



**4<sup>th</sup> National Conference on:**

**"How to fight poverty with Low Carbon Projects in  
Less Developed Countries«**

**Panel Debate:**

**"How impact investment and management could maximize social value"**

12 December 2017  
Auditorium of Federchimica  
Milan

*Graziano Bertogli*  
*Chairman*

## THE NGO

MAN.SE.F. Onlus, Management Without Borders is an NGO incorporated in 2007 by 5 Senior Managers (Top Executives in Industry, Finance, United Nations),

Initially pure philanthropy in favor of poor kids in Brazil and India.

So now:

- based in Milan and Trieste with 7 Partnerships for deals generation, co-investments, CO<sub>2</sub> Market Credits leverage;
- 15 Associates;
- offering some cash to realize the Business Plan + Management to support the early stage of “Social Enterprises” in LDCs (both as Capital Stock Company and Cooperative);
- present Net Worth: € 30,000 with € 120,000 invested during 2010 – 2017



Coltiviamo sviluppo.

## SOME RESULTS

- From 2009, received more than 40 Proposals of assistance in Italy, Brazil, India, Paraguay, Ecuador, Peru, Mexico:
- In Brazil:
  - We have been asked for a Priest to support his Local Community in the *Maranhão* State (Brazil);
  - sent a Senior Manager evaluated the opportunity to organize 15 Women to collect *Babacu* nuts and to extract a raw oil to be further processed in *Manaus*;
  - then incorporated “*Associação das Quebradeiras de Coco do Município de São José dos Basílios*”.



## SOME RESULTS

- MAN.SE.F supported the educational activities of WEP - WELFARE AND EDUCATION FOR THE POOR, a non-governmental organization established in the year 2006 for the development of a Rural Community of Coimbatore District in the Tamil Nadu State, (Southern India).
- some details:
  - WEP is now planning to start a new project on a small “Coconut Based Industrial Plant” aiming to provide employment and the social profit to be used for the welfare and the education of the local poor children.
  - MAN.SE.F will assist WEP in the incorporation of the Cooperative and in the implementing the project similar to the one already carried out in Brazil to develop the small facility to extract crude oil from *Babaçu* nuts



## CASES OF SUCCESS 2016 - 2017

- MAN.SE.F supported Urafiki Center Kitengela Onlus, and Kenyan Urafiki Centre Foundation NGO managing the local Medical Centre located in the Masai region, preparing training course for 10 people on photovoltaic panel. Two of the people will secure maintenance and repairing of the new PV system set up to supply energy to the Medical Centre, while the other 8 will operate in neighbor areas in electrical installation, maintenance and repair





- Palestine: Dura, Bethlem To set up integrated energy production plants (electricity and thermal energy) in Bethlehem and Dura. Revision of the technical feasibility study with a financial evaluation resulting in positive ratios selling electricity and thermal energy at the present market price.



- Pyrethrum in Rwanda", allowing a cooperative of farmers can cultivate a kind of daisy (*Asteraceae*) to extract and produce the "Pyrethrum" a natural biocide improving the standard of living of a community of over 1,000 emarginated people.



## PROJECTS IN PIPELINE

# **Projet de la réserve écologique Los Yaltes**

## Reforestation et préservation de la « forêt des nuages » de Los Yaltes









## Total envisaged investment (US \$)

Purchase of 140 hectares area	100,000	Construction work room for biologists	15,000
Ornithological inventory	3,000	Kitchen construction, dining room, etc	54,000
Botanical inventory	5,000	Construction ecological system water distribution	10,000
Herbarium work	3,000	Construction housing for biologists and researchers	68,000
Infrastructures	40,000	Construction 30m observation tower	10,000
Monitoring equipment	2,000	Drinking water distribution system	15,000
Navigation equipment	600	Purchase of additional mountain 100 he	100,000
Training	2,500		
Scientific Accessory	2,000		
<b>TOTAL INVESTED</b>	<b>158,100</b>	<b>TOTAL not yet funded</b>	<b>272,000</b>

# EL TARWI, IL LUPINO ANDINO

Lupino, tauri o chocho  
(*Lupinus mutabilis* sweet)

