Early Warning System

WB-P510691

Brazil: Arc of Restoration Project

Quick Facts

Countries	Brazil
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	B
Voting Date	2026-11-10
Borrower	Banco Nacional de Desenvolvimento Economico e Nacional - BNDES
Sectors	Climate and Environment, Finance
Investment Type(s)	Advisory Services
Investment Amount (USD)	$ 147.00 million
Loan Amount (USD)	$ 147.00 million
Project Cost (USD)	$ 488.00 million

Project Description

According to the WB, the develpment objective is to increase access to finance for forest restoration in Brazil, prioritizing the Arc of Restoration, mobilizing private investments, enhancing climate resilience, and generating better employment opportunities.

his operation will promote forest restoration in the Arc of Restoration in Brazil with a focus on the Tocantins-Araguaia basin, a key transition area between the Cerrado and the Amazon located in the states of Para, Tocantins, Maranhao and Mato Grosso. The operation is the core of the NPC Brazil Investment Plan, which central objective is to promote forest restoration in areas of the Tocantins-Araguaia Basin and consists in providing the concessional resources to the BNDES, which in turn will apply them into its credit lines related to forest restoration in the target territory.The direct beneficiaries of the project are private companies in the forest restoration sector borrowing resources to finance their respective business projects in the Brazilian restoration chain. Project financing will be mostly invested in the restoration of areas characterized mainly by low-productivity pastures and agriculture in private rural properties. The financing of private companies will contribute to mobilize large-scale capital and to strengthen the nascent forest restoration industry.Investments in agroforestry systems and forest integration models, which incorporate high-value crops, have become increasingly attractive for agricultural producers of various scales, encouraging the adoption of sustainable practices that contribute to the recovery of degraded areas and increased agricultural productivity. In this evolving landscape, the Project holds a huge potential for engaging small-scale farmers and traditional producers from anchor companies and for strengthening local communities, making them more resilient to climate change, increasing the provision of key eco-system services, generating global public goods.Furthermore, in order to contribute to a just climate transition with gender equality and social inclusion - a core principle of the NPC-BR Investment Program - a survey of data and information on the gaps and inequalities of gender, race and social inclusion in the intervention region shall be carried out and subborrowers shall conduct meaningful consultations with local stakeholders at the time of elaboration of forest restoration subprojects.Finally, it is worth to highlight that - as part of the NPC-BR Investment Plan - project financed resources will be complemented by the supplemental Dedicated Grant Mechanism (DGM/NPC), which will solely benefit Indigenous Peoples and traditional communities within the Tocantins-Araguaia basin.

Investment Description

- World Bank (WB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Banco Nacional de Desenvolvimento Econômico e Social BNDES (Financial Intermediary)

Contact Information

No contacts available at the time of disclosure

ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

Bank Documents

- Appraisal Environmental and Social Review Summary (ESRS) - Brazil: Arc of Restoration Project - P510
- Appraisal Project Information Document (PID)
- Concept Environmental and Social Review Summary (ESRS) - Brazil: Arc of Restoration Project - P51069
- Concept Project Information Document (PID)
- Environmental and Social Commitment Plan (ESCP) - Brazil: Arc of Restoration Project - P510691
- Stakeholder Engagement Plan (SEP) - Brazil: Arc of Restoration Project - P510691