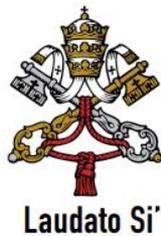


The Vita Green Impact Fund

A Climate Mitigation Social Impact Investment Model that delivers social impact, climate justice and gender equality through alignment with the values of Laudato Si' and the UN SDGs



Who is Vita?

[Vita](#) is a smart, dynamic, Irish overseas development agency working in Africa for nearly thirty years. We were founded by Fr Kevin Doherty in 1989 and our founding patron is Mother Teresa. We rebranded ourselves as Vita in the early 2000s. We were originally known as Refugee Trust International, dealing with the impacts of migrant populations. However, in the late nineties we realised that we could be far more effective dealing with the causes of migration. While some migration is caused by conflict, in Africa, the vast majority of migrants today are economic migrants. Vita strives to address this issue by creating sustainable livelihoods for all in their countries of origin, with their own families and within their own communities, rather than risking the wretched journey up through North Africa and across the Mediterranean, with all the horrors that this entails.

We are a programme partner of Irish Aid, and we are also funded by the EU and many private individuals, charitable trusts and foundations. We have very close partnerships over many years with many congregations of women religious - most notably the Sisters of Mercy in Ireland, the UK, the USA and Canada as well as the Franciscan Sisters of Mary and the Sisters of Charity in the USA. We believe this is because of our values alignment with Laudato Si' and our community-led methodologies which put women in the driving seat of their own development.

We are an innovative and next generation development organisation who is trying to shift away from traditional aid models to a more grown-up model of social impact investment. This is why we have created the [Vita Green Impact Fund](#). It involves delivering life-transforming programmes such as improved cook stoves and clean water programmes to women in their homes.

Vita Green Impact Fund & Laudato Si'

"Today, however, we have to realize that a true ecological approach always becomes a social approach; it must integrate questions of justice in debates on the environment, so as to hear both the cry of the earth and the cry of the poor."

Pope Francis, Encyclical Letter Laudato Si' on Care For Our Common Home, June 18, 2015.

Climate change has devastated the lives of rural African families who are the very least cause of carbon emissions and yet pay the highest price. It is our so-called developed world which has turned from God and creation, disrespected our fellow man and now threatens our very world with extinction. While we seek redemption, we still have not yet provided leadership on climate, nor any solution for the basic living needs of the poor.

The Green Impact Fund is a radical new investment model to answer the cry of the poor and in so doing answer the cry of the earth. The Green answers the cry of the poor by delivering both social justice and climate justice for rural African families. Through community-led development, the Green Impact Fund enables the poor to provide their own low-carbon solutions, while leaving no-one behind. These affordable services - clean cooking, safe water and tree saving / planting - enables rural communities to avoid carbon emissions and help pull our common home back from the edge of extinction. The Green Impact Fund will monetise the carbon emissions savings of rural families and circle the value created back to those who made the saving, the communities themselves. The impact investors behind the Green Impact Fund will live the values of Laudato Si and climate justice by ensuring that rural families in Africa are the primary owners and beneficiaries of this carbon asset.



Community Water Point Offsets

In *Laudato Si'* His Holiness Pope Francis highlights the importance of access to water for the world's poor and even argues for a human right to clean water access. Yet nearly half the wells in Africa are broken. Women and children have to walk miles and use a lot of wood to gather and boil dirty water. Clean water does not need to be boiled so when we fix a water pump it saves thousands of trees from being burnt, reducing emissions significantly by saving 600 tonnes of carbon from being released per year. But the impact is much bigger than just the emissions savings. Millions of hours of drudgery from fetching water and gathering wood, mostly by the women and children, can be diverted into education for the children or income generation for the women. We have a huge community water well programme in both Ethiopia and Eritrea – in fact we are the only NGO working in Eritrea. The reduction of water-borne disease, Africa's single biggest killer of children, is significantly reduced or eradicated in communities which have access to clean water. Additionally, it is almost always the responsibility of women and girls to fetch water from long distances. Having easy access means the girls can go to school instead and the women can reduce the burden of a 16-hour working day.



