



FORESTRY + CARBON REDUCTION + IMPACT ON LOCAL COMMUNITIES

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1

CLIMATE CHANGE
HOW CAN WE HELP?





Context

- SouthBridge has a mission of **driving sustained economic development** for the benefit of all African countries through among other enhancing the **development of energy infrastructure**.
- Through **investment projects**, our focus is to address the **whole value chain of the ecological and energy transition**. Our areas of intervention encompass:
 - forest & CO2 Sequestration,
 - carbon credit,
 - solar,
 - wind,
 - geothermal,
 - hydroelectricity,
 - hydrogen.
- The impact of the proposed investments will be:
 - **Environmental**: preservation and conservation of biodiversity; avoid deforestation;
 - **Social**: generate alternative revenues to the local population;
 - **Economic**: generate carbon credit and revenue from the forest.

KEY ELEMENTS OF THE INVESTMENT IN FORESTRY PROJECT

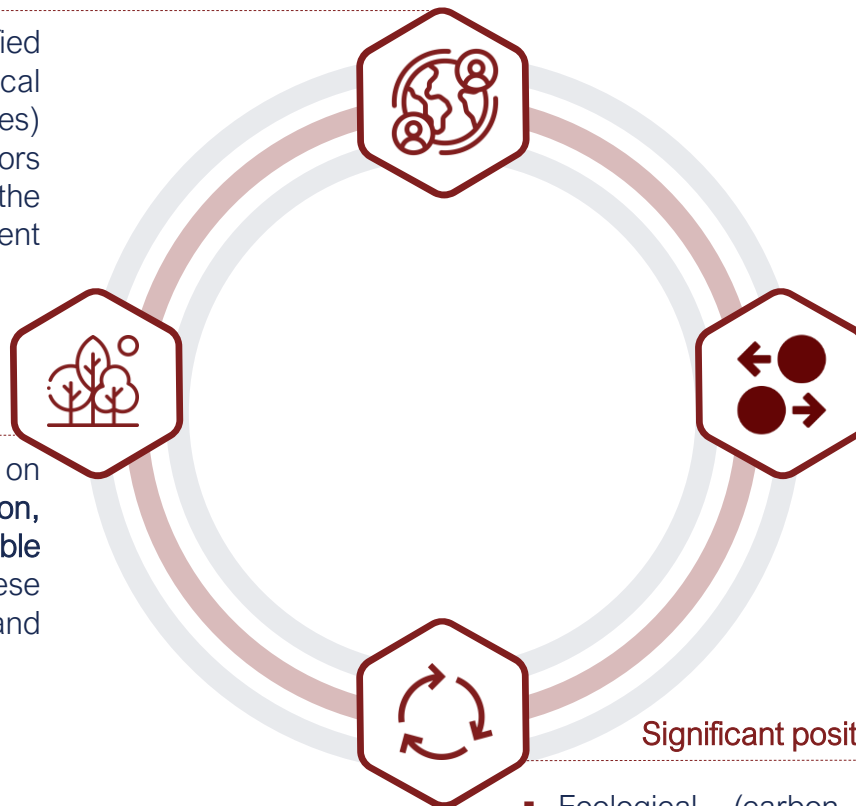


1 Diversified international investors

- SouthBridge has identified **international players** (technical specialists, certification bodies) as well as institutional investors for the development of the forests through investment projects.

2 Three main pillars

- The projects are based on three pillars: **afforestation, reforestation and sustainable forest management**. These actions will capture CO2 and generate carbon credits.



4 Double investment return

- Scalable investment size in the form of the purchase of a forest concession for [30-50] years offering a **double return** from forest sustainable management revenues and carbon credits generated.

3 Significant positive externalities

- Ecological (carbon sequestration, biodiversity conservation), economic (monetization of carbon credits) and social (job creation) **positive impacts for local communities** .



Challenges

- Operational execution
- Complexity of the structuring of the investment
- Scalability of the project for a greater visibility

SouthBridge Solutions

- SouthBridge can support in creating an **ecosystem for the project** involving international players: **technical specialists, certifying bodies**.
- SouthBridge can also partner with public and private investors to **design innovative economic models leveraging on carbon credit instruments**
- Our solution encompass **structuring, tendering and providing access to finance for sustainable forest creation or management** and carbon credits trading projects in compliance with regulatory and national policy framework.
- SouthBridge can support in **identifying potential private investors for a co-investment** in forests in Africa, **aligned on the environmental, economic and social impact** of the project.

