-linked loans, bonds, and blended finance vehicles.**
Pricing can reflect measurable improvements in soil health, emissions intensity, and nature conservation. Public and concessional resources should be utilized strategically to provide first-loss capital, guarantees, and project preparation support, particularly in regions and sectors where smallholders and frontier landscapes are central.
- **Co-invest in shared data and MRV infrastructure.**
By co-financing platforms that provide reliable data on land use, emissions, and practices, investors can reduce transaction costs for due diligence and monitoring, making nature-positive portfolios more attractive and manageable.

Agribusinesses

Agribusinesses, cooperatives, traders, processors, and ag-retailers sit at the interface between farmers, inputs, finance, and markets. Their sourcing models, service offers, and contracts largely determine whether sustainable production becomes the competitive norm or remains confined to niche segments. Given their critical role, it is recommended that they:

- **Put regenerative and low-carbon solutions at the core of their growth strategy.**
Advanced plant nutrition, biofertilizers, integrated systems, and degraded-land recovery can be considered as one of the growth pillars, not niche items. This can include the quantification of yield, resilience and emissions benefits as part of commercial offers.
- **Approach farmers as long-term partners in transformation**

The strengthening of cooperative and producer-organization hubs for technology transfer, product aggregation, and service delivery will be essential, particularly for smallholders.

- **Embed sustainability into sourcing and procurement policies**

Clear supplier requirements regarding legal compliance, good agricultural practices, and regenerative criteria can be backed by traceability and monitoring systems.

Companies can also use their market power to create demand for sustainably produced commodities by offering long-term contracts and recognizing, in pricing and branding, the added value of climate- and nature-positive production.

FMCG Companies and Retailers

Fast-moving consumer goods companies and retailers shape both consumer expectations and demand signals for upstream supply chains. Their engagement is critical for transforming a set of promising pilots into a market norm. They are encouraged to:

- **Send clear, long-term demand signals** for low-carbon and regenerative commodities by entering into long-term offtake agreements. Multi-year contracts for low-carbon fertilizers, beef, and dairy with clear carbon intensity benchmarks can structure cost-sharing across the value chain.
- **Internalize modest green premia at the product level.** Absorb modest upstream cost increases by a marginal price increase for consumers, which won't affect consumer behavior, but have a transformative impact, and avoids pushing all the cost onto farmers and input suppliers.
- **Use simple, credible consumer messaging.** Link concepts like “regenerative” and “low-carbon” with benefits that consumers understand, such as quality, health, and local job opportunities. Simpler, more intuitive claims, backed by robust certification where appropriate, are likely to be more effective.