

MOZAMBIQUE PROGRAM

SHARED VALUE PLATFORM IN CABO DELGADO



CONFIDENTIAL

MOZAMBIQUE PROGRAM: SHARED VALUE PLATFORM IN CABO DELGADO

EXECUTIVE SUMMARY

Mozambique is one of four countries selected to pilot the SVP, based on its social, environmental and economic characteristics and trajectory. Northern Mozambique (i.e. Cabo Delgado, Niassa and Nampula) is the specific focus of the SVP pilot, given the impending resource-led growth and the corresponding risks of environmental damage and social upheaval. The SVP is envisaged as a tool to transform the inequitable resource-led growth in Northern Mozambique into a catalyst for inclusive growth of the local population by building and improving local value chains.

Given PNI's 33 years of positive, successful, and equitable pioneering work in sustainable development for 58 of the world's countries, it is the IFC and PNI's hope that this joint venture will benefit the people and environment of Northern Mozambique to offset the environmental and social degradation that occurs when a developing region is targeted by on and offshore natural gas production, mining and other modes of large-scale corporate industry that have historically caused negative environmental impact and social injustice for the peoples of developing regions.

For the last six months, Pro Natura has been developing a pilot project, an important deliverable within the Preparatory Phase of the SVP that aims to build the foundation for climate-friendly and inclusive economic development in the Chipembe Dam region. Now, in the first year of the Preparatory Phase, the pilot is directly impacting more than 1,000 small farmers and community members of Magaia, Regadio and Sete de Setembro Villages. The Chipembe Farm project is helping these local smallholders to improve production of cotton, beans, maize/corn, sesame and horticulture in 600 hectares of irrigated land.

In the second year of the Preparatory Phase, the SVP Mozambique Program will grow to directly impact 2,300 farmers and community members and will expand the Guy Reinald Agroecology Centre, incorporating more advanced modes of agroecology into the project.



PNI is acting in three main lines of action:

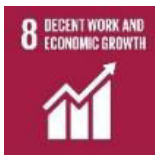
- **Production and Food Security:** Increase productivity of cash crops while introducing/strengthening horticulture and fruticulture in order to guarantee food security, biodiversity, and quality of the goods supplied for the farmers and markets nearby.

- **Increase Income:** Foster agribusiness development, both total production and productivity per hectare; Create a market to sell the production, both for nearby urban centers (Montepuez, Pemba, etc.) and to larger customers, such as local companies, where the sale of production is converted in revenue to the villagers; Improve the transportation and storage of goods.

- **Capacity Building of Local Institutions:** Establish the Guy Reinald Agroecology Centre, in concert with the Universidade Pedagógica, an operational multi-use training center enabling development of community skills through cooperative formation that collaboratively creates, trains, and manages the Chipembe Farm cooperative with the purpose of organizing production, reaching scale and access to the market.

The Preparatory Phase is designed to launch one pilot, in this case, the Chipembe Farm, as well as a series of Business Plans based on the pilot and adjacent sub-sectors in the value chain. This forms a dedicated pipeline to receive investments of blended finance funds structure (for- and not-for-profit) focused on the creation of a socioeconomic anchor based on family agribusiness and fair trade over a 10- to 15-year investment cycle. These Business Plans are being created based on the Preparatory Phase's findings while conducting the initial stages of the project. The PNI team is partnered with and will work alongside the communities, pertinent government authorities, academia and experts to establish a set of business plans that will compose the pipeline, over which two large-set financial vehicles will be raised/capitalized: **Non-Profit Impact Funds (NPIF)** and **Impact Investment Funds (For Profit – IIF)**.

SDG ALIGNMENT



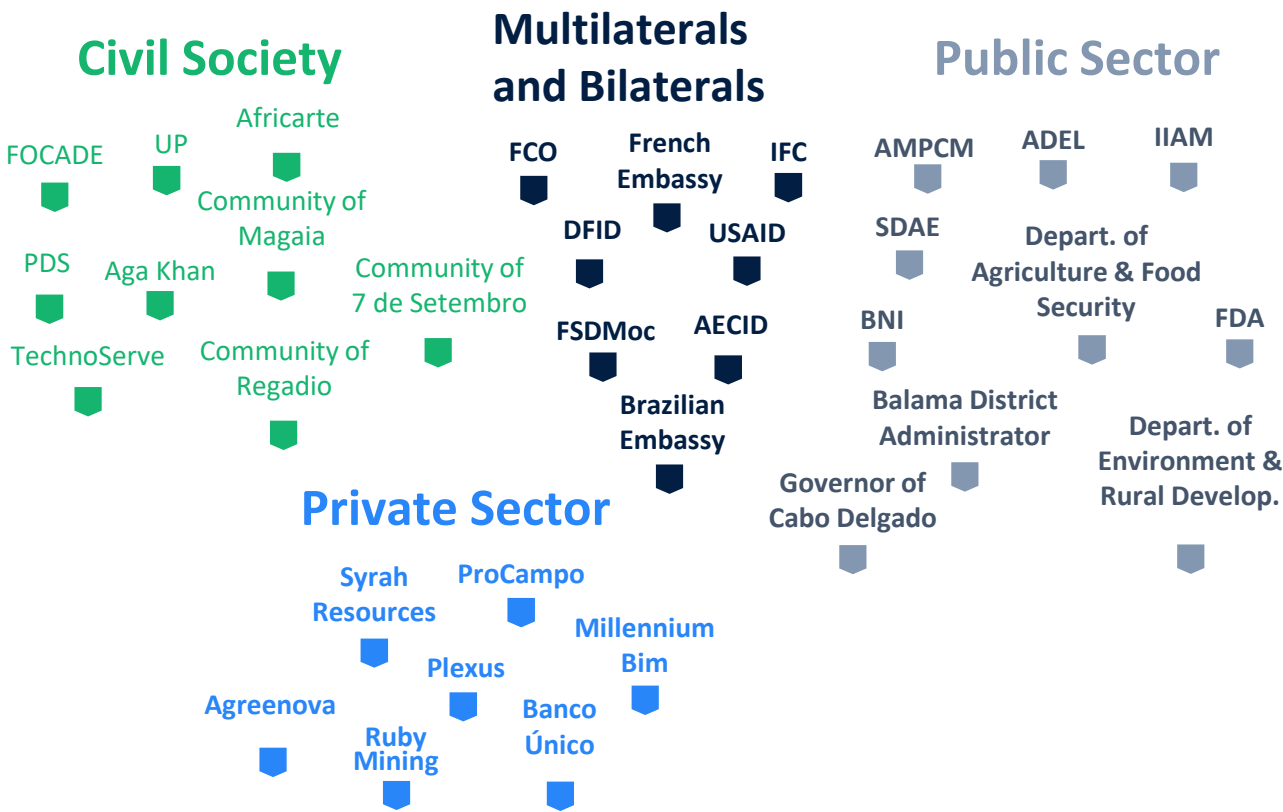
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Key Information	
Country	Mozambique
Region	Cabo Delgado
Location	Chipembe Dam, Balama District
Capital Raised by PNI	US\$515,018
Capital Matched by Partners	US\$1,271,000
Nº of Direct Beneficiaries (current)	1,150
Nº of Direct Beneficiaries (intended)	2,300
Nº of Indirect Beneficiaries (current)	9,700
Nº of Indirect Beneficiaries (intended)	19,000
Duration (Prep Phase)	24 months



STAKEHOLDER MAPPING

After just 6 months, more than 30 institutions were contacted, following one of the pillar of PNI’s methodology: bottom-up approach. The program is being designed with the contribution from each one of them.