2

OUR CARBON CREDIT
SOLUTIONS



FOCUS ON OUR CARBON CREDIT SOLUTION (1/2)



Emission of carbon credits using forest management



Afforestation

Afforestation or afforestation is the **process of introducing trees and young crops** to an unforested area.

Afforestation can be done by **planting as well as seeding trees**, naturally or artificially.



Reforestation

Reforestation is the **natural or intentional repopulation of existing forests and woodlands** that have been depleted, usually due to deforestation, but also after clearcutting.

Reforestation can be used to **reverse and rectify the effects of deforestation and improve the quality of human life** by absorbing pollution, rebuilding natural habitats and ecosystems, reducing global warming through the bio sequestration of carbon dioxide

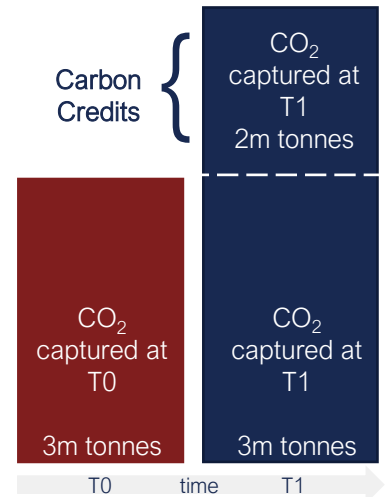


Sustainable Management *

Sustainable forest management means the **management and use of forests and woodlands** in a way and to such an intensity that they maintain their biological diversity, productivity, capacity for regeneration, vitality and capacity to satisfy **ecological, economic and social functions relevant locally, nationally and globally**, now and in the future, and that they do not harm other ecosystems



Generating carbon credit through tree planting



Certifying bodies



Sources : *Food and Agriculture Organization

FOCUS ON OUR CARBON CREDIT SOLUTION (2/2)



Our focus: addressing the whole value chain of the ecological & energy transition

Areas of intervention



Solar



Hydrogen



Wind



Forest &
CO₂ Carbon Credits



Geothermal



Hydroelectricity



Energy efficiency

Holistic Process

Structuring, tendering and providing access to finance for sustainable forest creation or management, renewable energy infrastructure, energy efficiency and carbon credits trading projects in compliance with regulatory and national policy framework.

Project sourcing

- Performing a detailed analysis of countries' assets and resources needed
- Leveraging an extensive network of project promoters with bankable projects

