HIGH-LEVEL MEETING ON THE INITIATIVE FOR THE ADAPTATION OF AFRICAN AGRICULTURE TO CLIMATE CHANGE "AAA"

RENCONTRE DE HAUT NIVEAU SUR L'INITIATIVE POUR L'ADAPTATION DE L'AGRICULTURE AFRICAINE AUX CHANGEMENTS CLIMATIQUES "AAA"
WHY IS IT SO DIFFICULT TO MAKE AGRICULTURAL INVESTMENTS SUSTAINABLE?

<table>
<thead>
<tr>
<th>TODAY’S MAIN CHALLENGES</th>
<th>TOMORROW’S OPPORTUNITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complexity of projects; Aggregating farmers</td>
<td>Create a coalition between private/public sector/NGOs</td>
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<tr>
<td>Time lag between investments and ROI</td>
<td>Create a financial vehicle with long-term investment</td>
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<td>Narrow approach; focus on one aspect of supply chain</td>
<td>Holistic approach focusing on the wider ecosystem</td>
</tr>
<tr>
<td>ROI not at market standards</td>
<td>Results-based approach</td>
</tr>
</tbody>
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LIVELIHOODS FUND FOR FAMILY FARMING

Our investment Model

- Invest up-front
- Maximize value creation for farmers
- Monetize externalities
AN EXAMPLE OF A LIVELIHOODS FUND’S PROJECT

Kenya: creating a sustainable dairy cycle with 30,000 farmers

- **Preserve Water Resources**: Government need to preserve watershed and fight decrease in the water level of Victoria Lake.

- **Secure Milk Sourcing**: Brookside Dairy needs to extend its milk collection area with good quality and high volumes.

- **Improve Livelihoods**: 30,000 farmers need to increase their yields and revenues.
MUTUAL VALUE CREATION IN LIVELIHOODS PROJECT
For farmers, business and society

Improve farming practices with 30,000 farms to generate multiple benefits

Farm management
- Fodder
- Milking

Soil management
- Trees
- Food crops

Milk collection
- Quality
- Milk storage

Farmers
- Milk revenue
  +30% food and cash crops

Water
- Increase in ground water level on 20 years

Climate
- 1,000,000 t CO2 seq. in soil and cow farms

Milk Supply
- 40 to 50 Million liters/y in 2020
A PUBLIC-PRIVATE COALITION
For project financing and implementation

Local dairy company
Contributes through investment in equipment and fees based on milk volume and quality

Carbon Market
Monetization of certified carbon credits sold on the market

Benefit
30,000 farmers

Public institutions
Public support expected for water resources and environment protection

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LIVELIHOODS FUNDS’ APPROACH
Examples of other projects in Africa

BURKINA FASO
Food security

IVORY COAST
Cocoa

MADAGASCAR
Vanilla

> Reaching scale and triple bottom line impact <
> Shifting to sustainable supply chains <