The Nature Conservancy
Brasil

ANNUAL REPORT 2025

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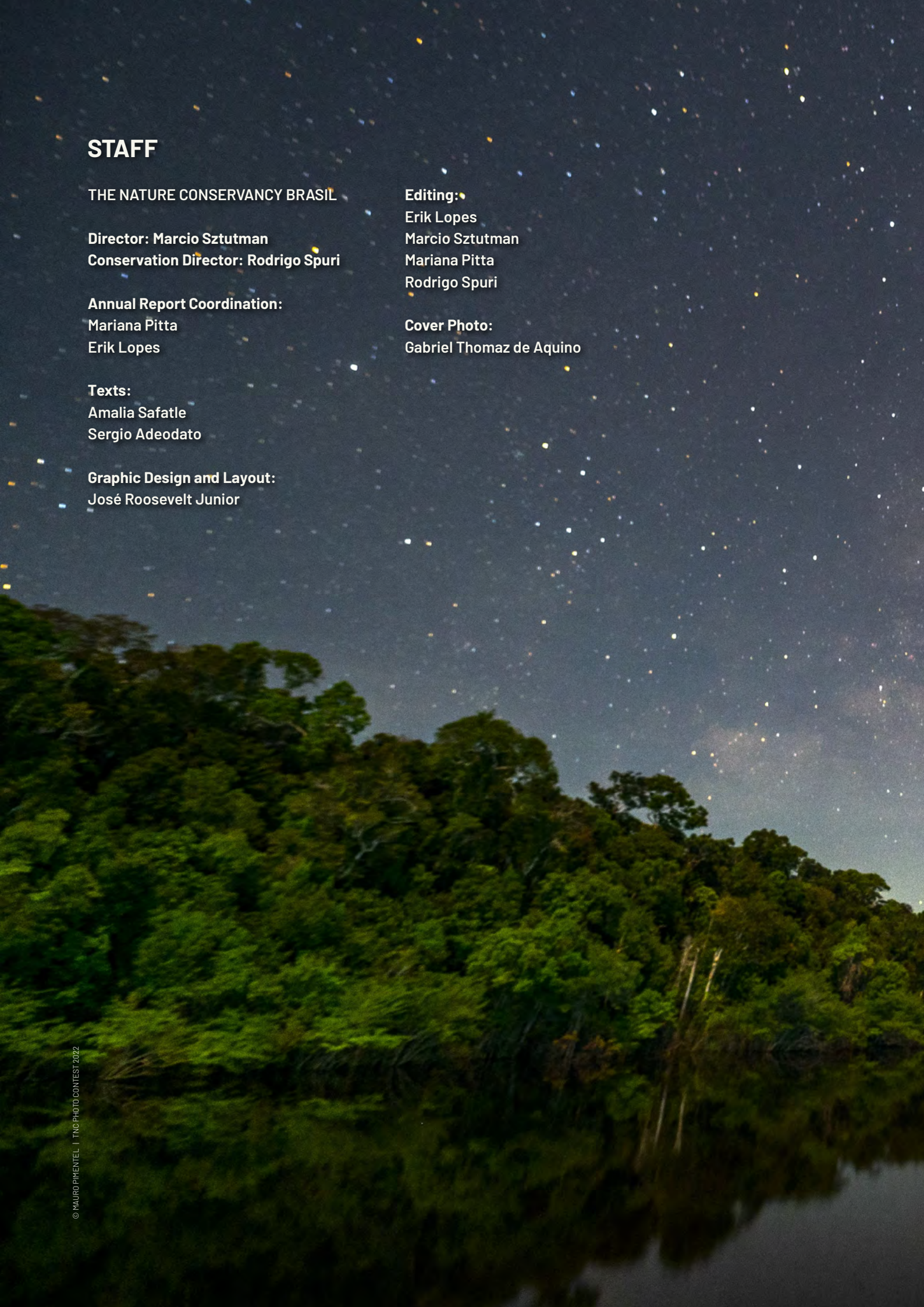

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// interview //

BRAZIL AS A SOLUTIONS PLATFORM FOR CLIMATE, NATURE, AND PEOPLE

2025 was a year of contrasts. In a global landscape marked by geopolitical instability and growing pressure on climate financing, Brazil maintained its strategic relevance and continued to make advances in finding concrete solutions for climate, nature, and economic development. In this interview, which opens Brazil's 2025 Activity Report, TNC Brazil's executive director, **Marcio Sztutman**, evaluates the year—his first leading the organization—highlights the country's strategic role, and outlines future priorities.

TNC BRAZIL STAFF
TNC is the largest Brazilian environmental organization, with 240 staff members nationwide, making it one of the largest active civil society organizations in Brazil.

When you consider 2025, what was TNC's main contribution in Brazil? What has actually advanced?

Brazil has a rare combination of environmental scale, technical capacity, and institutional maturity. That means when we align good policies, partnerships, and financing, we generate a highly relevant impact—for the country and the global agenda.

In 2025, we made a clear, strategic effort to direct our work better. We reoriented our efforts toward initiatives with greater capacity to deliver results and have systemic impact. We made important gains in our support for the territorial and environmental management of Indigenous Lands, benefiting 20 million hectares and 477,000 people in Amazonia and the Cerrado. We successfully concluded a strategic support cycle that enabled the first forest concession auction in southwestern Pará state, which will recover 10,000 hectares of illegally deforested land.

At COP30, we directly participated in 95 events, launched financial tools, and celebrated new, high-impact partnerships, which enabled us to elevate agendas we consider vital to accelerating the implementation and scale of the climate agenda. We also made gains in developing and consolidating a viable Integrated Fire Management model (MIF in Portuguese) as a protection tool for forest remnants and agricultural and cattle-ranching production, which are among the most affected by this growing threat to biodiversity.

This combination of results bolsters Brazil's role as a place where solutions are tested, adjusted, and later reverberate in other countries. It is a two-way street: we learn from TNC's global network, and, at the same time, export solutions developed here.

The global context has been complex. How does that affect the ability to keep having an impact and raise resources?

Yes, international public resources are being redirected toward the security agenda, and private philanthropy is showing greater caution in its financing. We still do not know how deep and lasting this trend will be. Despite that, TNC has shown resilience. That comes from our capacity to diversify financing sources—corporate, philanthropic, public, and private—in Brazil and abroad—and, above all, to allocate resources with discipline and focus, generating results that prioritize initiatives with a greater chance of leveraging impact. The strategic prioritization process itself, carried out in 2025 in Brazil and abroad, has us adapting to the context in which we operate as its backdrop.

For those who finance our work and for partners, this translates into focus, efficiency, and clear strategies: each mobilized resource needs to generate real impact.

Have partnerships with the private sector and financing mechanisms been key differentiators in TNC's work?

Absolutely! And not only regarding individual partnerships, because the transformation we seek demands pre-competitive alliances, capable of elevating the standards of entire sectors. We have also reached out to various business leaders, promoting solutions and engagement opportunities in the environmental and climate agenda—both at the level of their businesses and in their personal capacities.

We have seen a lot of interest in our agenda, but also many questions about how to make a real contribution to problems that seem "too complex to be dealt with." It was incredibly gratifying to see that TNC's expertise can offer a viable, safe path for that audience to contribute.

In the financing sphere, we are making consistent progress regarding mechanisms that connect conservation to the real economy. Some examples are the structures of funds for dilution risk and to attract capital, and the PagBoi, a mechanism that remunerates producers for good practices and tracking in cattle ranching; the Payment for Environmental Services (PES), including the water initiatives in Pará, and, lastly, the carbon sequestration credits, which, justly, deliver financial resources to the producers, especially in the Atlantic Forest.

An important milestone was the ingress of institutions such as Banco do Brasil and Banpará to the Innovative Financing for the Amazon, Cerrado, and Chaco initiative (IFACC), strengthening a network of rural credit aligned with conservation. It decisively corroborated a thesis from 2019, in addition to helping materialize the agenda and create real conditions for scale.

Does the water and climate-adaptation agenda gain more importance in 2026?

Yes. Water will be central to our work. Extreme climate events and early signs of the return of phenomena, such as El Niño, demonstrate that water security is no longer a future agenda item. Water security already affects cities, energy, and food production.

We are ever more focused on scale-mechanism efforts for things we know how to do very well at the local level, on protecting and recovering watersheds, and on prioritizing the increase in the water volume and quantity needed for our well-being. That includes building multi-actor platforms, stacking financial

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incentives for forest recovery in key areas for "water production," and helping align public policy and action at the three levels of government—municipal, state, and federal—with core activities in the territories. But that agenda is also directly linked to forest protection. Without addressing deforestation in Amazonia, there will not be enough water for the country's Center-South region, nor for agribusiness. We made important advances in reducing deforestation in 2025, but now the challenge is to ensure those results are not temporary.

Considering TNC Brazil's ample portfolio of work—from combating deforestation and supporting Indigenous Peoples to green finances, public policies, and sustainable agriculture—how does TNC Brazil define strategic priority areas from 2026 on? Do the different agendas complement one another?

Our strategy for 2026 and beyond is systemic and cohesive. Essentially, we will expand and integrate the best of what we already do, with a clear focus on consolidating our recent achievements and creating the conditions to advance in scale.

On the one hand, we want to ensure that the significant reduction in deforestation achieved in Amazonia in 2025 is only the beginning of a new, structured, and lasting baseline. Control is not enough to move forward; it is imperative to structure positive incentives that make conservation economically viable and attractive.

That involves keeping the forest standing and expanding the recovery of degraded areas, but also deepening the private sector's engagement with business solutions that help companies and producers manage risk, gain access to markets with more rigorous standards, and seize new opportunities associated with sustainable production chains.

Considering that context, the territorial management led by Indigenous People and local communities continues to be an important leverage, among others, to ensure the effective and lasting protection of the forest.

That effort walks hand in hand with implementing structured, public landmarks. In 2026, one of our priorities will be supporting the implementation of public policies, such as Planaveg 2025-2028, geared toward recovering native vegetation, and the National Bioeconomy Development Plan, so that state policies help consolidate environmental gains, reduce uncertainty, and create an environment that favors scale.

