



RESTORING PRODUCTIVE LANDS



John van Duursen – www.proclimate.org

The origin – Progreso (since 2000)

With 9.300.000 Euro in 12 years, we are (co-) responsible for the following results;

Total nr of PO's supported to date	77 producer organisations
Total number of individual producer lives impacted	225.000 producers
Total trade value mobilized	Aprox. 2.500.000.000 USD
Total trade finance mobilized	Aprox. 900.000.000 USD
Average yield increase realized	100% (doubled)
Total hectares towards / under sustainable management	400.000+ hectares
Increase of export in value added markets	100% (doubled)
Market share in fair-trade coffee / cocoa	Respectively; 19% / 22%
Market share in organic coffee / cocoa	Respectively; 39% / 15%

Solid and healthy grounds



**The need for a
restorative
value chain**



LOOKING AHEAD

THE BIG WHY

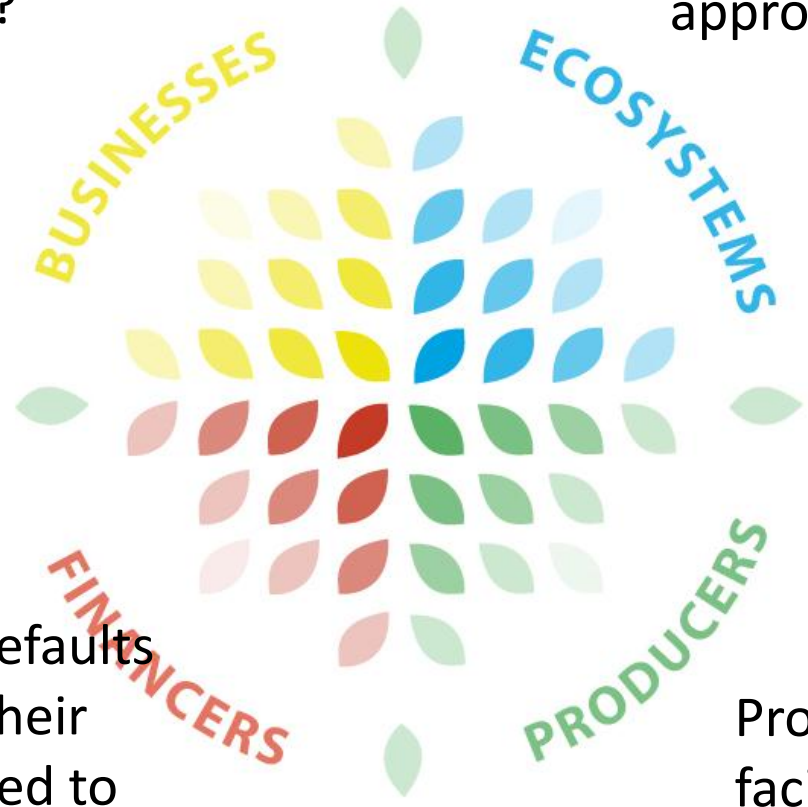
40% arable land seriously degraded

No need to be a rocket scientist

The shelf life of our current economic system is up. Producers, industry, financiers and our planet is under pressure.

Companies – relying on resources from the land –faced with strategic supply issues, ‘license to operate’ Restoration needed how to carry the cost? How does it sell?

More attention for climate (catastrophes), water/ carbon foot-printing, biodiversity ... as a holistic approach.



(Social) lenders face defaults due to crop failures. Their instruments ill equipped to provide affordable and long-term credit for land restoration, farm renovation

Producers worldwide are facing uncertain harvests due to land degradation, aging plantations, climate change

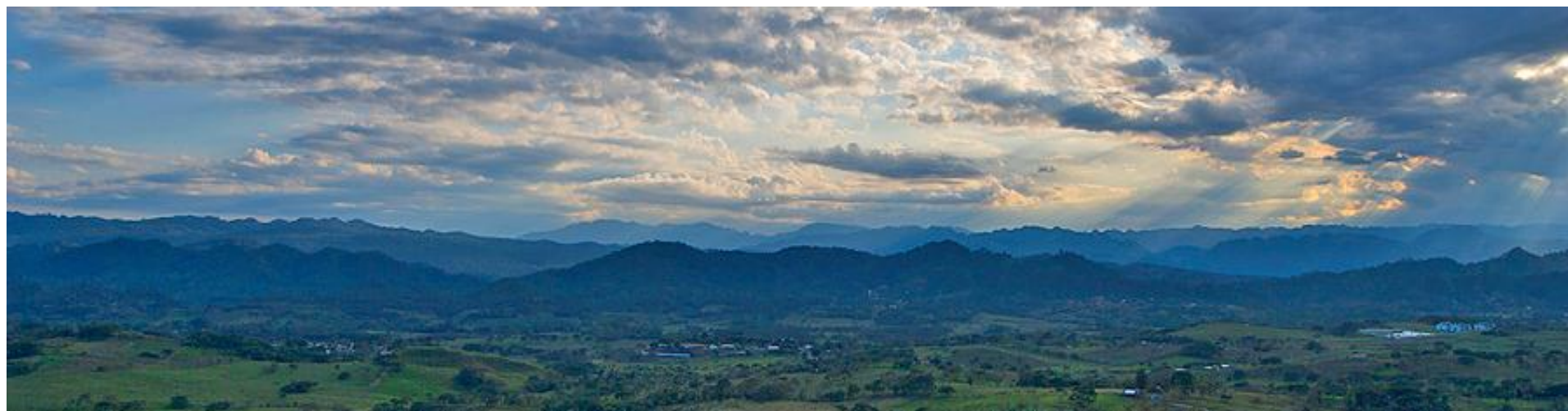
So, there's a clear need to restoring productive lands and ecosystems. But;

