



FINANCE
FOR TOMORROW
by Paris Europlace

EMERGENCE OF THE NATURAL CAPITAL AND BIODIVERSITY ASSET CLASS

**Mapping of the French
stakeholders**

NOVEMBER 2018

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EDITO

The more we lose it, the more concrete the concept of Biodiversity becomes. In October 2018, the WWF disclosed a report revealing that in the past 40 years, more than 60% of wildlife populations have disappeared. It is the same trend for ecosystems all around the world. In reaction to these terrifying prospects, the concerns are growing: how long shall we be able to enjoy a prosperous environment?

It is proven that this downfall can be traced to human activities that destroy natural habitats and overconsume global resources.

However, our economies heavily rely on Natural Capital. Ecosystems provide around \$100bn of free economic services per year. Generally, every good we produce and consume is the transformation of a natural product – even through complex supply chains. We also critically need healthy ecosystems to absorb carbon emissions. Therefore, it is essential that economic players improve global resources management.

In the face of the challenges posed by the protection of our planet, academics and policy makers have realized that economic actors and capital suppliers have a concrete impact on Biodiversity and can become drivers of positive changes. We do have the technical knowledge to protect Biodiversity, to produce responsibly and preserve soil fertility, and to restore damaged ecosystems. What we need are the economic rationale and the financial methods to scale these techniques and to effectively build global sustainable supply chains.

Experienced professionals acknowledge the trend they recently witnessed in sectors like renewable energy: it takes a collective process to build an asset class. It requires common ground and understanding, it calls for a risk-reward partnership. At Finance for Tomorrow, with our dedicated working group, we conducted this "Mapping of the French Stakeholders" to support the emergence of the Natural Capital asset class, a much-needed breakthrough in the financial sector. We hope to help fasten this process and to showcase to the world the pioneer expertise of the French financial stakeholders.

In the next years in France, we will be extremely well positioned to be a hub on Biodiversity issues, as France will take the Presidency of the G7 and will host major international events on the topic. Based on the experience of the Paris Agreement, we must prepare well for the Conference Of the Parties 15 (COP15) on Biodiversity in China in order to create the political momentum needed to preserve our common environment.

As Chair of Finance for Tomorrow, as an investor in sustainable infrastructures and Natural Capital, I hope this collective work will allow an improvement in the way we invest in Nature.



Philippe ZAOUATI
Chair of Finance for Tomorrow
& CEO, Mirova

INTRODUCTION

To limit global warming in accordance with the Paris Agreement and the United Nation's Sustainable Development Objectives (SDGs), the protection and sustainable management of Biodiversity is absolutely essential. It implies that economic players build a local and international supply chain based on agro-ecological projects. Hopefully, French financial actors have developed a pioneering expertise in the financing of Natural Capital and Biodiversity. In France, more than 550 millions euros are already invested by Funds for which having a positive impact on Biodiversity is an objective.

As part of its mission to make green and sustainable finance a driving force in developing the Paris Financial Center and positioning Paris as the leading financial centre on these issues, Finance for Tomorrow has structured a working group in Natural Capital and Biodiversity. Its objective is to coordinate the actors, to amplify their ambitions, and to reinforce their leadership internationally.

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- **Biodiversity** is the variability among living organisms from all sources, and the ecological complexes of which they are part. It forms the foundation of the vast array of ecosystem services that critically contribute to human well-being.
 - **Natural Capital** is the environmental stock or resources of Earth that provide goods, flows and ecosystem services required to support life.

The underlying assets are categorized in three types :

- **Sustainable production** refers to sustainable agriculture, including agro-ecology, precision farming or regenerative agriculture techniques. It refers as well to agroforestry and sustainable fisheries projects.
- **Nature regeneration** is about ecological restoration and rehabilitation. Reforestation and revegetation is the action of renewing forest cover or rebuilding soil whereas ecological compensation objective is to offset unavoidable impacts.
- **Conservation** is the protection and preservation of ecosystems. It can be the conservation of terrestrial or marines areas, through planned management or with the implementation of protective measures.