At the same time, we will expand our solutions in other areas. We want to take our successful initiatives to new levels and sectors. One example is replicating and expanding our innovative financial mechanisms—from PES to funds aimed at transforming agriculture—to ensure conservation becomes financially viable at scale.

We will also continue to deepen our engagement with the agricultural and livestock sectors and with companies across sectors, promoting cattle tracking as a production management tool, strengthening water security, and integrating climate adaptation into agricultural production and city management. The message is clear: Conserving nature reduces risks and creates business opportunities.

All of that work is interconnected. Deforestation, water, climate, agriculture, finance, public policies, and local communities are parts of the same equation. That is why our approach is integrative: When we support a state in implementing its restoration plan, we combine private resources, political will, and local technical knowledge. Working with multisectoral platforms allows us to present scientific evidence and on-the-ground results that help governments and businesses make more ambitious commitments. Additionally, we support the initiatives of Indigenous Peoples that contribute to expanding conservation at the landscape scale, connecting environmental protection, development, and social justice.

In sum, TNC Brazil seeks to close any gaps through an even more integrated approach. We will fight deforestation and restore degraded areas, enabling that work through green financing, well-designed public policies, and market solutions. We will also promote more sustainable, climate-resilient production by partnering with the people who live on, produce on, and depend on those lands and waters. Thus, we align agendas that previously ran in parallel and transform them into a unified effort to generate a long-lasting impact.

How do you see TNC Brazil in the next few years?

There is a lot of uncertainty in Brazil and around the world, but nature's resilience inspires our work. Our vision is long-term. Consistent results in climate, biodiversity, and water do not occur in a trimester but in longer cycles.

None of that would be possible without the trust and support of our donors, corporate partners, governments, local communities, and technical staff. We offer our thanks to all whom we met on the road in 2025 and invite you to continue with us as we write the next chapters of this journey.
We remain committed to transforming resources into real impact and to building partnerships that deliver long-lasting solutions for Brazil and the planet.

BRAZIL PLAYS A MAJOR ROLE IN GLOBAL CONSERVATION GOAL

Percentage of Brazil's results that contribute to The Nature Conservancy's global goals

7.3%

PEOPLE BENEFITED

3.3 million

people who have effectively more access to decision-making spaces on the conservation of land, water, and natural resources

18.6%

HEALTHY LANDS

121 millions

hectares with better management, protection, or avoided conversion

19.7%

RIVERS

122 thousand miles

of rivers with better management, protection, or avoided impacts

11.3%

CLIMATE ADAPTATION

11.3 millions

people who are better adapted to climate change

8.9%

CLIMATE MITIGATION

266.1 millions

tons of CO_2 sequestered or emissions avoided each year

OUR WORK IN 2025 – A BIOME-BY-BIOME LOOK

Amazonia

Challenge: Protecting the most biodiverse region on the planet, transforming production chains, and strengthening the way of life and culture of Indigenous Peoples and local communities.

Highlights: We signed an agreement to build and lead Pará's Payment for Environmental Services program. Additionally, we began the consultation process for traditional peoples and communities regarding Pará's REDD+ Jurisdictional System.

Cerrado

Challenge: To ensure the country's ecological balance, promote water security, and drive more sustainable production models.

Challenge: Productive restoration of degraded areas led by Indigenous Peoples at the Marãiwatsédé Indigenous Land of the Xavante Indigenous Peoples. We also support the development of the *Passaporte Verde* (Green Passport) in Mato Grosso.

Atlantic Forest

Challenge: Restore ecosystems and ensure water security in the country's most populous and economically important region.

Highlights: We support the development of new carbon financing models in the Atlantic Forest.

// Climate Summit //

COP30, A HISTORIC MILESTONE, AND STILL MUCH TO BE DONE

We contributed to the strengthening of Brazil's image as a protagonist in the climate agenda. We presented the results of our work on public policies, sustainable financing, forest restoration, and agriculture. Our core understanding is that Nature-based Solutions (NbS) are effective mechanisms for maintaining and valuing forests and the people who inhabit them, which directly contribute to climate protection.

COP30
COP30 combined political advances, social mobilization, and local social impacts, consolidating the idea that climate action depends on the active participation of different sectors of society and of territories directly linked to solutions to the climate crisis.

Holding COP30 in Belém do Pará marked a historic moment for Brazil and global climate governance, 30 years after Rio-92 and 10 years after the Paris Accord. The event reinforced Brazil's role in the climate agenda, demonstrated the resilience of multilateralism in a complex geopolitical context, and highlighted Amazonia and its peoples.

The call for the Forest COP had a strong presence of Indigenous Peoples and traditional communities, contributing to increased representation and pressure for results, such as the recognition of rights and the centrality of tropical forests in climate solutions.

COP30 also gave visibility to Pan-Amazonia and the role of Brazilian civil society, which influenced negotiations with data and proposals. That helped drive initiatives such as Roadmaps toward zero deforestation and energy transitions. As a result, Brazil has consolidated its climate leadership image and advanced conversations on bioeconomy, Amazonia science, and Nature-based Solutions, presenting the forest as a factor of true transformation and a storehouse of solutions.

In this regard, it aligned with the proposal by the President of COP 30, Ambassador André Corrêa do Lago, to emphasize the conference's implementation-oriented nature, focusing on climate actions as synthesized in the so-called ↘ Belém Package.

Despite the advances, frustrations persisted. Some expectations were not addressed, particularly stronger commitments to reduce fossil fuel use and more robust goals for adaptation financing, demonstrating the limits of international negotiations amid disagreements among the biggest emitters.

↘ Belém Accord: A set of 29 documents focused on raising climate ambitions, highlighting the tripling of adaptation financing by 2035, the Tropical Forests Forever Fund (TFFF), and the central role of Indigenous peoples, gender, and vulnerable populations in the just transition.

Our Contributions to COP30

We contributed to strengthening Brazil's image as a leading player in the climate agenda by bringing together three major areas of our work—Amazonia, Cerrado, and Atlantic Forest —through our presence at 95 events across 42 venues during COP30. We presented our results in public policies, sustainable financing, forest restoration, and agriculture.

Among the key highlights, we contributed to:

→ Presenting the launch of the National Bioeconomy Development Plan, which is part of the National Bioeconomy Strategy, to promote sustainable development, uniting science, innovation, and socio-biodiversity.

CLIMATE AGENDA

→I WHAT WE HAVE ACHIEVED
We strengthened the Payment for Environmental Services (PES) mechanisms through the PES Observatory (OPSA in Portuguese), which is part of the Collective Territories PES, launched during COP30. We also contributed to consolidating the Climate financing agenda for forests and Indigenous Peoples.

→I WHAT REMAINS TO BE ACHIEVED
Some expectations regarding stronger commitments to reduce fossil fuel use and more robust goals for adaptation and climate mitigation financing were not addressed, underscoring the limits of international negotiations amid disagreements among the big emitters and funders.

→I HOW TO ADVANCE FURTHER
We have supported the COP30 presidency in the roadmaps to transition away from fossil fuels and to protect forests. We have also worked to strengthen TFFF governance.

- Gains in the recovery of 3.4 million hectares as part of the National Plan for the Recovery of Native Vegetation (Planaveg), the main national policy geared toward native vegetation restoration. Its goal is to recover at least 12 million hectares by 2030.
- The National Climate Change Plan, Brazil's main strategy to reduce greenhouse gas emissions by 59%-67% by 2035, below 2005 levels, and to adapt to climate change, aiming toward carbon neutrality by 2050.
- Indigenous Lands Protection Plan (PPTI in Portuguese), launched during COP30, is a national initiative focused on the demarcation, territorial management, and protection of Indigenous Lands, to start in 2026.
- The publication of REDD+ evaluations and Indigenous Peoples in the Americas.
- The Tropical Forest Forever Facility (TFFF); we emphasized the requirement that 20% of the fund's resources go directly to Indigenous Peoples and traditional communities (see box below).

An example of our influence on the multilateral agenda is the recommendations aimed at fostering synergy among the UN's three Conventions, seeking to connect biodiversity, climate, and combating desertification goals. Our objective is to optimize implementation actions, avoiding duplication of efforts and financial resources. In 2026, we will have the three Conventions conferences: Biological Diversity in October, Climate Change in November, and Combating Desertification in December.

↘ REED+: The Reducing Emissions from Deforestation and Forest Degradation (REDD) is a UN mechanism that remunerates developing countries for maintaining their forests standing, conserving their carbon stocks, and managing resources sustainably. The "+" includes conservation, sustainable management, and increased carbon stock.

TROPICAL FORESTS FOREVER: TIME TO STRENGTHEN GOVERNANCE AND INCLUSION OF LOCAL GROUPS

Led by Brazil and announced during COP30, the Tropical Forest Forever Facility (TFFF) is a multinational financing initiative that seeks to compensate for the conservation and restoration of tropical forests in developing countries. To raise 125 billion dollars, the fund will pay for zero or reduced deforestation outcomes and earmark at least 20% of the resources for Indigenous Peoples and local communities.

Recognizing the importance of forests is a fundamental strategy. For that reason, our first efforts went toward supporting the Brazilian government in setting up the mechanism, promoting dialogue with civil society and within the government itself, and drawing on expertise accumulated in Brazil and globally in setting up public-private funds and other financial mechanisms. We shared our experience of setting up community funds, such as the Podáali and Puxirum Funds, with the Ministry of the Environment and other NGOs. Those funds work toward strengthening the institutions and autonomy of those groups, so that they may have increasingly direct access to the resources needed to implement this.

During COP30, we hosted a series of events focused on Indigenous and traditional communities of several countries to exchange knowledge and ideas, both at the official venues and in the Green Zone. Sonia Guajajara, Indigenous Peoples Minister, was present.

Currently, we are providing technical assistance—drawing on this and other experiences—to support efforts to strengthen TFFF's governance so it can raise the planned resources.

