



The Kijani Investment Project

A biodiversity business initiative for rural Africa

An IFC-IUCN-GEF proposal

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1. What is Kijani?

The Kijani Investment Project is an innovative sustainable development initiative to integrate biodiversity objectives with investment processes for small and medium enterprises in rural Africa. The aim of Kijani is to align the goals of biodiversity conservation, sustainable economic growth and poverty alleviation. “Kijani” is the Kiswahili word for “green” or “greenery” and reflects the Project’s biodiversity focus.

The Kijani Investment Project is a 12 year, \$35 million project which will support biodiversity business investment processes for in rural Africa. It will be implemented as a joint initiative of the International Finance Corporation (IFC) and IUCN – The World Conservation Union and will be financed by the Global Environment Facility, the World Bank Group and others. The Project will work with some 80 investment opportunities taking these through various steps of a bio-business investment process from identification to exit.

About \$19 million will be invested in up to 20 small and medium enterprises, primarily in the agriculture and tourism sectors, that will be guided by \$16 million in technical biodiversity business tool inputs and related activities. The project timeline will commence with identifying some 800 candidate opportunities and providing technical inputs to about 10% of these in the form of more detailed development of integrated biodiversity business plans. From this pipeline of 80 deals, up to 20 of investment quality will be financed and managed through to a sustainable exit.

The project will be successful if it (a) develops a portfolio of sustainable biodiversity investments; (b) mainstreams biodiversity objectives into African investment processes for small and medium enterprises; and/or (c) leads to the establishment of an integrated bio-capital facility for biodiversity businesses in rural Africa.

The unique proposition of Kijani is that the application of biodiversity business tools (biotools) to investment processes will enable biodiversity objectives to be incorporated into sustainable business models. This will enable the integration of biodiversity and financial objectives and performance. Specifically, the biotools will enable biodiversity business investment opportunities to be identified, appraised, developed, managed and evaluated.



A prototype set of biotools has been developed during the scoping and design phase of Kijani. The biotools include: (1) an opportunities tool; (2) a strengths, weaknesses, opportunities and threats (swot) tool; (3) a planning tool; (4) a finance tool; (5) a portfolio tool; and (6) a performance tool. These will be improved through building partnerships within the African biodiversity and investment communities and applying these tools to a set of real, on-the-ground biodiversity business investment opportunities.

This proposal presents the rationale for Kijani, the key components of the Project, its budget, its governance structure and its sponsors. The annexes provide details on the Project's \$35 million budget.

2. Why Kijani?

The scoping and design phase of Kijani identified both a biodiversity case and a business case for the Kijani Investment Project.

The biodiversity case for Kijani builds on the widespread recognition that huge challenges face biodiversity conservation throughout Africa. Protected area systems, which at best cover only 10% of the rural landscape, are terribly under-funded and under threat. These protected areas rightly remain a conservation finance priority for national governments and the international development assistance. The remaining 90% of the rural landscape, however, is essentially un-protected and un-funded and its biodiversity is under even greater threat. It is in the un-protected, but productive rural landscape, where most rural economic activity occurs and hence it is in this vast productive landscape where biodiversity objectives need to be aligned with rural business objectives. The Kijani Investment Project will focus on maintaining the diversity and integrity of nature in the productive areas of rural Africa.

The business case for Kijani builds on the feasibility studies of the scoping and design phase of Kijani. This phase identified a solid pipeline of investment opportunities which demonstrates the potential for biodiversity and financial performance at sustainable rates of return, particularly in the agriculture and tourism sectors. It also identified an unmet hard-currency demand for African biodiversity goods and services, particularly from European consumers. And, most importantly, it identified an unmet demand for technical assistance and risk capital appropriate to the needs of small and medium biodiversity businesses in rural Africa. The Kijani Investment Project will also focus on promoting sustainable growth and poverty alleviation in the productive areas of rural Africa.



3. Goal and Objectives

The goal of the Kijani Investment Project is to prove the concept of biodiversity business investments at sustainable rates of return. Its four objectives are to:

- (a) provide technical assistance and risk capital to a set of real, on-the-ground bio-business investment opportunities in rural Africa;
- (b) improve the set of Kijani biotools for investing in bio-businesses;
- (c) strengthen partnerships with African biodiversity and investment communities to promote bio-business investments;
- (d) share the bio-business benefits of these efforts with the global biodiversity and investment communities.