Natural Capital finance is nascent and composed by heterogeneous actors, which are not necessarily aware that they are being part of a common sector. Economic players have developed a great technical knowledge to preserve Biodiversity and to structure projects able to flourish over the long-term. However, they must now change the paradigm for resources management and build an economic rationale for scaling up.

This **"Mapping of the French stakeholders"** objective is to improve the visibility of the sector and to help support the emergence of the Natural Capital and Biodiversity asset class. It aims to define typologies and gather information, as a first step to foster synergies between actors. Ultimately, Finance for Tomorrow aims to promote financial solutions and to start building a track-record of profitability and positive impact.

This mapping has been conducted based on a literature review and interviews with actors of the sector. The entities mentioned in this document were selected according to a set of criteria per category of actors and based on publicly available information. As such, this mapping does not intend to be, and is not necessarily, exhaustive. Finance for Tomorrow encourages entities who could have been omitted to contact us in order to be mentioned in the future editions.

Finance for Tomorrow and its members are convinced that the emergence of the Natural Capital and Biodiversity asset class is a much-needed breakthrough in the financial sector. This analysis, conducted with the assistance of Deloitte, is a baseline to identify key recommendations and to serve as a guideline for the future work of Finance for Tomorrow's working group on Natural Capital and Biodiversity.



• **BUILD AWARENESS AND TRACK-RECORD**

Capital providers and project leaders should pursue the development of a significant track record to demonstrate the economic profitability of investment in projects related to Biodiversity. Enablers and networks could focus their studies on underlying economic models to foster the emergence of this asset class.



• **SCALE-UP**

Scale is necessary to attract mainstream capital providers and increase impact. To structure a sound deal flow with solid business plans, capital providers should work on capacity building, supporting entrepreneurs and providing technical assistance. Financial innovation like Biodiversity bonds could be developed in order to design scalable financial products from small-scale projects.



• **MEASURE RISKS & IMPACTS**

Due to the fading borders surrounding the term of Natural Capital and Biodiversity, data collection is still insufficient and no common measurability nor indicators have been unanimously defined yet. The development of simple common metrics (or proxies) would enable actors to set targets and monitor projects' risks and impacts without slowing down the development of the Natural Capital and Biodiversity asset class.

Milestones of Biodiversity & Natural Capital in France until 2020:

- **4 July 2018:** "Biodiversity Plan" published by the French government ;
- **10 July 2018:** "Act4Nature" corporation commitments published by EpE ;
- **November 2018:** "3 Days for Sustainable Finance" in Paris organized by UNEP FI & Finance for Tomorrow - COP14 on Biodiversity (CBD) in Egypt to assess the Program 2010-2020 Energy & Biodiversity ;
- **April 2019:** 7th International science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) meeting in Paris ;
- **May 2019:** France Presidency of the G7 – International Agroforestry Congress ;
- **June 2020:** International Union for Conservation of Nature (IUCN) International Congress in Marseille ;
- **November 2020:** COP15 on Biodiversity (CBD) in China, to assess the 20 goals of Aichi.