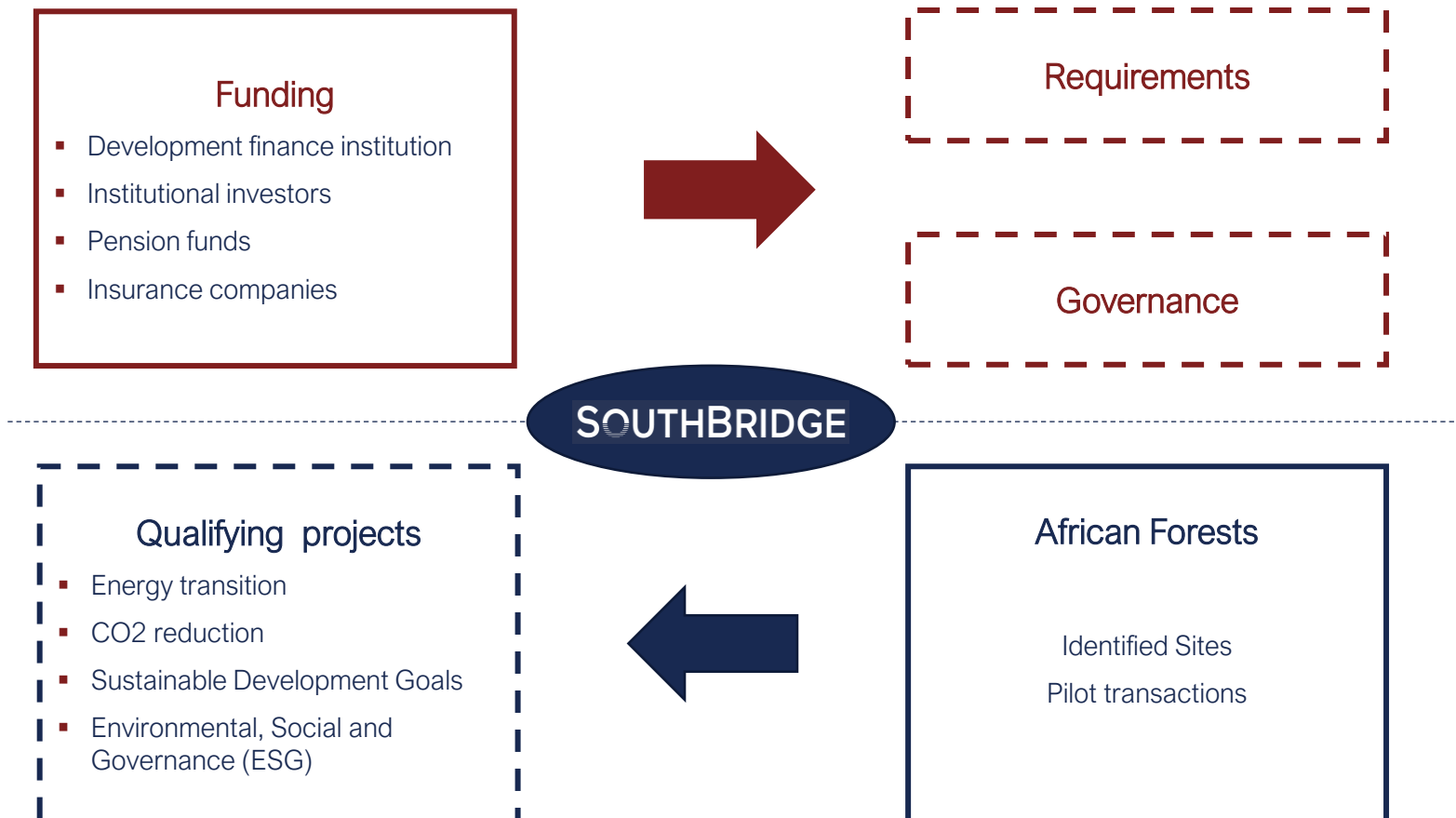
Project funding

- Structuring the project's financial scheme
- Accessing a diversified pool of funding sources and innovative financial instruments
- Securing structured green financing
- Optimizing investors returns