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ABOUT THE REGION

Northern Mozambique’s current development scenario with over-relying on mining, oil and gas investments, has the potential to exacerbate present-day problems in the region, where poverty, unemployment, malnutrition and hunger in years of climatic stress (food production systems are not resilient), go hand in hand with low social and economic opportunities, conflicts over land and natural resources, and unsustainable use of natural resources, with the future impacts expected to be most severe for the poor and most vulnerable;

The districts of Balama, Montepuez, Namuno, Ancuabe and Chuire in the Cabo Delgado Province, are evidence of such problems, where the lack and/or inconsistent investment in agriculture results in prevailing very basic, manual farming methods, particularly evident in these districts, which coupled with climatic events (characterized by El Nino, La Nina and climate change), lead to low crop yields and acute vulnerability to drought and flooding.

Uncertain land tenure and gender-defined livelihood roles has reduced the willingness and capacity of small-scale farmers and their families to invest in solutions for increased, diversified and more sustainable agricultural production, and as such, contributing in some areas to greater food insecurity and a shortfall in food production for local consumption and sale;

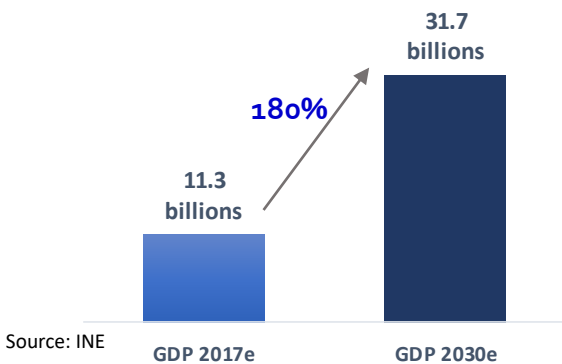
Indeed, the quality of life of rural population is not improving at desired path, implying limited access to food and income, due to low productivity and profitability of the farming systems, low crop diversification and limited marketability of the farm produce. Farmers are not making enough income and subsequent savings to invest in their development. Farmers do not have the necessary food security and nutrition. Indeed, Cabo Delgado Province, has the highest rate of chronic malnutrition in Mozambique, 56% (SETSAN, 2013). Among the family members, children are the most affected by food insecurity and chronic malnutrition, exposing them to infectious diseases, degenerative diseases, reduced intellectual performance, reduced working capacity and infant mortality.

THE REPUBLIC OF MOZAMBIQUE

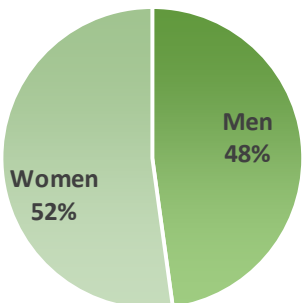
- POPULATION 2017e: 29 million
- POPULATION BY 2030e: 37.2 million
- RURAL AREA POPULATION: 35%
- URBAN POPULATION: 65%
- GDP PER CAPITA 2017e: US\$ 392.28
- LIFE EXPECTATION: 54.4 years
- HDI: 0.418 (181º of 188 countries)

Source : INE and UNDP

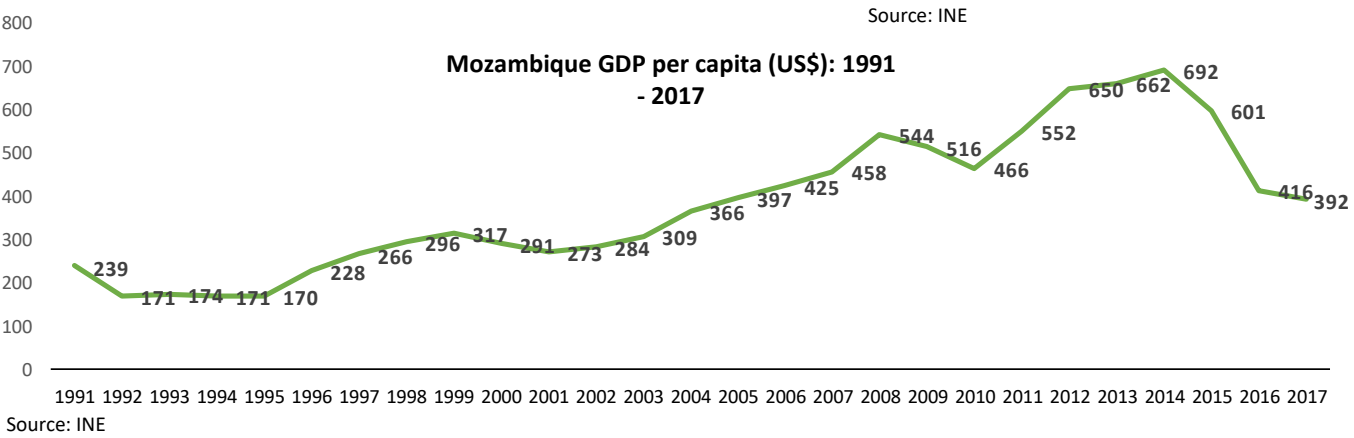
Mozambique Expected GDP (US\$)



Mozambique Population by sex (2017)



Mozambique GDP per capita (US\$): 1991 - 2017



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ABOUT THE REGION – TARGET DISTRICT

The proposed pilot project is located in the District of Balama and the three nearest villages are the beneficiaries: Magaia, 7 de Setembro and Regadio.

The District's 2014 Balama profile, and the National Statistical Institute, Census Data 2012 revealed the following information:

- With a young population (48% under 15 years of age), it has a masculinity index of 92% (for every 100 female there are 92 male) and a typically rural composition;
- With Macua as the dominant mother tongue, 23% of the population of the district (5 years of age or older) have Portuguese language proficiency, predominantly the men, given their greater insertion in education and in the labor market;
- The district has about 30,000 farms with an average area of 1.7 hectares, 99% of which are dedicated to food crops;
- The lack of employment opportunities is another determinant of poverty, with the unemployment rate in the province being 22.5%;
- Agriculture is the dominant activity in which almost all households are engaged;
- The number of family farms that can display a DUAT (Use and Enjoyment Land Rights) title is relatively low and the cooperative organizational strength is also relatively low;
- Access to credit for agricultural production remains one of the major constraints to the development of the agricultural sector, in particular for smallholder farmers and farmer associations;
- In general, agriculture is practiced by hand on small family farms dedicated to local crops, such as: cassava, maize, cowpea beans, pigeon peas, sorghum, millet and in some places, peanuts and rice;
- The agricultural production is predominantly in non-irrigated conditions;
- Cotton is the main income-generating crop in the region;
- Animal husbandry in the district has been traditionally weak. However, given the tradition of cattle breeding and some existing infrastructure, there has been some growth of total livestock;
- The main source of energy used by families is firewood (74%);
- About 14% of households have access to drinking water sources;
- There are few improved sanitation facilities within communities. Most families have their own latrine; however, most of these are not improved. Defecation in shrub is common;
- Diarrheal diseases are common in the area;
- Malnutrition is a major health concern. Low incomes and poor dietary practices are reported as the main causes.

