



# REFOREST



## EMEA–Reforest Financing Scheme

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# ReForest Innovative Finance Scheme

## Improves the bankability of Agroforestry Project

*The Real Cost Benefit Analysis*

HOW?

**Enhance access to Finance**

# AF sector faces a structural financing gap

## 1. Current State

- Subsidy Dependency
- Undervaluation of AF Co-Benefits
- High Risk and Cost Perception
- Embryonic and siloed Incentive Mechanisms

## Our Scheme helps to close these gaps

- We understand Finance and Policy Landscape and pressing barriers for AF farmers
- Evidence backed up by Literature review and Living Labs consultations
- Partnerships with Digital Tools

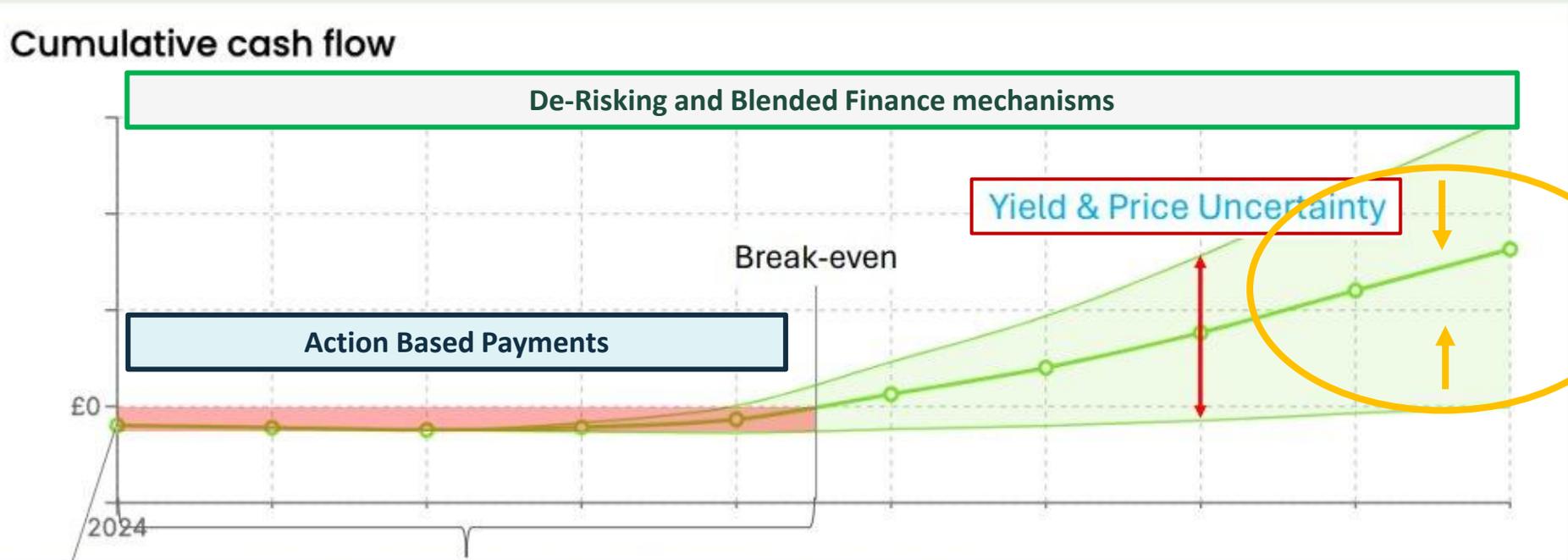
## State we want

- Improve Projects Bankability, Access for Funding and Market Integration
- Increase Capacity building and Knowledge gap within the whole AF value chain

## How we do it?

- Internalize AF full potential on Regulating and Provisioning **Ecosystem Services to Business plan and Balance Sheet**
- Link projects with **incentive and rewarding mechanisms**

# Profile of a typical agroforestry system



Ex-Ante Payment

Initial investment  
(trees, planting etc)

5-20 years (no revenue & maintenance costs)

Hybrid - Results Based Payments

Advisory Service

Deep Roots

## HOW?

## REDUCE COSTS

- Integrates the financial impact of being insured
- Regenerative practices reduce costs and dependency of fertilisers, pesticides, etc
- Administrative costs (advisory support) / Efficiency from Digital Tools use
- Reduced costs of Finance (guarantee, blended Finance mechanisms)

## INCREASE REVENUE

- Diversified income (tree products)
- Enhance yield due to better Soil => Regulating Ecosystem services taken into account in the model
- Public Ecosystem Services (Provisioning) / Carbon / Nature Credits
- Market integration (Premium Price, Labels,..) – demand side