Improved Cook Stove Offsets

Traditionally, women in Africa cook on an open fire – three or four rocks in a circle on the ground - using huge amounts of wood and leaves. Apart from the appalling health and burns risks, the drudgery involved in collecting the wood or the poverty created by having to pay for fuel severely limits women's ability to develop meaningful, sustainable lives. Vita's improved cookstove programme reduces the wood required by over 60%, which means emissions are reduced by 60%. While a traditional stove emits five tonnes of CO2 annually, an improved stove emits only two, generating three tonnes of carbon savings ready to be sold as carbon offsets each year. The new stoves also have flues so toxic fumes are diverted out of the home. Lung, heart and eye diseases caused by open fires in Africa cause more deaths each year than HIV / Aids, malaria and cholera put together so improved cook stoves serve a multitude of purposes. Again, the burden of gathering sticks often falls to the women – less sticks needed means less time gathering so the girls can go to school and women can use their time less arduously and more productively. Education is critical for achieving gender justice for women.

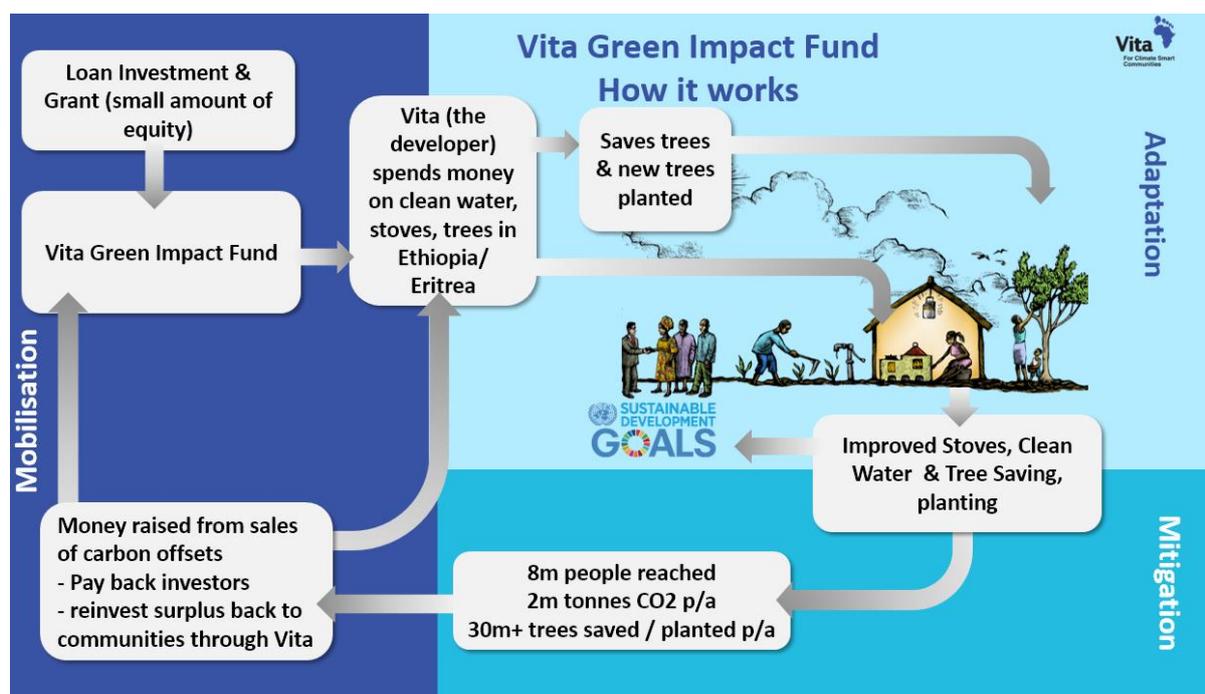
What is an offset?

Not burning the trees leads to a huge reduction in carbon being released into the atmosphere, and each tonne of carbon **not** produced (carbon emissions savings) is called a carbon offset. This is worth money and can be sold. For example a typical woman in Africa does not have a car, does not fly anywhere, and has no appliances. Therefore her only carbon footprint is her stove – those three rocks on the ground with a fire in the middle. When she has access to an improved stove, her carbon footprint is reduced from five tons annually to two tonnes annually. She is saving three tonnes of dirty carbon from being emitted into the atmosphere. Each tonne of carbon emissions savings is classified as a carbon offset.

Vita's carbon offsets are registered and audited by a Swiss company called Gold Standard, who are accredited by the UN. The beauty of the Vita carbon offsets programme is this; the surplus from the sales of the offsets is reinvested back into more water pumps, improved cook stoves, etc. ensuring a circular model. These programmes directly address eight of the UN Sustainable Development Goals.