CABO DELGADO

POPULATION 2017e: 2,333,278

POPULATION BY 2030e: 2,761,986

AREA: 82,625 km²

BALAMA

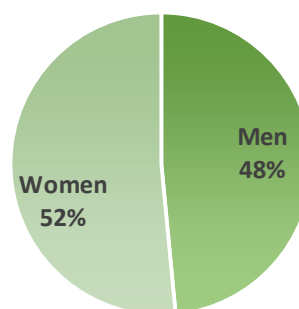
POPULATION 2017e: 163,949

AREA: 5,540 km²

ECONOMIC ANCHOR: Family agriculture (cotton mainly); rich in graphite

Source : INE

Cabo Delgado Population by sex (2017)

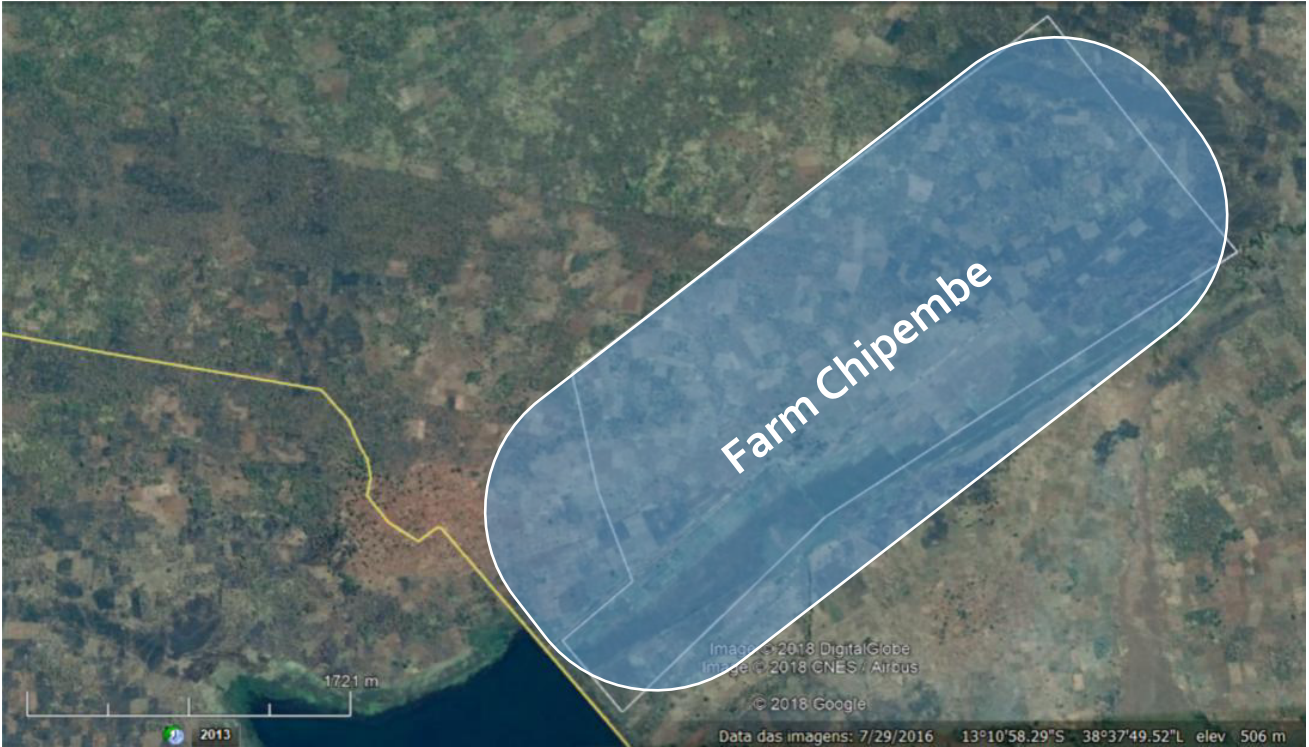


- About 65-70% of total income locally generated comes from rain-fed agricultural production;
- About 2/3 of the local agricultural production is consumed (subsistence), and 1/3 is commercialized in the local markets (in particular cotton);
- Production of vegetables in the districts is much lower than the consumption, however the markets offer vegetables that come from outside. Mainly onion, garlic, potatoes, beans, others;
- The district closer to the ocean have coconut, mango, and cashew trees;
- Fishing and hunting are also resources the (particular north) district has to enrich the diet, the most hunted species incl. gazelles, buffaloes, zebras;
- The main crops produced in the target district are: cassava, maize, beans, peanuts, sorghum, rice and vegetables for subsistence, cotton, sesame, sunflower, and cashew for income.

Source: Agreenova, Internal research and filed survey

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ABOUT THE REGION – TARGET DISTRICT



LARGE SCALE PROJECTS: GAS EXPLOITATION AND MINING

Montepuez Rubi Mining Lda (MRM) explores since February 2012 in Mozambique one of the world's largest (and is believed to be the most significant recently discovered) ruby deposits in the world. The Montepuez and Namanhumbir ruby deposit is located in the northeast of Mozambique in the Cabo Delgado province, and covers an area of approximately 33,600 hectares, where it extracted in an open-pit process, with a 150 ton per hour installed capacity, and more than 7 million carats of rubies since it began production at the 4 sites.

MRM received a 25-year mining and exploration license from the Mozambique Government in November 2011, which is valid up to November 2036 and covers an area of 340sq. Km. The company expanded the licenses in the surrounding areas to about 1.000 sqm.

According to MRM employed 450 people directly. Including security and contractors, that number is more than 1,100 employees.

Chipembe to Montepuez Ruby Mining Ltda. operations/sites:

- HQ Montepuez:	66.2km
- Mugloto/Machmaba	102.0km
- Ntorro	102.0km
- Maninge Nice	120.0km
- Glass	130.0km
- #1 Namahaca:	87.0km
- #2 LP01 Pit:	99.7km
- #3 Napula:	106.0km
- #4 Balama:	110.0km