EXPANDING BORDERS

Innovative financing mechanisms focused on climate and nature attract significant investment and enable initiatives in key territories.

The green financing field has experienced rapid expansion driven by the growing perception that climate stabilization and ecological integrity are preconditions to economic development. Recent estimates indicate that global climate financing flows surpassed 1.8 trillion dollars per year in 2023, with strong growth since 2028, reflecting increased public policies, market tools, and private-sector participation.

Against this backdrop, Brazil is positioned as one of the main frontiers of opportunity. Since 2022, more than 3.9 billion dollars have been announced in ↘ Nature-based solutions, with particular emphasis on forest carbon markets, productive restoration, and socio-biodiversity chains. That is the context in which we have worked to qualify projects, reduce risks, and bring markets closer to concrete on-the-ground initiatives.

The hosting of COP30 in Belém marked a turning point in 2025. We made inroads in structured initiatives to give scale to green financing in the country. One of the highlights was the support given to establishing the ↘ Pará Payment for Environmental Services Program. We contributed to the development of a model that recognizes and compensates Indigenous Peoples and traditional communities for their strategic role in forest conservation.

The program began as a TNC-coordinated pilot within the ↘ Terra do Meio Network's area of operation, in partnership with the Pará government, the Brazilian Fund for Biodiversity (Funbio), and the Interamerican Development Bank (IBD). The model strengthens local governance, values traditional ways of life, and can triple or quadruple communities' income.

As part of the initiative, we support technical studies, engagement with financial institutions, and the design of payment mechanisms that connect environmental conservation with income generation. The knowledge of payment mechanisms we developed in the Atlantic Forest over the last few decades is now being applied in Amazonia to

Collective PES Territories – Terra do Meio Agrobiodiversity Pilot Project

14 collective territories
3,000 people impacted
10 million hectares protected and used sustainably
40 socio-biodiversity products benefited

↘ **Nature-based solutions:** Activities that use, restore, or manage ecosystems sustainably to face challenges, such as climate change, water security, and disaster risks, while also promoting biodiversity and human well-being.

↘ **Payment for Environmental Services (PES):** Economic mechanisms that remunerate individuals or communities for conserving, recovering, or managing ecosystems, recognizing, and incentivizing the provision of environmental services, such as water, carbon, and biodiversity

↘ **Terra do Meio Network:** Composed of Indigenous Peoples' and family farmers' organizations that protect more than 9 million hectares in Pará.

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fill gaps in conservation incentives, serving as a replicable, scalable model.

A new tool drives the restoration of deforested public lands

In Amazonia, one of its great structural challenges is the ↘ undesignated public forests or land without an official purpose defined by law. There are around 4.6 million hectares already cleared and vulnerable to illegal occupation and deforestation. This situation motivated TNC to support the development of a new mechanism that turns restoration into an economic asset.

We worked on the technical, legal, and financial design of an innovative public-private model for forest restoration focused on generating carbon credits. In 2025, that effort resulted in the first auction of a restoration-designated public area in Brazil. The auction was held at B3, Brazil's official stock exchange. The Triunfo do Xingu Recovery Unit in Pará envisions restoring 10,000 hectares through a 200 million reais investment, with the

↘ Undesignated public forests: Public areas without an official purpose defined by law, different from Conservation Units, Indigenous Lands, or rural settlements.

PROMOTING JURISDICTIONAL REDD+

Pará state is consolidating its position as a reference in high-integrity carbon credits.

In the carbon market arena, Pará advances as a global reference due to its development of the ↘ Jurisdictional REDD+ system. TNC supported the state in establishing technical, regulatory, and governance foundations, ensuring alignment with international standards and environmental safeguards. The agreement signed under the LEAF Coalition provides for around 1 billion reais in resources through the sale of 12 million carbon credits for 15 dollars per ton—a price significantly higher than the market average. With a view to the high carbon integrity demanded by major market players, we helped ensure social participation by supporting consultations with Indigenous, Quilombolas, and traditional communities, thereby ensuring that the model developed respects rights, promotes transparency, and distributes benefits fairly. In total, the Pará initiative has the potential to benefit 1.9 million people and consolidate the state as an international reference in socio-environmental integrity.

The governance's structuring attracts quality investments and strengthens the Payment for Environmental Services policies and incentives for the bioeconomy. By uniting conservation and climatic justice, Pará demonstrates that the Jurisdictional REDD+ system is a viable tool for monetizing nature protection, generating prosperity to local communities under the strictest principles of integrity demanded by the international market.

THE POTENTIAL OF THE JURISDICTIONAL REDD+ SYSTEM FOR PARÁ:

- **261 million tons of carbon**
  Liquid emissions reduction through 2030
- **3.9 billion reais (around 794 million dollars as of 6/1/2026)**
  Potential income generation

Source: Pará government

↘ **Jurisdictional REDD+ system:** Forest conservation approach applied to a vast geographic area, such as a state or county, with a view to the carbon market.

potential to generate 2.87 million tons of carbon credits and 4,000 jobs. The mechanism boosts large-scale forest restoration in Amazonia—an indication that conserving and restoring are also part of an economic agenda.

Triunfo do Xingu Recovery Unit

10,000 hectares
40-years concession
2.87 millions tons of carbon credits
154 million dollars in revenue (53 dollars/ton)

To expand access to credit and stimulate a productive transition in rural areas, we also contributed to strengthening the mechanism for Innovative Finance for Amazonia, Cerrado, and Chaco (IFACC). Co-led by the TNC Brazil, the United Nations Environment Programme, and the World Economic Forum, the platform connects financial capital to deforestation-free agriculture in Brazil, Paraguay, and Argentina.

One of the mechanism's main goals is to promote productive intensification in areas already utilized, without the need to open new fronts at the expense of the forest. In that context, we work to facilitate coordination among financial institutions, producers, and production chains, and to develop criteria and tools to guide investments that have positive socio-environmental impacts.

Created in 2021, IFACC gained scale, and between 2024 and 2025, it doubled its resource volume to 954 million dollars. Today, it impacts 1.1 million hectares and benefits over 11,000 producers. Twenty-six institutions are signatories to the initiative, among them Itaú BBA, Santander, Banco do Brasil, and Banpará, whose credit portfolios are relevant to the Brazilian agribusiness sector, which faces the challenge of low-carbon emissions.

IFACC Indicators in 2025

954 million dollars in credit
1.1 million hectares impacted
11,000 individual producers
85 cooperatives or associations

GREEN FINANCE

→I WHAT WE HAVE ACHIEVED
We have consolidated large-scale financial mechanisms for mitigation, restoration, conservation, regenerative production, and benefit-sharing with Indigenous peoples and traditional communities.

→I WHAT REMAINS TO BE ACHIEVED
To increase the volume of resources for economic activities that have a positive impact on nature, while reducing the availability of capital for activities with negative impacts.

→I HOW TO ADVANCE FURTHER
To strengthen policies and the development of new, innovative financial mechanisms that recognize the value of nature to businesses themselves.

A LEAP FORWARD IN TERRITORIAL MANAGEMENT

Based on scientific knowledge and on decades of experience working with Indigenous Peoples, we support practical solutions that recognize their fundamental role in combating climate change.

The role of Indigenous Peoples for climate and biodiversity is ever more relevant. In Brazil, where 1.7 million Indigenous Peoples of 391 ethnicities and 275 languages live, that central role is expressed in the 117 million hectares of Indigenous Lands, which are real barriers against deforestation. According to MapBiomas, those areas lost a mere 1% of their native vegetation in 30 years, compared to 20.6% in private areas, thereby helping ensure essential services, such as rain cycles, on which a large part of the national agricultural production depends.

Given that, we expanded the scope of our work by contributing to public policy and strengthening Indigenous territorial and environmental management, recognizing that effective climate solutions depend on supporting those who have historically conserved the forest. In 2025, we actively participated in the design of the Indigenous Lands Protection Program (PPTI) and, in the context of that policy, contributed to access to governance resources and mechanisms that increase the protection and sustainable use of the territories.

We have advanced our collaboration with state organizations that have regional reach through the Amazon Indigenous Network, supported by 60 million reais from the Amazon Fund, in partnership with the Coordination of Indigenous Organizations of the Brazilian Amazon (COIAB) and the Union of Indigenous Women of the Brazilian Amazon (Umiab). The primary goal is to strengthen their influence on public policies and in the management of their territories.

Among other items, territorial management is important because it pertains to rights and territorial protection, bioeconomy production, and natural resources management plans—it also supports climate mitigation and adaptation.

The Amazon Indigenous Network began its work in 2025, supporting improvements to Indigenous infrastructure, enhancing management capacity, and hosting workshops on protocols for state policy consultation and fundraising. At the same time, in partnership with the Amazonian Center for Indigenous Training (CAFI), we contributed to developing a new generation of Indigenous leaders in management activities, business, and communication, expanding the autonomy of the organizations.

One of the key milestones is the Indigenous Territorial and Climate Monitoring System (Monitoringati), which, in 2025, covered 48 of the 64 planned Indigenous Lands. The work involved 60 field agents, and the creation of an Indigenous Index of Well-Being and Environmental Management in the Amazon, known as ↘ PNGATI's HDI—PNGATI is the National Policy for Territorial and Environmental Management of Indigenous Lands.

↘ **"PNGATI's HDI":** As a distinctive feature compared to the UN HDI, the index centers on values and priorities for Indigenous Peoples.

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> **"The partnership with TNC is essential to ensure the qualified and continuous capacity-building of Indigenous leaderships, contributing with a strategic vision that connects capacity-building, territorial management, and public policies. That strengthens CAFI's role as a space that builds knowledge that can be applied to the reality of the territories, preparing leaders to act with autonomy and have political influence."**
>
> ***GRACINHA MANCHINERI, Manager of the Amazonian Center for Indigenous Training (CAFI).***

New funds that provide direct access to resources

Innovative financial mechanisms focused on Indigenous Peoples continue to advance with TNC support, such as the Tropical Forest Forever Facility (TFFF)(read more about it on page 16). The model we have helped develop for those projects also informs our efforts in other initiatives, such as the Vituke Fund, launched by Brazil's government in 2025.

