



**Restoration Seed
Capital Facility**

Bridging the early-stage investment gap in forest landscape restoration

RSCF's four years in review
(2022–2025)

September 2025

A facility managed by



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THE GOVERNMENT
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Climate and Biodiversity



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A photograph of a dense forest with lush green foliage. A large, dark tree branch extends from the upper left towards the center. The background is filled with more trees, creating a sense of depth. The overall tone is green and natural.

RSCF after four years

Impact in numbers*

**USD 212.1
million**

in additional
investments to
be mobilized by
the supported
projects

**849,463
ha of forest**

to be under
protection of which
725,453 ha of
natural habitat
protected or restored

**54.6 m
tons CO₂**

to be sequestered
over the lifetime of
the projects

**1.875
direct jobs**

to be created
contributing to
sustainable
livelihoods

*The Restoration Seed Capital Facility provides preparatory support to early-stage forest landscape restoration projects. Given their stage of development, the figures presented in this report reflect ex-ante estimations of the impact to be generated by these projects after investment is mobilized and project activities are implemented, which can take few years.

Key achievements

6

partners committed
to deliver RSCF's
vision

13

countries across
Latin America,
Africa and Asia
host RSCF projects

16

projects receiving
support from RSCF

10

projects already
successfully reached
investment, 6 projects are
still under development

19

**communication
products** released

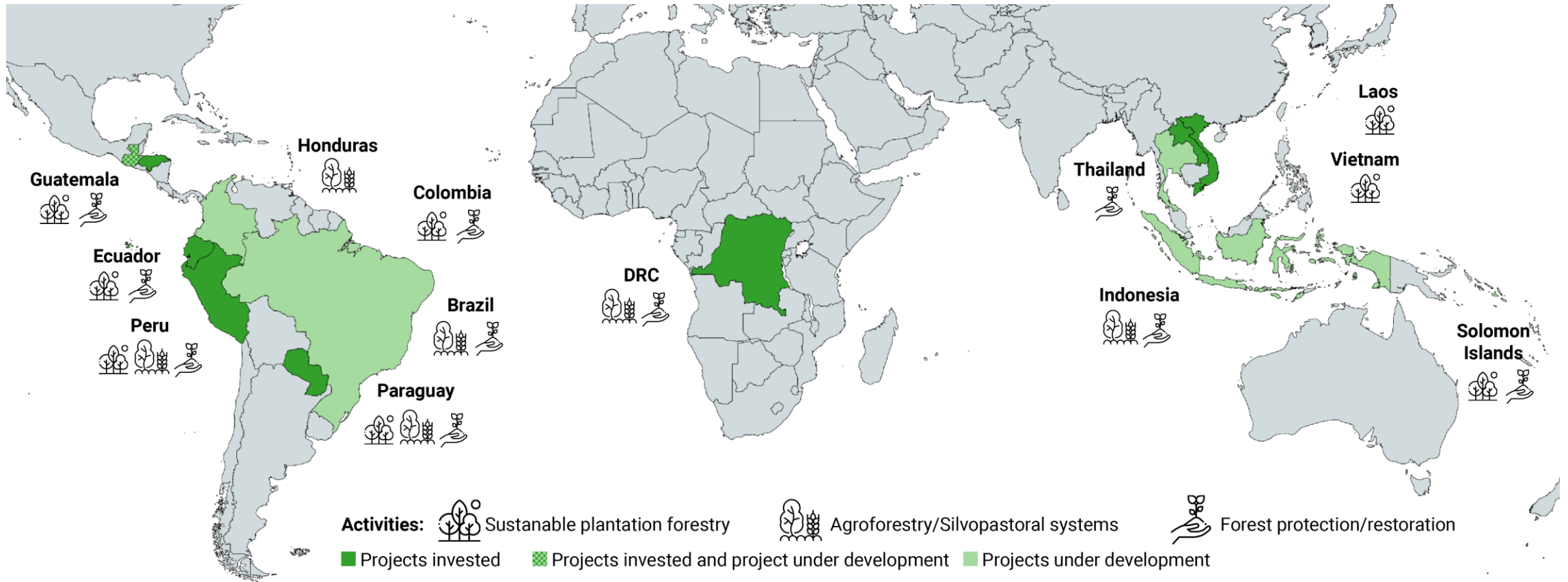
23

knowledge exchange
events co-organized
or attended

60+

fund managers, project
developers and
governments reached

RSCF Projects span 13 countries





RSCF's investment strategy is relevant now, more than ever

Over the past four years, nature and biodiversity have risen to the top of the international agenda, aligning with RSCF's focus on forest landscape restoration. The 15th UN Convention on Biodiversity (COP15) struck an agreement on the Global Biodiversity Framework (GBF) in 2022, a moment of equal significance to the Paris Agreement on climate change. Indeed, with the raise in prominence of biodiversity, there has been growing recognition that the climate and the nature loss crises need to be addressed in an integrated manner and in a way that fosters people's wellbeing. This is consistent with one of the pillars of RSCF's mission: that forest landscapes constitute essential means to sequester carbon, increase the resilience of communities to climate induced land degradation and foster healthy ecosystems.


While recognition of the importance of forest landscapes grew, prevalent risk perceptions and project complexity still limit private finance flows to them. This highlights another pillar of RSCF's mission: that seed capital for early-stage projects is needed to allow them to reach investment readiness and attract private capital. Over the past years, revenues from activities that contribute to forest restoration and protection have diversified. Revenues from sales of agricultural commodities issued from agroforestry, sustainably produced timber and non-timber forest products have gradually come to be complemented by income from

carbon credits. Concerns over integrity of nature-based carbon credits are still limiting demand, particularly for credits linked to avoided emissions from reduced deforestation, often known as REDD+ credits. Credits linked to natural removals of carbon, such as those resulting from afforestation, reforestation and revegetation (ARR) have attracted stronger demand and higher prices. The increase in offtake agreements from companies seeking to offset their emissions, coupled with signals of increased convergence and interoperability between voluntary and compliance markets are driving new project developers and fund managers to the sector. However, both investors and offtakers remain reluctant to commit financially while the projects are at early stages, due to the higher risks and longer timelines involved.