GEMFIELDS



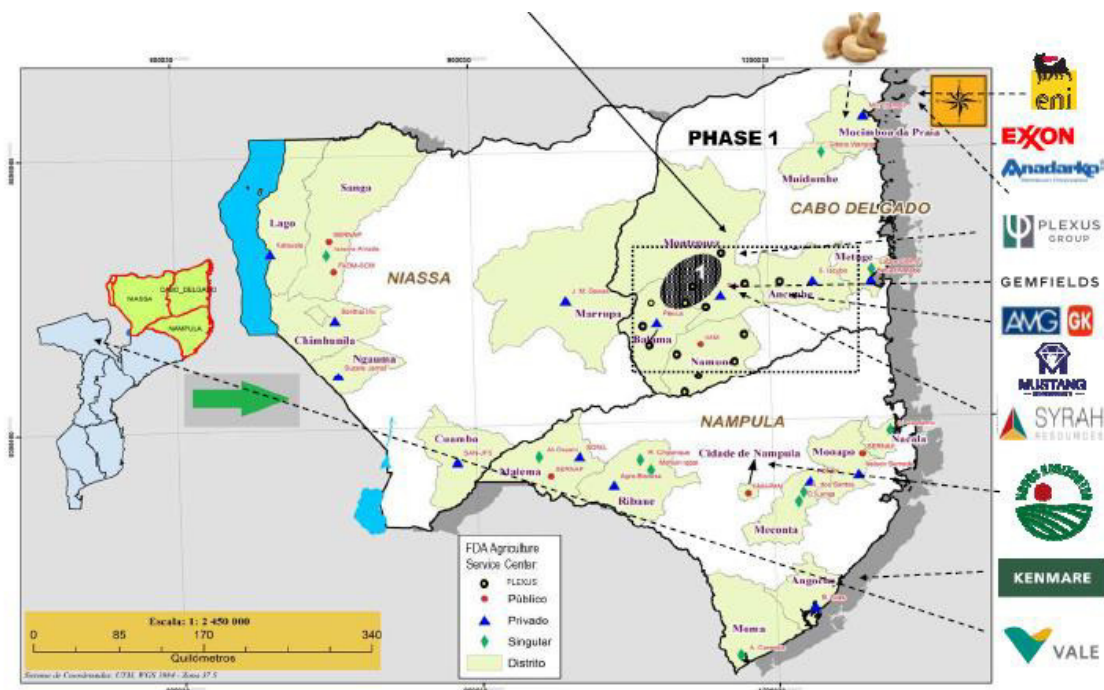
The largest graphite deposit in the world is the nearby Balama deposit owned by Australian company, Syrah Resources, which with estimated reserves of 1.1 billions tons contains more natural graphite than all other known global deposits combined.

Syrah Resources is investing around US\$ 200 million into a property divided in 2 sections, Balama East (Mepiche) and Balama West (Ativa, and Mualia).

Triton Minerals, is a 2nd Australian mining company with a graphite project in Balama North and Ancuabe.

A third Australian company, is Battery Minerals (former Metals of Africa). The company obtained 3 licenses for exploration, and has already 2 world-class graphite deposits in Montepuez and Balama Central.

Further Australian mining company Mustang Resources has made a high quality graphite discovery at its Caula rubies project, where in tests it found high graphite concentrations. Ancuabe Graphite Mine, a subsidiary of German company AMG Graphit Kropfmuehl GmbH, invested 12 million euros in the recovery and expansion of the Ancuabe graphite mine and processing plant, which began operating in June 2017. The unit associated with the mine is capable of processing 9,000 tons of graphite per year, with the resulting product destined for the German market. The mine is located in the district of Ancuabe, in Mozambique's Cabo Delgado province, known for containing large and high quality graphite deposits. The graphite processing plant in Ancuabe is attached and a prospecting license in Nipacuê, where there is a graphite deposit with reserves estimated at 900,000 tons.



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LARGE SCALE PROJECTS: GAS EXPLOITATION AND MINING

The discovery of natural gas in the offshore Rovuma Basin, North of Mozambique, in 2010, was one of the world's most important natural gas discoveries in the last 20 years.

Anadarko, and its partner firms, discovered approx. 75 trillion cubic feet (Tcf) of recoverable natural gas resources, soon followed by ENI, and partners, with the discovery of about 85 Tcf in close proximity. The discoveries in the waters of Rovuma basin span Mozambique's northern border with Tanzania, and lay in water depths ranging between 40m to deep waters of 2,300m, and up to 60km offshore from the city of Palma, and 240km north-east of Pemba, the capital city of the Cabo Delgado Province.

Mozambique is emerging as a global leader in LNG with the development of the country's first onshore LNG Park, expected to be completed between 2020-2022.

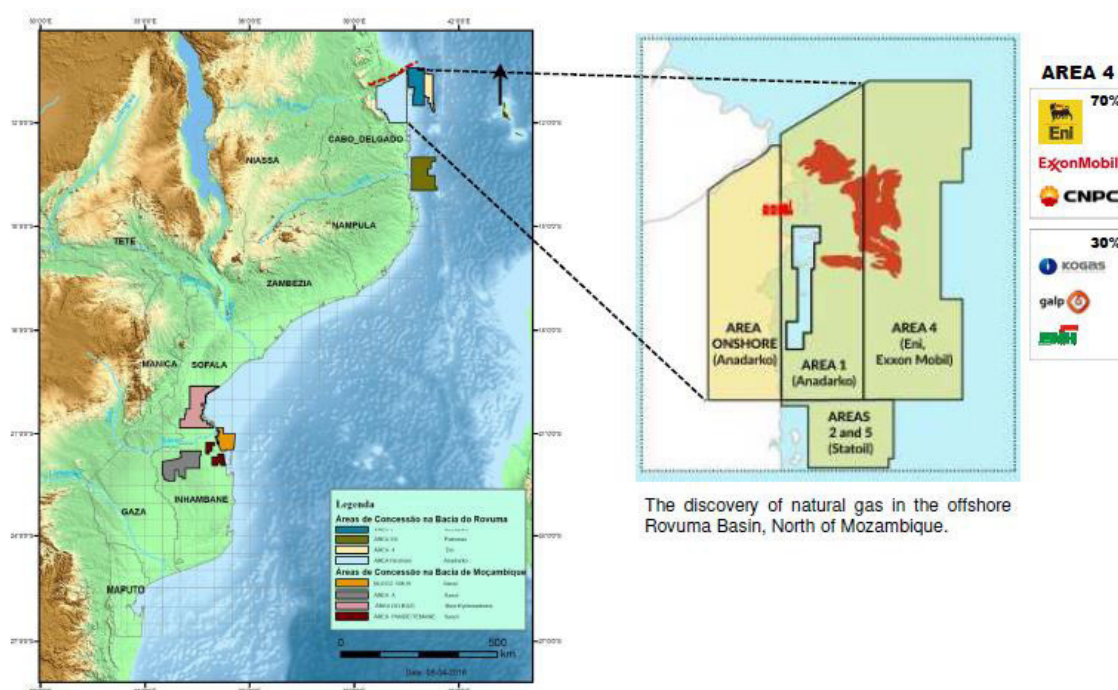
The Coral South project (ENI) is the first phase to be developed in the Rovuma Basis, which contains reserves of five Tcf of gas, with total estimated costs of US\$ 8 billions. The first gas is expected to be extracted and liquefied in 2020.

The two main operating companies, Anadarko and ENI, are further in discussions to jointly build a new (Afungi) onshore LNG Park, at a total estimated cost of US\$ 25-30 billions, that connected through km-long subsea pipelines, will transfer the produced natural gas from the reservoirs to the onshore LNG facility. The LNG facility will contain storage tanks, temporary and permanent worker housing, construction and maintenance areas and supplemental construction laydown areas. Several other concession for exploration have been awarded to several multinational companies such as Exxon, along with Sasol, ENI and Delonex (U.K.).

