Climate Investment Opportunities: Updates from the Lab

June 8, 2022
Agenda

Review of the Lab
  • Ben Broche, Associate Director of the Lab

Lab Portfolio Overview: Progress and Opportunities
  • Carla Orrego, Portfolio Manager at The Lab

Key Insights & Opportunities from Previous Lab Instruments
  • Global Renewable Independent Power Supplier
    • Carsten Jung, Structured Finance Manager at GRIPS Energy
  • Caaporã
    • Luis Fernando Laranja, Director Partner at Kaeté Investimentos
  • GreenFi
    • Mark Ellis-Jones, Managing Director at Ecosystem Equity
CPI is an analysis and advisory organization with deep expertise in finance and policy.

Our mission is to help governments, businesses, and financial institutions drive economic growth while addressing climate change.

Our vision is to build a sustainable, resilient, and inclusive global economy.
Global climate finance flows reached $632 billion in 2019/2020, but current investment levels are still far behind what’s needed for a successful low-carbon transition …
The Lab develops innovative financial instruments that can drive billions in private investments to action on climate change.

**Public-Private Collaboration**
The strengthened partnership between the public and private sectors builds capacity and knowledge to identify and deploy effective climate finance solutions.

**Innovation & Transformative Solutions**
Innovative, actionable, catalytic, and financially sustainable solutions reduce risks and barriers to investment in sustainable development.

**Mobilizing Finance**
Catalytic finance from Lab Members and the broader network enables piloting and implementation of transformative solutions.

~$3.2Bn
CAPITAL MOBILIZED

56 INSTRUMENTS DEVELOPED

70+ MEMBERS

8 CYCLES CONDUCTED
The Lab portfolio is composed of 56 instruments addressing climate change.
... and across multiple sectors and regions
Lab instruments employ a diverse array of financial mechanisms

- **Structured Products**
  - Debt
  - Equity
  - Securitization

- **Fixed Income**
  - Bonds
  - Notes

- **Asset Finance**
  - Consumer-based
  - Asset-based

- **Pay for Performance**
  - Impact-linked bonds
  - Ecosystem services

- **Servitization** *(SaaS model)*

- **Insurance**
  - Parametric
  - Guaranteed annuities

- **Hedging**
  - Swaps
  - Options

- **Data Tools**
  - Modeling
  - P2P lending
  - Measurement
Most common structures in the portfolio are private debt and equity

<table>
<thead>
<tr>
<th>Structure</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structured product</td>
<td>28</td>
</tr>
<tr>
<td>Asset finance</td>
<td>6</td>
</tr>
<tr>
<td>Data tools</td>
<td>6</td>
</tr>
<tr>
<td>Servitization</td>
<td>5</td>
</tr>
<tr>
<td>Hedging mechanism</td>
<td>3</td>
</tr>
<tr>
<td>Insurance</td>
<td>3</td>
</tr>
<tr>
<td>Pay for performance</td>
<td>3</td>
</tr>
<tr>
<td>Fixed income</td>
<td>2</td>
</tr>
</tbody>
</table>

- **14** Private debt
- **10** Private equity
- **4** Securitization
The Lab has an active portfolio of 41 instruments

(1) Active: working on the idea
(2) On-hold: looking for implementation partner and funding
(3) Inactive: no longer pursuing the idea
The Lab portfolio has collectively mobilized over $3.2 Bn across 30 instruments

- Capital mobilization success rate: 54%
- Instruments self-funding their operations: 4
- Projected mobilization tracked for 2022: ~$400M

By category:
- Public: 48% (1.551 M)
- Private: 44% (1.412 M)
- Undisclosed: 5% (180 M)
- Philanthropic: 89 M
The Lab portfolio has collectively mobilized over $3.2 Bn across 30 instruments

Climate Action

- Mitigation: 64%
- A&M: 28%
- Adaptation: 8%

Geography

- Global: 75%
- Asia: 15%
- Africa: 8%
- Latin America: 2%
The Lab portfolio has collectively mobilized over $3.2 Bn across 30 instruments