On average, it takes 3 to 5 years before the revenues of a restoration effort kick in

Costs always precede benefits. So how to structure? And how to finance?

Ownership issue: land - and ecosystem restoration & climate adaptation is in the interest OF ALL but the responsibility ON NONE

Strategies



3 STRATEGIES	THE ESSENCE	THE 'WHY'
Land Restoration	Converting degraded land to (serve) productive farm land	Timber, Improve soil-, water- & microclimate conditions, reduce erosion
Farm Renovation	Rejuvenate tree-crops, transform cultivation/crop rotation scheme	Ensure long term productivity in a profitable and sustainable way
Climate Smart Agriculture	Agro-forestry, shade trees, composting, reduce chemical use	Improve yields and product quality at reduced production cost

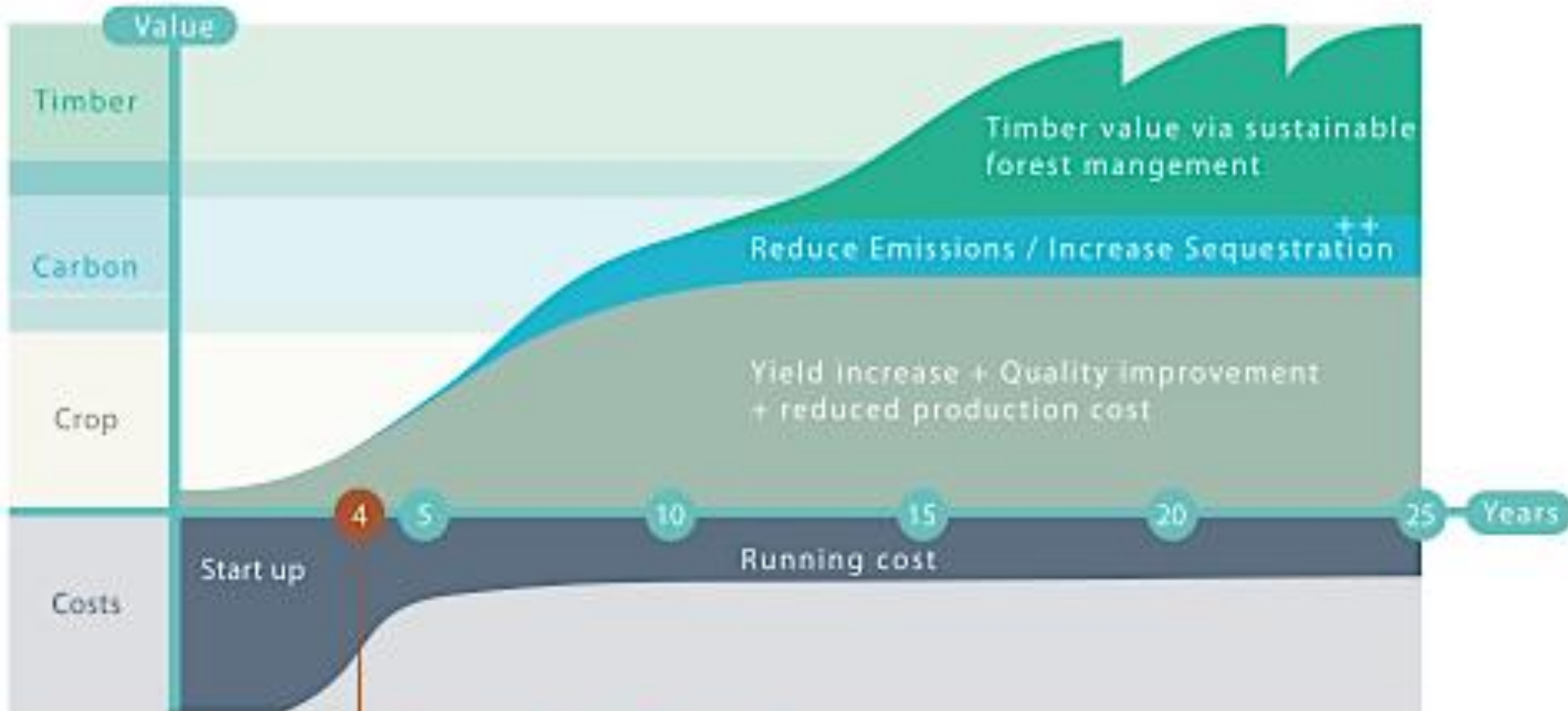
CURRENT PIPELINE AND PARTNERS



- 4+ projects (restoration, renovation, climate smart ag) in Peru
- Farm renovation of 2500 hectares with Bewleys, Zoegas in Kenya
- Reforestation & cocoa project in Leon, Nicaragua
- 5 million trees and 13000 cookstoves in Mt. Elgon, Uganda
- Farm renovation with 5000 producers with NedCoffee in Indonesia
- Conserving 46.000 Ha cloud forest in Peru by boosting small origin
- PES agenda in (Gates) Tanzania Coffee Initiative – 85.000 producers