Building on the experience gained over the past four years, RSCF will continue to bridge the early-stage investment gap to help fund managers bring their forest landscape restoration ideas to a level that is attractive to private investors.

A lush green forest scene with a large, dark tree branch extending from the left side across the upper half of the frame. The background is filled with dense foliage and trees, creating a sense of depth. The overall color palette is various shades of green, with some darker tones on the branches and lighter tones in the foliage.

How RSCF works



The Restoration Seed Capital Facility (RSCF) works to accelerate private investments into forest landscape restoration in frontier markets, contributing to climate change adaptation and mitigation, reduced biodiversity loss, and sustainable livelihoods.

How RSCF works

The Restoration Seed Capital Facility supports the **early development** of forest landscape restoration (FLR) investment funds and projects, tailored for two use cases:

Who?	1. New investment vehicles	2. Funds in investment phase	
When?	Fund development	Pipeline development	Project development
What?	<ul style="list-style-type: none">Fund establishment and fundraising	<ul style="list-style-type: none">Identification and early assessment of investment pipeline	<ul style="list-style-type: none">In-depth project assessment and preparation
How?	<ul style="list-style-type: none">Reimbursable grants co-funding of up to 50% of eligible costs	<ul style="list-style-type: none">Grant co-funding of up to 50% of eligible costs	<ul style="list-style-type: none">Reimbursable grants co-funding of up to 50% of eligible costs

A lush green forest scene with a large, dark tree branch extending from the left side across the upper half of the frame. The background is filled with dense foliage and trees, creating a sense of depth and a natural environment. The overall color palette is various shades of green, with some darker tones on the branches and lighter tones in the foliage.

RSCF's Portfolio

Key Features

RSCF portfolio—Key features

RSCF's portfolio features a diversity of activities, revenue generation models, and investment strategies.

Projects implement diverse activities under the common umbrella of forest landscape restoration. While all the partners' projects supported by RSCF contribute to forest restoration and protection, they do so in different ways and with different revenue sources including agroforestry, sustainable timber management, non-timber forest products such as rubber and honey, and ecosystem services such as carbon sequestration. (The [Impact stories](#) section presents specific project examples)

Revenue models combine agricultural and forestry commodities with natural climate solutions. Many of the supported projects monetize their carbon sequestration services by generating carbon credits for voluntary markets. While in the early years of the facility carbon revenues were often negligible due to low market prices, they have come to play a larger role in overall revenues. This evolution allows partners to be directly remunerated for the forest conservation and restoration activities, as well as many social impact activities, where previously these were done on a smaller scale and paid for out of commodity revenues. While carbon markets are still volatile, the clarity brought by ongoing negotiations to integrate voluntary carbon credits in the architecture of the Paris accord, as well as voluntary integrity initiatives like the Integrity Council for the Voluntary Carbon Market - ICVCM's Core Carbon Principles, contribute to maintaining momentum for nature-based carbon credits despite continuing controversies.



RSCF portfolio—Key features

Projects generally require over 10 months of support to reach financial close. RSCF's pipeline and project support lines enable its partners to better fund the early stages of project development and due diligence, which are crucial to project quality, impact, and success. While most investment funds allow the fund manager to use some capital for such costs, these allocations are typically insufficient for the complex and often lengthy project development needs in sustainable land use projects.

On average, projects supported by RSCF reach financial close approximately one year after requesting support. Among the projects that successfully reached investment stage, only two required less than six months of RSCF support, while the majority required over 10 months and up to over two years. The long time needed to bring a project to an investable level underlines the need for better funding of the project development phase to enable fund managers and project developers to conduct thorough due diligence, to carry out all necessary preparatory work on the ground, and to simultaneously work on several projects.

The six current RSCF partners use a range of investment strategies to deploy their capital. Despite this diversity, several commonalities emerge. Our partners are all impact investors and, as such they are willing to engage in riskier and earlier stage investments using equity, mezzanine or equity-like debt instruments in their investments. The Facility also works with partners who maintain close involvement in the management of the projects throughout the implementation phase, either by creating joint ventures with project partners or by adopting a vertically integrated company model, whereby projects are managed by their subsidiaries. This emphasizes how the RSCF seed capital grant funding contributes to catalyzing additional risk tolerant capital. The Facility's support is playing a key role in accelerating the flow of risk-tolerant impact capital. (The section [Investing for impact](#) presents for more investment strategies examples and analysis)



Photo credit: David J. Boozer (Unsplash)

A lush green forest scene with a large, dark tree branch arching over a path. The background is filled with dense foliage and trees, creating a sense of depth and tranquility. The overall color palette is dominated by various shades of green.

RSCF's added value according to partners

RSCF's added-value

Market level

1. De-risking early-stage project development and helping to make novel projects investable
2. Helping to build capacity at all levels

Fund manager level

1. Speeding up the project development process and investments
2. Increasing quality of the due diligence and reducing risks
3. Testing the investment thesis and strategy
4. Increasing credibility towards investors
5. Flexibility and constructive monitoring processes

Market level

1. De-risking early-stage project development and helping to make novel projects investable

RSCF's reimbursable grants help fund managers to share some of the risks of early-stage project development, by sharing the financial burden related to unsuccessful deals. In case a project does not reach investment, the obligation to reimburse the project development support is waived. This enables supported partners to target more complex, innovative and resource-intensive projects.

Forest landscape restoration investment projects in developing economies are complex to develop and require an in-depth understanding of the local socio-economic and ecological conditions. Limited willingness of investors to take on design risks is compounded by the low ability of

fund managers to cover project development costs from their own internal resources or from management fees. Seed capital from RSCF allows fund managers to leverage these scarce resources to design projects from scratch, expand into new geographies, crops and activities, target new business models and investment strategies.



"RSCF allowed us to expand our work in Honduras. This included legal work, travelling, designing the project. We would not have gone for project in a new country without the RSCF support. RSCF is making it possible for us to look at more complicated projects, in new regions or crops."

Etienne Desmarais, Ecotierra

"Investors are looking for projects ready to be invested. We develop innovative projects in complex geographies. Investing our scarce resources to accelerate these projects entails high risks for our small team. RSCF provided additional resources to help bringing the project to an investable level."

Clement Chenost, The Shared Wood Company

"The feasibility study supported by RSCF helps our investee to shape their business model and impact on the ground. It was essential to map the supply chain, assess the impact on communities and articulate the investment thesis clearly."


