

Land Restoration, Blended Finance and Infrastructure-Style Scaling Logic

Finance logic - infrastructure project

1 Standardisation

No infrastructure project starts from scratch: model contracts, technical criteria, known security packages. In restoration we still treat almost every operation as a unique case.

2 Tenor

A restored landscape takes years to mature, and adaptation does not fit a short-term logic. Carrying tenor the market cannot is a central function of a public bank.

3 Explicit risk allocation

Not “this is risky”, but which risk — implementation, revenue, currency, collateral, technology, climate — and who can carry each one.

4 A source of remuneration

Infrastructure has a tariff. Restoration may have carbon, PES, an offtake contract, or public payment for a verified result — and where the benefit is public, a concessional layer.

5 Pre-investment capital

No project is born bankable. Someone finances the diagnosis, design, licensing and structuring — or the pipeline never appears.

There is capital looking for nature and climate assets.

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Layers of capital, not a single instrument

Non-repayable

The Amazon Fund — around BRL 5.3 bn in grants, and nearly two decades of governance, monitoring and audit structure

Long-term credit

The larger share of BNDES Florestas, with resources from the Climate Fund

Equity and funds

BRL 5.9 bn mobilised — BRL 1.3 bn of the bank's own capital and BRL 4.6 bn private

Risk mitigation

Guarantees and structures able to address the specific barrier blocking a given investment

BRL 14.1 bn

mobilised for native forests

1.3 → 4.6

BRL bn: our own capital, and the private capital it brought in

Private capital comes in when there is a vehicle, governance and the right risk split.

Who takes each risk — and who pays for each benefit

Blended finance is not simply mixing different sources of money. Sertão Vivo — BNDES, IFAD and the Green Climate Fund, with five states — shows the logic:

At the farm gate: 100% non-repayable

Water access and adaptation generate returns for society as a whole — but not enough cash flow for the farmer to pay for them. So concessionality sits exactly at the layer where it is needed.

And an infrastructure logic

20,000 water-access systems · 84,000 hectares of resilient production systems · five states · territorial targeting by poverty, climate vulnerability, food insecurity and water availability.

A single cistern is small.

But thousands of those interventions, planned territorially and financed within one architecture, become infrastructure for climate resilience and for the restoration of the productive landscape.

Four actions to operationalise RAIZ at scale

1

A project preparation facility

Inside or associated with public development banks, grant-funded. Without preparation there is no pipeline — and without a pipeline, mobilising capital stays theoretical.

2

Model contracts by type

Productive restoration, agroforestry, degraded pasture, soil management, water access. We should not reinvent the legal and financial architecture in every country.

3

Metrics inside the instrument

Measurement cannot exist only for reports. Indicators must influence disbursement, supervision or payment for results — using references already agreed under this Convention.

4

Systemic risk in the design

Currency risk is the clearest example. It has to enter the design of the instrument from the start, not be handled as a last-minute detail.

Without preparation there is no pipeline. Without a pipeline, the capital conversation is theoretical.

RAIZ

organises countries' priorities and demand

Agri-PDB Platform

let's banks share contracts, risk matrices,
guarantees, methodologies

Public banks

make the final connection: priorities into
financeable operations

*The question is not only
“how do we finance restoration?”*

How do we turn landscape restoration and resilient agriculture into an investment class that can be financed at scale?

Just as other banks have accumulated great experience of their own, it is through exchanging that knowledge — manuals, methodologies, indicator matrices, governance models — that we can accelerate and scale landscape restoration and resilient agriculture.



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