

A group of women, likely from a rural Indian community, are walking through a field. They are wearing colorful saris in shades of yellow, orange, red, and blue. Some women are carrying pots on their heads, and others are holding small plants, suggesting they are engaged in agricultural or community work. The background is a lush green field with some trees.

# LIVELIHOODS FUND

“THE FUTURE DEPENDS  
ON WHAT WE DO IN THE PRESENT”  
GANDHI



# LIVELIHOODS

Act today for a better future

## AN INNOVATIVE APPROACH TO CARBON OFFSETTING

SINCE THE CREATION OF THE DANONE FUND FOR NATURE IN 2008, DANONE HAS BEEN TESTING NEW APPROACHES TO CARBON ECONOMY BY SUPPORTING DIFFERENT PILOT PROJECTS RELATED TO BIODIVERSITY RESTORATION, CARBON SEQUESTRATION AND FIGHT AGAINST POVERTY.

LIVELIHOODS'S PARTENRS ARE NOW WILLING TO INVOLVE OTHER PARTNERS IN ORDER TO CREATE THE LIVELIHOODS FUND.







### NAANDI – INDIA

6,000 ha of local species

20.000 tribal farmers impacted

1.1 m offsets



### NEWS – INDIA

6,000 ha of local species

45.000 people impacted

1 m offsets



### OCEANIUM- SENEGAL

6,600 ha of local species

400 villages impacted

450,000 offsets



### IBI BATEKE – DRC

2,400 ha of cassava and acacia

500 direct jobs-40 villages impacted

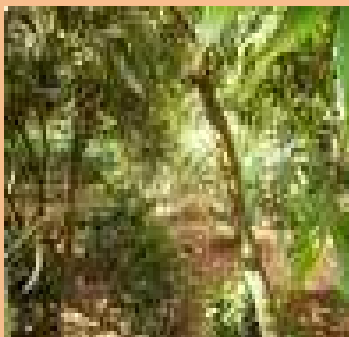
620,000 offsets



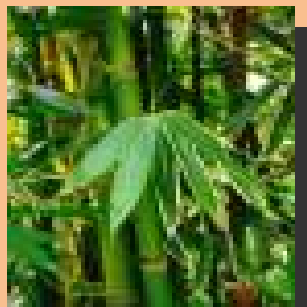


# ARAKU

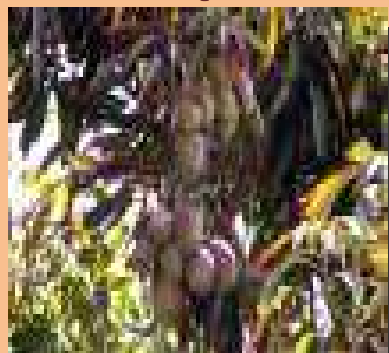
## Coffee



## Bamboos



## Fruit Spices



### Milestones

- Febr. 10:
- MOU approval
- July.10:
- Pilot Plantation 720ha
- 2011 : 1280 ha
- 2011 : DOE Validation
- 2011 : DOE Validation
- 2012 : 3000 ha

- 20000 tribal farms
- 300 villages impacted
- 6 millions saplings (fruit/timber + coffee)
- 270 US\$ per year per capita
- CO2 per ha / year = 18T CO2 / Ha

- Acreage = 6.000 Ha
- CO2 on 20 years = 1130KT CO2

- Project Developer = NAANDI FOUNDATION
- Carbone registration = UNIQUE Consultant

**Araku Valley in south-east India**

# INDIA



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**Local economic and social development on the concerned countries**

- Improvement of culture's techniques and first transformation
- Superior returns on coffee, fruits, Spices, reassured against the climatic chances
- Increase of the income of the communities after the increase of coffee's price thanks to the labels



**Reproducible character**

- Link with an existing sector (coffee)
- Plantation techniques linked to carbon and nutrition

**Innovative character**

- Carbon standards integrating social, environmental and economic impacts
- Estimations of carbon storage in the soil
- Large-scale application of biological and fair trade labels



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# OCEANIUM

## Mangrove Plantation



### Milestones

- 2008/09: 1800 Ha
- 2010: 4554 Ha
- 2011: 4000 Ha
- 2011 : DOE Final approval

- 408 villages impacted
- 4 tCO<sub>2</sub>/ha/year sequestered
- 100 million mangroves planted

- Acreage = 6640Ha
- CO<sub>2</sub> on 20 years = 380 KT CO<sub>2</sub>

- Project Developer = OCEANIUM
- Carbone = ORBEO/Carbone Dec.

**Casamance and Saloum Deltas**

**SENEGAL**



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### Local economic and social development on the concerned countries

- Local population directly involved in the project implementation
- Direct and indirect benefits in the local population (fish, oysters, etc.)
- Transfer of know-how (awareness, formation, etc.)



