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# Catalyzing Green Capital After COP30

Lessons from Brasília and Belém for Scaling  
Productive Restoration in Brazil

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Following COP30 in Belém, Brazil has demonstrated that investments aligning climate and biodiversity goals are achievable, particularly in the land-use sector. Restoring degraded pastures is not only an environmental priority but also one of the country's most relevant economic opportunities. As implementation becomes the central focus, Brazil now faces the task of turning its restoration commitments into bankable projects able to attract both domestic and international capital.

In the months leading up to COP30, Climate Policy Initiative (CPI), with support from the Embassy of the Netherlands, convened the learning discussion "[Blended Financing the Restoration of Degraded Pastures in Brazil](#)" in Brasília. The event brought together financial institutions, investors, and policymakers to discuss pathways for scaling blended finance to support productive pasture restoration. At COP30 in Belém, CPI and the Netherlands Embassy continued this dialogue in the session "Catalyzing Green Capital: Innovative Finance for Brazil's Pasture Regeneration," which expanded on the discussions initiated in Brasília and added new perspectives.

The [Global Innovation Lab for Climate Finance](#) played a key role in advancing the restoration finance agenda, helping design and incubate solutions such as [The Currency Exchange Fund \(TCX\)](#), [Responsible Commodities Facility \(RCF\)](#), [Growth Next Generation Agriculture \(GAN\)](#), and [The Seeded Initiative](#). By developing instruments that reduce risks, expand credit access, and strengthen restoration supply chains, the Lab has contributed practical tools that support capital mobilization for large-scale regenerative land use in Brazil and can be replicated and scaled into new geographies.

## INSIGHTS FROM BRASÍLIA

Recovered pastures can boost productivity and reduce pressure on forests but [CPI's analysis of the ABC Recovery credit line](#) shows limited impact. Over a quarter of declared areas were not actually pastures, and credit use reduced degraded pasture areas by only 3 percent on average, reaching 6 percent with technical assistance. Stronger oversight and closer integration of technical assistance are needed to improve results.

The Brasília learning session highlighted several recommendations:

- The real economy and the financial sector need to advance together.
- Designing financial instruments with potential borrowers helps ensure their relevance.
- Technical assistance is an important component for improving project performance and monitoring.
- Coordination among DFIs, ministries, and private-sector actors can help consolidate Brazil's restoration finance architecture.

These insights informed the Belém discussions, which focused on addressing systemic gaps through improved financial structures and collaboration across institutions.

## DEEPENING THE DEBATE IN BELÉM: WHAT COP30 ADDED

At the side event in Belém, Brazil's restoration agenda was presented by the Kingdom of the Netherlands in Brazil, the Ministry of Agriculture and Livestock (MAPA), and the Brazilian Development Bank (BNDES).

Emiel Mulder, Nature and Biodiversity Counselor of the **Kingdom of the Netherlands in Brazil**, highlighted the Embassy's work in supporting restoration, conservation, and the sustainable use of biodiversity across key ecosystems. By convening stakeholders and fostering dialogue, the Netherlands seeks to advance resource mobilization and unlock private-sector finance for biodiversity, including pasture regeneration as a priority.

Representing the **Ministry of Agriculture and Livestock (MAPA)**, Flávio Costa highlighted the advancements of the National Program for the Recovery of Degraded Pastures (PNCPD), launched in 2023, to restore 40 million hectares over ten years and transition them into sustainable production systems. With 82 million hectares of pastures currently degraded, MAPA-supported studies identify an initial restoration potential of 27.7 million hectares across key states and production systems, requiring an estimated BRL139 billion in investments.

He also noted that the Caminho Verde program, backed by BRL 30.2 billion through the EcoInvest platform and additional international partnerships under negotiation, aims to restore up to 3 million hectares while allocating resources across all Brazilian biomes. Producers accessing credit must commit to zero deforestation as well as annual carbon reporting, with potential climate benefits that include the removal of 19.5 million tonnes of CO<sub>2</sub> per year. Key challenges include high restoration costs, uneven technical capacity, and the need for strong monitoring to ensure compliance.

Speaking on behalf of the **Brazilian Development Bank (BNDES)**, Raphael Stein emphasized that the bank has supported several initiatives aimed at valuing standing forests through restoration, silviculture, sustainable management, and the implementation of agroforestry systems. Beyond direct project support, BNDES recognizes the importance of strengthening the native forest value chain. Seed collection and native seedling production require targeted support to keep pace with increasing investments in reforestation.

