



**LIVELIHOODS**  
Act today for a better future

3F

**THE LIVELIHOODS FUND  
FOR FAMILY FARMING**

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# THE MISSION OF LIVELIHOODS 3F

SECURE THRIVING LIVELIHOODS FOR SMALLHOLDER FARMERS' COMMUNITIES THROUGH THE WIDESPREAD ADOPTION OF SUSTAINABLE AGRICULTURE DELIVERING SIGNIFICANT VALUE ACROSS SUPPLY CHAINS AND LANDSCAPES.

## WHAT'S AT STAKE?

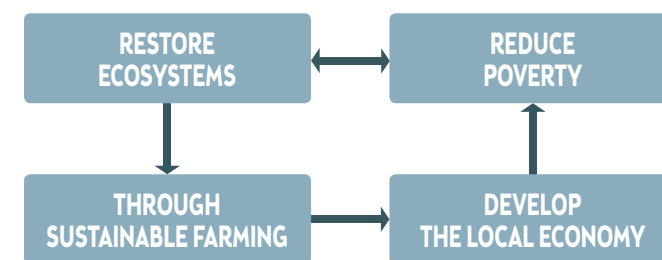
- ▶ 500 million smallholder farmers produce 70% of the world's food supply, yet three-fourths among them suffer from malnutrition.
- ▶ Food production needs to double by 2050 to accommodate the world's rising population.
- ▶ The world's supply of resources is shrinking due to unsustainable practices.
- ▶ Climate change is exacerbating environmental degradation, food insecurity and poverty.
- ▶ Companies must satisfy consumers who demand sustainably sourced products.
- ▶ Governments need to find effective ways to achieve the United Nations Sustainable Development Goals (SDGs) on natural resources and human development.

## OUR SOLUTION

Livelihoods 3F was born out of the conviction that environmental degradation, climate change, and rural poverty are interlinked. Its model provides a solution to address all three challenges at once.

*The innovative investment fund finances project developers to implement initiatives with rural farming communities to restore their ecosystems and improve their productivity and livelihoods. Investors include companies seeking to transform their supply chains, private impact investors and public development institutions seeking to maximize their social and environmental impact.*

Financial return will be provided by a coalition of off-takers (companies, institutions, governments) that will pay a fee for the raw materials, public goods and environmental services generated from the fund's projects.



## PROJECT EXAMPLE

# IMPROVE 30,000 FARMERS' LIVELIHOODS THROUGH SUSTAINABLE FARMING AND MILK- WATER- CARBON VALUE CREATION



NGO implements an agroforestry project (combined planting of trees and crops) with financing from Livelihoods 3F.



Trees provide fodder for cows. They are better fed and produce more milk. Fewer cows are thus needed for milk output. Fewer cows = less pollution (methane gas).



The planted trees absorb CO<sub>2</sub>, increase soil fertility and reduce soil erosion, leading to less buildup in the local watershed.

| OFF-TAKERS PAY A FEE TO BENEFIT FROM<br>THE GOODS AND SERVICES GENERATED | PARTIES  | BENEFITS   |
|--|--|--|
|  | <b>LOCAL FARMERS</b><br>— Need to increase revenue & improve livelihoods                               | Significantly increase the revenues of farmers                       |
|  | <b>DAIRY COMPANY</b><br>— Needs to increase its milk supply and decrease volatility of milk production | 350 million litres of extra milk produced in 10 years                |
|  | <b>GOVERNMENT</b><br>— Needs to halt reduction of water levels at the local watershed                  | Preserve the watershed and secure water supply for local communities |
|  | <b>CARBON CREDIT BUYERS</b><br>— Need to obtain high-quality carbon credits to offset their emissions  | 1 million tons of CO <sub>2</sub> sequestered                        |