How the Vita Green Impact Fund Works

The Vita Green Impact fund is a social impact investment mechanism. The investment (loans, grants and some equity) is channelled through the fund to pay for the clean water and clean cooking programmes – through Vita as the development partner, These programmes generate the carbon emissions savings. These are then sold on the voluntary carbon market once they are verified through the Gold Standard Certification process. Profits from the sales are used to pay back the investors, and the additional surplus is then reinvested into local communities through new water and stove projects.



Vita Carbon Offsets – our Unique Selling Points (USPs)

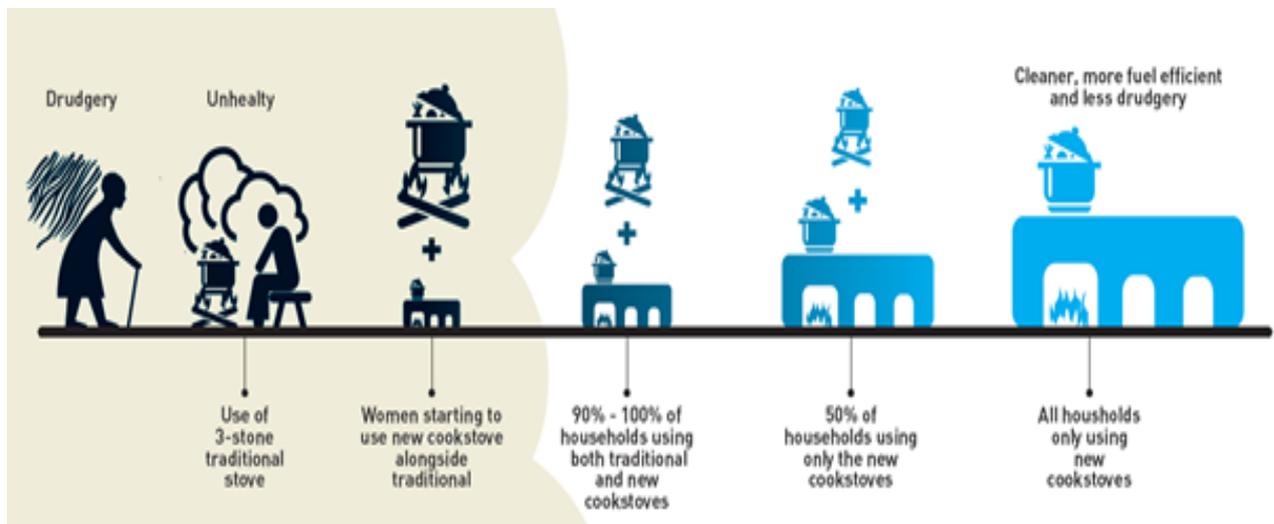
Vita produces top quality voluntary carbon offsets. The value in a voluntary carbon offset is in it's social and gender impact as well as the environmental and climate impact. However, there are a number of reasons why Vita's offsets are unique.

1. **Vita's Circular Model** Almost all voluntary carbon offsets are part of a traditional linear business model– commercial entities fund the creation of the offsets in developing countries through the provision of stoves or clean water, etc. In exchange for these low carbon technologies they own the carbon offset. They then sell this onwards. Oftentimes the offset passes through a number of owners along the chain until it is purchased by the customer, resulting in significant commercial leakage.

The Vita model is radically different. We raise the funding privately for the projects, and retain ownership of the offset on behalf of the communities until the point of sale, ensuring most of the value of the offset stays within the value chain and avoiding unnecessary commercial leakage. Vita then reinvests the profits back into the communities who have generated the offsets in the first place. This is the only circular model of offsets in the voluntary carbon markets, delivering sustainable and enduring value back to the community.

2. **Vita’s Community-Led Model.** Vita uses next generation methodologies based on a ground—up, community- led model developed in conjunction with the Community Led Total Sanitation Foundation (Dr Kamal Kar) and adapted for stoves programmes.

Traditional approaches tend to be top down, and adaptation by communities is slow and often unsuccessful. Cookstoves are often distributed for free, and there is little or no sense of ownership within the community. Vita’s knowledge-led approach ensures that communities are driving their own development with Vita facilitating. Every woman contributes an affordable amount, and the programme is fully inclusive, so those that are most disadvantaged are supported by those in a position to do so. Critically, this approach means that nobody gets left behind. It is also the most cost – effective way to scale up the programme. Because of this Vita has created Green Zones in Ethiopia where whole regions are already or are in the process of declaring themselves free of traditional, toxic and dirty cooking by adapting improved cook stoves.