## FINANCIAL INSTRUMENTS EMERGING AS CATALYSTS

Across Brasília and Belém, two groups of financial innovations received significant attention.

### 1. Instruments that help reduce foreign exchange risk and connect Brazil to global capital markets

**The Currency Exchange Fund (TCX)**: TCX provides long-term hedging in markets that lack liquidity, allowing sustainability projects to borrow in local currency while reducing FX exposure for international investors. This type of risk mitigation is particularly relevant for restoration projects that require longer repayment horizons.

**Responsible Commodities Facility (RCF)**: As the first USD-denominated green receivables agribusiness certificate (in Portuguese CRA) supporting sustainable soy production, RCF offers lower interest rates to producers who commit to zero deforestation. With more than 150 farms financed and 43,000 hectares conserved, RCF has shown that structured finance can bring international capital into the agricultural sector in a responsible manner.

## 2. Vehicles designed to finance restoration inputs and regenerative practices

**Rabobank's nature finance strategy** uses blended structures, long-term loans, and guarantees developed in partnership with Agri3. Transactions such as ACP Bioenergia and Botuverá demonstrate how concessional layers can support investments in degraded-land recovery and compliance with the Forest Code.

**Growth Next Generation Agriculture (GAN)**, incubated by CPI's Lab, finances bioinputs, cover crops, and regenerative seeds. By combining commercial, DFI, and philanthropic capital through a hybrid FIDC/CRA structure, GAN seeks to expand regenerative agriculture across up to one million hectares.

In addition to these vehicles, the following initiatives were highlighted during the COP30 event:

### Silva and The Seeded Initiative

**The Seeded Initiative**, developed by [Silva](#) in partnership with [Instituto Belterra](#), is an initiative that focuses on strengthening the network of nurseries that supply seedlings for large-scale restoration. By providing working capital, technical support, and standardized production practices, Seeded helps nurseries obtain predictable cash flows, expand capacity, and improve seedling quality.

The program also supports community and women-led nurseries, contributing to biodiversity enhancement and social inclusion across multiple biomes in Brazil. By addressing one of the key bottlenecks in the restoration supply chain, the Seeded Initiative is an example of how targeted investments can improve project readiness and strengthen local economies.

### Belterra as a Platform for Large Scale Pasture Restoration

Belterra complements these financial innovations with an integrated agroforestry and restoration platform designed to convert degraded pastures into productive landscapes. Using blended finance, long-term offtake agreements, and an operating model that assumes implementation risk, Belterra supports small and medium producers in transitioning from low-productivity systems to diversified agroforestry with significantly higher income potential.

Its model, supported by one of the largest native and cocoa seedling nursery networks in the Amazon and strengthened by the work of Instituto Belterra, combines technical due diligence, operational capacity, and carbon-credit generation. The company is developing a pipeline of 40,000 hectares that will require USD 400 million in structured capital, including resources from BNDES Fundo Clima, equity, and outcome-based financing.

## **FIVE CROSS-CUTTING LESSONS FROM BOTH EVENTS**

Across both Brasília and Belém, participants identified several priorities for advancing Brazil's restoration agenda:

1. Blended finance continues to be important for lowering risks and supporting the transition toward commercial viability.
2. Financial instruments need to reflect real economy demand, with engagement from supply chain actors and other market participants.
3. Co-creation with borrowers helps ensure that instruments match local needs and capacities.
4. Technical assistance supports compliance, monitoring, and overall project quality.
5. Coordination among government entities, DFIs, and private actors will be essential to accelerate capital flows, supported by advances in taxonomy, FX policy, and credit enhancement tools.

## **LOOKING FORWARD: A NEW PHASE FOR RESTORATION FINANCE**

COP30 marked an important moment for Brazil's restoration finance landscape. The combination of government leadership, financial innovation, and growing investor interest provides a foundation for scaling productive restoration in the country. The discussions in Brasília and Belém showed that despite ongoing challenges, many of the required solutions are already in place.

The next step is to turn these tested mechanisms into larger, replicable models capable of mobilizing substantial investment. With continued coordination and steady progress, Brazil has the potential to demonstrate how regeneration, productivity, and climate finance can support long term landscape transformation.