**Sectorial**

- **2%** Sustainable ag
- **0.1%** Forestry
- **38%** Renewable energy
- **13%** Energy efficiency
- **1%** Energy access
- **18%** Sustainable cities
- **6%** Urban infrastructure
- **6%** Transport
- **52%** Energy
- **22%** Water
- **2%** Land use
- **2%** Climate resilience
The Lab portfolio has collectively mobilized over $3.2 Bn across 30 instruments

**Financial Mechanism**
- Structured product: 75%
- Others: 3%
- Insurance: 7%
- Hedging Mechanism: 8%
- Asset finance: 7%
- Others: 3%

**Vehicle**
- Fund: 73%
- Company: 6%
- Contract: 16%
- SPV: 6%
- Platform: 3%

**Private equity**: 71%
**Private debt**: 3%
**Securitization**: 1%

**Data tools**: 1.4%
**Servitization**: 0.8%
**Fixed income**: 0.4%
**RBF**: 0.1%
### Endorsed Instruments

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Renewable energy</th>
<th>Energy access</th>
<th>Energy efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>11</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>Land Use / AFOLU</td>
<td>14</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Sustainable Cities</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Water / WASH</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate Resilience</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capital Mobilization

- **Land Use**: 22% (Global: 9%, Asia: 18%, Africa: 6%, Latin America: 8%, Global: 15%)
- **Climate Resilience**: 22% (Global: 22%, Asia: 22%, Africa: 22%, Latin America: 22%)
- **Sustainable cities**: 18% (Global: 18%, Asia: 18%, Africa: 18%, Latin America: 18%)
- **Energy**: 52% (Global: 52%, Asia: 52%, Africa: 52%, Latin America: 52%)
- **Water**: 22% (Global: 22%, Asia: 22%, Africa: 22%, Latin America: 22%)
- **Water & sanitation**: 8% (Global: 8%, Asia: 8%, Africa: 8%, Latin America: 8%)

### Sector Breakdown by Geography

<table>
<thead>
<tr>
<th>Geography</th>
<th>Endorsed Instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>18</td>
</tr>
<tr>
<td>Latin America</td>
<td>17</td>
</tr>
<tr>
<td>Asia</td>
<td>12</td>
</tr>
<tr>
<td>Global</td>
<td>9</td>
</tr>
</tbody>
</table>
GRIPS ENERGY
CLEAN ENERGY SOLUTIONS FOR AFRICAN SMEs
ABOUT US

SUSTAINABILITY IS OUR CORE PRINCIPLE

- GRIPS Energy GmbH is an award-winning renewable energy pioneer, providing reliable, carbon free and competitively priced RENEWABLE ENERGY SOLUTIONS.

- We are owned by ECONNEXT GmbH, an impact for purpose group backed by impact minded investors and European families (including Siemens, Brenninkmeijer, Mohn, Aldi and other renowned investors).

- Founded by renewable energy sector pioneers with experience in 500 MW+ IN 25 COUNTRIES AND FINANCE EXPERTS WITH USD 800 M+ FUNDRAISING track-record.

For People. For Planet. For Profit.

GRIPS is part of and supported by econnext group, an Industrial Holding with purpose, founded in 2016/17 to build profitable businesses supporting the achievement of the UN Sustainable Development Goals (SDGs). econnext was built by entrepreneurs together with business angels and investors from German and Dutch families, including members of the Brenninkmeijer, Mohn, van Agtmael, and von Siemens family.