### Preservation of the environment

- Use of native species
- Plantation done manually (no soil preparation, no pre-existing vegetation elimination)
- Minimum environmental impact on local fauna and flora
- Natural ecosystem restoration



### Innovative character on WETLANDS

- 1st Use of Small-scale methodology for reforestation afforestation on wetlands
- Awareness using cinema-meetings
- Reforestation in wetlands



## A PROVEN TRACK RECORD

- 5 projects already under implementation.
- 13,800 hectares planted as of year-end 2011.
- Over 5m high quality offsets from these projects alone.
- ~11% net IRR after Fund's costs from existing portfolio.
- Data audited by consulting firm Environmental Resource Management.





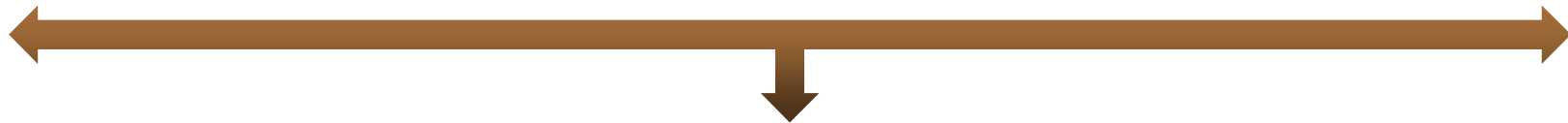
# A BALANCED PORTFOLIO



**ECOSYSTEM  
RESTORATION**

**SMALL ENERGY**

**AGROFORESTRY**



**Food security  
Biodiversity  
Energy security**

# A UNIQUE BUSINESS MODEL: KEY SUCCESS FACTORS

- Rigorous selection process based on:
  - Strong and clear **community endorsement**,
  - Tangible and long-lasting **local benefits**,



- Quality and **potential of project developer**,
- **Up-scalability** and **replication** potential,
- **Carbon eligibility** and feasibility?
- Shared governance.



# A UNIQUE BUSINESS MODEL: RISK MITIGATION

- Risk mitigation and management based on:
  - **Project ownership** by local communities,
  - **Balanced return** between Investors and local people,
  - No asset besides carbon,



- **Mutualisation**,
- Geographic and sectoral **diversification**,
- Rigorous selection and monitoring,
- Local **political endorsement**.

# A UNIQUE BUSINESS MODEL: AN INDUSTRIAL APPROACH



- First € spent only after **pilot proved up-scalability**.
- Real **partnership** with **up-front finance** and close follow-up by Fund's team over whole project life.

- Financial return based on:
  - **Industrial expertise** from Sponsor and Investors,
  - **High-scale** only investments,
  - **Co-investment** with local companies and international donors,





# A UNIQUE ORGANISATION: LIVELIHOODS VENTURE

## BERNARD GIRAUD

Livelihoods Venture President

- VP Sustainability and Shared Value Creation Danone Group
- Director General of CSR Europe for 3 years
- 10 years experience in structuring innovative social projects for Danone

## JEAN-PIERRE RENNAUD

Livelihoods Venture General Delegate

- Agronomist / Ph.D. in analytical biochemistry
- Director of the Danone Fund for Nature & Director of Environment Danone Group from 2004 to 2010
- 6 years experience in setting up carbon related projects