With initial support from the World Bank, the German government, and the Gordon & Betty Moore Foundation, the preliminary goal is to channel approximately 550 million reais in donations and private funding to implement PNGATI.

That convergence among politics, finance, and institutional strengthening points to a new baseline: Indigenous Lands not only preserve forests but also emerge as new strategic assets for climate stability, water security, and sustainable development.

Amazon Indigenous Network

9 state Indigenous networks
2 regional networks
48 Indigenous Lands with 38 million hectares under participatory monitoring in 2025
8 courses that trained 500 Indigenous youth

INDIGENOUS PEOPLES AND LOCAL AND TRADITIONAL COMMUNITIES

→| HOW MUCH WE HAVE ADVANCED
We support the increased monitoring capacity of well-being indicators and environmental management in Indigenous territories.

→| WHAT IS YET TO BE DONE
Consolidate and strengthen the role of Indigenous organizations in influencing important policies that guarantee rights, conservation, and sustainable use of their lands.

→| HOW TO FURTHER ADVANCE
Increase direct financing for Indigenous Peoples and traditional communities to expand their impact in the territories.

FUNDS THAT REACH END BENEFICIARIES DIRECTLY

To promote financial autonomy and territorial management, TNC works to ensure Indigenous Peoples' direct access to resources and decision-making on their application. One example is the innovative structure of Mato Grosso's Xavante Awards, which recognizes and boosts existing community projects with proven potential for impact.

The initiative, supported by the ↘ Podáali Fund, is a substitute for competitive, traditional calls for proposals, and its selection process is based on collective criteria, such as community reach, cultural relevance, and environmental benefits. Fourteen best practices were selected that, among other themes, boost food sovereignty and territorial management and protection in the Marãiwatsédé Indigenous Land (see more on page 16).

↘ Podáali Fund: The first fund created and managed by Indigenous Peoples covering all of Amazonia.

> "The sessions to strengthen communities and the project-development workshops were very important to the training of monitors and to the goal of the Manicoré Territory of Common Use (TUC Manicoré), creating new opportunities for the territory."
>
> ***MARIA CLEIA DELGADO, president of the Manicoré River Agri-extractivists Central Association (Caarim).***

COLLECTIVE MANAGEMENT IN A NEW TERRITORY CATEGORY IN THE AMAZON

There are 53 million hectares of undesignated public land in Amazonia, 30 million of which are under state jurisdiction. Those forest areas without regulated use demand solutions to face land-grabbing and deforestation. One proposed approach to mitigate the escalation of illegal activities is to categorize the lands inhabited by traditional communities as ↘ Common Use Territories (TUC).

Three years ago, the TUC Manicoré was created in the state of Amazonas, a pioneer of this model of territorial governance. The TUC Manicoré is a 390,000-hectare area, bisected by a river of the same name, which is home to 16 Indigenous, riparian, and extractive communities that have been granted the right to collective use under the families' management. This legal and social innovation has been evaluated as a potential alternative for replication in other Amazon areas.

TNC supported the development of the territory's ↘ Management Plan and ↘ Fisheries Agreement, finalized in 2025, following its recognition as a TUC by the state, conducted in partnership with local leaders and other civil society institutions. This new management model enables communities to take the lead in decisions about how to care for the territory, organize production, protect rivers, and conserve forests.

In partnership with the Manicoré River Agri-extractivists Central Association (Caarim), TNC conducted management, monitoring, and communication training, along with a study on the viability of community tourism. The support not only aims to ensure the forest's quality through sustainable use but also to ensure water quality through a system that monitors sanitation-related water quality.

In a region under high pressure due to deforestation, the model we support protects vulnerable territories, values traditional knowledge, organizes decision-making, and creates a favorable environment for public policies geared toward quality of life, sustainable income, and conservation.

↘ Common-Use Territories: Public land managed by traditional communities provides shared access to natural resources.

↘ Management Plan: Organizes rules and strategies for the sustainable use of natural resources in a participatory manner, conciliating environmental conservation, cultural reproduction, and income generation.

↘ Fishing Pact: A community management tool that establishes rules for the use of fishing resources in a specific territory, aiming to conserve fish stock and ensure local families' subsistence.

RESTORATION, DEVELOPMENT'S ENGINE

Large-scale recovery of forests and other natural ecosystems is essential to water security, climate, and the economy.

Responding to those circumstances and incorporating the role of mitigation and climate adaptation demands expanding the use of Nature-based Solutions (NbS), with native vegetation restoration as its structural pillar. Restoring is more than rearranging landscapes: it means reactivating ecological functions, reconnecting territories, and creating the foundation for a resilient development model.

Given that context, we work to translate science into public policies and tools that enable at-scale restoration. The main milestone is the National Plan for the Recovery of Native Vegetation (Planaveg), which TNC helped develop since 2023. Since its launch, we have helped implement it, with the goal of restoring 12 million hectares in Brazil by 2030.

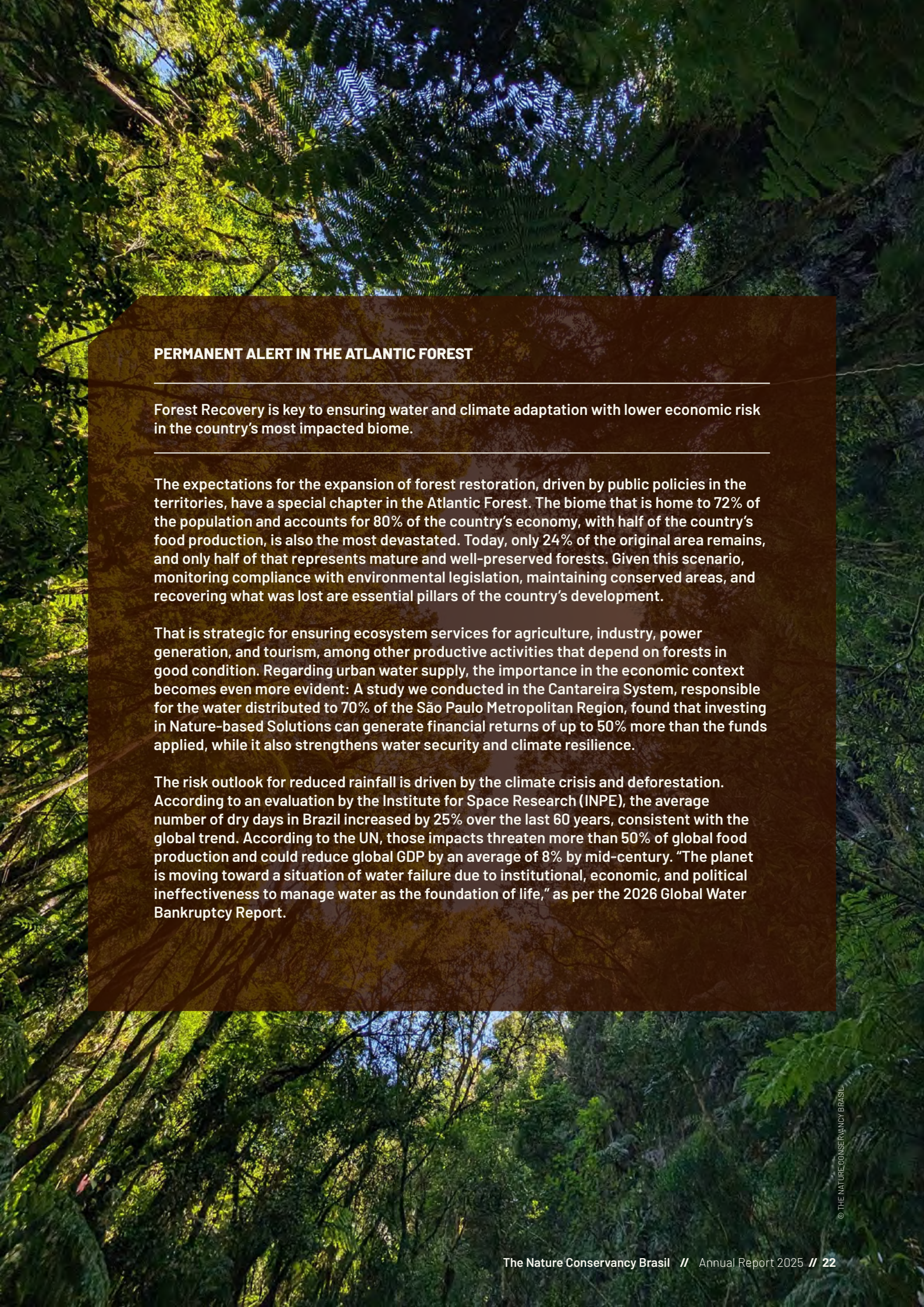
In 2025, we influenced policy regulations, helped define priority territories, and strengthened local agreements with the potential to attract investments. We also played a leading role in key bodies—such as the ↘ Atlantic Forest Restoration Pact and the Alliance for the Restoration of the Amazon—broadening coordination among governments, civil society, and the private sector.

Thus, we increased our support for strategic governance mechanisms, such as the Territorial Alliance Hub, within the National Commission for the Recovery of Native Vegetation (Conaveg).

At the same time, we contributed to the framework of financial mechanisms—such as Payment for Environmental Services and carbon projects—vital to the challenge of unlocking resources and giving scale to restoration.

Restoring Biomes: Looks at the great scale needed to implement Planaveg, the Restoring Biomes project, launched by the Brazilian government in 2025, marks an ambitious leap. With 14.6 million dollars from the Global Fund for the Environment, the objective is to support public policy strategies, financing mechanisms, collective strengthening, and technical assistance to restore at least 600,000 hectares and manage an additional 1.2 million hectares in Brazil by 2030.

↘ **Pact for the Restoration of the Atlantic Forest:** It has more than 340 members, including NGOs, businesses, government agencies, research institutions, associations, and landowners. Its goal is to restore 15 million hectares within the biome by 2050.



