

Early Warning System

GCF-NNLAC02

Promoting low emission and climate resilient practices in the soy and cattle ranching program in Paraguay

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Quick Facts

Countries	Paraguay
Financial Institutions	Green Climate Fund (GCF)
Bank Risk Rating	B
Borrower	Dutch Development Bank (FMO)
Sectors	Agriculture and Forestry, Climate and Environment
Investment Type(s)	Loan

Project Description

According to the implementing agencies, the project will offer long-term loans for farmers to invest in highly productive, climate-resilient and low-emission practices. The loans will be granted to small farmers and large producers of soybeans and / or livestock, and will be conditional on maintaining the existing forest cover on farmland and ranches.

The project will allow at least 300 producers in Paraguay to access personalized credit lines, using the reimbursable and non-reimbursable funds of the GCF. This will help reduce emissions from deforestation and increase food, water and health security.

The project will promote sustainable development with low emissions by increasing the productivity of livestock herds, due to better practices in animal husbandry, thus reducing the intensity of emissions per unit of production (tCO2e / kg of meat).

It will also incentivize the expansion of soybean crops in degraded areas rather than on forested land. Finally, the project will help Paraguayan farmers to identify the relationship between GHG emissions, farm management, and system productivity.

Investment Description

- Green Climate Fund (GCF)

The program shall provide long-term and tailored concessional loans that will be made available through partner national financial institutions in Paraguay to private local farmers, as a way to incentivize the introduction of low-emission, climate-resilient production practices at scale, following specific eligibility criteria, including forest protection.

Loans are only made available for financing productive practices in the soy production and cattle ranching sectors if that results in emission reduction from deforestation and increases the resilience of productive systems to climate vulnerability.

Contact Information

FMO Headquarters:
Anna van Saksenlaan 7,
2593 HW, The Hague,
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FMO has an Independent Complaints Mechanism

If you have a project-related complaint you can inform us about the problem in writing by letter or by filling out the online form on this page.

https://www.fmo.nl/project-related-complaints

https://www.fmo.nl/independent-complaints-mechanism

UNDP Office:
World Trade Center,
Asunción, Paraguay

UNDPs Stakeholder Response Mechanism

https://www.undp.org/content/undp/en/home/accountability/audit/secu-srm/stakeholder-response-mechanism.html#:~:text=The%20Stakeholder%20Response%20Mechanism%20helps,successfully%20resolved%20issues%20

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