

IMPACT INVESTING TO REDUCE DEFORESTATION

A collaboration between the Regional Government of San Martin, Peru and the Governors' Climate and Forests Task Force to stimulate public and private investment for sustainable, deforestation free, agriculture products while reducing deforestation

WHY IMPACT INVESTING?

The *Impact Investing to Reduce Deforestation* project supports the San Martin government in slowing deforestation in the northern Peruvian Amazon rainforest while simultaneously increasing the production and export of prioritized agricultural products. To this end, we have taken significant steps to facilitate the creation of an investment strategy pitch book by local experts.

The goals of this work are to:

- Showcase San Martin's commitment to environmental protection and reducing deforestation
- Support small-scale farmers to join cooperatives that are certified by the regional government
- Advertise sustainable agricultural products to an international audience and potential investors
- Provide guidance and recommendations for a seamless transition into Phase II* of the project

Additionally, we are highlighting the regional government's conservation platform and highlighting their notable progress in sustainable development and forest governance to international buyers and investors who may purchase certified sustainable products from the San Martin region or invest in on-the-ground programs aligned with the region's sustainability goals.

*When it is safe to conduct on the ground interviews, *Phase II of the project - the creation of an investment strategy pitch book - will be completed by an incoming consulting team. This will ignite the allocation of important resources to all levels of the supply chain. The goal is to connect farmers with funding resources that promote a transition to sustainable agriculture practices to slow deforestation.*

COMMITMENT TO FOREST CONSERVATION SAN MARTIN, PERU

ECONOMIC ECOLOGICAL ZONING PROJECT (EEZ)

The Economic Ecological Zoning Project (EEZ) established enforceable zoning codes in San Martin in 2010, controlling territorial development in conjunction with their 2030 government sustainability plan. The EEZ protects 70% of the land in San Martin through forest zoning which has led to strong results on the ground with early action on efforts to reduce deforestation in Peru.

Regional Zoning Decree for Forest Conservation

REDD+

The Regional Government of San Martin's unique approach to forest management and conservation through the EEZ initiative drew global recognition. Most notably, San Martin was selected as one of Peru's REDD+ pilot regions. REDD+ is the UN's Program on Reducing Emissions from Deforestation and Forest Degradation. Through this framework, San Martin could receive funds from the program by reducing emissions from deforestation and forest degradation.

United Nations Forest Conservation Incentive

FONDESAM

Fondo de Desarrollo Amazónico (FONDESAM) is a regional government fund that manages and distributes a portion of the funds allocated by the San Martin Government, including those from REDD+, to finance the implementation of low-emission development across the state.

Government Managed Sustainability Fund

LA MARCA SAN MARTIN REGION

La Marca is a denomination of origin initiative led by the regional government to highlight products that meet a set of sustainability criteria. Companies and farmers that are members of La Marca receive yearly monitoring and support to meet their sustainability goals. Members also have the opportunity to receive funds from FONDESAM for sustainability projects.

Government Sponsored Sustainability Brand

INCENTIVES

La Marca membership as well as funding opportunities administered through FONDESAM create incentives for other farmers in the region to implement sustainable practices while also increasing yield of prioritized agriculture products and so the cycle continues on...

Project Purpose

Reduce deforestation through support of sustainable agriculture supply chains and increased investment in deforested areas

Process

Objectives

- Showcase San Martin's sustainability achievements
- Stimulate private investment for sustainable products
- Provide a portfolio of resources that various stakeholders can use to continue sustainability work

Methods

- Literature reviews
- Stakeholder interviews
- Narrative transformation and storytelling
- GIS mapping
- Identification of obstacles and opportunities for investment

Outcomes

- Increased revenue and investment in San Martin
- Improved farmer access to investment resources for sustainability projects
- Increased visibility for San Martin-based producers through an effective marketing campaign and storytelling

A portfolio of deliverables - outlined below - was created using this process to support the project purpose

KEY COLLABORATORS

Project Team



Peruvian Partners



The Masters of the Environment (MENV) team thanks our partners at the GCF Task Force, specifically Luke Pritchard and Delilah Cupp; and our advisor at MENV, Nicole Civita.

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RESOURCES



ArcGIS Storymap + Research

The storymap was developed using narrative transformation and storytelling to illustrate the regional government of San Martin's decentralized approach to forest conservation and sustainable development.



Investment Strategy Report

The investment report was developed by looking at the obstacles and opportunities for increased public and private investment and market development for three main stakeholder groups: family farmers, cooperatives, and the regional government of San Martin.



Toolkit + Skeleton Pitch Book

The toolkit was developed through research as well as through interviews with professionals working in other capacities to meet similar reduced forest cover loss initiatives.



Learn more and download resources at GCFTaskForceImpactInvesting.org