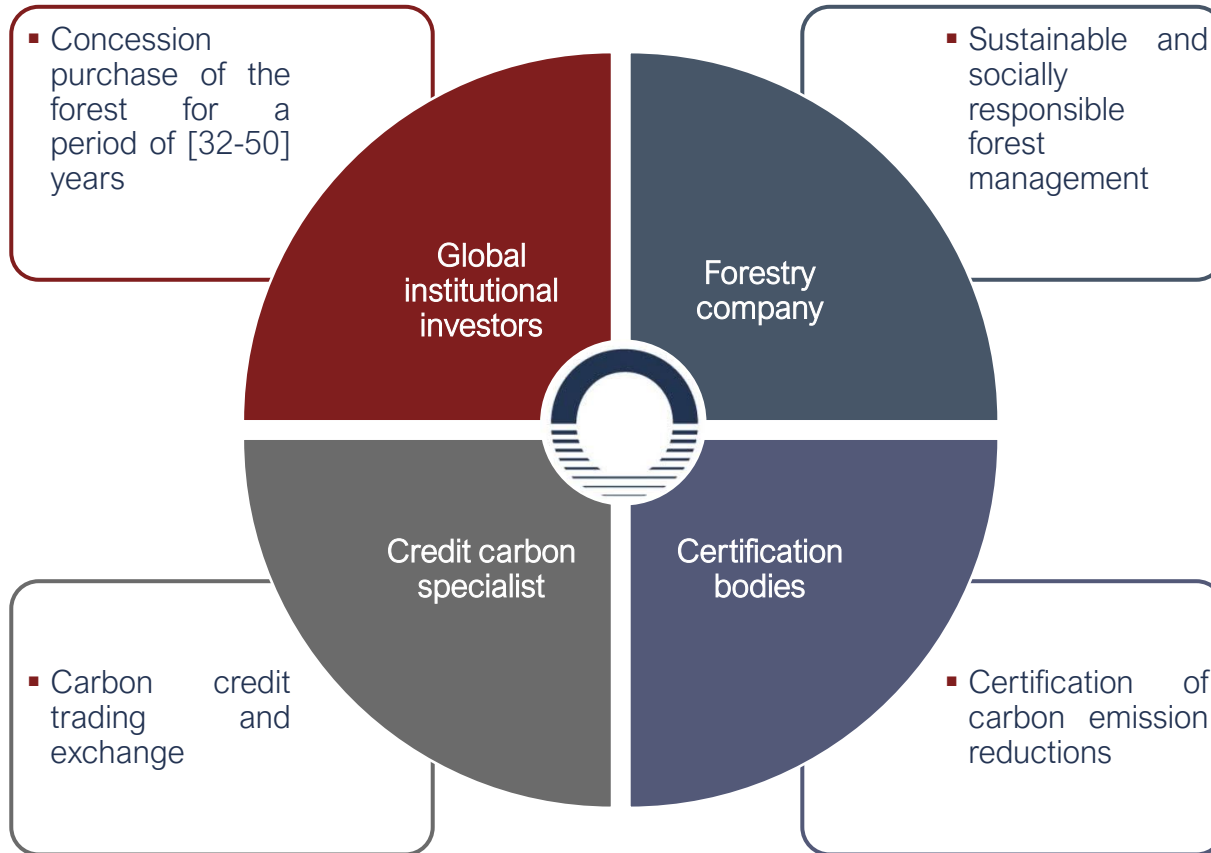
Project development phase

- Ensuring the alignment of various stakeholder's interests
- Providing risk mitigation tools
- Control & Reporting

ALIGNMENT, INVESTORS, COMMUNITIES & COUNTRIES



IMPLEMENTATION AND COORDINATION OF AN ECOSYSTEM FOR THE SUCCESS OF THE PROJECT



MAIN CHALLENGES OF FORESTRY CREDIT CARBON SOLUTIONS



Regulations and best practices



- Regulatory Framework

Impact on the local population



- Involvement of the communities affected
- How to guarantee a positive impact for the populations in short, medium and long term

Methods of implementation



- Cooperatives and/or organized product chains
- Which companies should manage the projects, local content alongside international content
- What are the training needs of experts, transfer of knowledge

Economic and financial data



- What financial returns are expected coupled with social returns

3

OUR DEDICATED
TEAM



ENERGY TRANSITION TEAM



DONALD KABERUKA

Managing Partner

Dr. Donald Kaberuka was, for two successive terms (2005-2015), the 7th President of the African Development Bank (AfDB) and Chairman of its Board of Directors. He was also Minister of Finance of Rwanda.



LIONEL ZINSOU

Managing Partner

Lionel Zinsou was Prime Minister of Benin in 2015 and chaired PAI Partners, one of the leading private equity funds in Europe. He was also Managing Partner at Rothschild in charge of consumer goods and the MENA region.



EMERYC KPEYOU

Partner

Emeryc Kpenou has over 20 years of experience in derivatives and structured finance. He worked for ING Group for 17 years before joining an investment advisory firm, where he developed expertise in green finance and carbon credit solutions.



QUENTIN SAUZAY

Managing Director

Quentin joined SouthBridge in September 2017. He specializes in green energy, agriculture and infrastructure projects. He has worked on energy access and infrastructure development programs for the office of the Prime Minister of Benin and the World Bank.



MOUBARAK SOUMANOU

Associate Director

Mubarak joined SouthBridge in September 2017. Previously, he worked in securitization fund structuring and project finance with GTI Asset Management. He also has experience in Business Development in the energy sector.



IRMA SOBABE ALI

Associate

Irma joined SouthBridge after experiences at Rothschild & Co, Siemens (Financial Services) and Amundi Asset Management. She has supported financial institutions in their fundraising, in project financing and in strategic and sovereign advisory.

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