



INVESTMENT OPPORTUNITY

# Mixed plantation forestry for commercial timber production



Restoring the degraded land with mixed timber species and commercializing resultant sustainable timber to commodity markets.

## GEOGRAPHY



**Brazil,**

Atlantic Forest, Pará, Rondônia and Amapá



## NEED CASE

The deforestation rate of the Atlantic Forest grew by nearly 60% between 2015-2016. 11,000 hectares destroyed between 2017-2018.



Deforestation hurts biodiversity.

## POTENTIAL IMPACT

Reduce deforestation, improve biodiversity, capture carbon dioxide, combat climate change, boost rural economy.

### SDG Indicators

**15.1.1.** Forest area as a proportion of total land area.

**15.2.1.** Progress towards sustainable forest management.

**15.3.1.** Proportion of land that is degraded over total land area.

**15.A.1.** Official development assistance and public expenditure on conservation and sustainable use of biodiversity and ecosystems.

## BENEFICIARY

Direct: The Atlantic Forest.

Indirect: Native populations, wildlife, timber businesses and timber consumers.



## RENEWABLES

Forestry management



## RETURN PROFILE

# 11-17%

A benchmark investor is deploying this business model at an IRR of 11.7% and is showing potential to reach over 17% if operation is doubled.



## MARKET SIZE

# \$35 billion

reforestation industry in Brazil today.

# \$50 million

hectares available for reforestation in Brazil.



## TIMEFRAME

# Medium term

Mixed species reforestation can include fast growing species that can be commercialized on an annual basis, higher quality timber will take 10-15 years to grow and generate returns.



## PARTNERS

**Investors:** over US\$ 10 million from BNDES in financing to Grupo Votorantim to acquire Legado das Aguas.

**Companies:** Grupo Votorantim through Legado das Aguas.

**Public sector:** Brazilian Forestry Service.



**Learn more** Access additional data about the enabling environment, risk factors, users & beneficiaries, and externalities in the Brazil SDG Investor Map dataset.