Regarding *objective (a) on investments*, the Project will work with a set of 80 investment opportunities taking these through various steps of a bio-investment process from identification to exit. These steps are described in more detail in the section of the proposal on components and activities. During the design phase of Kijani a robust pipeline of investment opportunities was identified that will provide the basis for the identification of the opportunities to be selected by this Project. This pipeline indicates that most of the opportunities are in agriculture and tourism and virtually all of them can be classified as small and medium enterprises.

Regarding *objective (b) on biotools*, the Project will apply and improve the set of biotools drafted during the design phase of Kijani. This set will include a bio-opportunities tool, a bio-swot tool, a bio-planning tool and a bio-finance tool for identifying and developing biodiversity business investment opportunities. It will also include a bio-portfolio tool for managing bio-business investments as well as a bio-performance tool to evaluate both the performance of the investments and the impacts of the Project on the investment partnerships and processes of bio-businesses in rural Africa.

Regarding *objective (c) on partnerships*, the Project will focus on building partnerships among agencies within the investment and biodiversity communities to develop and finance biodiversity-friendly, small and medium enterprises in rural Africa. For example, in Kenya, key members of the investment community would include the local offices of the International Finance Corporation, CDC Capital Partners, Norfund, Kenya



Capital Partners, and the African Project Development Facility. In Kenya, key members of the biodiversity community would include the IUCN East Africa Regional Office, the African Wildlife Foundation, Kenya Wildlife Service, WWF Kenya, the East African Wildlife Society and the Kenya Marine and Fisheries Research Institute.

Regarding **objective (d) on benefit-sharing**, the Project will strive to share the lessons learned throughout its 12-year life. In addition to regular dissemination of Project reports and the biotools, the Project will explicitly engage in relevant events and advise relevant initiatives. For example, in 2002, lessons learned from the design phase of Kijani were presented during a Global Biodiversity Forum workshop at the 6th Conference of the Parties of the Convention on Biological Diversity and the IUCN's Business Day at the World Summit on Sustainable Development. Kijani perspectives were also included in discussions on biodiversity investments by the European Bank for Reconstruction and Development and the Development Bank of Southern Africa.

The Project will be successful if it (a) results in a portfolio of sustainable biodiversity businesses in rural Africa; (b) mainstreams biodiversity objectives into African investment processes for small and medium enterprises; and/or (c) leads to the establishment of an integrated bio-capital facility for biodiversity businesses in rural Africa.

4. Biotools

The Kijani Investment Project is unique in its application and development of a set of "biotools" to integrate biodiversity objectives into the various stages of the investment process and in turn into the business plans of investment opportunities. During the design phase of Kijani a prototype set of biotools was developed. This set of biotools will be applied and improved through this Project. The 6 key biotools are as follows:

- The **bio-opportunities tool** will be used to identify, screen and select biodiversity business investment opportunities. It will include guidance to the project sponsor as well as to the investment officer.
- The **bio-swot tool** – which takes its name from the acronym for strengths, weaknesses, opportunities and threats – will be used to undertake an in-depth pre-appraisal of an investment opportunity. It will provide guidance for identifying and selecting opportunities through an integrated business and biodiversity prioritisation process.



- The *bio-planning tool* will be used to develop a biodiversity management plan as an integral component of the overall business plan for the investment opportunity based on substantive integration of biodiversity and business management.
- The *bio-finance tool* will be used to structure an investment in a biodiversity business which drives integrated financial and biodiversity performance. It will provide guidance on the biodiversity due diligence required by the Kijani investment committee.
- The *bio-portfolio tool* will be used to make the investments in the businesses and to manage these investments to strengthen the financial and biodiversity performance of the portfolio. It will also be used to design sustainable exits, i.e. exits that ensure the on-going financial and biodiversity performance of the businesses.
- The *bio-performance tool* will be used to monitor and evaluate the various biodiversity interventions of the Project throughout the investment process.

The Project will also disseminate these biotools as well as lessons learned from their application, particularly to the investment and biodiversity communities in Africa.