Further details please see: www.econnext.eu
The Problem

LACK OF RELIABLE, AFFORDABLE & CLEAN ENERGY

SMEs competitiveness is hampered by

▪ High cost of electric and thermal energy supply
▪ Prices are increasing and volatile (e.g. oil price)
▪ Grid Power supply is unreliable and back-up generators / boilers run inefficiently

Renewable Energy Solutions are cost competitive

SMEs typically don’t have access to long-term funding
### SOLUTION - ENERGY FOR AFRICAN SMEs

#### RENEWABLE ENERGY SOLUTIONS BEYOND SOLAR PV

- Energy Supply on a **pay-per-use** basis
- GRIPS finances, owns and maintains all required assets
- For agricultural, commercial and industrial off-takers
- Customised solutions beyond solar PV (0.3 – 15 MW)
- Reduced Corporate CO2 Emissions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grid-tied PV</td>
<td>Renewable energy powered process heat</td>
<td>Solar powered irrigation</td>
</tr>
<tr>
<td>Hybrid PV („fuel saver”)</td>
<td>Efficient electric boiler</td>
<td>Solar powered water treatment</td>
</tr>
<tr>
<td>PV + Battery</td>
<td>Biomass/Biogas</td>
<td>Solar powered cooling</td>
</tr>
<tr>
<td>Agri PV</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biomass/Biogas</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Electrical Grid

PV Generator

Off-Taker

Electricity Grid

Energy Storage System

Power to Heat

VFD Irrigation Pump(Solar, Water/energy/Nexus)
We provide solutions for SMEs in Sub-Saharan Africa

- **Regional Hubs** in Senegal, Uganda, Zambia, and Ghana
- **Project development** in various other countries
- Focused on **developing and growing** local resources and partnerships

**GEOGRAPHICAL FOCUS**

- **Projects in 4 countries**
- **4 Regional Hubs**
- **12+ Target Markets in Africa**
- **100% Execution with local partners**

operational markets
pipeline markets
RESULTS ACHIEVED

PROJECT OPERATIONAL SINCE 2018

Technical Solution

▪ 99 kWp PV Generator (Canadian Solar, SMA)
▪ 127 kWh Li-Ion Battery System (Rolls-Royce)
▪ Island system (parallel to grid and diesel generator)
▪ Implementation through local EPC Partner

Project Background

▪ Rivonia Farm Products Ltd. is an independent Zambian SME, producing around 80 different types of food products for the Zambian market under its own brand Rivonia.
▪ Rivonia is using the hybrid system – owned by GRIPS – within a long-term leasing contract.
▪ The GRIPS solution has helped Rivonia reduce their electricity costs by ~20% and reduce their carbon footprint.
### RESULTS ACHIEVED

**PROJECTS CURRENTLY BEING IMPLEMENTED**

<table>
<thead>
<tr>
<th>Location</th>
<th>Sector</th>
<th>Technology</th>
<th>Size</th>
<th>Status</th>
<th>Expected Commencement of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal</td>
<td>Agriculture</td>
<td>Grid-tied PV</td>
<td>600 kWp ground-mounted PV</td>
<td>Implementation</td>
<td>September 2022</td>
</tr>
<tr>
<td>Zambia</td>
<td>Food processing</td>
<td>Solar/Battery hybrid</td>
<td>249 kWp rooftop PV / 800 kWh Battery Storage</td>
<td>Implementation</td>
<td>October 2022</td>
</tr>
<tr>
<td>Senegal</td>
<td>Food Processing</td>
<td>Grid-tied PV</td>
<td>550 kWp rooftop PV</td>
<td>Committed / Due-Diligence Ongoing</td>
<td>Q1 2023</td>
</tr>
<tr>
<td>Uganda</td>
<td>Pulp and Paper</td>
<td>Grid-tied PV</td>
<td>300 kWp</td>
<td>Committed / Due-Diligence Ongoing</td>
<td>Q1 2023</td>
</tr>
</tbody>
</table>
CONCRETE PIPELINE

CONCRETE PIPELINE (MAY 2022)

- Secured pipeline of ~ USD 2 Million (5 projects)
- Concrete SSA Pipeline of 27 MW (~) / USD 22 Million from 29 proposals being currently discussed in different countries
- Different technology mixes from grid-tied PV, PV / Storage, off-grid hybrid