ECOSYSTEM OF ACTORS OF NATURAL CAPITAL AND BIODIVERSITY

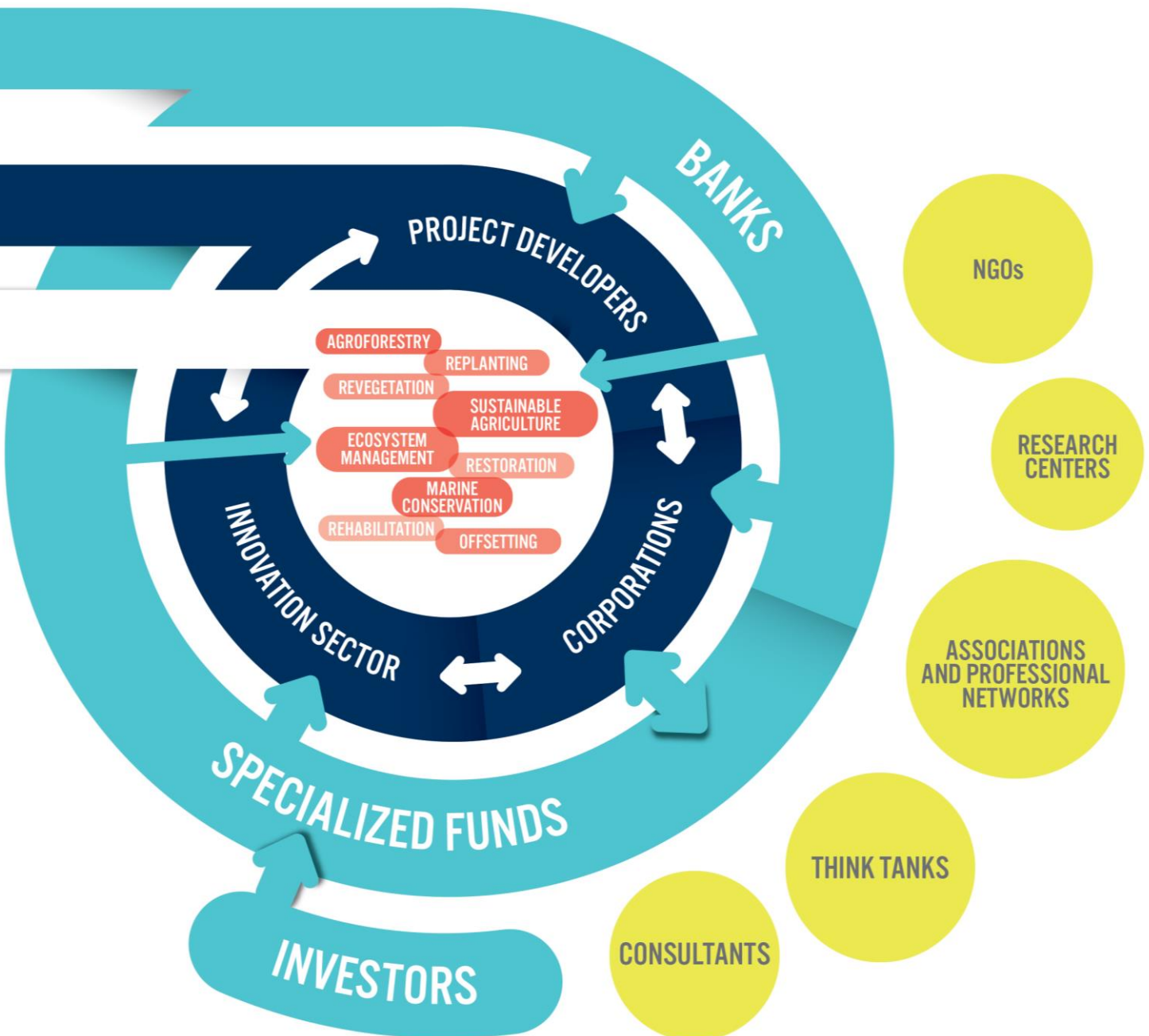
CAPITAL PROVIDERS

PROJECTS LEADERS

PROJECTS

ENABLERS & NETWORKS

- ➡ **Investors** are the owners of the assets. They own large amounts of capital and have long-term investment horizons. They invest in specialized funds as part of a diversified investment strategy.
- ➡ **Public or investment banks** provide loans to developers and corporations. Thus, they can offer leverage on available capital to scale up projects. They perform intensive risk analysis to assess the capacity of projects to pay back their debt over the long-term.
- ➡ **Specialized funds** manage a portion of assets owners' capital. They are the keystone between investors and developers as they directly finance projects or companies through equity or debt. They contribute as well to project developers capacity building.
- ➡ **Project developers** design, implement, and monitor projects that have positive impacts on Biodiversity. They structure the economic rationale of projects over time to ensure their sustainability. They need equity and debt financing to leverage their own investment.
- ➡ **Corporations** commit and invest in Natural Capital through diverse mechanisms: a raising demand, partnerships, project funding or development. They can help attract large amounts of financing as they are solid partners for banks and fund managers.
- ➡ **The innovation sector**, composed of incubators and start-ups, is taking risks to develop new technologies, products, and services able to improve natural resources management. Its needs financial support to face long periods of Research & Development (R&D), operational support from large corporations and a supply of knowledge from the ecosystem.
- ➡ **Enablers & Networks** are an essential part of the ecosystem as they provide knowledge, technical support and facilitation. They were the first actors to raise awareness on the importance of Natural Capital and Biodiversity, for climate change mitigation and for sustainable development.
- ➡ **Projects** are the underlying investment assets, designed to have a positive impact on Biodiversity while being economically viable.