Vincent Gradt, Impact Earth



Market level

2. Helping to build capacity at all levels

In the process of building a pool of investable projects, RSCF-supported partners contribute to building the capacity of project developers, local businesses and producers associations on environmental and social sustainability matters as well as on technical aspects related to sustainable forestry, natural climate solutions, agroforestry. This helps to develop the sector as a whole, as sustainable land use models that contribute to forest landscape restoration often require capacity building on multiple levels.

A photograph of a greenhouse filled with rows of young green plants in trays. The plants are densely packed and have large, rounded leaves. A small white tag with the number '7' is visible among the plants in the foreground. The greenhouse structure is visible in the background.

"In the markets where we work, we encounter numerous gaps making it difficult to establish sustainable forestry. Some of these are related to pipeline: in emerging economies a pool of potential projects does not exist. We have to build that: build project developers' capacity on environmental and social sustainability as well as on technical aspects."

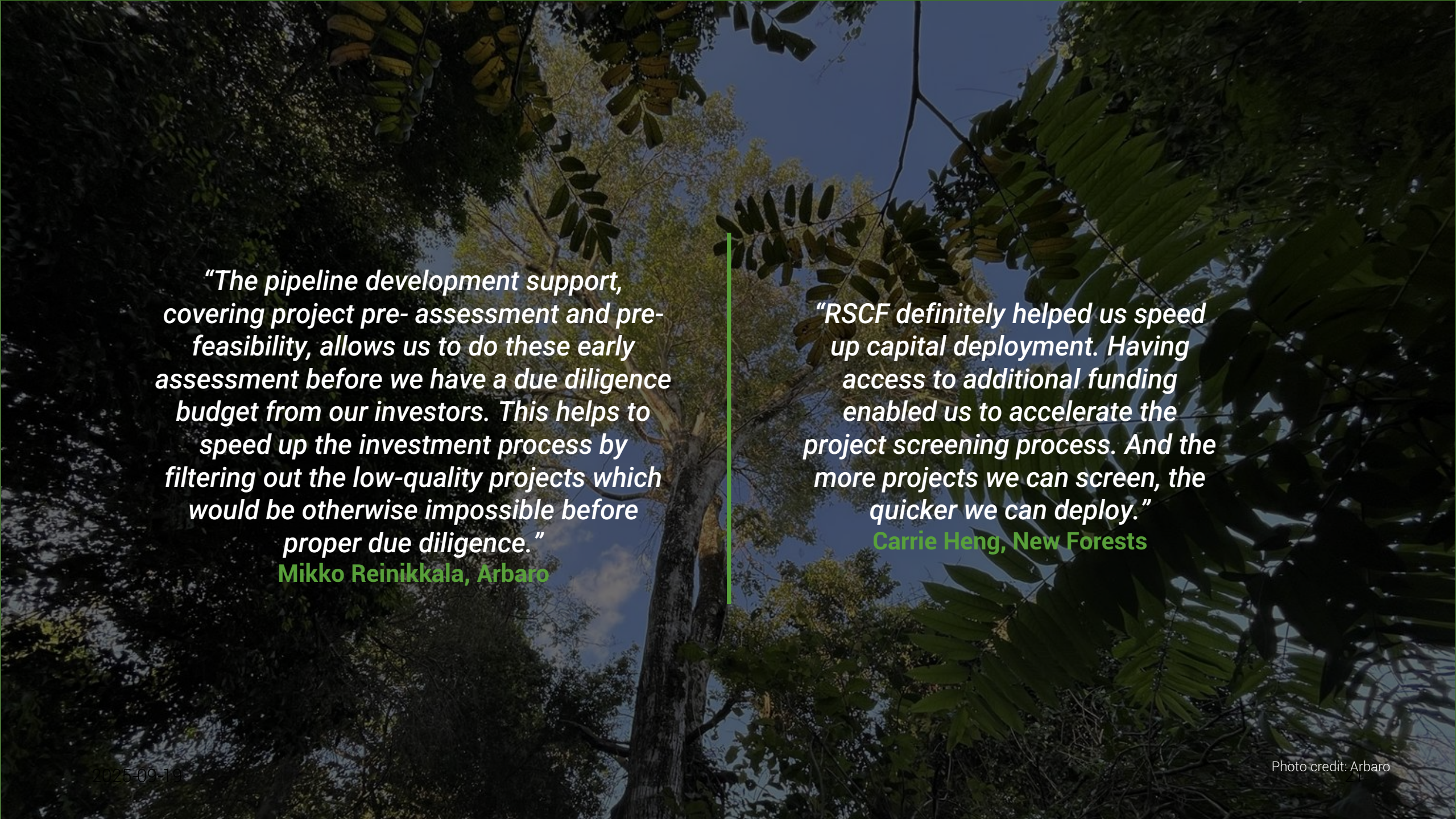
Markus Grulke, Arbaro

Fund manager level

3. Speeding up the project development process and investments

RSCF's pipeline development support allows fund managers to conduct pre-assessment and pre-feasibility studies necessary for internal approval of the use of fund capital for more in-depth due diligence to enable a final investment decision. RSCF's support helps this decision-making process by:

- Speeding up screening work and enabling fund managers to work simultaneously on a larger pool of prospective projects, contributing to a faster capital deployment.
- Filtering out lower-quality prospects earlier on without investing further resources in a fully-fledged due diligence, therefore increasing fund manager efficiency.



"The pipeline development support, covering project pre- assessment and pre-feasibility, allows us to do these early assessment before we have a due diligence budget from our investors. This helps to speed up the investment process by filtering out the low-quality projects which would be otherwise impossible before proper due diligence."

Mikko Reinikkala, Arbaro

"RSCF definitely helped us speed up capital deployment. Having access to additional funding enabled us to accelerate the project screening process. And the more projects we can screen, the quicker we can deploy."


Carrie Heng, New Forests

Fund manager level

4. Increasing quality of the due diligence and reducing risks

Support from RSCF helps fund managers to allocate more resources to due diligence and conduct more in-depth assessments, therefore reducing the investment risks. Development budgets are generally inadequate for the complexity of the projects being developed. Helping to increase the resources available at early stage can dramatically increase the quality of the project design and carry out essential activities to reduce environmental and social risk and increase impact.

