Veracel Celulose

**Forest restoration, carbon storage and income generation: Monte Pascoal – Pau Brasil Ecological Corridor**

**Background and drivers**
Alongside its own rainforest restoration programme, financed and conducted by the company, Veracel facilitates and supports a rainforest restoration project financed by the carbon market. The project involves several NGOs in southern Bahia state in Brazil, where Veracel’s pulp mill and its fast-growing eucalyptus plantations are also located.

**Project summary**
The project, The Monte Pascoal–Pau Brasil Ecological Corridor, aims to restore Atlantic rainforest on suitable areas belonging to local land owners, especially cattle ranchers. The project goal is to connect isolated fragments of the Atlantic Rainforest and form a native forest corridor between two national parks, Monte Pascoal and Pau Brasil.

The project supports social development in the region by providing concrete jobs and income opportunities for the local community. A local cooperative, Cooplantar (Cooperative of Reforestation Workers of Far Southern Bahia), carries out the practical planting and restoration work.

There are several ongoing ecological corridor projects in Brazil. Success depends strongly on how they are financed. All ecological corridor projects are carried out within the broader governmental effort to find resources to connect rainforest fragments in coastal Brazil.

**Best management practices**
The Monte Pascoal–Pau Brasil Ecological Corridor project follows state-of-the-art procedures, according to the methodology of the Atlantic Forest Restoration Pact. These procedures cover seed collection techniques, seedling production guidelines, soil preparation, planting and all maintenance activities.

The project complies with the Gold Level Standard of the Climate, Community and Biodiversity Alliance (CCB), a partnership of international NGOs and research institutes. The certification gives assurance that international standards are applied and monitored.

Selecting the best locations for restoration involves a number of criteria also adopted by the CCB Gold Level. The performance is measured through restored area (in hectares), carbon storage (in tons), biodiversity functions (indexes) and social benefits (jobs and incomes).

From the social perspective, local communities are encouraged to form cooperatives, associations or small companies, and provided with technical and managerial training. These organizations comply with Forest Stewardship Certification (FSC) standards, which means they can provide services for FSC-certified companies such as Veracel. This has also increased skills and management capacity in the region. Veracel’s role has included facilitating contacts between tree farmers and NGOs and providing financial support to Cooplantar’s training programme.

**HOW THE PERFORMANCE OF RESTORATION PROJECTS IS MEASURED**

- **Restored Area (Hectares)**
- **Carbon Storage (Tons)**
- **Biodiversity Functions (Indexes)**
- **Social Benefits (Jobs and Income)**
**Case Study**

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**Challenges and difficulties**

During the two years of the project, major development steps have been required from all the project partners.

The first challenge was to comply with the CCB Gold Level Standard. The biggest subsequent challenge has centred on rainforest restoration agreements with local land owners. These agreements must be long term (30 years). Ongoing political debate surrounding the National Forest Law, which may result in changes to conservation area laws in Brazil, affected the negotiations. The possible revision of the law created uncertainty among land owners regarding areas that are suitable for rainforest restoration.

A third challenge has been the price of carbon offsets in the voluntary market. The carbon price has not covered the rainforest restoration costs. The project participants have added to the financing with other fundraising strategies, including donations and complementary projects.

**Outputs, results and lessons learned**

So far the Monte Pascoal–Pau Brasil Ecological Corridor project has given rise to four commercial carbon credit contracts. The sold carbon credits are leading to the replanting and restoration of 318 hectares of rainforest.

The project has directly generated 45 local jobs at the Cooplantar cooperative.

The rainforest restoration includes native seed collection in the region’s preserved rainforests, seedling production at the nursery, soil preparations, planting of native seedlings and manual weed control (without use of herbicides) on the restoration areas.

The planting and restoration work creates jobs for local people.