The SDGs

The United Nations Sustainable Development Goals (SDGs) are a collection of 17 global goals set by



the United Nations in 2015. Each has a separate list of targets covering social and economic development issues including poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, urbanization, environment and social justice.

Vita’s model achieves targets towards **eight SDG**

goals including

SDG 1 - Poverty

SDG 3 - Good Health

SDG 5 - Gender Equality

SDG 6 – Clean Water & Sanitation

SDG 7 – Renewable Energy

SDG 10 – Reduced Inequalities

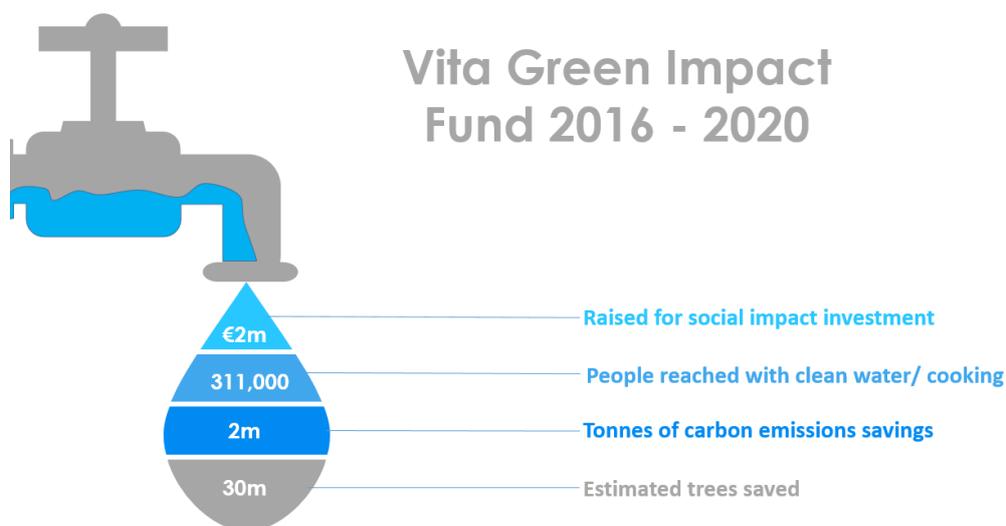
SDG 13 – Climate Action

SDG 15 – Life on Land

Laudato Si' makes a case that carbon pricing revenues could be used to contribute to financing the attainment of the SDGs. The Vita Green Impact Fund delivers this directly, transparently and effectively, with minimum commercial leakage.

A Proven Model

In 2016 Vita launched the pilot model of the Vita Green Impact Fund, investing €2m in the platform to deliver clean water and stoves. The impact of that fund is set out below. The fund generated two million tonnes of carbon emissions savings, reached 311,000 people with clean water and clean cooking and saved or planted in excess of 30 million trees. The full impact report can be found here www.VitalImpact.org



The Triple Bottom Line

Pope Francis argues that the problems of poverty and climate change must be solved together, and if we fail in one instance we fail in the other. The Vita Green Impact Fund targets both challenges – Investment in African communities that reduces poverty as well as carbon emissions.

Africa needs investment, not charity. Having a commodity like carbon offsets means it has something that the global north needs. Using their carbon emissions savings, the communities in Africa can dictate the terms of the deal and benefit from it. The woman gets her efficient stove at a very subsidised price as well as access to clean water and the profits go back to the communities. It is a very equitable model and supports the 'polluter pays' principle.

For the investor there is the triple bottom line

The health and welfare benefits are numerous. The social impact is immediate and life-transforming.

- Reducing the average working day for the woman from 16 hours to 12 hours
- Massive health impacts for women and their families
- Reduced drudgery for women and girls
- Enabling girls to access education – tackling **gender inequality**

Climate & Environmental Impact

- Massive tree savings – est 50m trees in seven years – enabling them to continue sequestering carbon from the atmosphere
- Programme has a conservation element – tree planting alongside tree saving

- New and saved trees protect soil, groundwater sources and provide shade for grazing and browsing animals
- Lesser developed countries suffer the most from the carbon emissions of the developed world. The Green Impact Fund delivers **climate justice** by monetizing the carbon emissions savings made by these communities.
- Carbon emissions savings are critical to cooling the atmosphere

Financial returns

- This model is an investment model and the investor has a justified expectation of the return of the capital sum alongside a moderate return on that sum.
- The return of the principal ensures that it can be redeployed to achieve further impacts.

Ends

For further information please call Ciara Feehely, on 00 353 87 6177433 or email Ciara.feehely@vita.ie or info@vita.ie