This is particularly important for projects planning to generate revenues from natural climate solutions, where certification standards and markets are rapidly becoming more sophisticated and demanding in the quest for higher integrity.



*"With RSCF budget, we can afford to increase our
spending on due diligence, so go more into details."*
Markus Grulke, Arbaro

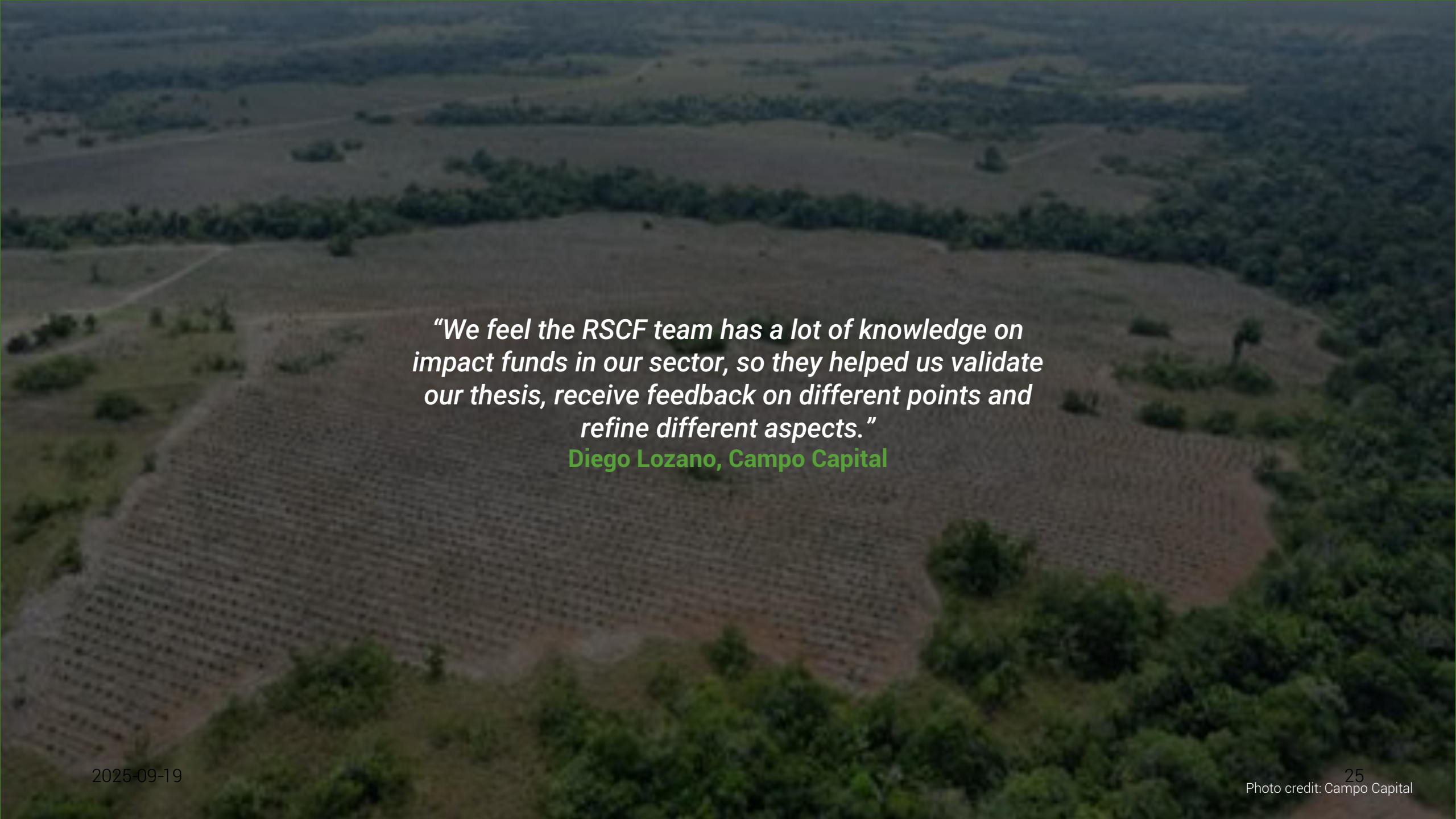


Fund manager level

5. Testing the investment thesis and strategy

In addition to grant financing, the RSCF management team conducts an in-depth due diligence process for each partner and maintains close communication throughout the duration of the partnership.

For RSCF partners, these interactions help to validate and refine their investment strategies and inform the development of specific projects, all of which can improve the quality of their work and assist in discussions with investors.



"We feel the RSCF team has a lot of knowledge on impact funds in our sector, so they helped us validate our thesis, receive feedback on different points and refine different aspects."


Diego Lozano, Campo Capital



Fund manager level

6. Increasing credibility towards investors

The partnership with RSCF helps partners in their fundraising efforts. At RSCF's invitation, partners have the opportunity to speak at large international conferences attended by investors, peer fund managers or project developers working in the same sector. This helps them to gain exposure with potential investors, pitch their funds and keep abreast with developments in the market. RSCF partners also benefit from increased credibility of their team and strategy as a result of their selection by the Facility.



"RSCF support proved to be very additional for fundraising – it was an important partnership that helped to secure ABF's investors."

Nick Oakes, Impact Earth

"Going out to potential investors and telling them that we work with RSCF opened doors for us. The RSCF invitations to be speakers at conferences increased our chances of getting interest and helped us to be closer to the market. This would have been very difficult otherwise."


Paula Sanchez, Campo Capital

Fund manager level

5. Flexibility and constructive monitoring processes

Partners appreciate:

- The lean reporting requirements, especially valuable in a context where they already report to multiple investors, each with their own requirements.
- The flexibility in terms of eligibility of investment structures and revenue models, acknowledging that diverse interventions are required to respond to diverse needs of the sector.
- The complementarity of the three support lines provided by RSCF and the willingness of the management team to use them in manners that are tailored to each partner.

A group of ten people, likely forestry workers or investors, are standing in a dense forest. They are wearing hard hats and high-visibility vests. The forest has many tall, thin trees and a forest floor covered in leaves and branches.