PERMANENT ALERT IN THE ATLANTIC FOREST

Forest Recovery is key to ensuring water and climate adaptation with lower economic risk in the country's most impacted biome.

The expectations for the expansion of forest restoration, driven by public policies in the territories, have a special chapter in the Atlantic Forest. The biome that is home to 72% of the population and accounts for 80% of the country's economy, with half of the country's food production, is also the most devastated. Today, only 24% of the original area remains, and only half of that represents mature and well-preserved forests. Given this scenario, monitoring compliance with environmental legislation, maintaining conserved areas, and recovering what was lost are essential pillars of the country's development.

That is strategic for ensuring ecosystem services for agriculture, industry, power generation, and tourism, among other productive activities that depend on forests in good condition. Regarding urban water supply, the importance in the economic context becomes even more evident: A study we conducted in the Cantareira System, responsible for the water distributed to 70% of the São Paulo Metropolitan Region, found that investing in Nature-based Solutions can generate financial returns of up to 50% more than the funds applied, while it also strengthens water security and climate resilience.

The risk outlook for reduced rainfall is driven by the climate crisis and deforestation. According to an evaluation by the Institute for Space Research (INPE), the average number of dry days in Brazil increased by 25% over the last 60 years, consistent with the global trend. According to the UN, those impacts threaten more than 50% of global food production and could reduce global GDP by an average of 8% by mid-century. "The planet is moving toward a situation of water failure due to institutional, economic, and political ineffectiveness to manage water as the foundation of life," as per the 2026 Global Water Bankruptcy Report.

We led the public policy and monitoring pillar of the initiative, supporting the Conservation Units' restoration plans and the drive to analyze the Environmental Rural Registry (CAR). The five-year goal is to have ↘ Environmental Recovery Programs (PRAs) implemented on rural properties in at least three Brazilian states, in conformity with the Forest Code.

How much and where we have restored

In the context of the Restoring Biomes project, the highlight is the creation of the Native Vegetation Recovery Reporting and Monitoring National System that we developed in partnership with the United Nations Organization for Food and Agriculture (FAO) and the Brazilian government. The initiative gives Brazil a consolidated view of how much it is restoring and where, bringing transparency and technical bases for decisions and investments.

That was the first official evaluation of how much the country has already progressed in its Planaveg goals. The methodology, developed through extensive internal debate and with the approval of Conaveg, was based on remote sensing and government databases, primarily covering native vegetation areas undergoing natural regeneration, that is, without considering seed and seedling planting projects. The data will be incorporated into the official monitoring at a later date, drawing from collective platforms, such as the Pact for the Restoration of the Atlantic Forest and the Restoration and Reforestation Observatory (ORR).

Towards 12 Million Restored Hectares

Source	Hectares
Natural regeneration in Protected Areas (PAs) and Indigenous Territories (ITs)	1,778,270
Restoration on private properties	1,249,643
Compensation/Liability programs	386,343
TOTAL	**3,414,256**

Source: National System for Reporting and Monitoring the Recovery of Native Vegetation.

A PRACTICAL GUIDE TO RESTORATION

The Restoration Guide, launched on Atlantic Forest Day, offers practical and interactive guidance for a diverse range of audiences, from seed collectors to managers, businesses, and funders. Featuring accessible language and a strong technical foundation, the platform aggregates data, videos, and content that connect users with one of the country's most critical socio-environmental agendas. We developed this free digital tool using a question-and-objective format—serving as an educational, step-by-step guide for action—thereby helping to drive ecosystem recovery in alignment with Brazil's climate and biodiversity goals.

↘ Environmental Recovery Program (PRA): It establishes agreements, deadlines, and techniques to restore native vegetation, especially in Permanent Preservation Areas and Legal Reserves in rural properties.

Planaveg Goals by 2030

12 million

hectares
restored in Brazil

1 million

hectares restored in degraded areas through agroforestry systems (AFS), Crop-Livestock-Forest Integration (CLFI), or native forestry

2 million

hectares in Conservation Units, Indigenous Lands, and rural settlements

9 million

hectares
restored via
land-title regularization

Restoration Opportunities in Amazonia

A TNC study in partnership with IDB Invest estimates that restoring a mere 10% of the total degraded areas in Brazil's Legal Amazon Region could generate an income of 4,800 dollars per hectare, superior to the income generated by livestock, and provide a massive annual volume of carbon removal.

11 M ha

State of Pará
Total Degraded Area

502 M ha

Brazilian Legal Amazon
Total Area

A potentialinitiative to restore

10%

of the total degraded area in the Brazilian Legal Amazon would entail a significant amount of resources...

27 M ha

Brazilian Legal Amazon
Total Degraded Area

2.7 M ha
10% of Total Degraded Area Brazilian Legal Amazon

US$ **12.9** B
Total Expected Capex 10% of Total Degraded Area

US$ **4.8** k
Estimated Capex per Hectare

26.9 M tCO_2e
Expected Carbon Removal per Year

// interview | Thiago Belote Silva, director of forests at the Ministry of the Environment and Climate Change (MMA) //

"WE NEED TO HAVE MILLIONS OF HECTARES RESTORED, BUT WE NEED TO BE INCLUSIVE"

One year after the launch of the new National Plan for the Recovery of Native Vegetation (Planaveg), it is ready to take root in the territories and prepare them by laying the structured foundations necessary to achieve the scale required to meet Brazil's commitment to restore 12 million hectares by 2030. The challenges of this task, in which TNC Brazil is actively participating, are a focus of Thiago Belote's agenda, the director of forests at the Ministry of the Environment and Climate Change (MMA). In this geographer's view, with 20 years of experience in environmental management and restoration, bringing stakeholders together and connecting the different financial worlds to new investment models are decisive steps for the country to meet its goals.

How should that be done? What are the plans?

In January, we created the Territorial Alliance Hub to recognize territories that already have structured governance and can give scale to restoration. We also made progress with Biome Hubs, which are collectively led. The goal is to recognize six territories by mid-year to attract investments.

What type of Investments will they be, and what are their challenges?

We seek to create conditions that bring impact. This first step involves ↘ catalytic resources geared toward capacity building and governance to reduce risks for private investments, before we focus on on-the-ground restoration. We hold dialogues with banks and international institutions to create a portfolio of territories capable of attracting large-scale capital. Investors demand quality, transparency, and impact.

What do the 3.4 million hectares under restoration and mapped by the National System of Reporting and Monitoring signal?

They represent almost one-third of the 12-million-hectare goal by 2030. We built the system with Conaveg and civil society, focusing on natural regeneration. The largest share of the 3.4 million hectares corresponds to secondary vegetation mapped via satellite imagery. Active restoration (seed planting, for instance) currently totals approximately 6%, with a goal of 15% by 2035, thereby expanding the productive chain.

Quais fatores estão associados a essa expansão?

Destacam-se o avanço na implementação do Código Florestal pelas propriedades rurais, além de projetos de empresas e organizações da sociedade civil. Os efeitos do combate ao desmatamento, a maior clareza sobre financiamento e o aumento das concessões para restauração florestal em terras públicas também contribuem. A projeção é alcançar cerca de 6 milhões de hectares em recuperação até o fim de 2026.

Which elements are associated with that expansion?

The highlights include progress in implementing the Forest Code on rural properties, as well as projects by businesses and civil society organizations. The effects of combating deforestation, clearer information on financing, and increasing concessions for forest restoration in public lands also contribute. The estimate is to reach approximately six million hectares under restoration by the end of 2026.

How much does the current effort contribute to ensuring continuity in adverse circumstances?

Planaveg is a multisectoral pact that strengthens governance and continuity. By supporting its implementation, we help bring the agenda into decision-making circles and expand access to international resources, an aspect of our efforts in which TNC plays an important role.

↘ Catalytic Resources: Investments, many times philanthropic or subsidized, are used to mitigate risks and attract private capital on a larger scale.

THE XAVANTE PEOPLES REFOREST THEIR LANDS IN THE CERRADO

Indigenous women have a leading role in this pilot initiative to expand production gardens. In Mato Grosso state, where the transition between the Cerrado and Amazonia occurs, we support the Xavante Peoples in the planting-forest project to strengthen food security and Indigenous-led restoration. In the Marãiwatsédé Indigenous Land, recovering native vegetation involves traditional knowledge, such as production gardens geared to food security.

The area symbolizes a retaking of the land. Following decades of expulsions and land degradation, when, finally, their Indigenous Land was officially ratified, the Xavantes returned to a territory that had been turned into pastureland. In partnership with Operation Native Amazonia (Opan) and the Xingu Seed Network, we have contributed to rebuilding ties with the land, supporting their Territorial Management Plan, and enabling the planting of native species and the management of fire.

With resources from the REDD Early Movers Program (REM), that approach aligns ecological regeneration and food production. That leads to less dependence on industrialized products, which disrupts the ancestral relationship between food, territory, and culture.

In 2024 and 2025, we expanded the production gardens project and capacity building for local collectives through the *Restaura Brasil* program. We supported the establishment of a group of women who collect seeds, strengthening income and productive restoration chains. Given the positive results, we structured a new project phase to expand the model to small-scale agroforestry farms across multiple villages, totaling 69 hectares, with 10 million reais from the Amazon Fund.

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WATER SECURITY AND FOREST RESTORATION

→I HOW MUCH WE HAVE ADVANCED

We contributed to central themes that expand the scale of restoration, such as establishing the Planaveg governance nationally, with a focus on financing and monitoring.

→I WHAT IS YET TO BE DONE

Expand leveraging to unlock scale and structure the Indigenous Plan for Ecological Restoration (PIRE) in the territories with connections in different biomes.

→I HOW TO ADVANCE FURTHER

Channel financial resources needed to meet the demands of greater scale through innovative mechanisms and capacity building.

HOW TO PRODUCE FOOD WHILE PROTECTING THE CLIMATE AND FORESTS?