<table>
<thead>
<tr>
<th>Project #</th>
<th>Country</th>
<th>Sector</th>
<th>Status</th>
<th>Project Type</th>
<th>Size PV (kWp)</th>
<th>Size Storage (kWh)</th>
<th>Total Investment (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Zambia</td>
<td>F&amp;B</td>
<td>Operational (since 2018)</td>
<td>PV / Battery</td>
<td>99</td>
<td>127</td>
<td>300,000</td>
</tr>
<tr>
<td>2</td>
<td>Senegal</td>
<td>Agriculture</td>
<td>Implementation</td>
<td>Grid-connected PV</td>
<td>600</td>
<td></td>
<td>570,000</td>
</tr>
<tr>
<td>3</td>
<td>Zambia</td>
<td>F&amp;B</td>
<td>Implementation</td>
<td>PV / Battery</td>
<td>250</td>
<td>800</td>
<td>570,000</td>
</tr>
<tr>
<td>4</td>
<td>Senegal</td>
<td>F&amp;B</td>
<td>Committed-Due-Diligence ongoing</td>
<td>Grid-connected PV</td>
<td>550</td>
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<td>440,000</td>
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<tr>
<td>5</td>
<td>Uganda</td>
<td>Pulp and Paper</td>
<td>Committed-Due-Diligence ongoing</td>
<td>Grid-connected PV</td>
<td>300</td>
<td></td>
<td>240,000</td>
</tr>
</tbody>
</table>

Secured Pipeline

- 1,799 kWp
- 927 kWh
- 2,120,000 USD

Pipeline

- 27,279 kWp
- 4,690 kWh
- 21,723,200 USD
**Market Strategy**

**In-Country Grips Staff & Partnerships**

<table>
<thead>
<tr>
<th>Country</th>
<th>Regional Hub</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal</td>
<td>French speaking West Africa Regional Hub</td>
<td>From Dakar, Contract with local developer</td>
</tr>
<tr>
<td></td>
<td>Local branch</td>
<td></td>
</tr>
<tr>
<td>Gambia, G-Bissau, Guinea, Cape Verde</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Ghana**

<table>
<thead>
<tr>
<th>Country</th>
<th>Regional Hub</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Togo, Benin</td>
<td>West Africa Regional Hub; Local branch, JV with local Developer</td>
<td>From Accra &amp; Berlin</td>
</tr>
<tr>
<td>Nigeria</td>
<td></td>
<td>On hold for the time being (local developers, EPCs, freelancers in standby)</td>
</tr>
</tbody>
</table>

**Uganda**

<table>
<thead>
<tr>
<th>Country</th>
<th>Regional Hub</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rwanda, Burundi</td>
<td>East Africa Regional Hub</td>
<td>From Kampala &amp; Berlin</td>
</tr>
<tr>
<td>Tanzania</td>
<td></td>
<td>Local Developer</td>
</tr>
</tbody>
</table>

**Zambia**

<table>
<thead>
<tr>
<th>Country</th>
<th>Regional Hub</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botswana, Namibia, Malawi, Mozambique</td>
<td>Southern Africa Regional Hub</td>
<td>Direct customer and partner (EPC, Developer) access</td>
</tr>
<tr>
<td></td>
<td>Local branch, JV with local developer/EPC</td>
<td></td>
</tr>
</tbody>
</table>

- Own Staff in Regional Hubs (Project Engineers, Sales, Accounting & Administration)
- Partnerships with in-country developers and in-country EPCs
- Focus on SMEs with potential for up-selling
**MANAGEMENT TEAM**

MORE THAN 500 MW RENEWABLES IN 25 COUNTRIES

- **Timon Herzog (CEO)**  
  20+ year RE Economic and Development Expert (e.g. GIZ, SOLON)

- **Michael Friedel (CTO)**  
  20+ year RE Technology, Storage and IT Expert (e.g. Younicos, Pinnacle)

