Macauba – Plant Oil with Impact
Project Presentation
2019

Key messages

- INOCAS **started in 2018 the implementation of the Macaúba Pilot Project** in Brazil financed by the Inter-American Development Bank - IDB and other investors.

- **Project funding of USD 3m** (equity) and USD 1m (grant) is provided by the **Inter American Development Bank** (IDB) and the Climate Investment Fund of the **World Bank.**

- Macauba is an **indigenous palm tree in Brazil** which produces vegetable oil products comparable to the African oil palm (largest global vegetable oil market today).

- The project is establishing **2,000 ha pilot of silvopastoral Macauba plantation** in Minas Gerais, Brazil, in collaboration with local partners.

- The project offers **significant benefits in terms of ecological and social benefits as well as in financial terms** – and is highly scalable.

- INOCAS has developed the project based on four years of R&D – and brings a **highly experienced international team** into the realization of the project.

The problem: Deforestation is one of the world's most pressing issues – and palm oil is one of the drivers

The problem…

- **14 million ha land are deforested each year** (= size of the UK)
- Especially **palm oil monocultures** have caused environmental disasters
- In **Brazil**, deforestation and land use change account for **77% of GHG emissions**
- Brazil's target: become a **palm oil exporting country** – huge plantations planned

Our solution: Silvopastoral systems with Macauba are a sustainable alternative to conventional palm oil

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...and our solution for Brazil:

MACAUBA

- Indigenous palm, more **drought resistant** than the African oil palm
- Produces **similar products** like the African oil palm, but does not require rainforest conditions
- **Attractive oil yields confirmed** by studies of different universities
- Can be **integrated into vast existing pastures** (= agroforestry) to produce plant oil **without decreasing the pasture's yield**
- Can **produce plant oil without deforestation or land use change**

Source: INOCAS

Macauba fruits contain five products all of which can be sold on national and international markets

Kernel oil

- Comparable to palm kernel oil

Pulpa oil

- Comparable to palm oil

Kernel press cakes

- Animal fodder, higher value than pulpa press cake

Pulpa Press cakes

- animal fodder, comparable to soymeal

Kernel shell

- Raw material for high value granulate

INOCAS aims to establish a full Macauba value chain with two major components

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Process Macauba fruits from native trees

- Collect up to 1,500 t of Macauba fruit p.a. from existing trees

- Engage coffee harvesters off-season and improve their income with Macauba collection

- Process and sell Macauba products and by-products

- Build on-the-ground credibility with farmers for component 2

Establish a 2,000 ha Macauba silvopastoral system

- Establish 2,000ha plantation, with 300 trees/ha

- Continue milk production on the land, no plantation on non-pasture areas

- Land owned by smallholders (no land grabbing)

Benefits

Smallholders

- Production diversification;
- Improves microclimate of pasture;
- Prevention of erosion;
- Improves soil fertility;
- Income supplement;
- Feed supplementation;

Harvesters

- Employment for temporary workers (in the off-season of coffee);

Environment

- Carbon sequestration;
- Habitat for native species;
- Indirect reduction of deforestation;

Milestones

2019 – Winner of the 20x20 Initiative Project Award

2018 – Inclusion of the Macaúba project in the
Brazilian Investment Plan for the FIP
coordinated by the Brazilian Ministry of Environment

2015 - Finalist of the
Brazil-Germany innovation award

2014 – 1st place in the World Bank's
assessment for forest sustainability projects

2011 – Research funding by the European Union for the
sustainable aviation fuel platform at Leuphana University

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