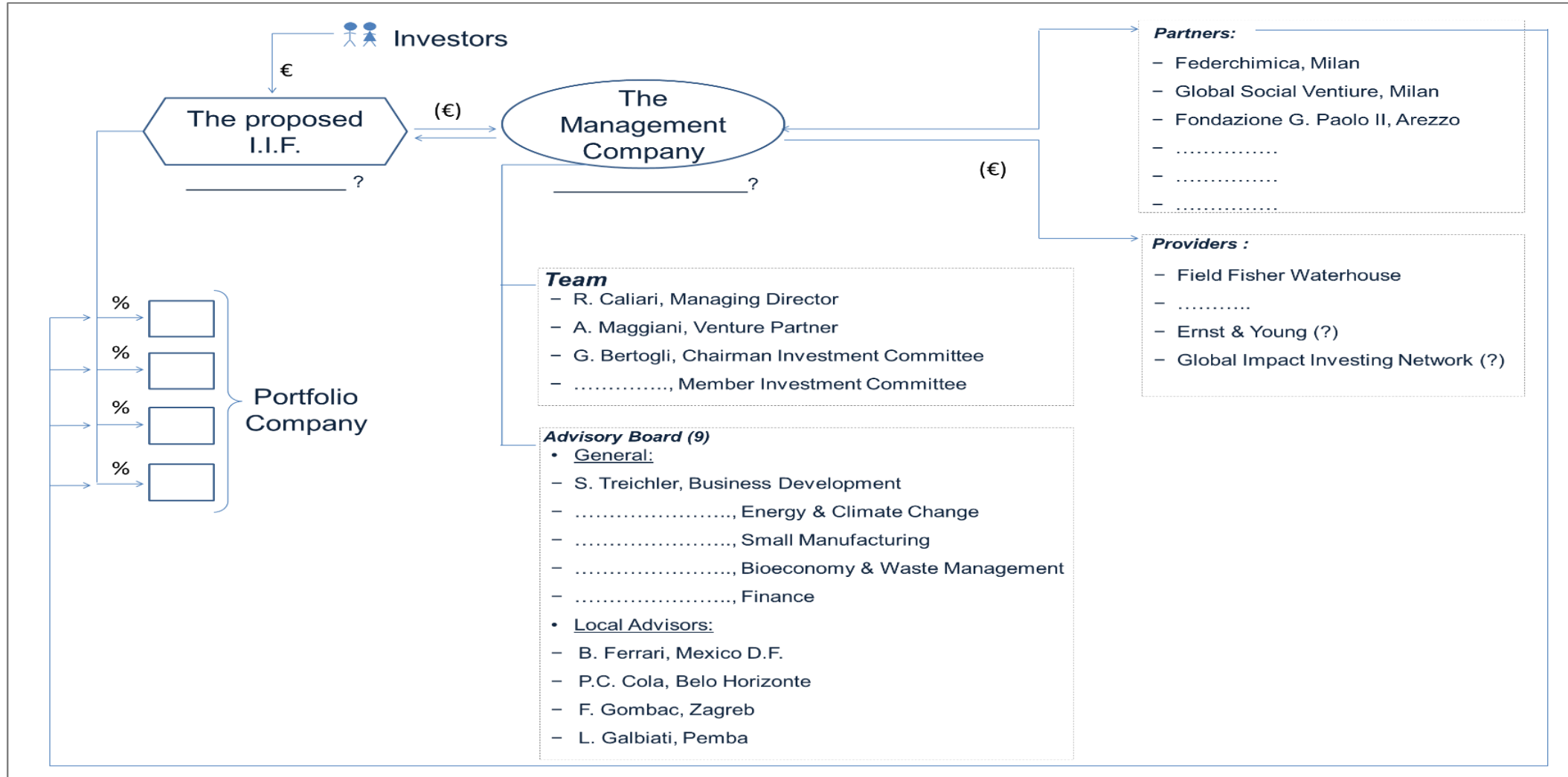


## Impact Investment Fund in the field of low carbon manufacturing goods in selected LDCs

### Economic Inputs.

- Size of the proposed I.I.F.: **€ 15.0 M**, totally committed at the incorporation of the Management Co. but injected by the Investors in 3 instalments
- Duration: **10 years**
- Typology and size of investment (average)
  - a)“CDM Projects”: each one of **€ 300,000** (as pre-financing);
  - b)“Other Investments”: each one of **€ 150,000** (supposing 50% of the remaining equity will be invested by another Institutional Investor);
- Structure: 75% as equity and 25% as soft loans in 5 years with 3.0% of interest rate.
- Planned yearly number of investments: **3**
- The Return on Investment is calculated on a base of 10 years period at 3.0% Discount Rate : **6.70%**

