



The Regional Government of Extremadura and major companies join Green Engine, Spain's biggest reforestation project, driven by Repsol Foundation and Sylvestris

- Extremadura is Spain's first autonomous community to join Green Engine, a public-private collaboration project led by Repsol Foundation alongside Sylvestris, with participation also from Santander Bank, Tierra Pura Foundation, Enagás, and Ilunion.
- The goal is to promote voluntary emissions offsetting through large-scale reforestation in Spain to enhance biodiversity and help curtail climate change.
- Locals will be hired to plant the forests, with a special focus on vulnerable groups to help boost local employment and inclusivity.
- Green Engine is a project that will help Spain gain a strong foothold in Europe as a leader in emissions offsetting while fostering a green, sustainable and social economy, and helping to transform the rural environment.
- The aim is to reforest up to 70,000 hectares across Spain to offset 16 million tonnes of CO₂, creating 15,000 jobs.

Repsol Foundation, the Regional Government of Extremadura, and Sylvestris have joined forces with Santander Bank, Tierra Pura Foundation, Enagás, and Ilunion to launch Green Engine in Extremadura, the first autonomous community to get on board with this innovative public-private initiative. Green Engine aims to become the biggest large-scale reforestation project for boosting emissions offsetting in Spain.

The positive impact this unique project is striving for is threefold: environmental, by restoring natural spaces and taking action against climate change; social, by creating local and inclusive job opportunities; and economic, by backing a green investment in the future and boosting the business fabric in rural environments.

The overall objective is to reforest up to 70,000 hectares in Spain, which is roughly the surface area of the city of Madrid, in order to offset 16 million tonnes of CO₂. This project will create 15,000 local and inclusive rural job opportunities, making it an ambitious commitment to creating a more social, green, and sustainable economy.

In Extremadura, **5,000** hectares are to be reforested, creating **1,000** jobs in the region over the next 3 years.

Green Engine is in alignment with Plan Extremadura 2030, the 2030 Agenda, the European Green Deal, and Spain's Recovery, Transformation and Resilience Plan



Start-up in the northern mountains of Cáceres

In Extremadura alone, some 5,000 hectares of scorched or barren land are to be reforested in different towns over the next three years. The selection of the land to be reforested was led by the Regional Government of Extremadura, in collaboration with the different town councils and forest experts. These new woodlands will absorb 1.3 million tonnes of CO₂ from the atmosphere, thus allowing the companies and institutions that join Green Engine to offset their greenhouse gas emissions.

The works will begin this fall in the mountains north of Cáceres. Approximately one million indigenous species of trees will be planted in a bid to preserve and improve biodiversity and ensure long-term resilience. Over 1,000 local workers will be hired to plant the forests, 70% of whom belong to vulnerable groups, helping to stabilize the population.

Programs for providing training and for fostering innovation and technological development in the forestry sector will also be launched as part of this project. Furthermore, the reforestation activities will support the local business fabric in the areas in question, helping to boost Extremadura's local economy and activities related to tourism and the service sector.

Green Engine is based on an innovative public-private collaboration model for driving economic revival and rural development in the aftermath of COVID-19. It is in alignment with the strategy for social, environmental and economic development as set out in Plan Extremadura 2030, the 2030 Agenda, and the European Green Deal, promoting a green economy as part of the energy transition. The project also seeks to position Spain as a competitive, quality carbon sink, and a forerunner in Europe.

The Executive Managing Director and Vice Chairman of the Repsol Foundation, António Calçada, noted that "thanks to the efforts of public administration and the collaborating companies, we have been able to set in motion this ambitious reforestation program to offset emissions, aspiring to be the biggest of its kind in Spain." António Calçada also highlighted the triple impact that Green Engine is having: "economic, promoting a green and sustainable economy; social, by creating inclusive, local employment; and environmental, by planting new forests and helping to preserve existing ones."

The forestry projects are being led by Sylvestris, a Repsol Foundation investee company that has over 30 years of experience in the forestry sector. The new forests will be designed according to the standards set by the Spanish Climate Change Office, which is the official certification body for offsetting projects in Spain, under the Ministry for the Ecological Transition and the Demographic Challenge.

The project is scheduled to be rolled out in other autonomous communities across Spain in the near future, with the collaboration of public administration and other private companies and institutions.

Repsol Foundation also recently signed a strategic agreement with KPMG to grow the voluntary CO₂ emissions offsetting market in Spain and increase competition.

Reforestation, a high-potential natural climate solution in Spain

Trees go through a process of photosynthesis whereby they absorb CO₂ into their tissue. This makes reforestation a natural climate solution that offers attractive and cost-effective CO₂ capture options that have been technically proven, giving rise to environmental and social advantages.



Spain has the necessary natural spaces and know-how to position itself as a leading carbon sink in Europe, responding to the growing commitment companies are making to be conscious of their footprint.

The voluntary carbon offsetting market is expected to increase 15-fold by 2030 and 100-fold by 2050, meaning that its value could reach between 5 and 30 billion dollars depending on how it plays out, according to The Taskforce on Scaling Voluntary Carbon Markets.