Whether in meat or grain production, tracking animals and supporting small producers, including through more sustainable production chains, are vital elements.

Brazilian agriculture has a historical connection to deforestation in the Amazon, driven by policies of the military government era that promoted the region's occupation. During the dictatorship in Brazil, deforestation in the Amazon was strongly driven by a geopolitical strategy summarized in the motto "Integrate so as not to surrender," which sought to occupy and consolidate control over the region. National public policies motivated people to migrate to the Amazon region and expand the agricultural frontier through subsidies, facilitated rural credit, and land grants, often without environmental or land-tenure criteria. The opening of roads, such as the Trans-Amazonian Highway and the Cuiabá-Santarém Highway, served as a vector for human occupation, enabling the expansion of extensive cattle ranching and settlement projects.

At the same time, projects such as the National Integration Program and tax incentives through the Superintendency for the Development of the Amazon encouraged great agricultural, logging, and mining ventures, in addition to megaprojects such as the Tucuruí Hydroelectric Dam, consolidating an economic development model based on converting forests into economic assets, which contributed decisively to the increase in deforestation.

Because cattle ranching is relatively easy to implement, it was the first economic activity pursued, often ahead of agricultural activities. The availability of non-designated public land facilitated invasions and land-grabbing, relying on deforestation and the introduction of cattle to legitimize occupation. That process advanced until 2009, when the policies of the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm) significantly reduced deforestation rates, which fluctuated again depending on the level of environmental control.

Initiatives such as Terms of Conduct Adjustment (TAC) sought to curb the sale of cattle from deforested areas, but the complexity of the production chain makes it difficult to control. Given that, our goal is to include small farmers in a viable transition, with technical support and access to conditions that would help them comply with legislation and adopt more sustainable practices.

Brazil Livestock Program

Given the complexity of that scenario, we understand

that isolated answers are not enough. That is why we decided to work on various fronts simultaneously, creating the Brazil Livestock Program, an initiative structured to operate in the Amazon and the Cerrado, with different levels of engagement, from state to federal, in addition to engaging with businesses and collectives on a global scale.

The program aims to transform livestock production into a driver of sustainable development, conciliating productivity, environmental conservation, and social inclusion. The main proposition is to support the transition to low-carbon livestock production that aligns with market demands and global climate goals, while also generating value for rural producers. The program is built around seven strategic pillars (see box).

THE PROGRAM'S SEVEN PILLARS

1 - Improve transparency and traceability in the beef supply chain

2 - Accelerate rural producers' environmental compliance process

3- Intensify support for producers and facilitate access to credit

4- Accelerate implementing policies that protect public land and Indigenous territories

5 - Engage stakeholders from the beef value chain

6- Create incentives to combat illegal deforestation

7- Promote respect for human rights and dialogue between indigenous peoples, local and traditional communities, and the beef industry

The pillars are part of our strategy to reduce deforestation in the Amazon and Cerrado biomes by 30% by 2025. Tracking is one of the most important tools in that process, as it allows us to know the path cattle take through the production chain and to identify whether they were raised or fattened on rural properties that were illegally deforested or on Conservation Units and Indigenous Lands that have faced invasions. By 2030, our vision is to have 100% of individual animals in Pará tracked and to increase transparency in the Cerrado and Amazonia.

We have reached traceability milestones once considered impossible just a few years ago:

- 420,023 cattle individually identified in Pará across 94 municipalities and 1,970 properties.
- The Ministry of Agriculture, Livestock and Food Supply (Mapa) developed the National Policy for the Identification of Cattle and Buffalo (PNIB). This historical milestone elevates the Pará initiative to a national level and lays the foundation for the entire country to advance that agenda.
- TNC signed the first technical agreement with the Pará State Agricultural Defense Agency (Adepará). This partnership enabled TNC to donate electronic ear tags and attracted private-sector investment, thereby multiplying impact and strengthening traceability in the state. In all, TNC and private initiative committed to donating 2 million ear tags for distribution to small producers.
- Approval of the Sustainability Policy for the Cattle and Buffalo Livestock Production Chain in Mato Grosso, an innovative policy that operationalizes traceability and socio-environmental monitoring, through the Green Passport and Reinsertion and Monitoring Program (Prem).
- Capacity training of approximately 400 tracking operators to help support producers who are in the process of identifying individuals in their herd in the state of Pará.
- Establishing three Producer Support Hubs (NAPs) in the Pará municipalities of Altamira, Novo Repartimento, and São Félix do Xingu, where

producers receive free environmental compliance assistance, commercial upgrading, and sustainable intensification support through a partnership between the IDH organization (the Sustainable Trade Agreement) and the Pará government (learn more in the box below).

- 3 Núcleos de Apoio ao Produtor (NAPs) inaugurados nos municípios paraenses de Altamira, Novo Repartimento e São Félix do Xingu, onde produtores encontram assessoria gratuita para regularização ambiental, requalificação comercial e intensificação sustentável (*saiba mais em quadro a seguir*);

In addition, we worked on the design of mechanisms grounded in the realities of livestock production in Amazonia and the Cerrado, connecting traceability, commercial upgrading, environmental compliance, and access to rural credit.

We are developing PagBoi, a financial incentive mechanism that enables automated payments throughout the supply chain based on producers' classifications derived from integrating public and private data across batch and individual traceability systems and on socio-environmental compliance on their properties.

By directly linking verified production practices to financial rewards, PagBoi strengthens incentives, encouraging producers to adopt and maintain practices aligned with traceability and deforestation-free production.

At the same time, we developed environmental compliance incentive mechanisms for properties since many producers face steep costs to recover illegally deforested areas.

"TNC Brazil has played a pivotal role in the transition from ambitious declarations to practices that generate impact. In Pará, TNC is working with other partners to build a full-scale cattle traceability system, providing the state, producers, and markets with better tools to help eliminate illegal deforestation from the supply chain. One of the most important aspects of our partnership is that it connects science, public policy, and on-the-ground implementation. The work in Pará is fundamental to structuring and implementing a traceability system that can help protect forests while strengthening the future of livestock production.

This is the type of collaboration we need to build a more sustainable food system."

DR. ANDY JARVIS, Director of the Future of Food at the Bezos Earth Fund.

WHAT ARE THE PRODUCER SUPPORT HUBS?

They are solution hubs, where producers find environmental and production assistance.

NAPs' areas of influence that conduct mobile outreach activities, expanding the operational reach of the hubs:

- São Félix do Xingu; Tucumã, Ourilândia, and Água Azul do Norte
- Altamira: Placas, Uruará, Anapu, Senador José Porfírio, Vitória do Xingu, Brasil Novo, and Medicilândia
- Novo Repartimento: Pacajá, Itupiranga, and Marabá

The importance of technical assistance to rural producers

Technical assistance is one of the main bottlenecks to the transition to sustainable livestock production in Brazil: Less than 11% of producers have access to such support, which limits progress in areas such as pastureland recovery and the adoption of good practices. To face this challenge, we formed a partnership with the Brazilian Micro and Small Business Support Service (Sebrae) through Sebrae Tech, aiming to create a more scalable model.

In the first year as a pilot, we developed an operational base—communication, local alliances, engagement, and monitoring—and assisted 88 of the estimated 150 producers, leading to relevant experience. The producers who received assistance are from the meat and dairy chains, although many also engage in complementary agricultural activities.

Owing to the initial results, we signed a new agreement with Sebrae to reach 150 producers, with the expectation that we would expand the model in 2026 and strengthen technical assistance as a pillar of sustainable livestock production.

Regenerative Agriculture

The issue of technical assistance is directly linked to the transition to a regenerative agriculture agenda, especially because many of the livestock producers who received assistance also work in agricultural chains, such as soy, corn, and sesame. In that context, technical assistance ceases to be production assistance and becomes a path to transforming production systems by integrating sustainable practices into livestock production and agriculture.

To move this agenda forward, we have developed partnerships with global private companies to test, in real-world settings, how to enable the transition to regenerative agriculture. Projects such as the Reverte Program reinforce this notion by improving monitoring, reporting, and verification of real impact in the territory, including pastureland recovery.

Another essential pillar of the agenda is adapting regenerative agriculture concepts and practices to tropical conditions, especially in the Cerrado.

The biome, which is home to 60% of Brazil's agricultural production, especially of commodities, is increasingly exposed to extreme events, such as prolonged droughts and irregular rainfall.

Recognizing that adopting regenerative agriculture depends on a well-trained technical network, we work to strengthen local capacity.
We promote capacity development for technicians in partnership with the Mato Grosso Federal University (Unemat) and the Mato Grosso Federal Institute (IFMT). The goal is for technicians to support producers in implementing practices such as soil management, biological inputs, and composting.

Learn more about the cattle traceability program in Pará by clicking here.

Meet the Cerrado producers who adopted regenerative agricultural techniques in Link 1 and Link 2.

AGRICULTURE AND LIVESTOCK PRODUCTION

→| HOW MUCH WE HAVE ADVANCED

We have contributed to boosting efficiency in the private sector's adoption of practices and actions to reduce deforestation associated with the livestock value chain through policies, financial mechanisms, market access, and social engagement.

→| WHAT IS YET TO BE DONE

The great challenge is consolidating and giving scale to the vision conceived by the state of Pará, which brings together transparency, support, and technical assistance for producers, and expanding those practices across all of Amazonia and the Cerrado.

Policies by themselves are not sufficient to sustain the pace of implementation. The amendment that postponed the deadline for mandatory traceability in Pará demonstrated that political changes can quickly create uncertainty and stop progress.

→| HOW TO ADVANCE FURTHER

Stronger, more immediate incentives, along with sustained engagement among producers, businesses, and government institutions, are necessary to maintain the program's resilience despite political fluctuations.

We intensified stakeholder engagement through the Brazil Livestock Program, working in partnership with the meatpacking industry, the retail sector, and various public and private actors, and collaborating with nearly 40 people from the Amazon and Cerrado regions.

ACTIONS TO FACE THE CLIMATE EMERGENCY

Engagement, mobilization, and the acceleration of our work to reduce emissions and promote adaptation measures are central to our efforts.