- **Amadou Sam (Senegal – Country Director)**  
  10+ year Sales and Business Development Experience in West Africa (e.g. West Africa Water)

- **Ursula Braun (Senior Business Development Manager)**  
  10+ year Commercial & Business Development Experience in Emerging Markets (e.g. Bayer)

- **Stephan Raulin (Head of Engineering)**  
  20+ year Engineer and Technology Manager (e.g. Skytron, SOLON)

- **Adriano Fernandes (Senior Finance Manager)**  
  10+ year Financing and M&A professional (e.g. Banco Original, LatinFinance)

- **Loukianos Zavolas (Senior Project Manager)**  
  10+ year Engineering and Policy Analyst (e.g. ECF)
GRIPS IS SEEKING 9M EQUITY FOR ITS 1ST ASSETCO PHASE

**FINANCING STRUCTURE**

**AssetCo Vehicle Phase I**

**USD 50 Million**

- **Senior Debt/Bonds (USD 30 Million)**
- **Mezzanine Debt/Bonds (USD 10 Million)**
- **Equity (USD 9 Million)**
- **Junior Equity (USD 1 Million)**

**Leveraged AssetCo**

- **100% Construction Costs**
- **75% of dividends**
- **25% of dividends**

**Clean Energy Clients**

- **Asset SPV – Country I**
- **Asset SPV – Country II**
- **Asset SPV – Country III**

**KEY USPs**

- **Bridging of funding gap**
- **No Fund Management Fees**
- **No project development risks**
- **Aligned Interest**
- **Waterfall Structure**
- **Deepening Local Capital Markets**

- Project finance type infrastructure funding for small-scale assets
- Rather than charging a fund management fee, GRIPS will receive shares on asset-level
- Project development is carried out by GRIPS out of the scope of the AssetCo structure
- As co-shareholder, GRIPS interests are aligned during the entire project lifetime
- First Loss equity committed by Econnext (instead of public sector first loss)
- The AssetCo targets to establish the feasibility of green bond issuance
### INVESTMENT CHARACTERISTICS

#### 15% TARGET EQUITY RETURN (AFTER-COST)

<table>
<thead>
<tr>
<th><strong>Closing, Target ‘LP’ Commitment</strong></th>
<th>Closing: Targeted Q4/2022, Funding Target : $10m – First disbursements right after closing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fundraising status:</strong></td>
<td>(1) ‘GP’ equity commitment by econnext -&gt; $1m, if requested subordinated to other equity (2) additional promising discussions with private sector infrastructure investors</td>
</tr>
<tr>
<td><strong>Volume</strong></td>
<td>$50m investment in Phase I – $ 10m equity to be leveraged with $ 10m Mezzanine Debt and $ 30m Senior Debt</td>
</tr>
<tr>
<td><strong>Target IRR</strong></td>
<td>15% Equity IRR (after-cost)</td>
</tr>
<tr>
<td><strong>Geography</strong></td>
<td>Geography: Sub Sahara Africa. Currency = USD, investments in local currency hedged/unhedged possible (max. 10% of portfolio volume)</td>
</tr>
<tr>
<td><strong>Investments &amp; Duration</strong></td>
<td>Long-term receivable contracts (PPA, lease, lease-to-own) - average 15 years</td>
</tr>
<tr>
<td><strong>Management Fees</strong></td>
<td>0.1% of AuM for corporate AssetCo expenses (annual reporting, accounting, legal, tax advice)</td>
</tr>
<tr>
<td><strong>Investment Protection</strong></td>
<td>(i) econnext subordination in cash waterfall, (ii) from overall portfolio diversification in the AssetCo asset pool, (iii) credit-risk mitigation (guarantees, insurances) to be explored</td>
</tr>
<tr>
<td><strong>Structure / Domiciliation of AssetCo</strong></td>
<td>Corporate structure, governed by mission-locked articles of association and fixed investment guidelines (no costly fund manager or Investment Committee needed), [Mauritius or another ODA location; or Luxembourg, Frankfurt]</td>
</tr>
<tr>
<td><strong>Exit-Strategy</strong></td>
<td>Option to list YieldCo itself or transfer/sell assets to long-term infrastructure investors</td>
</tr>
</tbody>
</table>
INVESTMENT OPPORTUNITY