ACTOR TYPE : **INVESTORS**

Investors include insurance companies, pension funds or family offices. Asset owners are long-term investors and as such are responsible for the positive and negative impacts of their investment strategies on the long term.

ROLE

Investors own large amounts of capital. Depending on their investment approach, they allocate this capital to asset classes, like private equity or real estate, and even more specifically to thematic asset classes, like renewable energy or clean technologies. Their willingness to invest in projects with positive Biodiversity impacts is usually part of a broader impact investing strategy, focusing on environmental protection or social initiatives. Those approaches are complementary to traditional Environmental Social and Governance (ESG) screening.

STAKEHOLDERS INTERACTIONS

Investors mainly interact with fund managers and invest into their funds. However, as part of their effort to match their demand for the Natural Capital asset class, they can build partnerships with project owners, communicate their interest in the asset class, and take part in sector initiatives to increase the available deal flow. Investors can also invest directly in projects in equity alongside fund managers. Another possibility is to invest in green bonds emitted by corporations or investment banks. A third option is to invest in ecological transition labelled funds, although those funds are currently largely focused on climate related projects, more than on Biodiversity.

Investors also invest in the start-ups of the innovation sector. Comparably, they are in a position to have direct or indirect financial interactions through asset managers.

ACTORS

The following investors have led direct or indirect investments in Biodiversity protection activities and/or have a risk and opportunity approach to Biodiversity:

- Amundi
- Asset Management
- AXA
- BNP Paribas Cardif
- Garance
- Groupama
- Humanis
- Unigrains

DEVELOPMENT OF THE ASSET CLASS

Investors have diversified investment strategies. They have moderate risk appetite and return expectations over a long term investment horizon..



DEMAND

Create a scalable and steadily increasing demand for Biodiversity impact investing products.



READABILITY

Contribute to the clarity of the asset class in the market.



MEASUREMENTS

Contribute to the ecosystem effort to measure and monitor projects risks and impacts.



The amount needed annually to preserve healthy terrestrial and marine ecosystems



The amount of existing "impact" assets

Source: Credit Suisse, McKinsey & Company (2016) *Conservation Finance*
Glin (2017) *Annual Impact Investor Survey*

CASE STUDY

AXA Investment Managers has committed to invest in the Althelia Sustainable Ocean Fund (MIROVA Natural Capital/Althelia Funds), as the fund raised about \$38 million at first close. It was joined by Caprock Group, as well as Netherlands-based development bank FMO, the European Investment Bank and the Inter-American Development Bank.



ACTOR TYPE : **BANKS**

Development banks have been financing projects with positive Biodiversity impacts. By their scale and role in the economy, investment banks can contribute to the development of the asset class either through their advisory activities or through direct financing.

ROLE

Public related or development banks are willing to finance Natural Capital projects as part of their mission. They require the implementation of traceability mechanism in order to control the additionality and positive impact of the project which is financed.

Investment banks find opportunities in using mainstream financial products and services. Regarding Natural Capital, their approaches can be focused on either risk mitigation or positive impacts. In recent years, green loans and green bonds were structured. They are useful tools to develop the asset class.

STAKEHOLDERS INTERACTIONS

Corporate and investment banks are key advisors of corporations regarding financing matters. They can act through direct funding by lending or assisting corporations in their project financing. In both situations, if the corporation has a Biodiversity project which is capital intensive, banks will play a key role in order to assess the risks of the project. Banks can as well finance projects holders or Special Purpose Vehicle related to Natural Capital projects.

ACTORS

The following banks have funded projects with positive impacts on Biodiversity or ecosystems and have developed a Biodiversity strategy and a risk management approach.

