COP30 FOREST PAVILION:

A Shared Commitment to Our Planet

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Economic Viability of Restoration Concessions: Revenue Streams and Climate Finance Opportunities Beyond Carbon Markets

November 15th 2025, 90 minutes

Brazilian Forest Service (SFB) / Ministry of the Environment and Climate Change (MMA)

Hybrid

Concept Note

I. Background

Forest concessions for restoration are a promising innovation in Brazil's Forest Service agenda, integrating ecological recovery and restoration with sustainable economic development. They represent a practical pathway to scale up native vegetation restoration in degraded public forest areas, while fostering inclusive green growth and community engagement.

The model builds on the experience of sustainable managed forest concessions, with 24 signed contracts, but introduces a distinct logic: instead of focusing on sustainable timber production, restoration concessions emphasize the generation of environmental services, such as carbon credit and biodiversity conservation. This creates opportunities for public-private partnerships capable of combining restoration outcomes with economic returns.

Recent progress in carbon markets and regulatory frameworks, including the amendment of Article 55 of Decree No. 12,046/2024 and the enactment of Law No. 14,590 of May 24, 2023, which updates Law No. 11,284/2006, has opened new pathways for financing large-scale restoration initiatives. These advances provide greater legal clarity and predictability for concessionaires developing REDD+ and other climate mitigation projects in public forests. Nevertheless, the long-term economic viability of restoration concessions will depend on diversifying revenue sources beyond carbon-related income.

Potential complementary revenue streams include the commercialization of non-timber forest products (NTFPs), ecotourism and environmental education services, payments for ecosystem services (PES), and bioeconomy innovations linked to restored landscapes. Structuring these value chains requires risk-sharing mechanisms, and tailored financial instruments capable of mobilizing private investment at scale.

This roundtable will convene government representatives, international financial institutions, private investors, and restoration practitioners to discuss practical models for ensuring the financial sustainability of restoration concessions in the evolving climate finance landscape.

II. Objectives

- Discuss the economic opportunities and challenges of forest restoration concessions in the context of climate finance.
- Identify alternative and complementary revenue streams to carbon markets (e.g., non-timber forest products, payments for ecosystem services, and sustainable tourism).
- Explore financial mechanisms, guarantees, and blended finance instruments that can support large-scale implementation.
- Foster dialogue among public institutions, investors, concessionaires, and international organizations on sustainable financial models for restoration concessions.

III. Programme/Schedules of Events/Speakers

Schedule	Title	Description	Speakers
14:00 – 14:10	Opening Remarks	Official opening of the session with an overview of Brazil's forest concession framework and the new restoration concession model. Highlights recent policy and legal advances supporting carbon and environmental service markets.	Renato Rosenberg Brazilian Forest Service Concession and Monitoring Director
14:10 – 14:30	Economic Viability Models	Interactive discussion addressing how to design viable business models for restoration concessions, exploring sources of revenue beyond carbon credits and opportunities for blended climate finance.	Ian Guerriero Brazilian Development Bank
14:30 – 14:50	Revenue Streams	Discussion on potential monetization opportunities and financial structuring for restoration concessions	Munir Y. Soares Systemica
14:50 – 15:10	The Buyer's Perspective	Discussion among corporate buyers on procurement strategies, integrity requirements, and challenges in sourcing restoration-based credits.	Caio Franco Mombak
15:10 – 15:20	Moderated Q&A	Audience participation to share perspectives, challenges, and innovative financing ideas for restoration concessions.	Renato Rosenberg Brazilian Forest Service Concession and Monitoring Director

15:20 – 15:30	Closing Segment	Summary of the main insights and recommendations emerging from the discussion. Identification of potential collaboration areas for scaling restoration concessions under Brazil's climate finance agenda.	Renato Rosenberg Brazilian Forest Service Concession and Monitoring Director

IV. Expected main messages

1. **Restoration concessions are a cornerstone of Brazil's forest and climate policy framework.**
   By combining public governance with private investment, restoration concessions can operationalize large-scale restoration in public forests, contributing directly to Brazil's Nationally Determined Contribution (NDC) and biodiversity targets. Embedding this model within national forest and climate strategies enhances policy coherence and enables measurable restoration outcomes.

2. **Legal and regulatory advances strengthen investor confidence and unlock new financing pathways.**
   Recent measures, such as the amendment of *Article 55 of Decree No. 12,046/2024* and *Law No. 14,590/2023,* have expanded the legal basis for carbon and environmental service markets within public concessions. Clearer rules on carbon certification and credit ownership provide predictability, attract responsible investors, and foster the development of REDD+ and other performance-based finance mechanisms.

3. **Economic viability depends on diversified and innovative revenue models.**
   Beyond carbon revenues, sustainable income streams from non-timber forest products, ecotourism, payments for ecosystem services (PES), and bioeconomy value chains can strengthen the financial sustainability of restoration concessions. Innovative instruments as blended finance, concessional credit, and guarantee funds, can improve risk sharing and mobilize private capital at scale.

4. **Inclusive benefit-sharing and community participation.**
   The legitimacy and effectiveness of restoration concessions depend on equitable benefit distribution and active involvement of traditional communities. Co-designing management and revenue-sharing mechanisms ensures that restoration generates not only environmental gains but also social and economic opportunities in forest territories.

5. **International cooperation and climate finance alignment are key to scalability.**
   Integrating restoration concessions into broader frameworks of international climate finance can help bridge-funding gaps and ensure environmental integrity. Partnerships among governments, development banks, and the private sector are vital to replicate and expand successful restoration models across the Amazon and other biomes.

V. Focal Point/Contact

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