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THE LIVELIHOODS FUNDS STRENGTHEN THEIR INVESTMENTS IN AFRICA TO SUPPORT COMPANIES IN THEIR SUSTAINABILITY JOURNEY AND RESPONSIBLE SOURCING COMMITMENTS

Thanks to the commitment of their 12 corporate investors, the Livelihoods Funds are investing in new projects in Africa to combat climate change, poverty and environmental degradation by leveraging the carbon economy and the agricultural supply chains of its investors.

The Livelihoods Funds are doubling their investment in an efficient cookstove project in Kenya, to reach 8 million euros. This project will improve the lives of 600,000 people while saving 2,400 ha of forests. The Livelihoods Funds are also investing in key raw materials for their company-partners, like milk, vanilla, cocoa, etc. to build sustainable value chains that provide a decent living to farmers while increasing food security and preserving natural resources.

DOUBLING OUR INVESTMENT IN AN ENERGY EFFICIENCY PROJECT AT THE FOOT OF MOUNT KENYA

Kenya's population has been multiplied by 6 between 1960 and 2017 (from 8 million to nearly 50 million people)¹. Still, 8 out of 10 women use wood for cooking on traditional 3-stone stoves. Smoke exposure from these open-fire stoves and Household Air Pollution (HAP) cause over 16,000 deaths in Kenya each year². With an increasing population and this strong reliance on firewood and charcoal for energy needs, forests in Kenya remain under great pressure³, with deep consequences on land degradation and water resources.

For 300,000 people living at the foot of Mount Kenya, like Janet and her family ([read her story](#)), the situation started changing in 2014 when they joined the Livelihoods-Hifadhi project. This project has been initiated and is financed by the Livelihoods Carbon Fund, an impact investment fund, to equip rural communities with efficient cookstoves that reduce wood consumption by 60%. The project is implemented in the field by EcoAct, an international consultancy and project developer, delivering sustainable business solutions to help businesses and organisations succeed in their climate ambitions.

Thanks to the long-term commitment of the companies investing in the Livelihoods Carbon Fund, the project is now being scaled up to reach a total of 600,000 people. In addition to equipping families with efficient cookstoves, the project will also focus on nutrition to sensitize and train families on simple ways to access healthy food. In total, the Livelihoods-Hifadhi project will save 2,400 ha of forests, thus avoiding the emission of a total of 3,5 million tons of GHG in the atmosphere by 2029. What's more, more than 1 million trees will be planted within the project to contribute to reforestation.

Schneider Electric, main sponsor of the Paris Marathon and investor in the Livelihoods Carbon Fund will use the carbon credits delivered by the Livelihoods-Hifadhi project to offset the emissions of this major sports event. In 2019, the Paris Marathon will be the first marathon in the world to be 100% carbon-neutral thanks to the Livelihoods-Hifadhi project.

¹ World Bank Data.

² <http://cleancookstoves.org/country-profiles/focus-countries/4-kenya.html>

³

www.kenyaforestservice.org/documents/redd/Analysis%20of%20Drivers%20of%20Deforestation%20&forest%20Degradation%20in%20Kenya.pdf

SUPPORTING THOUSANDS OF FARMER COMMUNITIES IN AFRICA FOR FOOD SECURITY, BIODIVERSITY CONSERVATION AND CLIMATE RESILIENCE

In **Eastern Kenya**, the Livelihoods Funds are supporting 30,000 family farms to adopt sustainable practices that preserve soils and water resources while delivering higher yields. The farmers are then connected to the supply chain of Brookside Dairy, East Africa's number one dairy player, which has committed to buy all the milk from the project over a 10-year span to provide the farmers with more revenues. This project, implemented by NGO Vi Agroforestry, is expected to generate USD 200 million in the local economy while restoring 35,000 ha of land.

In **Madagascar**, the Livelihoods Funds are supporting 3,000 family farms to build a resilient vanilla supply chain thanks to the support of Danone, Mars and Firmenich, investors in the funds, and Prova, a supplier to Mars. In addition to providing high quality and traceable vanilla to companies and improving the revenues of the farmers, this project also focuses on food security and biodiversity conservation thanks to funding from the FFEM (The French Facility for Global Environment) and the AFD (the French Development Agency). It is implemented and monitored by NGO Fanamby.

In **Senegal**, the Livelihoods Funds have planted 80 million mangrove trees, in partnership with NGO Oceanium, that provide villagers with more fish, shrimps and oysters. The mangroves have also enabled the restoration of lands, once degraded by salinization, where farmers can once again grow rice.

In **Burkina Faso**, more than 30,000 women have been trained to build efficient cookstoves by themselves by NGO Tiipaalga. The stoves are made from raw materials available locally (clay, straw, manure, water...). They reduce wood consumption by 60% generating tangible environmental impacts in a region faced with desertification. Furthermore, with the support of the French Development Agency (AFD), farmers are trained on simple, affordable and replicable practices to enable them to adapt to the harsh climatic conditions with very little water.

See more projects from Livelihoods Funds below.

PROJECTS MADE POSSIBLE THANKS TO AN INNOVATIVE INVESTMENT MODEL

All the Livelihoods Funds' projects are built on a long-term investment model bringing together private companies, NGOs, public organizations and the civil society. Private companies invest in the funds to get carbon credits with high social value to reach their sustainability goals or to build high-quality and traceable sourcing with smallholder farmers. Projects are designed with rural communities and local NGOs in order to generate simultaneously lasting social, environmental and economic impact. Indeed, thanks to the long-term commitment of their investors the Livelihoods Funds can provide upfront financing to project developers to implement and monitor projects over up to a 20-year span, giving communities enough time to be fully empowered. What's more, payments to the project developers and returns to the Funds are result-based to create a virtuous circle with tangible benefits.

Learn more about the Livelihoods Funds: www.livelihoods.eu

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LIVELIHOODS FUNDS PORTFOLIO

Already 1,5 million beneficiaries around the world



About the Livelihoods Funds

Livelihoods investment funds have been created by private companies to generate social, environmental and economic impact in Africa, Asia and Latin America. Livelihoods links private companies, NGOs, public institutions and experts. It builds public-private coalitions to develop projects generating value for all: improved livelihoods for rural communities, public goods (nature and water conservation, CO₂ sequestration), sustainable sourcing and high-quality carbon credits for businesses. Livelihoods Funds provide upfront financing to best-in-class project developers for the implementation of large-scale projects over 10 to 20 years. Returns to the funds are results-based to guarantee that projects are delivering tangible social, environmental and economic results. Created in 2011, the first Livelihoods Carbon Fund has invested 40 million euros in mangrove restoration, agroforestry and rural energy projects. Building on its success, a Livelihoods Carbon Fund #2 was initiated end of 2017 with an investment target of 100 million euros.

The Livelihoods Fund for Family Farming, launched in 2015, aims at building sustainable supply chains for companies while improving the lives of smallholders and promoting farming practices which are more respectful of the environment. This fund, which will invest 120 million euros over 10 years, works on strategic agricultural resources for its investors: milk, cocoa, vanilla, coconut, sugar cane, watershed conservation...

12 companies have invested in Livelihoods Funds so far: Crédit Agricole SA, Danone, Firmenich, Hermès, Groupe Caisse des Dépôts, La Poste, Mars Inc., Michelin, SAP, Schneider Electric, Veolia and Voyageurs du Monde.

Livelihoods Funds are supported by: the French Development Agency (AFD), the French Facility for Global Environment (FFEM), the International Union for Conservation of Nature (IUCN), the InterAmerican Development Bank (IDB), the Ramsar Convention and the World Agroforestry Center (ICRAF).

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