The Cost-Benefit



Project design:
 € 50-70.000 / PO
 Stakeholder engagement,
 agronomic / TA / financial
 (pre-)validation

Project Implementation
 € 1 to 3.000 / Ha
 Guarantees & loans
WHERE = THE MONEY?

Mainstreaming
 € 1 million++ per
 project
 loans & investments
MAINSTREAM \$

Where is the money for steps 1 & 2?

Three routes;

VER	PES	PREMIUM
A voluntary prize differential for a commodity (verified emission right)	A voluntary prize differential for a specific environmental footprint (water, Co2, etc)	A voluntary prize differential for a specific purpose (resilience, a monkey, health)
Gold Standard, Plan Vivo, VCS	Product (Environmental Footprint) Category Rules / corporate codes (FMO, Unilever & more)	Tony Chocolonely,, Export levy, Resilience differential

Example 1: FARM RENOVATION MT. KENYA



- Renovation and shade planting on 2500 Ha of degrading coffee farms
- Ndumberi / CMS, GoldStandard, Bewleys, Zoegas
- Yields (+80%), Carbon (\$ 50.000 / yr), timber (\$ 50.000 / yr), climate-adaptation

Example 2: CLIMATE SMART AGRICULTURE

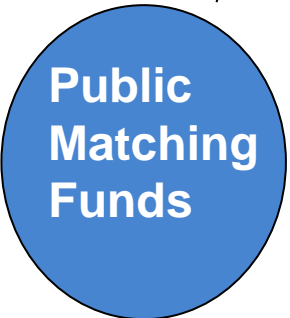
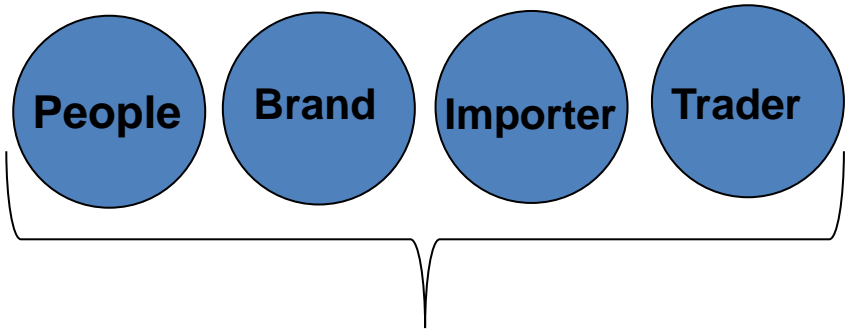


- Converting 500 Ha of degraded rice land into organic banana, criollo cocoa and hardwood species
- Root Capital, GoldStandard Climate Smart Agriculture methodology, MyClimate (Switzerland)
- System innovation (climate finance pays for cost of capital allowing resources for implementation)
- Carbon (\$ 50.000 / yr), multiple cashcrops and pension fund

Example 3: LAND RESTORATION: PERU



- 224 Ha completed, expanding to 1500 Ha (7500 producers)
- Reforestation of uppercatchment
- Café Direct, GoldStandard, Bewleys, CapiCafe
- Yields (+70%), Carbon (\$ 90.000 / yr), Timber (+\$150.000 / yr), On-farm adaptation measures financed.



Pre-Invest: Pipeline & TA development 4 renovation-, financial- and business plans

Investment: Due diligence and mobilisation of long-term finance

Post-Invest: PME, Quality control, TA

A table for 2

If you are interested in more details on the do's, dont's and the possibilities, you are invited at our offices in Amsterdam (Keizersgracht 452), *with good coffee and good chocolate.*

THANK YOU

John van Duursen

BACK UP SLIDES

IMPACTS - triple

- 1) Secure the livelihoods of 4.000 smallholder families (20.000 people), Increase income with € 10 million
- 2) Restore 10.000+ hectares to long term productive land
- 3) Mobilize project (implementation) finance worth 20+ million euro
- 4) 1,5+ million ton CO2 stored/reduced
- 5) Build stable alliances with financiers and industry partners
- 6) 50.000 people engaged in crowd-funding
- 7) Articles / newsletters – on innovation / results of approach

Technical Rigor and Alignments

1) Life Cycle Assessment and Carbon Accounting

- WRI – Agriculture protocol
- Sustainability Consortium
- Cool Farm Institute
- Product Category Rules

2) Carbon Credits (VER)

- GoldStandard
 - A/R
 - CSA
- VCS, etc

1) Voluntary Sustainability Standards (RA, Utz, FT, etc)

- 1) ICS
- 2) Climate modules