# The structure of the proposed I.I.F. and the Professionals involved





## The first set of the *Local Advisors* of the Management Co. of the proposed IIF.

Geographic Areas	Local Partner	Activities	Partnership Main focus	Comments/Notes
Mexico and Central America.	Mr. Bruno Ferrari, CEO of Cross Finance SA, Bosques de las Lomas de Cahapultec, Mexico D.F.	Merchant Banking and other Financial Services; Project development in the agribusiness.	Possible co-financing and equity participation to the proposed I.I.F.'s deals.	4 Joint ventures realized in Mexico by G. Bertogli as UNIDO's Officer.
Brazil, Peru, Bolivia.	Mr. Pier Carlo Sola, Founder Glocal Consulting in Porto Alegre, BZ.	General Manager of the "Porto Digital Incubator" with 6 ITC start ups at present hosted.	IT business to avoid digital divide. Cooperation with Sarona Risk Capital Fund.	1 Joint Venture proposal with "Parco Tecnologico Padano" – Cremona - I (in progress).
The Balkans.	Mr. Fabio Gombac, Director of EU Plan, Economic European based in Zagreb, HR.	Transfer of Technologies from EU towards Balkan Regions; Capacity Building of Public Authorities' Officers.	Selection of potential local Entrepreneurs; experience in due diligence.	2 deals realized with Italian SMEs in the paints and plastics business.

## SUSTAINABILITY KEY FACTORS



The entrepreneurial spirit of young Persons and financial resources are not sufficient to realize sustainable development.



MAN.SE.F. has technical competences and industrial experience to assist the Local Proposers in evaluating their ideas, costs, markets including the CO<sub>2</sub> Credits, planning and managing their activities, according to the principles of safety, health and quality.



## NEEDS OF CREATE CRITICAL MASS

- Time and costs to find the right Entrepreneur in LDCs are huge!
- To fill the gap we need to share: dealflows, experiences, and names, of potential Entrepreneurs/Managers!

## CRITICAL ISSUES:

- How to evaluate the “local” project proposed (an Investor needs a formalized Business Plan, R.o.I. included)!
- How to set up the “Company” (both as Cooperative or as Capital Stock) ... early stage very delicate!
- How to support the 1<sup>st</sup> expansion phase of the Company

## HOW TO OVERCOME THEM:

- To obtain some preliminar figures in loco.
- To elaborate at desk the Business Plan.
- To select the right “Manager”
- To send a Local Technician, educated in Europe.
- To offer a Technical or a Commercial Agreement in Europe



### 3 MAIN ACTIONS!

- To understand each others with the NGOs willing to realize Local Social-Environmental-Economic Companies.
- To integrate the efforts of the Private and Public Institutions interested to the sustainable growth of LDCs.
- To prepare jointly a sufficient and qualified pipeline of social impact deals for the Specialized Investors and Impact Investment Funds.



## SOME GOOD PARTNERSHIPS.

➤ We started some selected partnerships:

- in Florence, for leveraging on the CO<sub>2</sub> Market Credits with Carbon Sink;



- in Arezzo, with *Fondazione Giovanni Paolo II*, for a successful deal in Palestine to produce energy from urban and agricultural waste;

- in Guadalajara, (Mexico) with *Universidad de Guadalajara* to support cooperative of farmers to produce natural pigments based on local traditional plants and flowers.



- In Trieste with Euplan for potential activities in Balkan Area



- In Milan with Fondazione Archè for a project to support the social and economic development of a degraded district of the Municipality of Milan.



# Thanks for Your attention.

Coltiviamo sviluppo.



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