- **Public entities:** French Development Agency Group (AFD-Proparco), Banque Publique d'Investissement (BPI)
- **Corporate and investment banks:** Crédit Agricole, Société Générale, BNP Paribas, Natixis, Fonds français pour l'environnement mondial (FFEM), Crédit Coopératif, Edmond de Rothschild

DEVELOPMENT OF THE ASSET CLASS

Development banks such as the AFD have played a key role to initiate Biodiversity finance. The development of the asset class will also require leverage from mainstream finance and specifically corporation and investment banking.



INNOVATION

Develop innovative financial mechanism with Biodiversity related requirements.



MEASUREMENTS

contribute to the assessment of Biodiversity performance (e.g. the CDC's Global Biodiversity Scoring).



The amount committed by the AFD in biodiversity-related projects, in 2016 (worldwide)

Source: AFD (2018) AFD webpage
Climate Bond Initiative (2018) Green Bond Highlights 2017



The amount of labelled green bonds issued to finance land-use-related projects in 2017 (worldwide)

CASE STUDY

BNP Paribas was the arranger and lead manager of the USD 95 million Sustainability Bond issued in February 2018 by the Tropical Landscapes Finance Facility (TLFF). The Bond funds an Indonesian joint venture between France's Michelin and Indonesia's Barito Pacific Group, for climate-smart, wildlife friendly and socially inclusive production of natural rubber on heavily degraded land in Indonesia's Jambi, Sumatra and East Kalimantan provinces. Occupying some 88,000 hectares of land, the project has the potential to meet up to 10% of Michelin's global natural rubber demand when it is operational.



ACTOR TYPE :

SPECIALIZED FUNDS

Considering the specifics of Biodiversity conservation and Natural Capital development projects (diversity of actors, technical skills requirements, geographical specificities...), several investors have developed expertise and know-how. Those asset managers are positioned in the private equity space and specifically in the venture capital and infrastructure asset classes.

ROLE

Specialized funds are either asset managers boutiques that create and manage funds dedicated to Natural Capital or asset managers focused more broadly on green solutions. A third category is the investment arm of corporations created in order to stimulate innovation in their sectors of operations. In all three cases, those actors have investment strategies related to agroforestry, reforestation, ocean conservation, sustainable fisheries, etc.

STAKEHOLDERS INTERACTIONS

Specialized funds are the keystone between investors and projects through capacity building. They manage a portion of asset owners funds and invest them in Biodiversity related projects. They can either directly finance projects through equity and debt (incl. mezzanine) or take a stake in project developers' entities. Regarding technologies, venture capital plays a fundamental role in the necessary risks taking of any innovation by financing start-ups at different stages.

ACTORS

The following investors have either a strategy focused on Natural Capital or are investing in start-ups providing technologies and services to sustainable production.

Impact funds:

- Livelihoods
- Mirova Natural Capital/Althelia Funds
- Moringa partnership

Investment funds:

- Capagro
- DEMETER/Emertec
- IDIA Crédit Agricole
- Planetic AM
- Sofinnova
- Sofiproteol
- Unigrains

DEVELOPMENT OF THE ASSET CLASS

Specialized funds have diverse risk appetite, returns expectations and investment horizons thus potentially matching the diversity of projects and assets.



SOURCING

Increase projects deal flow by helping their structuration and their reliability.



AWARENESS

Advocate the value and positive impacts of the asset class to retail investors.



The amount, in France, invested by funds taking into account Biodiversity in their management.

Source: Finance for Tomorrow analysis

CASE STUDY

Livelihoods Funds have been created by corporations willing to improve their environmental and social impacts. The Fund "Livelihoods #1" (AuM: EUR 220 million) was created in 2011 in order to implement actions such as ecosystem restoration or agroforestry.

Moringa Partnership (AuM: EUR 86 million) intends to provide financial returns for its investors and for local communities through investments in agroforestry. Moringa invests equity in small or medium agro-companies.

In 2017, Mirova has established an investment platform dedicated to Natural Capital: Althelia Funds (AuM: USD 250 million). The Land Degradation Neutrality (LDN) Fund, co-promoted with the UN, is one of the Althelia Funds. It is an impact investment fund blending resources from the public, private and philanthropic sectors in support of achieving LDN.