## INCREASED FARM VALUE

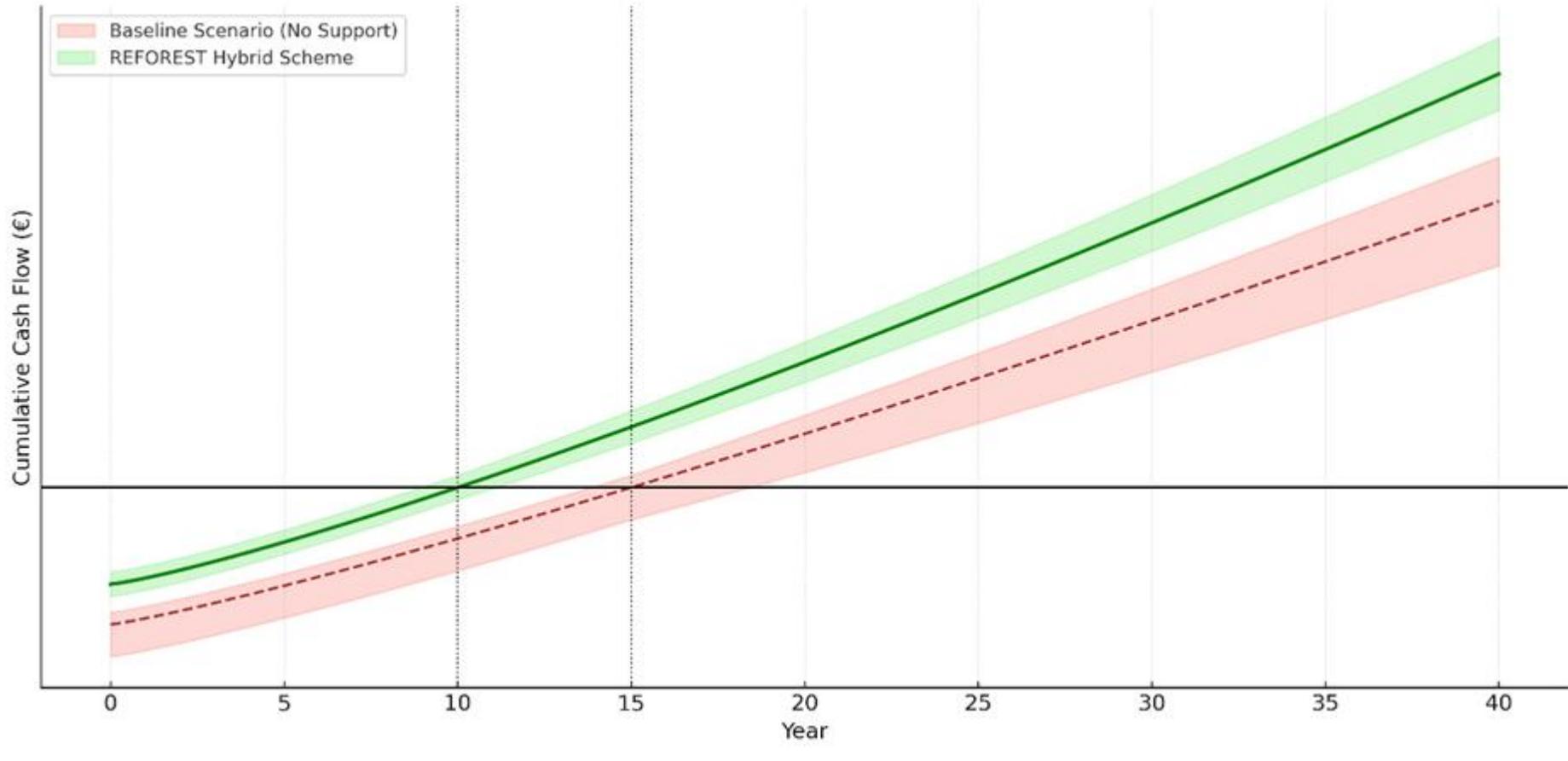
- The model quantifies the increased value of the farm due to Sustainable Land Management Practices => AGROFORESTRY

**We are currently working with the University of Bonn to quantify the Scheme on their support management platform**

**COMMON GOOD –**  
Should be compensated by Public institutions OR Offset by private sectors in transparent framework

Enhance bankability

# Cumulative Cash Flow Projection – Baseline vs. ReForest Scheme



**Note:** The FarmTree tool supports the design of agroforestry projects by modeling long-term costs, revenues, and ecosystem service benefits across various tree–crop–livestock combinations. It uses ReForest farm-level input data, such as tree species, crop rotation, planting density, yield forecasts, labor costs, and maintenance schedules, to simulate annual cash flows over a multi-decade horizon. The tool applies time-phased cost and revenue curves that reflect the biological growth cycles of perennial systems and integrates assumptions about market prices, discount rates, and subsidy schemes. Scenario analysis allows comparison between conventional systems and agroforestry alternatives, making it easier for users to assess investment feasibility, break-even points, and long-term profitability under varying policy and market conditions.

# Thank you for your attention!

A promotional banner for an event. The background is a photograph of a lush green field with rows of trees. Overlaid on the image is a green semi-transparent box containing text and logos. At the top left is the Reforest logo, and at the top right is the DigitAr logo. The main text in the green box reads "Upscaling Agroforestry in Europe – Policy Dialogues on Regulation and Finance". Below this, it says "Organised by: the Euro-Mediterranean Economists Association". At the bottom left is the EMAE logo (Euro-Mediterranean Economists Association). In the center, there is a calendar icon followed by the date "26 March 2026". To the right of the date is the European Union flag and the text "Funded by the European Union". Further right is the UKRI logo and the text "UK Research and Innovation". At the bottom right, it says "Hosted by:" followed by the CEPS logo.