However, none of the operators have started exploration or production activities as negotiation agreements with the government are not finalized.

The government of Mozambique determined that a portion of the gas should be used locally to address the domestic industrial market. Norway's Yara International was granted an allocation of 80-90 mcf/d of gas to produce 1.2 to 1.3 million tons/year of fertilizers. Additionally, Royal Dutch Shell's Gas to Liquid (GTL) project is expected to produce 38.000 barrels/day of liquid fuels such as diesel, naphtha, and kerosene. These companies and their partners already created **5,000** new jobs across the country since the gas discovery, and it is estimated that with every new foreign direct investment (FDI) job created an **extra 4-5** will be created in the same sector, in the same district. This is because newly arrived foreign companies might demand services such as catering, driving, and cleaning services, as well as services from local law firms and consultancies experienced with the economic and legal environment.

Moreover, newly created FDI jobs are likely to be associated with higher salaries. They also offer more secure – or less temporary – work. Thus, these jobs are likely to increase local income, and in turn, demand for local goods and services, such as increased demand for **local fruit and vegetables**, as well as for services such as housing, restaurants, and bars. This increase in demand is likely to be met by local businesses, creating more jobs and multiplying initial number created directly by multinationals.



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CASH CROPS

The implementation partner responsible for agricultural management is Plexus Mozambique Ltda (PML), which has a long experience in collaboration with organized farmers, either in production blocks or in associations. One of the objectives that PM has is to increase production and yields per hectare, and production by each farmer through the use of improved inputs, good agricultural practices and mechanization. In this campaign PML has began a work in Chipembe Farm, which is a public land with PML's concession and consists in 600 hectares of family agriculture. This work was carried out through partnerships established with Plexus, Government of Cabo Delgado and Syrah. The open areas are parceled in such a way that it favors crop rotation and each one of the 200 farmers have accessed to three hectares in average, where in each hectare will produce one of the following crops: cereal, legume or cotton. In each cycle of three years in each parcel will be cultivated the three crops in consecutive years. In order to facilitate the mechanical operations of the planting, the crops were established in monoculture blocks, where each beneficiary has a parcel in each block, so the rotation of the crops is done throughout the block.

In this agricultural campaign the mechanical operations consisted of the use of the plough (although this was provided by Syrah in most areas prior to PML handover), application of the herbicide glyphosate, mechanical planting and spraying. One of the strategies of PML is direct planting with the aim of conserving the soil and making the most of the natural soil nutrients.

PML's intervention in Chipembe began on the ground on 15th of December 2017, the date on which PML had the Permission to begin with the mechanical operations for the establishment of the crops according to the plan. To begin the mechanical operations it was relatively late, because in this agricultural campaign the rain began early, which did not give enough time to prepare the soil mechanically in an extension of 600 hectares. The first of our mechanical operations was the sowing of maize, which was done manually by the farmers, due to the rain season and the application of glyphosate. Later, PML continued with sowing cotton and herbicide Application. until mid-January. In February bean sowing and herbicide application took place, which ended in the 25th February. During this period and until now, Agreenova has been the independent supervisory. Furthermore, they have been analyzing the market opportunities both for cash crops and horticulture. They mapped companies (mining and Oil & Gas operations) and nearby cities with potential to absorb all the current production.

600 ha	
Crop	Area (hectare)
Maize	230 ha
Cotton	200 ha
Bean	80 ha
Rice	25 ha
Others	40 ha
Horticulture	25 ha



Crops of Chipembe Farm

COOPERATIVE CREATION

Pro Natura International hired the *Associação Moçambicana para Promoção do Cooperativismo Moderno* (Mozambican Association for Modern Cooperative Promotion - AMPCM) to do the cooperative training for the farmers and other activities related to the subject, including:

- Training in the New Law for Cooperatives (Mozambican Legislation);
- Good governance for cooperatives;
- Registration process;
- Identify, select and organize the farmers groups in pre-cooperatives;
- Practical exercises, such as General Assembly simulation;
- Legal assistance;

PNI has presented AMPCM to the community and their leaders in April and they were well received. AMPCM started their work with the farmers immediately, as the community was unanimous in accepting this model. Since then, new cooperative law books were distributed to producers along with other cooperative reading material, the registration process has been started and the AMPCM team has been visiting Chipembe monthly, fostering the engagement and the concepts of what is cooperativism in practice.



Cooperativism training



Cooperativism training

The location of the Guy Reinald Training Center or cooperative head office was mutually agreed by the three community leader. The consensus was that the training center should be built on Magaia community for many good reasons, of which one of them is the proximity to the main irrigation channel from Chipembe Dam. The draft statement letter declaring their unanimity regarding the selection and the reason for choosing the referred spot was done and presented to government authorities.

The site is well located, next to road, right in front of the fields and about 500 meters from the Chipembe Dam main irrigation channels. Therefore, water and access shouldn't be an issue of the chosen site and the next step is getting the construction approval from the Government.

The basic structure and more generalized details about the project design of the center i.e. roof material, internal divisions and its size was also discussed with the communities. the community leaders requested that within the possibilities of the project and the budget, the program could try to accommodate at least a roof made of a material other than dry grass, as this type of material requires a lot of maintenance.

MOZAMBIQUE PROGRAM: SHARED VALUE PLATFORM IN CABO DELGADO

AGROECOLOGY TRAINING

The technical training course in Natural Agriculture is being carried out directly in the communities where, through theoretical-practical classes and simultaneous implementation of a natural production model, we can guarantee the learning and replication of this model by any participant, regardless of their academic background level. The training mixes theoretical-practical classes of the concepts and techniques of Natural Agriculture, where all the stages will be put into practice as we implant a natural production model with emphasis on horticulture. The system used will be in mandala format, where the standard area is 50 x 50 m, totaling 2,500 m². The beds are assembled in a circular way so as to make better use of space, time management of irrigation and cultural relations, and also create a pleasant environment in the midst of food production. In this model, it is important to introduce a diversity of food crops, including cereals, vegetables and some forest and fruit species, according to the potential of soil, climate, vegetation and local food traditions.

Agricultural production models based on the Natural Agriculture method are intended to facilitate the learning of farmers, as well as associations and members of society in general, about the technical principles surrounding our method. To that end, the importance of crop biodiversity, soil cover, correct use of water and its protection, as well as respect for soil, climate and the best planting time are emphasized. In addition, we seek to encourage the use of simple and practical technologies that can be practiced by anyone according to the local reality.

This activity is developed by Africarte and overseen by Agreenova representatives, together with Plexus.

In March/2018, in order to better plan the upcoming Natural Agriculture trainings, PNI conducted sensitization meetings at the communities to identify attendees. Sixty individuals were identified and a list of names was created. The disaggregation of the sixty individuals is as follows: 40 individuals to attend the trainings and replicate the learned technics on their given plots; remaining 20 individuals to be trained on the same courses to be production technicians or supervisors. Gender issue was heavily encouraged during the selection of the attendees.



Natural agriculture training

PNI visited the Pedagogical University (UP) in District of Montepuez, Cabo Delgado Province, along with Africarte and Agreenova representatives, in order to identify a spot inside the UP campus to install a second Demo Plot, besides the one that has been installed in Balama community, by Africarte.