## GUILLAUME BOUCULAT

Livelihoods Venture Financial Director

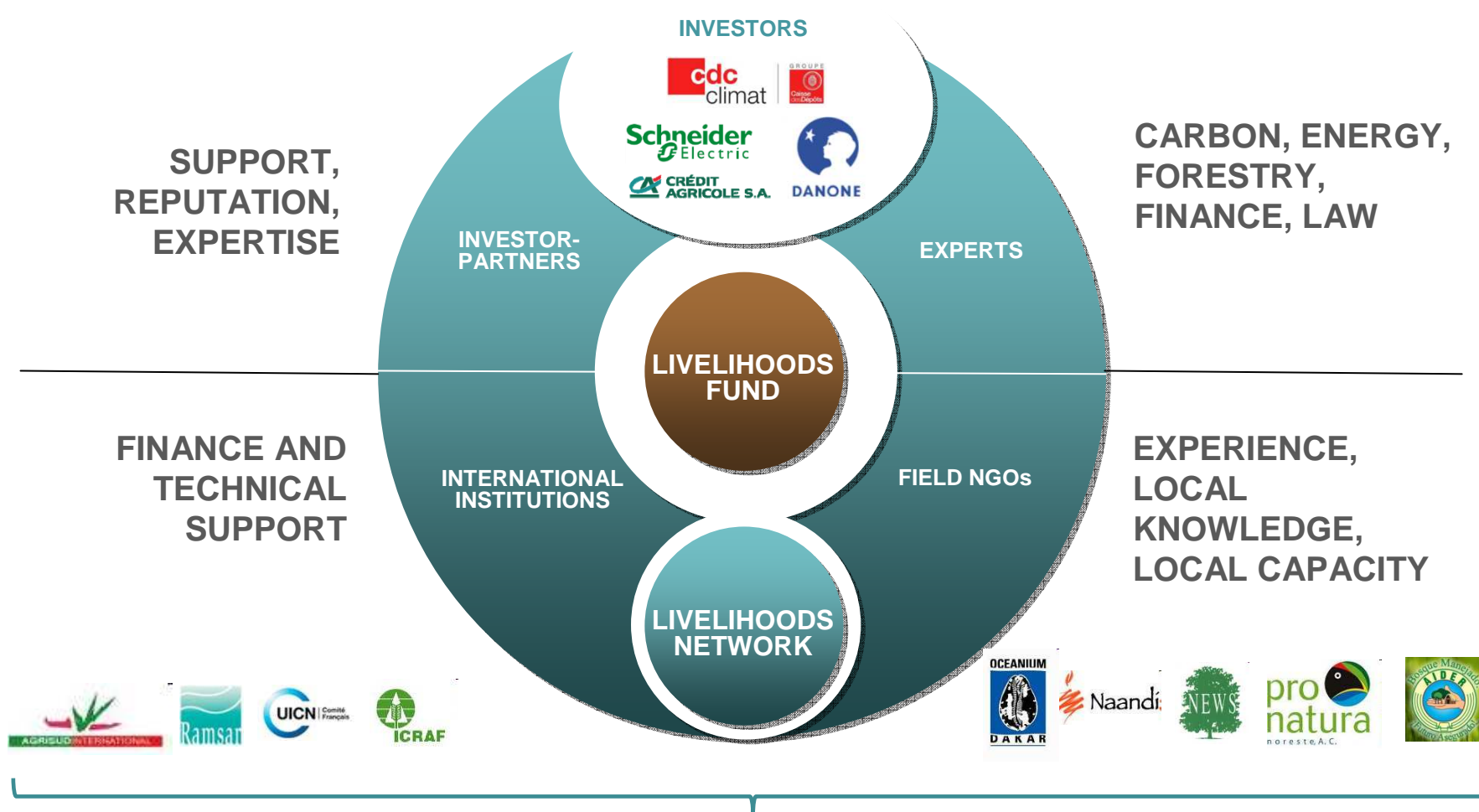
- MSc in Finance & MSc in Energy, Finance and Carbon
- 10 years of international financial & banking experience
- Part-time researcher at the Climate Economics Chair



**World-class experts:** Unique Forestry, Carbon Decision, ONFI, UICN, RAMSAR, independent high level experts (law, carbon, forestry)...



# A UNIQUE ORGANISATION: THE PLATFORM



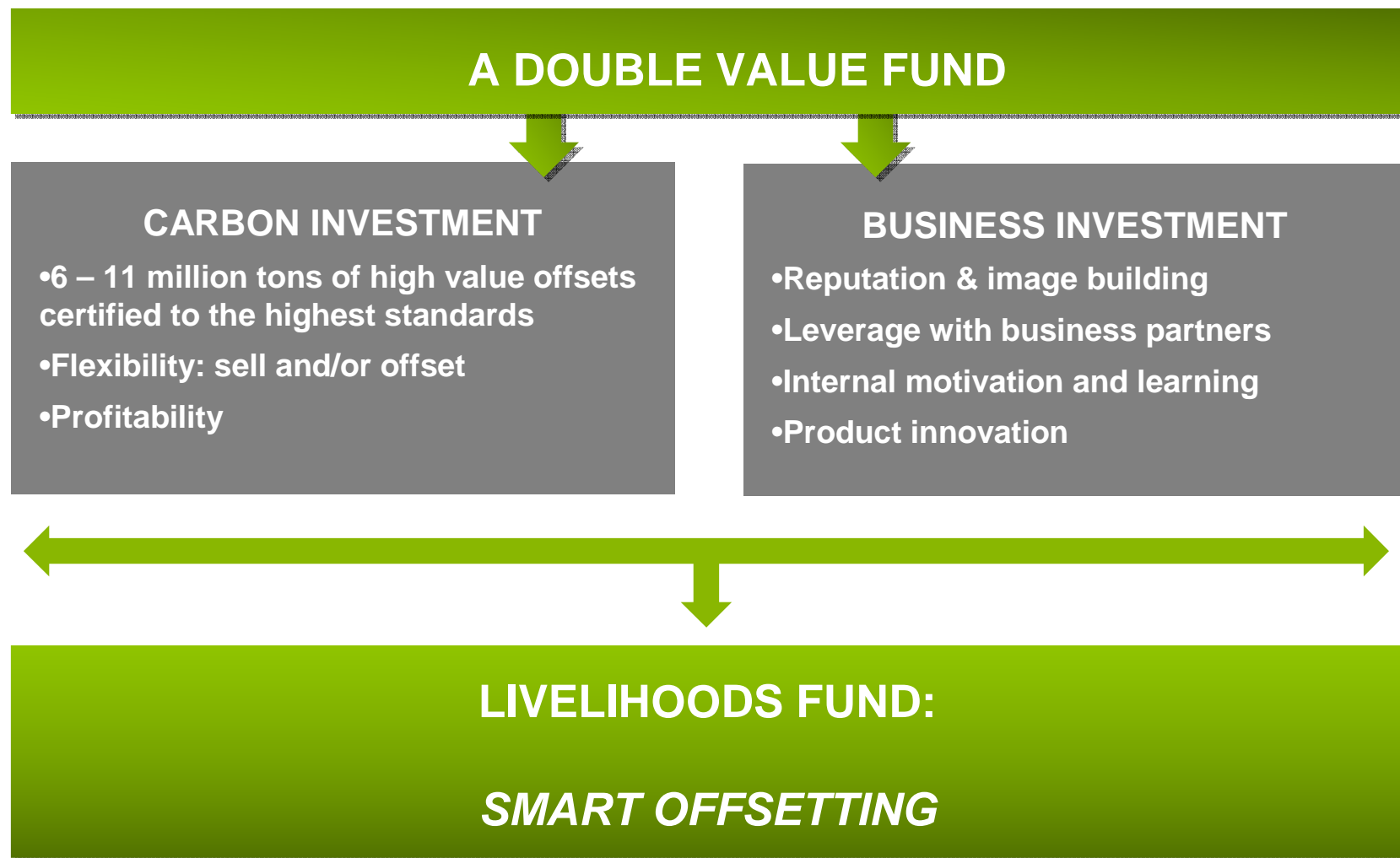
**OPEN AND TRANSPARENT KNOWLEDGE SHARING PLATFORM FOR  
CAPACITY BUILDING AND TECHNICAL EXCELLENCE**