"RSCF's reporting requirements are very reasonable. We welcome this because we have a dozen of investors in our fund, each one with own requirements, meaning that we have to produce over 40 reports each year."

Markus Grulke, Arbaro

A lush green forest scene with a large, dark tree branch arching over a path. The foliage is dense and vibrant green, creating a sense of depth and tranquility. The text is overlaid on the left side of the image.

Investing for impact

RSCF partners' investment strategies

Campo Capital: Promoter of an integrated approach

Campo Capital entered into a partnership with RSCF in 2023. Based in Bogota, Colombia, Campo Capital has been active since 2010 and currently has USD68M assets under management. The 23-people dynamic team is committed to "bringing capital to the countryside" by generating jobs in rural areas of the Amazon and Orinoquia region and by promoting the restoration of valuable ecosystems through reforestation with native species.

Campo Capital takes pride in their integrated management model, which allows them not only to absorb the risks associated with their projects, but also to remain closely involved in their implementation.

Support provided by RSCF: Reimbursable grant funding to help establish the Campo Capital Investment Fund, by co-financing fundraising efforts, legal set up as well as strengthening their ESG internal capabilities.

Campo Capital Impact Fund: Aims to design or identify early-stage projects or scale-up projects that are subsequently directly managed by Campo Forestal, a company founded and owned by Campo Capital. This model of integrated management of investments in agroforestry, forestry and environmental projects optimizes their value and performance.

Type of capital invested: Equity by creating own project management company

Revenue: Estimated 40% from agriculture, 20% from timber and 40% from carbon credits.



“By leading all the phases in the project lifecycle, from capital raising, to investment and management, we put our skin in the game to ensure a high level of integrity and quality results.”

Paula Sanchez, Managing Partner, Campo Capital

“At Campo Capital, we draw on our 15 years experience in implementing forest plantations and issuing and selling over 500,000 tons of carbon credits in the voluntary market to advance our investment strategy. We believe that Nature-Based Solutions represent a real alternative for investments as they generate both impact and financial returns.”

Diego Lonzano, Managing Partner – Director, Campo Capital



Impact Earth: Early-stage high-risk taker

Founded in 2022, Impact Earth is an RSCF partner since 2023 and operates in London, Sao Paulo, Belem, and from later this year, Lima. Impact Earth's mission is to deploy impact capital in frontier markets with a focus on cross-cutting nature-based solutions. Impact Earth is driven by the belief that investing early in the future leaders of the market is the most additional approach, helping to build an ecosystem of impact businesses from the ground up.

- **Support provided by RSCF:** Co-financing pipeline and project development efforts to help deployment of capital under their Amazon Biodiversity Fund (ABF). This has allowed Impact Earth to hire a local presence in Belem and to currently work on bringing three Brazil-based projects to an investable level.
- **Type of capital invested:** The Amazon Biodiversity Fund provides tailor-made financing solutions ranging from revenue-sharing loans to convertible debt and equity to projects and early-stage companies. This approach enables their early-stage investees to grow and have a transformative impact on the biodiversity and communities of the Brazilian Amazon.
- **Revenue:** Diverse portfolio of forest protection, reforestation, agroforestry and smallholder value chain businesses generating revenue from agricultural commodities, carbon credits, value-added products and services.

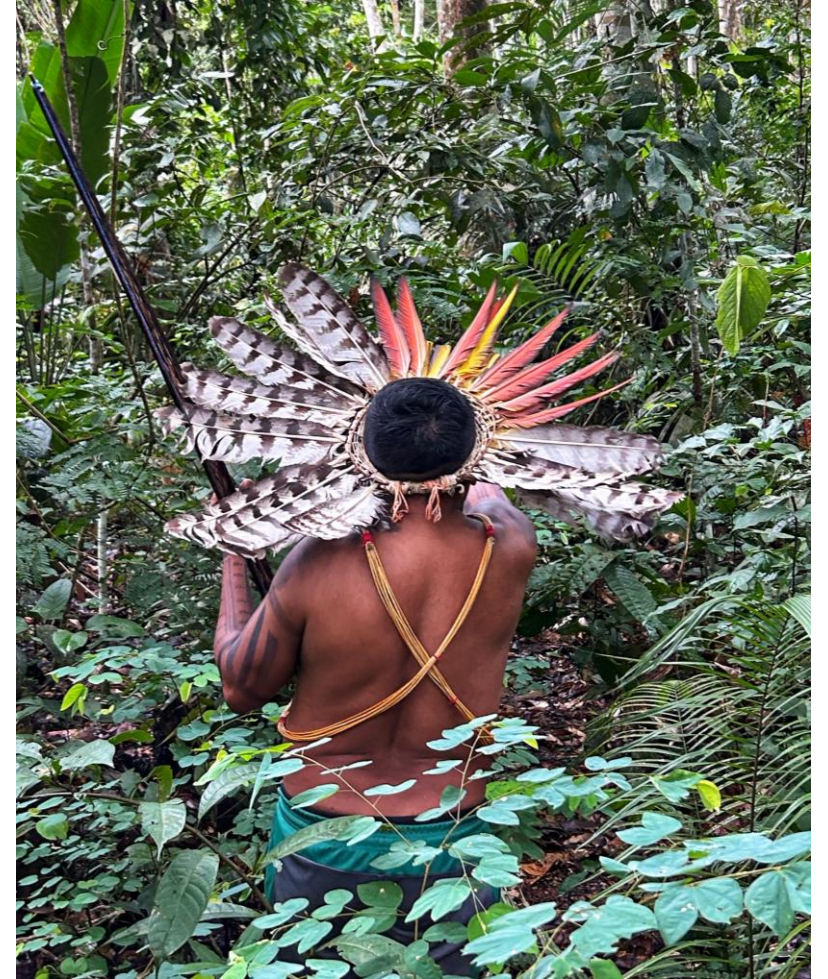


Photo credit: Impact Earth



"As we near our third anniversary, Impact Earth is successfully realizing its mission as a pioneering impact investor. In partnership with RSCF, we have expanded our team in the Amazon, have effectively deployed ABF's capital, and are beginning to see nascent impacts on biodiversity and communities across the portfolio. We are also embarking on an exciting expansion, bringing our innovative investment approach to tackle the challenges of climate resilience in Latin America and Southeast Asia in 2026." **Nick Oakes, Co-Founder & Managing Director**