A potential spot for the installation of a second Demo Plot was identified. The objective of the second Demo Plot in UP's campus is to share knowledge with the UP's Agronomists students. The differential on this Demo Plot is the proximity to UP's students and the spot is already next to a water source.



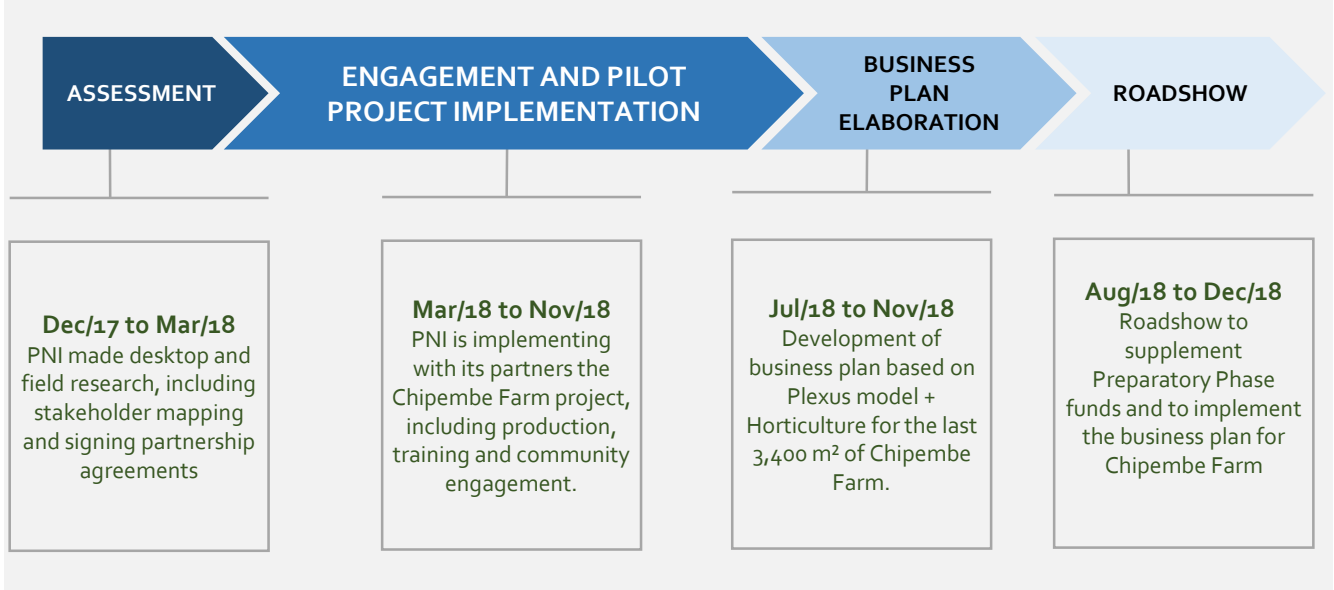
UP Campus

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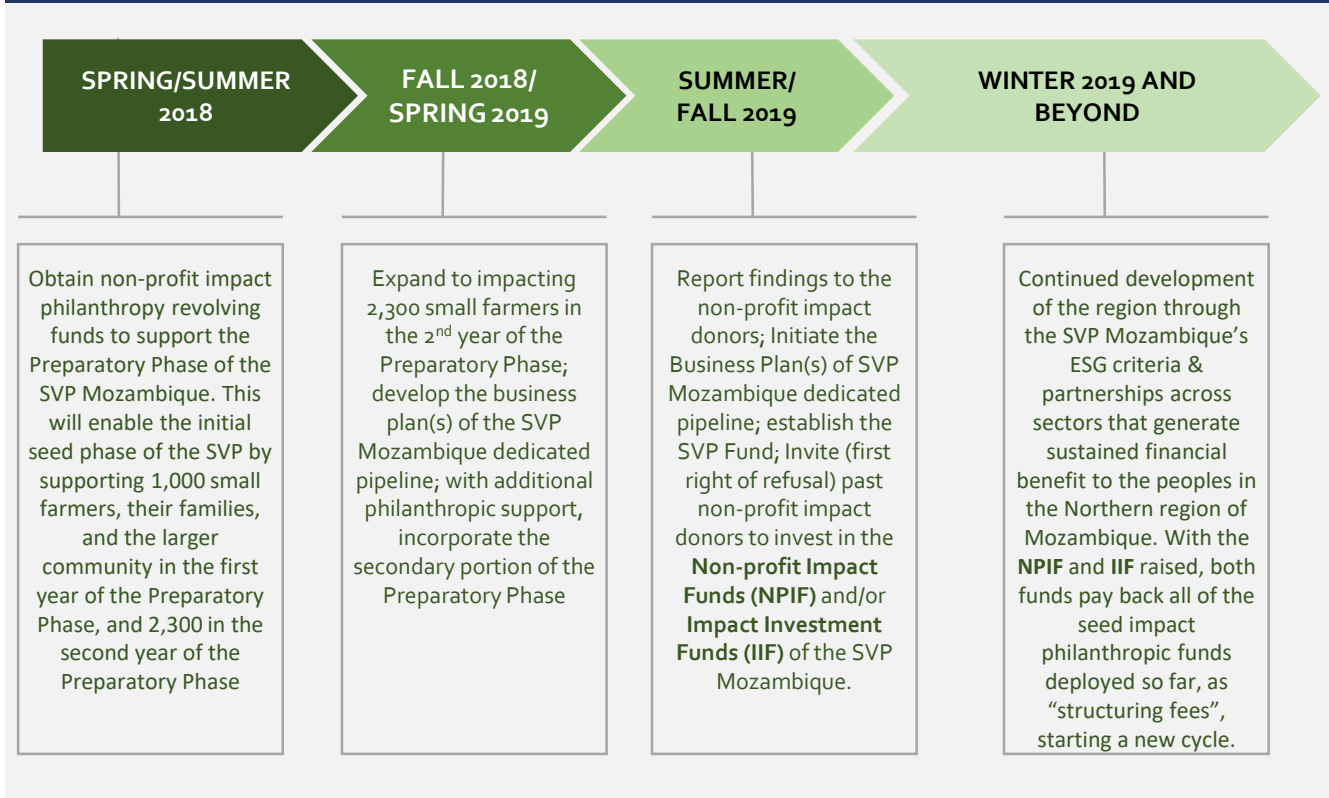




MOZAMBIQUE PILOT PROJECT TIME LINE



MOZAMBIQUE FUNDRAISING TIME LINE



MAIN PARTNERS



The governor of Mozambique is the main partner of the project and owner of the lands in Chipembe Farm. The president is Filipe Jacinto Nyusi and the governor of Cabo Delgado is Júlio José Parruque. The Provincial Government of Cabo Delgado is composed of the Provincial Governor, Directors and other provincial level officials. At the district level, the Public Administration is provided by District Administrators, including some Sectorial District Directors, and Chief Administrative Officers. The Balama District Administrator and the Distrital Economic Activities Services and Administration (SDAE) are also key stakeholders regarding public sector.



