

Annex B – Public Information Summary

Host Countries	Multi-regional across DFC-eligible countries.
Name of Guaranteed Party	Livelihoods Carbon Fund SICAV-RAIF (“LCF3” or “the Fund”)
Project Description	Livelihoods Carbon Fund SICAV-RAIF seeks a 12-year, \$25 million, 50% (\$12.5 million in DFC exposure), <i>pari passu</i> loan portfolio guaranty from DFC. This guaranty is sponsored by the Center for Environment, Energy and Infrastructure of USAID’s Bureau for Development, Democracy and Innovation given its alignment with USAID’s efforts to advance natural climate solutions through sustainable landscapes programs that promote sustainable management of forest, agricultural, and other lands to improve livelihoods and resilience while reducing national and regional greenhouse gas emissions from deforestation and land degradation.
Proposed DFC Loan/Guaranty	Total amount to be guaranteed by DFC will be \$12,500,000 over 12 years.
All-Source Funding Total	\$125,000,000
Policy Review	
Developmental Objectives	The Project expects to have a highly developmental impact on the host countries through provisions of goods and services to low-income clients and women, and through an innovative financial model. The Project will mostly operate in lower- and lower-middle income countries to improve access to education, health, and clean water, and anticipates increasing the income of at least 475,500 direct beneficiaries. This Project utilizes an innovative financial model that brings together corporations and financial investors in making equity commitments that will invest in community-based solutions, which in return will generate certified carbon offsets for climate-responsible corporates and delivering a steady and positive financial return for financial investors. The Project places a special focus on women, aiming to achieve 50%-50% parity representation across its governance bodies, and it will also equip more than 210,000 women with improved cooking devices, which are expected to at least halve their firewood consumption, thus reducing deforestation and reducing exposure to indoor pollution. Low and lower-middle income countries experience a greater development challenge than the rest of the world, and this Project is another step forward in these countries attaining the United Nation’s Sustainable Development Goals (SDGs).
Environment and Social Assessment	The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Based on DFC’s due diligence, the Fund’s downstream investments are anticipated to pose environmental and social risks that are site specific and that can be

	<p>readily mitigated through the application of sound environmental and social management practices. In order to ensure that the Fund's investments are consistent with DFC's statutory and policy requirements, the Project will be subject to conditions regarding the use of the DFC proceeds. DFC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor, non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>The Project involves a guaranty to investors to support local social enterprises to develop local-community based projects that contribute to greenhouse gas sequestration through newly planted trees, restored soils, reduced methane emissions or decelerated deforestation. The Fund has an overarching environmental and social policy in place and the carbon credit verification process, which all of the Fund's projects are subject to, serves as an adequate environmental and social management system of the projects.</p>
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