ACTOR TYPE :

PROJECT DEVELOPERS

Project developers is the category of actors that is the keystone of Biodiversity conservation and Natural Capital investment projects. A project developer can be a Small and Medium Enterprise (SME), a social enterprise or an Non-Governmental Organization (NGO). Their specific objectives, expertise and forms are very diverse.

ROLE

Project developers design, implement, and monitor projects that have positive impacts on Biodiversity while being economically viable. Underlying project types are very diverse: agroforestry, reforestation, revegetation, sustainable or regenerative agriculture, management of natural areas, restoration, rehabilitation, compensation, ocean conservation or sustainable fisheries.

Project development requires a multidisciplinary approach and developers act as coordinators as they interact with numerous stakeholders. They structure the economic rationale of projects over time.

STAKEHOLDERS INTERACTIONS

Because they have the expertise and understand local contexts, projects developers are considered as the "on-the-ground" transmission belt for corporations and investment firms. They secure revenues and greater exposure through off-take contracts concluded with corporations or through compensation mechanism. In order to scale up their projects, they receive blended public and private funding. Private funding being equity or convertible notes from corporations or investment firms and donations from foundations. Public funding being Development Finance Institutions or public banks. Public and private funding can be blended into specific tools that offer a greater impact for investment.

ACTORS

Agribusiness SMEs are essential to project development. Beyond those actors, the following have a significant record of accomplishment.

- **Biodiversity offsetting financial operators:** CDC Biodiversité, Dervenn
- **Agricultural ecosystems:** Fermes d'Avenir
- **Forest ecosystems:** ONF/ONF International, Pur Project, Nitidae, Reforest'Action, Forest finance
- **Marine ecosystems:** Ecocean, Blue finance
- **Engineering offices:** Oxao, EcoAct, Biotope

DEVELOPMENT OF THE ASSET CLASS

Project developers structure projects, build their economic rationale and give them exposure.



SOURCING

Increase the number, the diversity and the quality of eligible (profitable) projects.



SCALE

Structure projects with the scale needed to attract mainstream capital providers.



AWARENESS

Work in collaboration with NGOs, scientists and investors to raise awareness of projects and impacts.



The number of new agroforestry plots which are planted in France each year



The global market proportion of demand for seafood with sustainable certification

Source: French Association of Agroforestry (2013) *Key figures of Agroforestry* - IISD (2016) *The State of Sustainability Initiatives*

CASE STUDY

The restoration of the Cossure orchard: the first ecological compensation project in France. The ecological rehabilitation works of 327 hectares of Mediterranean semi-arid steppe in the Crau plain was the first reserve of natural assets in France. CDC Biodiversité monitors and manages this reserve over 30 years. In line with the Mitigation Hierarchy (Avoid-Reduce-Compensate), this reserve of natural assets enables project owners to offset the residual ecological impacts of their development projects.



ACTOR TYPE :

CORPORATIONS

Corporations contributing to developing Natural Capital are large companies of the following sectors (not exhaustive): agri-food, infrastructure, transport, waste, energy, luxury goods or pharmaceutical. These industries have an impact on Biodiversity and for corporations, Natural Capital is a resource needed for the businesses they conduct.

ROLE

Corporations show commitments and invest in Natural Capital through diverse mechanisms: a raising demand, partnerships, funding or project development. Corporations can have a strong impact on demand by committing to purchasing raw materials production from sustainable agriculture with their suppliers. Corporations can also choose to offset their impacts, which has become common in the mining, infrastructure or energy sectors.

Finally, corporations can provide capital either through corporate venture or project funding and such capital could directly finance a project or indirectly through project developers. Those actions are usually part of a wider Biodiversity strategy, in line with the general business strategy, that is implemented through partnerships and funding of research and/or knowledge development activities.

STAKEHOLDERS INTERACTIONS

By acting on their own supply chain, corporations can drive demand to project developers and start-ups. Corporations bring exposure and stability of demand thus allowing a scaling up between massive demand, local projects and investment. As they receive funding from all types of financial institutions including investment banks and investors, they are necessary to make the link between global financial systems and local projects.