FIRST CLOSING IN Q4 2022

$10M

Commercial equity

- Targeted **15% equity return** over the asset lifetime without any development risk
- First **equity closing in Q4 2022** – to be leveraged with senior and mezzanine debt
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Q&A session
Integrated Crop-Livestock-Forestry Systems

Previously known as "Socio Climate Benefits Fund"
A group of senior entrepreneurs with extensive experience in the public, private, and NGO sectors and with a long history of working together.
Global livestock production and consumption system is one of the biggest contributors to climate change.

77% of land is used for livestock production, including grazing land for animals and arable land for animal feed production.
Despite climate impacts, **meat and milk production keeps increasing**

**Global consumption of meat proteins** projected increase by 2030*

*Driven largely by income and population growth

**Global milk production** projected growth per year over the next decade

*Faster than most major agricultural commodities

Source: OECD/FAO (2021), "OECD-FAO Agricultural Outlook"
*Compared to the base period average of 2018 – 2020.

**We need to redefine the livestock production system**
Caaporã Agrosilvopastoril Ltda

Caaporã is a holding company that produces carbon neutral products by investing in different business models that combine forest restoration with sustainable protein production.

Model core pillars

- Animal Welfare
- Low use of chemical inputs
- Low carbon emissions

Integrated Crop-Livestock-Forestry Production Systems
The virtuous circle with trees at the center of the production system

1. CARBON SEQUESTRATION
2. COMFORT AND FEED FOR ANIMALS, RECOMPOSITION OF NUTRIENTS FOR SOIL
3. INCREASED PRODUCTIVITY AND COST REDUCTION
4. HEALTHY FOOD PRODUCTS
5. GROWING MARKET OF CONSCIOUS CONSUMERS
6.
THE INNOVATION

Anchor company that develops, produces, and promotes the integrated production system

Production model from farm to table

Creation of a commercial brand

Integration and support for smallholder farmers (technical assistance & off-take)
WHERE WE ARE

São Paulo
(Atlantic forest)

Mato Grosso
(Amazon)

Bahia
(semiarid-Caatinga)
Ecopec – Mato Grosso
First Carbon Neutral Milk in Brazil
Organic and Animal Welfare Certified
8 months in the market and over 300 stores & outlets in 6 states

Presence in main retail centers in Brazil ...

... and wide exposure in main newspapers and magazines
CAPITAL RAISED

Equity

~$7.17M
2018 – 2022

~$ 625k (2018)
Founder Capital

~$ 290k (2020 – 2021)
Angel Investors

~$ 6.25 million (2020 – 2022)
Concessional Capital

Debt

~$375k
All in 2021

~$ 104k
~$ 104k
~$ 167k

Banco do Brasil

Conexsus

Sitawi
STRATEGY GOING FORWARD

Dairy
- Increase scale of operation in São Paulo (Guaraci Farm)
- Start milk production in Bahia (Aurora Farm)
- Go from 4k liters of milk/day to 120k liters of milk/day

Beef
- Consolidate and expand production in Mato Grosso

Swine and Poultry
- Consolidate and expand production in São Paulo
- Launch a meat brand in São Paulo
<table>
<thead>
<tr>
<th>Project</th>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caaporã Leite (Dairy)</td>
<td>Commercial equity</td>
<td>USD 10 million</td>
</tr>
<tr>
<td>Caaporã Pec (Beef)</td>
<td>Commercial equity</td>
<td>USD 5 million</td>
</tr>
<tr>
<td>Support for smallholders joining value chain</td>
<td>Concessional capital</td>
<td>TBD</td>
</tr>
</tbody>
</table>
Thank you!