Variety of investment strategies

Ecotierra: Joint venture initiator with a deeply impactful exit model

- **RSCF partnership:** The support provided by the facility helped Ecotierra to develop the projects Kuska in Peru and Arma Café y Miel in Honduras, both successful in obtaining investments from the URAPI Fund. Furthermore, the RSCF support allowed Ecotierra to restart their activities after the COVID 19 pandemic without having to overlook valuable projects because of development costs.
- **Type of capital invested:** Ecotierra's URAPI fund provides debt and equity, long-term financing. Joint ventures between the fund and local smallholder community groups or cooperatives are created to co-develop and co-implement projects that transition from unsustainable land use to regenerative forestry or agroforestry activities. Urapi's exit strategy from these joint ventures ensures that the impact created is long-lasting and self-sustainable: the ownership of the assets built by the project is fully transferred to the partner cooperatives who continue to operate them.
- **Co-benefits generated:** Joint venture approach helps to protect and enhance local livelihoods. The value chain approach includes Technical Assistance, processing and warehousing infrastructure, agricultural inputs production and commercialization, development of commodity sales with added-value, quality control of commodities.

Variety of investment strategies

Arbaro: Provider of equity capital to sustainable forest plantations

- **RSCF partnership:** Being a partner since 2022, Arbaro accessed the pipeline and project development support lines to conduct pre-feasibility studies, market analysis as well as gender assessments and baseline studies. The support helped Arbaro to conduct more in-depth due diligence and simultaneous screening of several projects.
- **Type of capital invested:** Equity (Arbaro Fund I, Separately Managed Account): Acquires or establishes timber companies, manages them under FSC guidelines to strengthen sustainable forest management practices, supporting on-site production and developing timber value chains within the country. Exits once the companies start to generate revenue stream from sustainable timber production, i.e. 10 to 12 years (max.15 years) after investment.
- **Co-benefits generated:** Sets aside natural forest and habitat areas for permanent protection and conservation, usually beyond requirements of legislation or certification. Technical assistance to develop sustainable forest management capacity within local communities, supporting local entrepreneurship and job creation.

Variety of investment strategies

New Forests: Investing with a landscape approach

- **RSCF partnership:** New Forests entered into a partnership with RSCF in 2022 after their Tropical Asia Forest Fund 2 (TAFF2) reached a first close. The pipeline and project development support enabled them to boost the development of more impactful projects for TAFF2, as well as the development of pipeline outside their traditional area of commercial forestry operations as well as initiating investments in carbon projects in South-East Asia.
- **Type of capital invested:** New Forests' commingled funds offer a private-equity commercial returns profile to its investors.
- **Tropical Asia Forest Fund 2 (TAFF2)** aims to establish a well-diversified portfolio of investments in Southeast Asia including plantations, infrastructure and nature-based solutions that generate sustainable timber/ timber products and carbon credits.
- **Co-benefits generated:** TAFF2 has a blended finance structure which enables capital to be directed toward high-ESG impact investments such as carbon projects that aim to deliver not only climate benefits but also positive impact on community livelihoods and biodiversity. AFIP's targets impacts on climate, biodiversity, gender & diversity, and communities & livelihoods.

Variety of investment strategies

The Shared Wood Company (sWc): Hands-on investor

- **RSCF partnership:** sWc partnered with RSCF in 2022 to access support for pipeline and project development. This allowed sWc to work on innovative projects in complex markets in Africa and bring them to an investable level.
- **Type of capital invested:** Equity/Debt. Joint-Ventures with experienced partners on the ground or development of in-house teams to control the quality of operations. sWc oversees the full project development cycle (design, development, financing, building and operation) of natural climate solutions and green commodities approaches in Africa, Latin America and Europe.
- **Co-benefits renerated:** Tackles biodiversity loss, climate change and rural poverty. Dissemination of agroforestry practices. Diversification of livelihoods.



Impact stories

Featured projects

Project support from RSCF

RSCF support consists in project-specific reimbursable grants to co-finance:



Due diligence (e.g legal, financial, market)



Legal and fiscal studies



Project feasibility and value chain studies



Travel costs



Environmental, social and governance (ESG) risk assessment and enhancement



Financial risk analysis and project valuation costs



Independent technical project assessment

Objective

- Develop promising impactful projects to reach the stage of investment
- Reduce the costs incurred by fund managers in case the deal is broken (i.e. investment is not reached)
- Unlock private capital for FLR projects

Burapha: Laos

Overview

Burapha is a forestry operation located in Laos combining:

- A sustainable forestry plantation with an area of approximately 5,571 hectares of eucalyptus and acacia.
- An afforestation, reforestation, and revegetation (ARR) project since 2023.
- An integrated modern plywood mill.

Investment's added value:

- Focused efforts to recommission and ramp-up mill operations and improve plantation management, laying the foundation for more reliable, cost-efficient production.
- Refining the market approach and product positioning, while developing carbon revenue streams to support financial resilience.
- Re-engage communities and build stronger, more collaborative local relationships.

Activities:

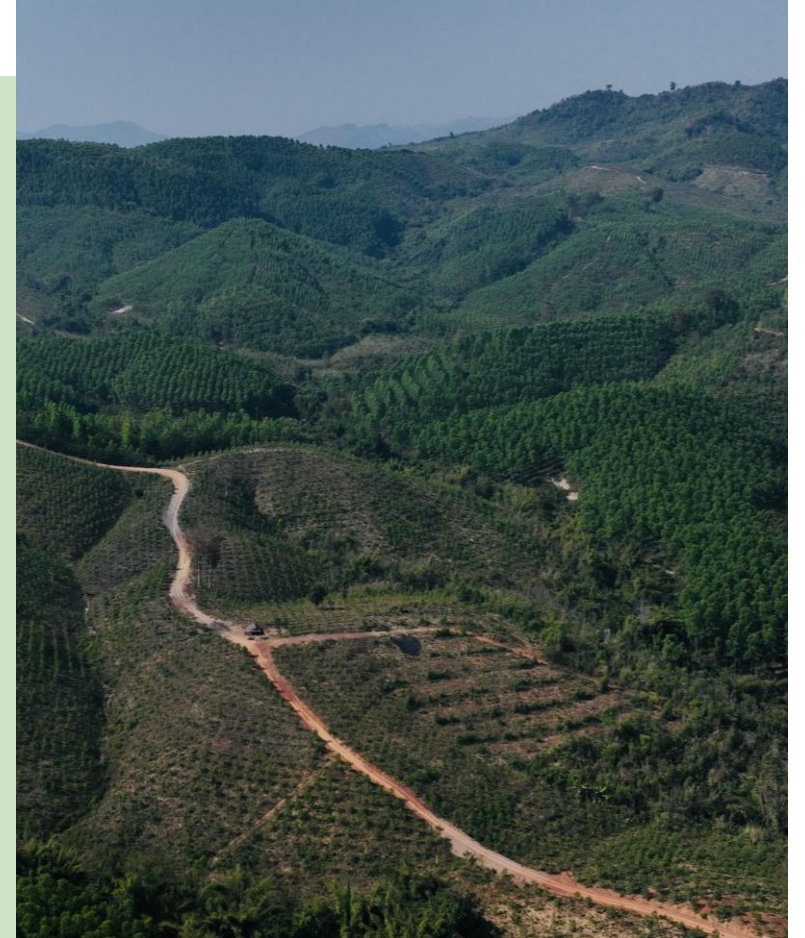


Photo credit: New Forests

Burapha: Impact in numbers

- ✓ Approximately **6,000** ha of sustainable production forest
- ✓ Approximately **1,200** ha of natural habitat under protection
- ✓ **604,015** tCO₂e sequestered over the 20 years project lifetime¹

Local communities' participation

- Locals' first hiring policy: seasonal jobs for planting and maintenance are offered to the community having the plantation within their administrative boundaries. Full-time positions in the mill and plantation operations are largely filled by Lao staff.
- Village authorities and all interested community members are part of the land acquisition process through the free, prior and informed consent (FPIC) process.
- Local communities can intercrop rice cultivation within the plantation during the first years.



Photo credit: New Forest

¹ Source: <https://registry.verra.org/app/projectDetail/VCS/2367>

Taviwood JSC: Vietnam

Overview

Taviwood is one of Vietnam's largest solid wood lumber and log suppliers, serving both domestic and international clients across the furniture, construction, and export markets.

The company supports an approx. 200-hectare FSC-certified small grower program, providing grants, operational support and off-take agreements.

Investment's added value:

- Future growth plans include scaling the lumber production, launching a wood pellet processing facility and introducing a finger-joint panel operation.
- Aim to expand the areas of forestry plantations that are FSC certified.



Activities:



Photo credit: New Forests

Taviwood JSC: Impact in numbers

- ✓ Aim to create **90** direct jobs
- ✓ Aim to place up to **1,500** ha of natural habitat under conservation
- ✓ Approximately **540,000** t CO₂ over the project lifetime

Local communities' participation

- Taviwood provides the smallholder farmers participating in the program with sustainable forestry training as per FSC requirements, as well as covering the fees associated with certification.
- Local smallholders have the option of selling their timber to Taviwood, therefore securing a long-term offtaker and income stream.



Photo credit: New Forest

Arandu: Paraguay

Overview

Arandu will convert land that is currently used for commercial agriculture and cattle grazing into forest plantations and silvopastoral production (integrating cattle farming with forestry), and conservation areas.

The plantations will produce high-quality logs for solid timber applications – including sawn timber, veneer, plywood – as well as fiber for a new pulp mill located in the vicinity of Arandu.

Investment's added value:

- **Development of the forestry sector:** By supplying timber products to the local mills, the project aims to contribute to the development of the forestry industry in Paraguay and in a region dominated by agricultural and cattle activities.
- **Promoting the mosaic approach:** Arandu's mosaic approach combining different land uses on smaller scale is unique in a landscape dominated by pastureland and is proven to improve biodiversity of the overall landscape.
- **"Quality wood" regime:** The project targets saw and veneer logs meant to be used as sustainable building materials and therefore sequester carbon for a long time.

Activities:



Bringing back forestry landscapes. Agricultural land will be reforested, natural forests and other valuable ecosystem elements will be protected

Photo credit: Arbaro

Arandu: Impact in numbers

- ✓ **160** Direct jobs created, targeting 15% women
- ✓ **4,400** Area (ha) of sustainable production forest
- ✓ **2,350** Area (ha) of natural habitat under protection and restoration
- ✓ **370,000** tCO₂ over the lifetime of the project

Local communities' participation

- The project will provide formal employment and training to people from local communities, where such opportunities are scarce.
- The outgrower scheme that has been established with the stakeholders (as the brownfield part of the project) is currently under the Arbaro umbrella.
- Arandu will work to increase female participation in both the workforce and in community programmes, including by helping to create a women's associations.



Photo credit: Arbaro

Ecua America Teak: Ecuador



Overview

Ecua America Teak owns close to 1,100 ha of land in Ecuador, of which approximately 940 ha of high-quality teak plantations and close to 110 ha of protection area with natural forests and vulnerable ecosystems.

The plantation is designed to create a mosaic of streamside zones and tree stands of different ages, while the protected areas aim to ensure wildlife corridors.

Investment's added value:

- The project aims to grow very high value wood and expand its supply to new markets.
- Ecua America Teak has significantly improved the E&S and operational health and safety practices of the business compared to the period prior to Arbaro investment.
- The company will seek FSC certification for the plantation operations.
- Ecua America Teak is foreseen to continue operations as a financially self-sustainable business, as Arbaro is foreseen to exit before 2032.