ACTORS

The following companies act via demand mechanisms or funding and have developed a strategic approach to Biodiversity:

- **Agri-food:** Danone, AgroMousquetaires, Carrefour
- **Infrastructure, transport, waste and energy:** Michelin, Lafarge/Holcim, VICAT, Total, Vinci, Eiffage, Veolia, Suez, EDF, Engie
- **Luxury goods industry:** LVMH, Chanel, Kering
- **Pharmaceutical:** Pierre Fabre, Yves Rocher
- **Agribusiness SMEs:** Etiquable, AlterEco, Bio C'Bon, Léa Nature, Biocoop

DEVELOPMENT OF THE ASSET CLASS

It should be noted that corporations can finance conservation projects by issuing green bonds.



DEMAND: Act on their supply chain by increasing the demand for products that have positive impacts on Biodiversity.



SCALE: gather smaller players as part of an industry initiative in order to structure large and impactful projects.



MEASUREMENTS: metrics would enable corporations to set targets to minimize their impact on Biodiversity.



The sum of the services provided by nature to the global economy each year



The number of French corporations that published public commitment on biodiversity as part of the Act4 Nature initiative

Source: R. Costanza *et al.* (2014) Changes in the global value of ecosystem services - Act4Nature Initiative (2018)

CASE STUDY

Act4Nature is a consortium of corporations, scientific institutions and NGOs created in 2018. Act4Nature includes 10 global commitments, common to all signatories, aiming to integrate Biodiversity in operational activities. Each signatory also commits to specific objectives.

Avène and Pur Project have partnered to launch a project of preservation of the marine ecosystem in the North-West of Bali, in collaboration with the local association, Pokmasta. The project combines coral reef restoration, agroforestry and mangrove replantation: by now, 800 corals and 27.500 trees have been planted.



ACTOR TYPE :

INNOVATION SECTOR

The entrepreneurial ecosystem creates opportunities to connect and link technologies and Natural Capital. Start-ups and incubators aim at developing either new products, new services or even new uses to existing products by leveraging data and technologies.

ROLE

Technology can help meet numerous challenges related to Biodiversity. Start-ups and innovative SMEs are certainly among the most relevant actors to develop technologies and services for project developers, corporations or agriculture professionals (farmers). Start-ups' contribution is twofold: they either provide innovative technologies or facilitate projects' financing. Indeed, some start-ups are crowdfunding platforms for developing financing for local projects (eg. MiiMOSA, Blue Bees). They aim at promoting and easing the achievement of projects related to sustainable agriculture by connecting inventive project leaders and web users.

STAKEHOLDERS INTERACTIONS

Being part of the French entrepreneurial ecosystem, the funding of these start-ups can be public or private and differs according to their stage of development: friends and family money, business start-up loans, crowdfunding, business angels, seed funding, bank loan or Venture Capital funds. Start-ups are as well very close to corporations as they can be part of their open R&D strategy. Several start-ups are close to NGOs that can bring their innovation to the market and final users.

ACTORS

Biodiversity knowledge contribution and/or evaluation: Biodiv Go, Bio Sentinelle, Terroiko, Urbalia

Agtech:

- Alternatives to agrochemicals: Green Shield Technology, SoléO écosolutions
- Farming precision: Carbon Bee, MyEasy Farm
- Sustainable protein alternative: Ynsect
- Crowdfunding platforms: MiiMOSA, Blue Bees

Biotechnologies: Woodoo, BioAmber

Incubators: The GreenTech Verte, Nov'Impact, IGNfab, Agoranov, Le Bivouac

DEVELOPMENT OF THE ASSET CLASS

Start-ups are primary risk takers. Including start-ups in the asset class is essential to attract investors with higher risk appetite.



INNOVATION

Create an entrepreneurial ecosystem dedicated to Biodiversity and focus on profitable business models.



The estimated surface that could be managed in precision farming in France.



The total investment worldwide in AgTech startups in 2017

Source: InVivo., Focus on Precision Farming, 5th January 2016 - Forbes, How the AgTech Investment Boom will create a wave of agriculture unicorns, 16th January 2018

CASE STUDY

Launched in 2014, MiiMOSA is a new player in financing agriculture and food: the crowdfunding platform's model relies on donation with counterpart. In 2018, MiiMOSA closes a second financing round of 3M€. MiiMOSA has supported 1,300 projects in France and Belgium, collected 5.5M€ and counts 75,000 members.