Delegação de Montepuez

Directed by former Minister of Education and Human Development Dr. Jorge Ferrão, the Pedagogical University is one of the leading universities in Mozambique. The main campus of the school is located in Maputo. The University encompasses more than 16,000 students in 10 fields spread throughout the country (Maputo, Beira, Gaza, Manica, Massinga, Maxixe, Montepuez, Nampula, Niassa, Quelimile and Tete)



Plexus Moçambique Ltda is a Mozambican cotton company that promotes the extension and production of cotton, as well as commercialization, processing and export, as well as fiber and seeds, resulting from its development, in the district of Eráti, in the province of Nampula and in the districts of Chiure, Namuno, Balama, Montepuez and Ancuabe, in the province of Cabo Delgado.



It is a company specialized in consulting, planning, implementation and agribusiness for small, medium and large agricultural projects and agribusiness, as well as "asset management", which offers its clients and potential direct investors access to attractive agribusiness opportunities.



Africarte promotes the implementation of production models based on the Natural Agriculture method, through the adoption of low cost technologies that can be replicated by small farmers and, consequently, contribute to food security and income generation. It also acts in the technical training of farmers, by encouraging the practice of home gardens, developing small farms and promoting healthy eating.



The Mozambican Association for the Promotion of Modern Cooperativism, is a non-profit and publicly-owned legal entity, founded on January 26, 2010. Its main objective is to promote and practice all acts that can contribute to the development of the modern cooperative movement that defends the interests of its members as a viable and sustainable way of promoting wealth, encouraging technical, economic, professional and social progress.

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ABOUT US

Founded in Brazil in 1985, Pro Natura International ("Pro Natura") is a non-profit, nongovernmental organization that has been a recognized leader in sustainable development for the past 33 years. The Organization helped define the Sustainable Development model even before terminology was coined in the late 1980s, early 1990s, becoming one of the leading pioneers in the field. Throughout its history, PNI has operated in the most challenging environments in more than 60 countries - consistently producing significant and lasting results in all territories it has operated. Along the way, the work has been recognized by several notable organizations such as: the United Nations, Mitchell International Award, the World Petroleum Award for Excellence in Social Responsibility, CNN / Time Magazine, Brazil's Ministry of the Environment, among others. Pro Natura's greatest strength is its ability to critically appraise - bottom-up - that which is specifically necessary for the economic development for the territories within which it works.

Pro Natura has learned that each territory is entirely unique and therefore requires plans and programs specifically designed and adapted to their realities. To achieve this, the Organization leverages its extensive network of relationships to identify and bring to bear the best capabilities and resources of the market to work in concert with the local community and its important stakeholders, to initiate and evolve the programs Pro Natura has specifically designed for the region.



PRO NATURA INTERNATIONAL TEAM

MARCELO CARVALO DE ANDRADE: President and chairman: Brazilian, has more than 32 years of experience working in the area of socioeconomic development and implementation of sustainable corporate projects. In 1986 he founded Pro Natura in Brazil and is also a co-founder and partner of Earth Capital Partners, one of the largest investment funds in sustainable companies in the world. He is the only Brazilian figured as one of the visionaries of our time in the book "The True Visionaries of Our Time".

FABIANE LUISI TURISCO - COO - graduated in Law from the Faculty of Law of São Bernardo do Campo, postgraduate in Contractual Law by PUC-SP, MBA in Business Management from Getúlio Vargas Foundation and Master in Management Systems, with emphasis on Responsibility Social Corporate of Fluminense Federal University - UFF.

FABIANO MACHADO - CFO - Brazilian economist with more than 10 years of experience in financial planning and analysis, feasibility study, financial instruments and structuring new business for the private equity and venture capital industry

TARA SABRE - Platform Director: American, international strategist and with long experience in impact investments with a history of growing social enterprises and private sector development in emerging markets. Oxford MBA in Strategy / Entrepreneurship and NYU MPA.

ITELVINO DO ROSÁRIO - Local Coordinator - Mozambican Specialist in Development Program Management, Monitoring and Evaluation, Private Sector Business Administration, Human Resource Management with vast international and local experience working on large scale projects.

WILFRID PINEAU: Director of Pro Natura France – agroforestry expert agronomist, biochar specialist, with more than 20 years' experience. Project Manager and Sustainability Trainer at ISTOM in agroforestry course for 3rd and 4th year students. He has developed several agroforestry training and pilots in Africa and South America, including application of "Super Vegetable Gardens" and biochar.

ATTACHMENTS

SHARED VALUE PLATFORM DOCUMENT

COMM DEV PLATFORM:

SYNERGIC INVESTMENTS FOR LOCAL
ECOSYSTEMS



IMPACT OPPORTUNITY

The TDP is a new funding and operational Platform to create sustainable systemic change through socially innovative and ecologically responsible investments in partnership with large corporations in emerging economies. The goal is to catalyze resources into territories that will soon be impacted by large-scale projects. Leveraging off the large “financial muscle” brought to a given region, **TDP fosters sustainable, climate friendly projects** in order to fight poverty and social inequality and to invest in a low-carbon, healthy and long lasting economy, assisting developing and underdeveloped countries to reduce GHG emissions.

As defined in its name, the Platform is a methodology in which the **bottom-up, participatory element is at the core of all actions** taken and decisions made.

Whereas some institutions transform the world by building companies, the TDP aims to transform the world by building new sustainable models for entire local/regional economies.



CAN LARGE SCALE PROJECTS ACTUALLY
IMPROVE QUALITY OF LIFE WHILE
PROTECTING THE ENVIRONMENT?

Much of the historical and forthcoming economic growth in emerging markets has been driven by large-scale projects, especially in resources and infrastructure sectors. While this development model has increased GDP, inequality has skyrocketed along with ecological destruction, causing severe social unrest/convulsion in many cases.

The TDP aims at changing the historical, destructive mindset to spur the power of large scale investments the right way

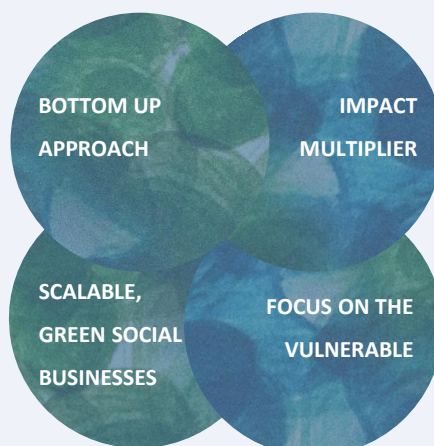
THE PLATFORM: A SHARED VALUE APPROACH



WHY ARE WE DIFFERENT?

Local communities at center of participatory consultation, design and execution process, creating legitimacy in all actions carried out in the territory

Proliferation of climate-friendly social ventures with large scale beneficiaries potential and demonstrable regional economic benefit



Blended finance structure leveraging impact philanthropic and commercial capital to exponentially increase social/financial returns, with a value chain approach

Landscape level activities which focus in all actors present in a region (public, private and civil society), specially on those usually excluded from the development process, such as women and children

WHO ARE WE?