Activities:

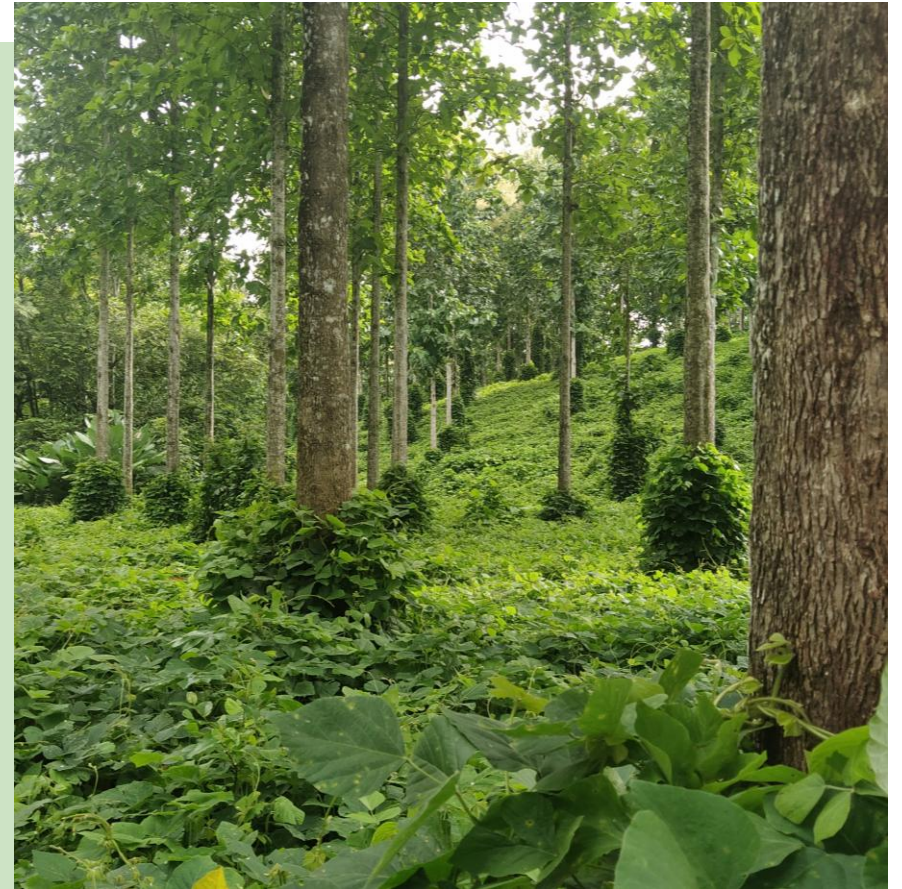


Photo credit: Arbaro

Ecua America Teak: Impact in numbers



- ✓ **15** Direct jobs created
- ✓ **940** ha of sustainable production forest
- ✓ **110** ha of natural habitat under protection and restoration
- ✓ **150,000** tCO₂ sequestered over the lifetime of the project

Local communities' participation

- Workforce is recruited from the local communities and offered formal employment contracts and training.



Photo credit: Arbaro

Kuska: Peru



Overview

The Kuska project implements an innovative mixed revenue model. It establishes new and it rehabilitates old and underperforming coffee plantations on degraded land through sustainable agroforestry combining coffee and cocoa which will generate carbon credits. In addition, the project aims to establish forest plantations and forest enrichment areas for beekeeping production.

Kuska is a collaboration between Ecotierra's Urapí Sustainable Land Use Fund and the Central of Cooperatives COCLA in Quillabamba Province, Cusco, Peru.

Investment's added value:

- The partnership approach helps strengthen COCLA's position as a leader in developing sustainable coffee, cocoa, and honey value chains, thanks to Ecotierra's distribution channels. COCLA gathers over 1000 coffee, cocoa, and honey producers in the Cusco region.
- The investment will be used to improve the infrastructure for coffee and cocoa processing, for input manufacturing and for honey production, as well as installing a modern tree nursery, all assets belonging to a company co-owned by Ecotierra and COLCA.

Activities:



Photo credit: Ecotierra

Kuska: Impact in numbers

- ✓ **60** Direct jobs to be created
- ✓ **4,000** ha land restored through agroforestry
- ✓ **1,000** ha planned for enrichment planting
- ✓ **630,452** mtCO₂ sequestered over the project lifetime

Local communities' participation

- The Kuska project was co-designed with COCLA, the local smallholder coffee producers' cooperative, therefore it is aiming to diversify and increase income-generating opportunities for the local communities. This specific design helps to increase their resilience to climate and market shocks.



Photo credit: Ecotierra

Aroma Café y Miel: Honduras



Overview

The Aroma Café y Miel project uses a mixed revenue model combining improved forest management (IFM) with coffee and cocoa agroforestry developed on degraded land and old coffee plantations, as well as beekeeping production.

Aroma Café y Miel is structured as a collaboration between Ecotierra's Urapi Fund and 12 cooperatives in Honduras, receiving support from the Canadian NGO Socodevi since 2022.

Investment's added value:

- The project's primary goal is to bolster the sustainable development of the coffee and honey value chains. In addition to enhancing agroforestry processing capabilities and facilitating direct access to markets, the project will also create a large-size specialty coffee milling plant and a warehouse for coffee collection and sorting.
- Similarly, the project will build a mid-size honey processing plant and establish a collective commercialization platform.



Photo credit: Ecotierra

Aroma Café y Miel: Impact in numbers



- ✓ **60** Direct jobs created
- ✓ **6,000** ha land restored through coffee-centered agroforestry and 5,000 ha restored/ARR for bee keeping
- ✓ **125,000** mtCO₂ sequestered over the project lifetime

Local communities' participation

- Producers' families have the potential to triple their incomes on their property by transitioning from producers to entrepreneurs. The project will work with the producers on a multiple year plan in order to optimize the sustainable use of their properties.
- Gradual exit of Ecotierra and SOCODEVI from the joint venture to the benefit of the 12-15 partner cooperatives will ensure the ownership of the investment to remain with the communities.



Photo credit: Ecotierra

A lush green forest scene with a large, dark tree branch extending from the top left towards the center. The background is filled with dense foliage and a misty atmosphere. The text "Looking ahead" is overlaid in white.

Looking ahead

Looking ahead

In the next twelve months RSCF has the following key priorities:

- Expand the **number of partners** seeking to accelerate deployment of private capital to activities contributing to FLR.
- Strategically increase outreach and actively seeking **partnerships for projects in Africa and Asia**, aiming to support the development of the FLR markets across the tropical belt.
- Scale up **convenings of regional and local fund managers, investors and project developers** to catalyse knowledge exchange and partnerships.
- **Collaborate with other financing facilities** on extracting and disseminating insights from our respective portfolios



Photo credit: Daniela Chiriac



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THE GOVERNMENT
OF THE GRAND DUCHY OF LUXEMBOURG
Ministry of the Environment,
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