**x2**

DAIRY FARMERS' REVENUES

1 MILLION TONS OF  
**CO<sub>2</sub>**  
SEQUESTERED

**4** MILLION  
EUROS  
INVESTED  
IN PROJECT

**20,000**

HECTARES CONVERTED  
TO SUSTAINABLE  
AGRICULTURAL PRACTICES



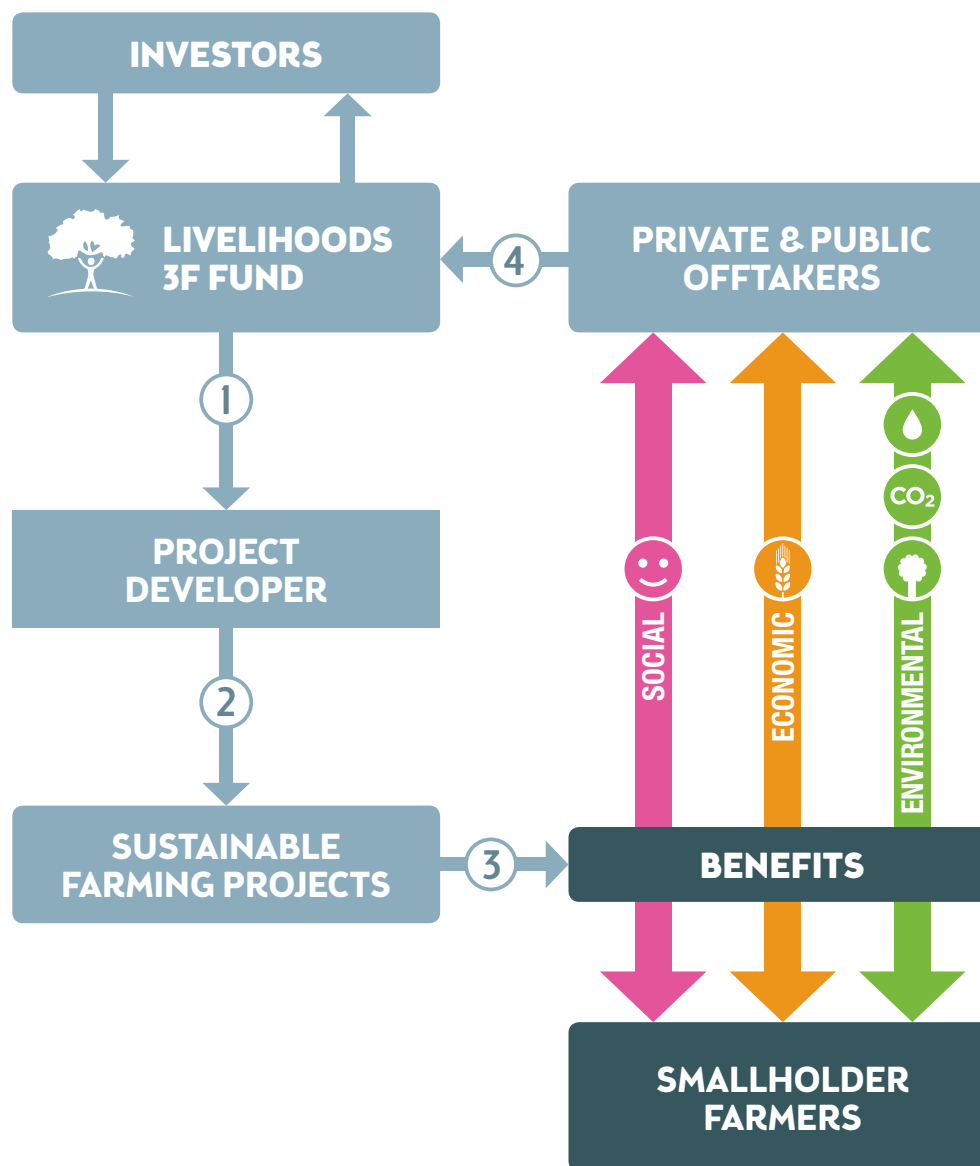
# FUND MODEL

**1** Livelihoods 3F provides upfront financing to project developers that deploy large-scale sustainable agriculture projects featuring a landscape approach with rural farming communities.

**2** The project developer aggregates the smallholder farmers and provides them with training, equipment and technical assistance to implement the project.

**3** The project generates various social, economic, and environmental benefits for the smallholder farmers (increased incomes, improved livelihoods, restored natural ecosystem).

**4** Financial return for the fund is provided by private and public off-takers that pay fees to benefit from the public goods and externalities created by the project.



## LEGEND:



# FUND IMPACTS

## ENVIRONMENTAL IMPACT

Widespread adoption of sustainable agriculture over 200,000 hectares.

## SOCIAL IMPACT

Secure livelihoods for over 200,000 smallholder farmers and their communities.

## ECONOMIC IMPACT

Increase farmers' yields and productivity through sustainable agricultural practices and connect them to buyers sourcing raw materials.

# LIVELIHOODS 3F PARTNERS

## HOW LIVELIHOODS 3F CAN HELP:

### FARMERS AND THEIR COMMUNITIES

Farmers and their communities receive free training, support and equipment to implement sustainable agricultural practices that increase their productivity and incomes and improve their livelihoods.

### PROJECT DEVELOPERS

Project developers (NGOs, farmers' cooperatives, etc.) gain access to funding and technical support to upscale their initiatives. They also benefit from business expertise brought by the fund's partners.

### PRIVATE SECTOR

Companies and private investors are able to test and implement large scale sustainable sourcing projects connected to their own supply chains. They may participate

in the fund as investors and/or project off-takers. Investors receive a positive long-term return on investment while both investors and project off-takers capitalize on collective learnings and gain access to likeminded partners.

### PUBLIC SECTOR

The public sector (governments, institutions, etc.) gains access to a platform of diverse partners through Livelihoods 3F committed to mitigating climate change, reducing rural poverty and improving food security through sustainable integrated landscape approaches. By contributing financially to the fund's projects as an off-taker, the public sector can help generate public goods (social, environmental, etc.). By sharing the project costs with other public and private off-takers, the impact of its investment is multiplied while risks are minimized.

## OUR TEAM

Livelihoods 3F is operated by Livelihoods Venture, a social business based in Paris, France. The international staff possesses a strong track record of identifying and designing the best-in-class projects and deploying them with reputable local project developers in developing countries. Livelihoods 3F will capitalize on the success of the first Livelihoods fund, a carbon investment fund initiated by Danone in 2011 and joined by 9 companies since. This carbon fund has planted 130 million trees that will sequester almost 10 million tons of CO<sub>2</sub>.

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More info: [www.livelihoods.eu](http://www.livelihoods.eu)

## FUND'S KEY FIGURES

**120** MILLION EUROS  
INVESTED IN PROJECTS  
IN AFRICA, ASIA,  
AND LATIN AMERICA

**2** MILLION PEOPLE  
POSITIVELY IMPACTED  
😊😊😊😊😊😊😊😊

**200,000** FARMS CONVERTED TO SUSTAINABLE  
AGRICULTURAL PRACTICES  
🏡🏡🏡🏡🏡🏡🏡🏡