

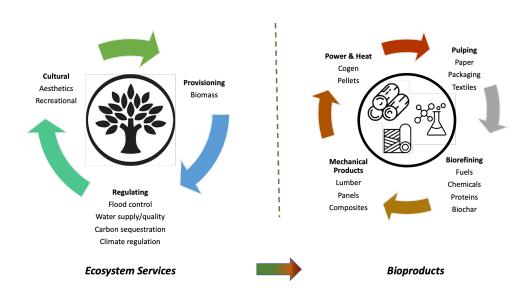
Investment Opportunities in the Forest Bioeconomy

A Comparison of Ecosystem-Focused & Production-Oriented Projects

Dr. Peter Adriaens, PhD PE BCEEM

Director, Center for Digital Asset Finance, University of Michigan

- The newest paper in the Great Lakes Impact Investment Research Series provides a
 detailed overview of the opportunities and challenges of structuring and scaling both
 conservation-focused forest projects and production-oriented forests.
- Investment models in forest projects are shifting from public financing to market driven financing mechanisms including through direct investment, public private partnerships (P3), green bonds, real options structures, carbon farming agreements and carbon offtake guarantees.
- The Great Lakes region has the potential for 52 gigatons of high-quality carbon by 2050 (1 gigaton equals 10 billion tons). This holds a revenue potential of around \$783B USD from sales of nature-based (e.g., tree planting) and engineered projects (e.g., geological storage) into the voluntary carbon offset markets.
- This revenue potential could be achieved by combining sustainably sourced forests and upcycling bio-based products to create new business opportunities. These new revenue streams and business models could drive innovation in this area, benefiting both the environment and the economy.



Relationship between conservation-focused and production-oriented forest projects.