Earth's climate system is more out of balance than at any other time in recorded history. The State of Global Climate 2025 study affirms that the combination of record greenhouse gas concentrations, accelerated ocean warming, and ice loss is driving rapid and long-lasting changes across the entire planet. That scenario poses significant challenges for countries and organizations in climate change mitigation and adaptation.

In 2025, we developed a series of initiatives to reduce emissions, face the climate crisis, and promote adaptation based on the principles of Nature-based Solutions (see the sidebar for more details). The actions include integrated fire management in the Atlantic Forest, conservation of the Araucaria Forest in southern Brazil, São Paulo business-financed restoration, and support for Indigenous funds in Amazonia.

All of these efforts have something in common: they depend on partnerships, mobilization, and acceleration to deliver results.

SBN, A COST-EFFECTIVE PATHWAY

As the name suggests, Nature-based Solutions are answers nature offers to society's problems, such as the climate crisis. SbNs can contribute more than one-third (37%) of the climate mitigation needed by 2030 while also increasing community resilience before extreme climate events. That is why investing in SbNs is considered one of the most efficient and cost-effective ways to combine emissions mitigation, climate adaptation, and sustainable development.

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FIRE: MANAGING FOR CONSERVATION

In the Atlantic Forest, we promote Integrated Fire Management through local collaboration and by disseminating the methodology "Do Forest and Fire go Together?"

It may seem counterintuitive, but knowing how to manage fire is one of the most important tools for conserving natural areas. As the American researcher Ronald L. Myers, author of the book that coined the term Integrated Fire Management, notes, some ecosystems are fire-dependent (the Brazilian Cerrado, for instance); others are sensitive to fire, influenced by fire, or independent of fire, each demanding different approaches.

The subject is part of The Nature Conservancy's origins, which sees fire as a major threat to biodiversity, exacerbated by climate change. In 2024, more than 79 million hectares burned in South America, 30 million of which were in Brazil.

> **"TNC was instrumental to our work because it saw that the idea worked in Itatiaia and then supported our efforts. The use of cameras and an engaged fire brigade led to a significant reduction in burnt areas and fire-detection time.**
> **None of that would have happened if we had not had that support.**
> **The idea is that this monitoring system will be an affordable product that more units can replicate, so that we can help many more brigades."**
>
> ***DARCI MONTEIRO JUNIOR, partner and product development manager at the T&J company, and a former brigade member of the Itatiaia National Park.***

In light of this, we seek to implement an Integrated Fire Management program, aligned with the national policy established in 2024, that integrates ecological, social, and technical aspects to prevent fires, use controlled burns, and reduce emissions, respecting traditional practices.

Implementation involves cooperation among governments, civil society, and local communities. We have worked to take that agenda to states and municipalities, with a territorial focus, and the participation of local actors, such as the Civil Defense and firefighters. We also support knowledge generation, the formation of brigades, and the use of data available on the Path of Fire platform.

Practical Examples

The Monitoring and Warning System at Itatiaia National Park serves as a reference for the Integrated Fire Management program. The system is the result of a technical cooperation agreement with the Chico Mendes Institute for Biodiversity Conservation (ICMBio), which builds technical capacity for local firefighters through technological innovation, making monitoring available to city governments and Conservation Units at a lower cost than the market.

Beyond technical innovations, it is important to advance social innovation, such as that occurring in Piracaia. The municipality is at the heart of the Cantareira System—crucial to São Paulo's water supply—, yet it has historically been affected by fire due to pasture clearing and renewal that eventually reach restored forests.

This prompted the implementation of an Integrated Fire Management Plan in the municipality, leveraging the monitoring expertise developed in Itatiaia. The initiative, which has brought together a diverse group of stakeholders, including civil society and the city government, has gained the attention of Brazil's government and is beginning to draw the attention of the PCJ Watershed Committee (the Piracicaba, Capivari, and Jundiaí rivers).

Thus, we contribute to the Watershed Committee's understanding that addressing fire management is critical to reducing the risk to investments in pastureland restoration and improvement within watershed areas, while also working to engage the government. With our support, ex-firefighters from Itatiaia National Park established a monitoring systems company that has helped expand monitored areas in hard-to-access regions and reduce fire impacts (learn more in the testimonial).

The Integrated Fire Management work is taking place in the states of Minas Gerais, Rio de Janeiro, and São Paulo, reaching:

- → Total area under management: **2.479.540 hectares**.
- → Area covered by public-private partnerships: **800,000 hectares**.
- → Area covered by the forest fire monitoring and alert system: **500,000 hectares**.
- → **22** municipalities
- → **15** conservation units

Learn more in the book Living with Fire – Sustaining Ecosystem & Livelihoods through Integrated Fire Management, by Ronald L. Myers

And find out more about the first municipal Integrated Fire Management plans approved in São Paulo and Minas Gerais by clicking here:

ARAUCÁRIAS CONSERVATION PROJECT

With only approximately 3% of their original cover preserved, the araucárias forests have benefited from a conservation and restoration project that has helped mitigate climate change, protect biodiversity, water, and soil, and generate income and carbon credits.

The Araucárias Conservation Project is an Atlantic Forest restoration initiative that aims to recover degraded areas and strengthen the conservation of biodiversity, water, and soil. It is led and coordinated by the Environmental Preservation Association (Apremavi), with financial support from TetraPark, and technical support from TNC. The project seeks to restore ecosystems while generating social and climate benefits. The estimate is that the project could capture approximately 70 tons of carbon annually.

The goal is to restore 7,000 hectares by 2030, primarily in rural properties in Santa Catarina and Paraná, contributing to the recovery of the araucárias forest, one of the most threatened ecosystems in Brazil, with only 3% of its original cover preserved.

The Project involves rural landowners committed to complying with the Forest Code and whose properties are registered in the Environmental Rural Registry (CAR), thereby promoting environmental compliance and expanding forest cover. The restoration activities include planting native seedlings, planting seeds, enriching secondary forests, and stimulating natural regeneration. The project also promotes economic opportunities for producers through mechanisms such as Payment for Environmental Services.

In 2025, we offered specialized technical support, especially regarding carbon. We guided Apremavi in developing the validation and verification project, supported the development of inventories, and provided technical clarification to the funder.

Learn more about other initiatives that restore forests, generate benefits to the climate, and increase rural producers' income by clicking here:

FINACLIMA, A WAY TO ENGAGE THE PRIVATE SECTOR

Financial mechanism that seeks to expedite the execution of ecological restoration projects

The Cantareira Environmental Protection Area (APA), an important watershed for the water supply of Brazil's largest city, suffers from high levels of forest fragmentation but offers significant potential for connectivity through restoration efforts.

In Presidente Prudente, within the Pontal do Paranapanema, the region that is home to rural settlements faces severe pastureland degradation and low native vegetation cover. Recovery of the areas means increasing forest resilience, and, as a consequence, ensuring the supply of high-quality water in the necessary quantities to millions of people, protecting the soil, and ensuring food production with social inclusion.

It is not an accident that the Cantareira APA and the Pontal do Paranapanema are considered priority

areas by Finaclima. This São Paulo state government mechanism facilitates private funding to expand and improve climate financing in the state, of which we are a participant. We serve on Finaclima's steering committee, the body responsible for defining guidelines and rules, and determining how and where funds will be deployed.

The objectives of the policy are conserving and recovering biodiversity and ecosystem services, engaging the private sector in environmental funding, supporting innovation and sustainable businesses, and strengthening governance and transparency of the state's climate change policy.

Learn more about the recommendations to strengthen climate adaptation of traditional peoples and communities by accessing the document "Resilient Territories".

ACCESSIBLE CLIMATE FINANCING FOR INDIGENOUS PEOPLES

Supporting Indigenous Peoples-led financing mechanisms is a central strategy for reducing institutional barriers and ensuring that resources reach territories directly.

As guardians of the ways of life that have historically helped protect forests and maintain the stability of nature, Indigenous Peoples are central stakeholders in the fight against climate change and in adaptation efforts, especially those related to territorial management and community resilience. In that context, we have worked to expand Indigenous Peoples' access to climate financing, overcome historic institutional barriers, and strengthen mechanisms that ensure resources reach them directly, transparently, and in ways aligned with priorities defined by Indigenous Peoples themselves.

That is why we contributed to the development of financing mechanisms conceived and led by Indigenous Peoples, such as the Fund of the National Policy for Territorial and Environmental Management of Indigenous Lands (PNGATI) and the Podáali Fund, created and managed by Indigenous Peoples of the Brazilian Amazon (more on page 20).

Another strategic focus is the institutional strengthening of Indigenous organizations so that they can participate in a qualified, informed, and autonomous way in negotiation processes of climate programs, such as the REDD+ jurisdictional mechanisms in states. One example is the cooperation we established with the Federation of Indigenous Peoples of Pará, which supports meetings, capacity-building efforts, and internal debates so that leaders can formulate and present their own proposals on benefit-sharing and processes for free, prior, and informed consultation, in accordance with their rights.

We also support training and capacity-building in climate change in partnership with institutions, such as the Amazonian Center for Indigenous Training (CAFI) and the Association of Indigenous Peoples of Brazil (Apib)—strengthening technical knowledge through a dialogue between Indigenous and scientific forms of knowledge and enhancing the ability of Indigenous leaders to engage in national and international climate debates.

CLIMATE AND INDIGENOUS PEOPLES

→| HOW MUCH WE HAVE ADVANCED

Indigenous organizations experienced significant strengthening, expanding their active and strategic participation in climate governance processes and their direct access to climate financing mechanisms and tools, such as Jurisdictional REDD+.
Today, those organizations have greater technical and institutional capacity to manage projects, negotiate public policies, and implement adaptation and climate mitigation efforts aligned with their own priorities and vision for their territories.