Strong innovation is developing on monitoring impacts. Using the "Starling" satellite image and data analysis system, developed by Airbus and the Forest Trust NGO, Nestlé intends to monitor deforestation trends throughout its supply chain.

TREE Token is an investment platform for impact finance projects: it enables qualified investors to invest under a tokenized format in diversified fund or in specific projects, efficiently monitored and managed thanks to blockchain technology.



ACTORTYPE:

ENABLERS & NETWORKS

Natural Capital and Biodiversity stakeholders need support on specific dimensions to ensure the emergence of the asset class. Various actors evolve around capital providers and project developers to bring expertise, technical support and facilitation among actors. They were the first actors to bring awareness on the danger of Biodiversity loss and its impact on human well-being, on the planet and the climate.

ACTORS & DEVELOPMENT OF THE ASSET CLASS

NGOs and think-tanks contribute to the democratization of the concept of Natural Capital and raise awareness on the urgency to change behaviors and market practices; they are also a key partner for industrial stakeholders in the implementation of operational initiatives.

- WWF France
- IUCN France
- Cari
- France Nature Environnement
- Société nationale de protection de la nature
- Fondation pour la Nature et pour l'Homme
- IDDRI
- Orée
- Terra Nova
- Les Amis de la Terre
- Agrisud
- Mouvement Colibris
- Oxfam
- SOL

Research centers provide knowledge and data on Biodiversity and associated economic models through scientific studies.

- CIRAD
- CNRS
- INRA
- AgroParisTech
- ONB
- Ifremer
- Irstea
- IRD

Consultants and engineers support all stakeholders with project due diligences, impact studies, project evaluations and risk evaluation of investment.

- Specialized engineering offices: Kinomé, Origem, EcoAct, Vertigolab, Biotope, Sol Paysage, ECO
- Consulting firms: Deloitte, PwC, EY, Gondwana Agency, Icare & Consult

Professional Networks develop partnerships and knowledge sharing between the different stakeholders :

- Finance for Tomorrow
- Union Professionnelle du Génie Ecologique
- EpE
- Orée
- 4 pour 1.000 Initiative (UPGN)



The proportion of terrestrial wildlife that disappeared in the last 40 years, because of intensive agriculture, extractive industry, overfishing and hunting, energy and transport sectors, forestry and infrastructures.

"The Living Planet Report, WWF's flagship publication released every two years, is a comprehensive study of trends in global biodiversity and the health of the planet. The Living Planet Report 2018 is the twelfth edition of the report and provides the scientific evidence to what nature has been telling us repeatedly: unsustainable human activity is pushing the planet's natural systems that support life on Earth to the edge.

Through multiple indicators including the Living Planet Index (LPI), provided by the Zoological Society of London (ZSL), the report shows us the urgent need for a new global deal for nature and people with clear, ambitious goals, targets and metrics, to reverse the devastating trend of biodiversity loss currently impacting the one planet we all call home."

Source: WWF (2018), *Living Planet Report*

CASE STUDY

Diverse actors are working on developing tools that would help organizations to take into account Natural Capital in their activities:

- Impact tools aim to create a composite indicator such as the Global Biodiversity Score led by CDC Biodiversité along with the Club B4B+. This metric aims to establish a quantitative link between an economic activity and its impacts on Biodiversity.
- Mapping tools aim to identify Biodiversity risks and opportunities at a local site level such as InVEST led by Stanford University
- Evaluation tools aim to establish interdependencies with Biodiversity such as the Natural Capital Protocol Toolkit

International standards and certifications aim to include Biodiversity criteria such as PEFC's approach to maintain and enhance global forest Biodiversity.

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CONTACTS

Anne-Claire Roux
Managing Director of Finance
for Tomorrow
Ac.roux@paris-europlace.com

Natacha Boric
Project Manager – Contents
& Working Groups
natacha.boric@paris-europlace.com

