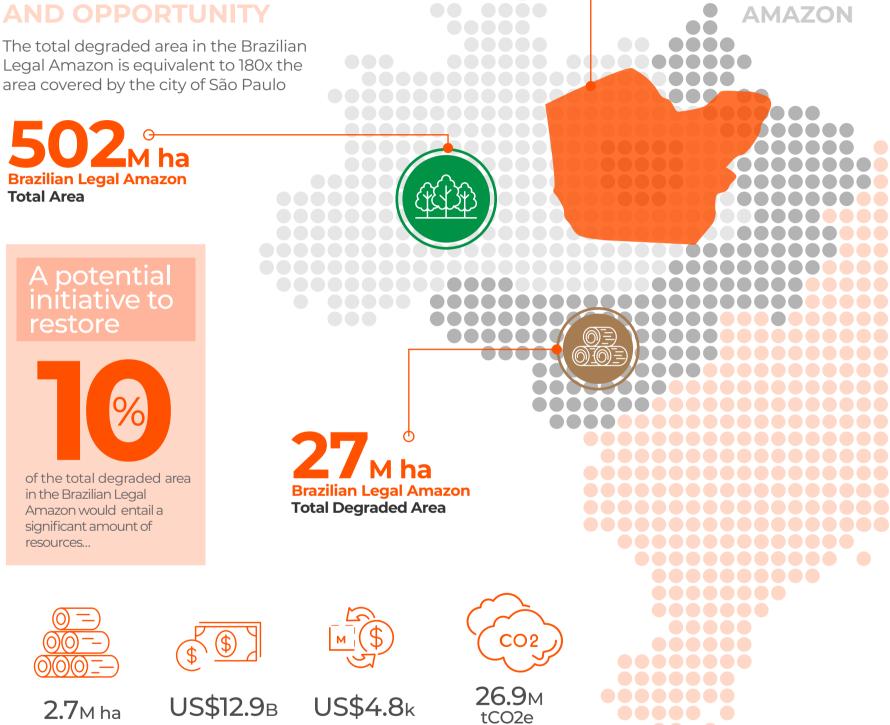
# THE ECONOMIC POTENTIAL OF RESTORATION IN THE AMAZON





### RESTORATION IN THE AMAZON **A CONTINENTAL CHALLENGE**



**State of Pará** 

**Total Degraded Area** 

**BRAZILIAN** 

**LEGAL** 

### ... but would trigger a massive annual carbon sequestration volume as well

**Expected Carbon** 

Removal per Year

Notes:

10% of Total Degraded Area

Brazilian Legal Amazon

Total Expected Capex

10% of Total Degraded Area

<sup>1</sup> Considers Triunfo do Xingu Recovery Unit's implied planting capex per hectare of US\$5.0k, <sup>2</sup> Considers Triunfo do Xingu Recovery Unit's implied annual tCO2e removal per hectare of 9.94

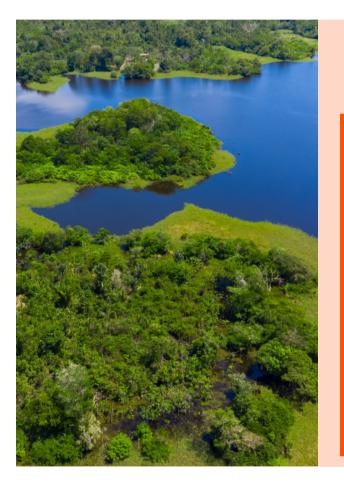
Estimated Capex

per Hectare

## **RESTORATION VS COMPETING ACTIVITIES**

According to the assumptions adopted, restoration in the Amazon may reach an annual income per hectare of US\$675...

### **RESTORATION INCOME (US\$/HA/YEAR)**



|                            |    | ARR Carbon Credit Price (US\$/ton CO2e) |     |     |     |     |  |  |  |  |  |
|----------------------------|----|---|-----|-----|-----|-----|--|--|--|--|--|
|                            |    | 25                                      | 30  | 35  | 40  | 45  |  |  |  |  |  |
| Annual tCO2 Removal per Ha | 5  | 125                                     | 150 | 175 | 200 | 225 |  |  |  |  |  |
|                            | 8  | 188                                     | 225 | 263 | 300 | 338 |  |  |  |  |  |
|                            | 10 | 249                                     | 298 | 348 | 398 | 448 |  |  |  |  |  |
|                            | 13 | 313                                     | 375 | 438 | 500 | 563 |  |  |  |  |  |
| ٩                          | 15 | 375                                     | 450 | 525 | 600 | 675 |  |  |  |  |  |

#### **PRODUCTION MODEL ASSUMPTIONS**

|   |     | Restoration                                    |     | Extensive Cattle  |                                       | 0000  | Soy <sup>2</sup>  |  |
|---|-----|--|-----|---|---------------------------------------|-------|---|--|
| 3 | Ŷ₽  | Xingu Avg<br>tCO2e/ha/year:<br><b>9.94</b>     | RAG | Arroba Price<br>in Pará <sup>1</sup> :<br><b>R\$292.50 (or US\$48.67)</b> | Years to<br>Reach Weight:<br><b>3</b> |       | Total Planted Area<br>2023 – State of Pará:<br><b>1.0 M ha</b>          |  |
|   | 348 | ARR Carbon<br>Credit Price:<br>US\$35.00/tCO2e | 324 | Usual Weight<br>of Sale:<br><b>20 arrobas</b>                             | Cattle Density:<br><b>1 per ha</b>    | 1,347 | Total Income 2023 –<br>State of Pará:<br><b>R\$6.8 B (or US\$1.4 B)</b> |  |

# ...becoming a profitable and concrete alternative to extensive cattle in the region

Notes: 1As of December, 2024, 2 Considers figures as of 2023







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