→| WHAT IS YET TO BE DONE

The platforms and organizational capacity foundations have already been built. Still, the challenge is to advance the effective implementation of the main climate financing commitments, ensuring that those resources reach the territories in a direct and timely manner and accelerating Indigenous communities' capacity to respond. Giving scale to successful experiences and pilot projects is needed to transform them into structured, long-term policies for climate finance and the protection of Indigenous territories.

→| HOW TO ADVANCE FURTHER

Strengthening and integrating governance spaces, and expanding collaboration among Indigenous funds, national financing mechanisms, and global climate financing tools related to autonomy, self-governance, and the rights of Indigenous Peoples.

NATURE AT THE CENTER OF DECISION-MAKING

In addition to providing technical support for the national biodiversity goals, we contribute to the National Bioeconomy Development Plan through socio-productive inclusion and recognition of traditional knowledge.

Brazil is home to the Cerrado, the Amazon, and the Atlantic forests, three of the world's most biodiverse ecosystems. As a result, the country views the bioeconomy as a strategic lever for development. Recognizing the value of standing native vegetation enhances its competitiveness relative to activities that cause deforestation, thereby generating income and essential services, such as water supply, climate regulation, and socio-biodiverse products.

In that context, we played a strategic role in developing the National Biodiversity Strategy and Action Plan (Epanb), aligned with the 2025-2030 targets of the Convention on Biological Diversity (CBD). This public policy elevates the agenda to a new level of management and access to financial resources and partnerships, in a landscape reinforced by the need to address climate change.

In partnership with the Ministry of the Environment, we developed the strategy's methodological framework and supported its development through technical studies, public consultations, and regional workshops.

That process expanded social participation in the debate and consolidated the vision of biodiversity as an essential asset for the economy, people's wellbeing, climate stability, and the planet's ecological balance.

The main national goals by 2030 are to end illegal deforestation across all biomes, restore 12 million hectares of deforested or degraded areas, and establish the protection and sustainable management of 30% of land and marine areas. Plans are in place to create 4 million hectares of new Conservation Units and to connect 30% of the national territory through ecological corridors by 2035, in addition to fighting species extinction, among other important objectives.

The challenge now is to transform goals into large-scale implementation. The national plan establishes ambitious objectives that demand coordination, financial mechanisms, and effective territorial management.

At the same time, the global context reinforces the urgency: According to a report by TNC and partners, there is a significant financing gap for natural infrastructure, limiting the ability to meet climate and conservation demands. Financing for nature is a way to make it return investments—in the form of environmental products and services—in the transition to a new economy.

Income, conservation, and social justice

A strategic leap places the socio-bioeconomy at the center of the climate agenda. That new frontier

MARKET FOR AN EXPANDING BIOECONOMY

- → **40 billions** reais is the potential by 2050
- → **300,000** new jobs in the period

Source: Nova Economia da Amazônia/WRI

NATIONAL TARGETS FOR THE SOCIO-BIOECONOMY

- → **300,000** Payment for Environmental Services beneficiaries by 2035
- → **50% increase** in the number of organizations sharing benefits from access to genetic resources
- → **2,3 millions** restored hectares integrated into the bioeconomy chains in **30 territories** in Brazil

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combines income generation, conservation, and social inclusion, with Indigenous Peoples and traditional communities playing a leading role and being responsible for the greatest part of global biodiversity. In a context where the bioeconomy can generate 33 trillion dollars by 2050, Brazil has unique advantages in valuing standing forests.

We contributed directly to the development of the National Bioeconomy Development Plan (PNDBio), whose first version was launched in 2025, with goals and guidelines aimed at positioning Brazil as a global leader in the sector. We worked on technical design and hosted public consultations and meetings with the government, scientists, and civil society, focusing on the socio-bioeconomy. The new tool strengthens legal security and expands access to financing, with an emphasis on transforming natural potential into sustainable businesses and production inclusion.

Following our contributions to the Pará State Bioeconomy Plan in 2023, we participated in shaping the national framework, with the expectation that it would yield broader results with the arrival of investments.

For that to happen, it is vital to address structural bottlenecks in logistics, credit, technical assistance, environmental compliance, and land tenure.

In Pará, we co-led a study with the Interamerican Development Bank (IDB) that demonstrated that bioeconomic income has the potential to grow as much as 30 times by 2040 in comparison to 2019, if we take into account the production chains for açaí, coco almond, Brazil nut, copaiba, cumaru, andiroba, honey, buriti, cupuaçu, and heart of palm.

BIODIVERSITY AND BIOECONOMY

→| HOW MUCH WE HAVE ADVANCED
We contributed to the creation of new public policies that strengthen Brazil's capacity to honor its climate and biodiversity commitments by 2030.

→| WHAT IS YET TO BE ACHIEVED
Move toward the actual delivery of Brazil's biodiversity goals, consolidating them as a factor in the country's sustainable development and leadership.

→| HOW TO ADVANCE FURTHER
Mobilize resources for climate and nature with a safe legal framework, institutional predictability, and rights security.

COLLECTIVE SHAPING OF THE NATIONAL BIOECONOMY DEVELOPMENT PLAN (PNDBIO)

- → **220** people attended the consultation meetings in person
- → **98** institutions from different sectors
- → **653** contributions in total

IN THE TERRITORIES

Brazilian initiatives launched at COP30 (read more about it on page 12), such as the Prospera Sociobio, led by the Ministry of the Environment, to provide technical support and concrete actions to the territories, are examples of the PNDBIO strategic priorities, whose shaping we helped build to attract public and private investment. With funding totaling approximately R$ 120 million, the program aims to provide integrated services to strengthen sustainable local business ecosystems by establishing six Socio-Bioeconomy Development Hubs in the Amazon.

RIO DE JANEIRO REPLICATES STRATEGY AND INSPIRES OTHER STATES

The national biodiversity strategy has driven state-level public policy developments, such as in Rio de Janeiro, where we contributed to the Biodiversity Strategy and State Action Plan (EPAEB). We want to highlight our participation, in partnership with the State Environmental Institute (Inea), in planning and studies aimed at establishing new Conservation Units, combining conservation and financing mechanisms to ensure their long-term sustainability.

Those actions consolidate a model that connects public policies, innovation, and territorial management, with direct impact on Atlantic Forest conservation and restoration. Examples include our support for establishing ↘ ecological corridors, a way to promote integration between climate and biodiversity strategies.

In Rio de Janeiro, we also participated in the planning geared to climate adaptation in vulnerable municipalities through nature-based solutions and Integrated Fire Management during critical periods. At Itatiaia National Park, we implemented a pilot using Artificial Intelligence to monitor forest fires, thereby expanding the brigades' capacity to respond and prevent them.

↘ **Ecological Corridors:** Natural habitat strips that connect fragmented areas, enabling the flux of species, genes, and ecological processes, which are essential to biodiversity conservation.

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OUR COMMUNICATIONS IN NUMBERS

TNC expanded its media reach in 2025, showing growth across its digital channels and traditional media.

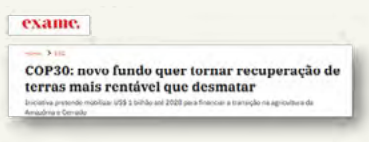
32.643
Instagram followers

23.929
LinkedIn followers

268.235
Website visits

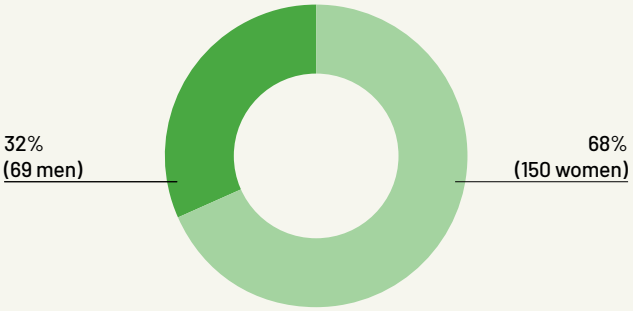
4.863
Matérias publicadas

1.493
Articles quoting spokespeople

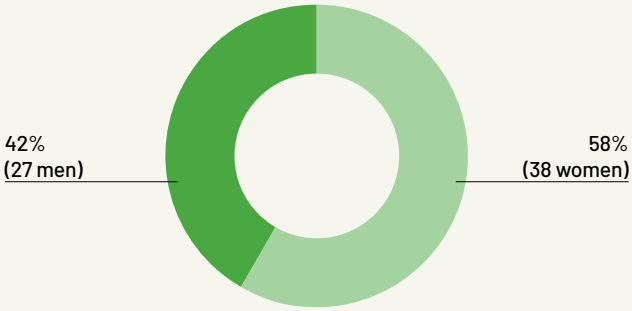


OUR TEAM

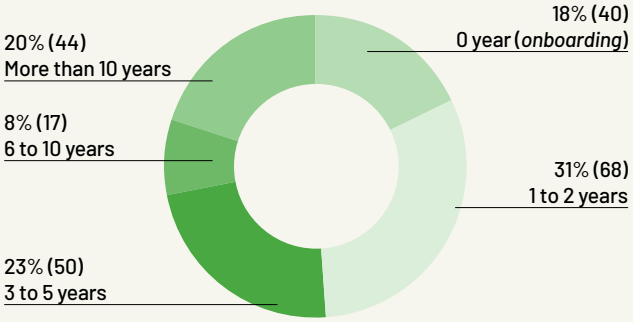
GENDER



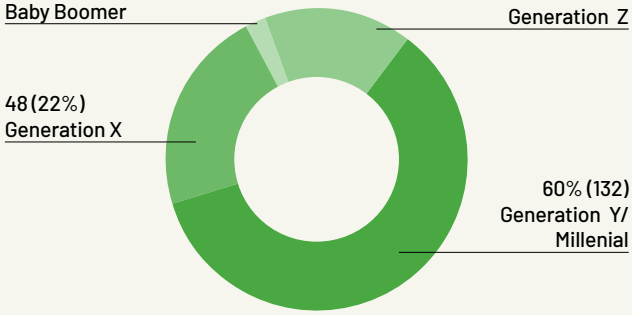
LEADERSHIP ROLES



YEARS AT TNC



GENERATION



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