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# JTF Madagascar financed by DFIs Finnfund & BIO

A focus on sustainable agriculture

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The company JTF Madagascar SARL was established by the Italian renewable energy company Tozzi Green SpA in 2010 and is specialized in sustainable agriculture activities such as food crops and essential oils. Tozzi Green practices large-scale agriculture in Madagascar on an area of about 7,000 ha total, where it mainly cultivates corn and soybeans for the local market, in addition, geranium bourbon and other aromatic plants that are extracted for essential oil production for export. The company operates in the South West of Madagascar in the Ihorombe Region about 660 km from Antananarivo. The farms are not connected to the grid and run on wind and solar energy, meeting the need for sustainable rural electrification in the region. Using innovative and sustainable techniques, Tozzi Green uses rainfed agriculture farming practices for its food crops and a drip irrigation for its essential oils – a pioneer for sustainable farming in Madagascar.

## Purpose of financing



“We are pleased to be one of the first DFI funded projects in the agribusiness sector in Madagascar. This partnership will help us to enhance and implement the best environmental and social practices. As Tozzi Green is THE pioneer in advanced agricultural technology, this will be the key to improve productivity per hectare and ensure food security for Madagascar.”

*Alessandro Berti, CEO Tozzi Green in Madagascar*

The EUR 7.5 million combined investment by Finnfund and BIO will impact the agricultural productivity in Madagascar, which is currently lacking significant modern agricultural technology. It will increase the domestic production of corn and soybeans used in local animal feed production, reducing imports and it will improve the sustainability of the extraction processes of the essential oils.

“We are proud to embark on this journey with JTF Madagascar and we look forward to work together to improve the sustainability and development impacts of their operations through our investment, E&S support and the Business Development Support Fund.”

“This is our first direct investment in Madagascar and we are excited about partnering with the leading agricultural company in the country. We’re convinced that the social and environmental development impacts are already significant and we look forward to seeing how modern agricultural technology utilized by JTF Madagascar can increase the productivity and improve food security in the country.”

*Jari Matero, Associate Director, Finnfund*

As the largest producer of corn and soybeans in the country, Tozzi Green dedicates part of its production to the UN World Food Program. The company supports local income generating activities by creating formal employment with hundreds of seasonal workers employed each year and sources of additional income (such as post-harvest collection and smallholder programs), and also impacts farmers’ food security by improving access to local seed varieties.



## Tozzi Green

Tozzi Green is an Italian holding company present in Madagascar since 2010. The company is specialized in the two main areas of renewable energy and agribusiness.

In the domain of renewable energy, the company is THE major player in the energy transition in Madagascar. Tozzi Green currently operates two hydroelectric power plants including one in Sahanivotry in the Antsirabe region which are connected to the Réseau Interconnecté or Interconnected Grid of Antananarivo (RIA) from Jirama and one at Maroansetra, both with installed capacities of 16 MW and 2.4 MW respectively.