**LIVELIHOODS**  
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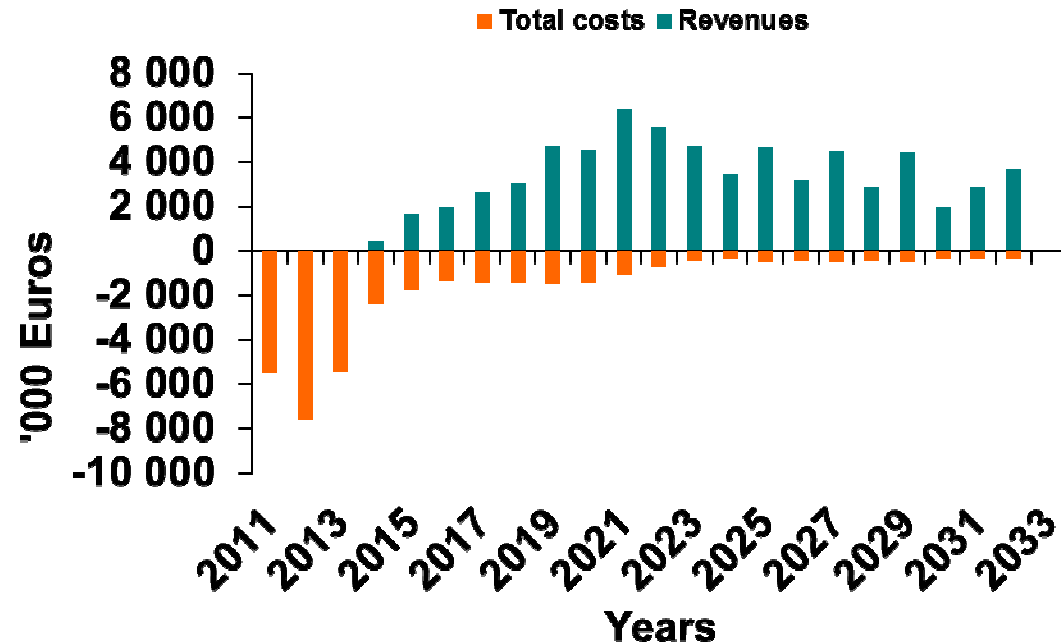


# MAJOR BENEFIT FOR INVESTORS



# INNOVATIVE AND PROFITABLE FUND

- Size: €30m - €50m.
- Regulated SICAV – SIF:  
**transparency and shared governance.**
- Total life: 24-y.
- Return: **high value carbon offsets** (6m to 11m).
- **€2m capacity building endowment** from external sources (grants, donations).
- 5 already **pre-financed and incubated** projects to be transferred at arm's length, thus **reducing execution risk.**
- Already supported by **Danone, CDC-Climat, Crédit Agricole and Schneider Electric.**







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