Luis Fernando Laranja

laranja@guaraciagro.com

www.nocarbon.com.br
Q&A session
Climate Smart Lending Platform (CSLP)
Lab Update
Who we are

Develops early-stage ventures which increase the value of natural capital and have potential for transformative scale

Formerly known as F3 Life (at the time of participation in the Lab)
What is climate-smart lending?

1. **Farmer signs a loan and land management agreement**
   Agri-lender issues farmers with credit, on the condition that they adopt climate smart farming practices.

2. **Loan repayment and environmental restoration**
   The farmer repays the loan and implements the required climate-smart agricultural and land management practices on their land.

3. **Monitoring**
   Our tools used to monitor implementation of climate-smart practices and this data is passed back to the agri-lender.

4. **Climate smart credit scoring**
   When a farmer complies with the climate-smart requirements of their loan agreement, they are provided with a score which boosts their credit score.

5. **Impact Reporting**
   Greenfi’s green accounting tools are used to report against specified IRIS metrics and SDGs.
What is Climate-Smart Lending Platform?

“The Climate-Smart Lending Platform (CSLP) will bring together the tools, actors, and finance necessary to reduce climate risk in lending portfolios and scale up climate-smart lending to smallholders globally.”

Developed with the Lab in 2016
Concept Evolution

CSLP Lab Concept

Own

Third Party

Third Party Concept

greenfi

Tools to build community-owned and managed green credit cooperatives

Replication Stage

Community Adaption Facility

Rwanda-only facility for climate-smart lending projects

Implementation

Lake Naivasha Landscape Fund

Landscape specific blended-finance fund with scope for climate-smart lending

Concept

openimpact.eaarth

Digital tool for verifying/reporting on ecosystem restoration projects

Recently Launched

Lend Access

Farmer credit risk scoring tool, incl. climate risk data

Recently launched

LandscapeCPR

Fund supporting development of smallholder agricultural cooperatives

Concept

CSLP Fund

Blended finance for agri-lenders wishing to start climate-smart lending

Cornerstone Investor EOI

Global EBA Fund

Fund with provision for climate-smart lending projects

Recently Launched

Launched
Funding Evolution

CSLP Fund
- Lab: 2016
- 80K: 2017
- 200K: 2018
- 15M: 2021
- 400K: 2022

greenfi

openimpact.earth

Community Adaption Facility
- 50K: 2020
- 1.5M: 2022

Replication stage
Launch
Live
# Lessons

<table>
<thead>
<tr>
<th></th>
<th>Market Barriers</th>
<th>CSLP Fund</th>
<th>Greenfi</th>
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<tr>
<td>1</td>
<td>Climate-smart lending deals are slow to broker with high broken deal costs.</td>
<td>To facilitate deployment of private capital for climate-smart lending purposes, it looks like the only scalable financial model is as a fund.</td>
<td>Strong perception that the majority of small-scale producers are not bankable. Hence, we developed the community eco-credit system, a market-like approach dependent on seed grants.</td>
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# Funding Opportunities

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<tr>
<th>Tool</th>
<th>Amount</th>
<th>Type</th>
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<tr>
<td>CSLP Fund (in partnership with Finance Earth)</td>
<td>EUR 350K</td>
<td>Grant for fund development</td>
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<td></td>
<td>EUR 40 million*</td>
<td>Concessional and commercial capital</td>
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<tr>
<td>Greenfi</td>
<td>Open ended</td>
<td>Grant</td>
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* Expression of interest for 10M.
Thank you

Demo: info@openimpact.earth
Q&A session
Annex – GRIPS
## ANNEX

### CONCRETE PIPELINE (MAY 2022)

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<thead>
<tr>
<th>Project #</th>
<th>Country</th>
<th>Sector</th>
<th>Status</th>
<th>Project Type</th>
<th>Size PV (kWp)</th>
<th>Size Storage (kWh)</th>
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**Secured Pipeline:**

- **Project 36**: 1,799 kWp, 927 kWh, USD 2,120,000