The International Finance Corporation (“IFC”), a member of the World Bank Group, is the world's largest private sector development institution in emerging markets. IFC brings proven world-class technical know-how, capital and influence to foster shared prosperity

- Operates in over 100 countries since 1956
- Over 2,000 clients around the world
- Nearly USD 250 billion in capital to emerging markets



Pro Natura International (“Pro Natura”) is an international nongovernmental organization, which is a recognized leader in environmental sustainability and shared value for local economic development

- Promoted sustainable development in 60+ countries since 1985
- Over 400 partnerships with private and public sector
- Over USD 1 bn invested in economic development programs
- 4.8 million lives impacted

WE ARE BLENDING INNOVATION AND PROVEN RESULTS
INTERVENTIONS TO MAXIMIZE OUR

DEVELOPMENT IMPACT



Improved quality of life at the base of the pyramid, delivered through scaling businesses addressing needs and opportunities of bottom billion



Carbon conscious economies, through regional deployment of innovative green business models from agriculture to energy



Increased local education, employment and engagement, through corporate partnerships, value chain development and support of local development agencies



Significant risk mitigation for large-scale investments and unprecedented positive media and public perception repercussion.

GEOGRAPHIES



PERU



BRAZIL



MOZAMBIQUE



NEPAL

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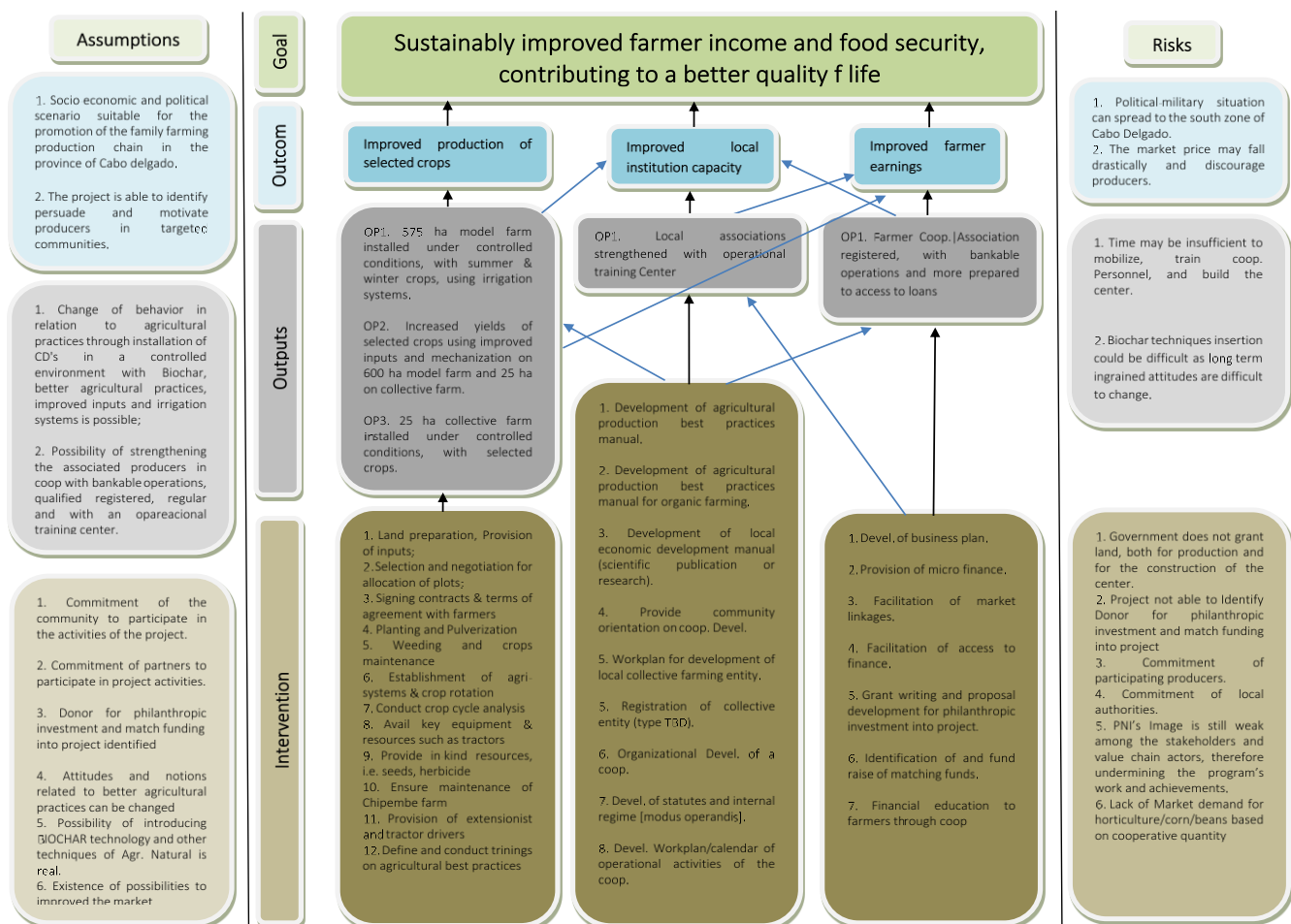
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ATTACHMENTS

THEORY OF CHANGE

PRO-NATURA INTERNATIONAL PILOT PROJECT THEORY OF CHANGE



Intervention

13. Supervision of application of best practices.

14. Provide staff to monitor & coordinate 2 extension agents.
15. Devel. of a technical production plan.
16. Devel. of a technical production plan for organic farming.
17. Installation of Demo Plots.
18. Supervision of partner's implementation.
19. Monitoring, confirming and updating of member rolls of participating farmers.
20. Follow up on extension agent field reports.
21. Implementation of technical production plan.
22. Follow up with stakeholders.
23. Develop communications plan.
24. Elaborate and disseminate comms plan to stakeholders.
25. Maintain records, including management, governance and transparency.
26. Capacity building in application of biochar use.
27. Biochar application.
28. Monitoring of and support for biochar application and training.
29. Installation of organic farming demo plots.
30. Monitoring of organic farming Demo plots.
31. Evaluation of irrigation systems.
32. Procurement of irrigation system.
33. Installation of irrigation system.
34. Capacity building on irrigation systems for farmers.
35. Supervision of irrigation
37. Provision of training on

9. Facilitation of silos for training Center.

10. Identification and raising of matching funds.
11. Intercession with ministries for legalization of coop.
12. Intercession with ministries for legalization of DUAT.
13. Provide solutions to infrastructure, logistic, sanitation and energy needs
14. Provision of DUAT.
15. Support legalization of land and DUAT.
16. Support legalization of cooperative.
17. Land concession for cooperatives.
18. Monitoring of all activities of the project (at least monthly PNI).
19. Surveying and manage of external factors which may impact project execution.
20. Coordination with ministers.
21. Coordinate bi annual coordination workshops with stakeholders.
22. Production of project newsletter

7. Lack of Market demand for horticulture/corn/beans based on cooperative quality

8. Market demand and profitability of sales impacted by available transport and costs

9. Limited application of trainings received by Agreenova and Africarte based on insuficiente assimilation or interest among participating smallholder farmers, leading to lower than expected impact on yields

Please double click on icon below to see the full draft of Theory of Change document



TFP PILOT TOC
FINAL DRAFT.pdf