5. Timeline

The 12 year life of the \$35 million Kijani Investment Project consists of the following three timeline phases:

- *phase I: opportunities phase* (years 1-3, \$5.6m expenses & \$2.1m capital)
- *phase II: growth phase* (year 4-7, \$7m expenses & \$15.4m capital), and
- *phase III: sustainability phase* (years 8-12, \$3.4m expenses & \$1.5m capital).

During *phase I (the opportunities phase)*, biodiversity business investment opportunities will be identified, a set of 80 opportunities will be selected and bio-business development assistance will be provided. An initial set of three investments will be made. Partnerships and biotools for identification and development will be strengthened. At the end of the third year, investors in the Project will review performance.



During *phase 2 (the growth phase)*, bio-business development assistance will be completed and an additional 17 opportunities will be financed. Partnerships and biotools for development and investment will be strengthened. Most of the Project funds will be spent during this phase. At the end of the seventh year, investors in the Project will again review performance.

During *phase 3 (the sustainability phase)*, a second round of financing will be completed and the Project will undertake sustainable exits of its investment portfolio – i.e. exits that promote sustained biodiversity and financial performance. At the end of the twelfth year, the investors in the Project will meet to review the lessons learned and to consider new opportunities for building the biodiversity business sector in rural Africa.

During all three phases of the Project, the complete set of 80 projects will be monitored and evaluated, the biotools will be disseminated, the Project will share bio-business benefits through participating in relevant events and providing advice to relevant initiatives, and the Project will report annually on its financial and biodiversity performance.

6. Components and activities

Project activities are organised under four substantive components of the Project which will be implemented through the three timeline phases. These are:

- *component A: bio-business opportunities* (\$1.3m expenses),
- *component B: bio-business development* (\$6.2m expenses),
- *component C: bio-business investment* (\$3.3m expenses & \$19m capital) and
- *component D: bio-business benefits* (\$5.2m expenses)

These four components as well as the various activities outlined below are derived from the feasibility studies and consultations of the Kijani design phase. The targeted number of investment opportunities (a pipeline of 80 deals with 20 investments) and the average levels of financing (\$700,000 for the first round and \$500,000 for a second round) are also based on findings during the design phase, including the development and assessment of a pipeline of some 150 investment opportunities. Based on this experience, it



would be expected that during the three-years of Phase I, the Project will be able to increase the pipeline to 800 opportunities. It is also realistic to assume that the Project would be able to retain 10% of the pipeline for further work. Of the retained investments, it is expected that 25% will receive financing from the Project. These assumptions are built into the activities and budget of this proposal.

Component A (bio-business opportunities) focuses on the first step in a process to enhance biodiversity through investing in small and medium enterprises, which is to identify potential investment opportunities. Under this component, the Project will undertake the following activities:

A1 - Identify +/- 800 investment opportunity leads : The Project will seek to identify approximately 800 biodiversity business investment opportunities spread throughout rural Africa and across several sectors with an emphasis on agriculture and tourism and also on small and medium enterprises.

A2 - Select 80 projects for development : The Kijani bio-opportunities tool will be used to select 80 projects for biodiversity business development.

A3 - Improve the bio-opportunities tool : Building on consultations with partners and lessons learned from application, the Kijani opportunities biotool will be improved.

A4 - Strengthen identification partnerships : The Project will strengthen partnerships with institutions in Africa – notably regional and country offices of the IFC and IUCN, as well as IFC affiliates such as APDF and IUCN members such as AWF – to identify and prioritise rural biodiversity business investment opportunities.

Component B (bio-business development) focuses on the second step in a process to enhance biodiversity through investing in small and medium enterprises, which is to develop the biodiversity business investment opportunities. Under this component, the Project will undertake the following activities:

B1 - Bio-swot 80 projects : The Kijani bio-swot tool will be used to pre-appraise the 80 selected projects.

B2 - Select 60 projects for planning : The Kijani bio-swot tool will also be used to select 60 projects for further development support. (As



appropriate, the Project will refer the remaining 20 to partners for further support.)

B3 - Improve the bio-swot tool : Building on consultations with partners and lessons learned from application, the Kijani bio-swot tool will be improved.

B4 - Bio-plan 60 project : The Kijani bio-planning tool will be used to develop integrated biodiversity business plans for the 60 selected projects.

B5 - Select 40 projects for financial appraisal : The Kijani bio-planning tool will also be used to select 40 projects for financial appraisal in preparation for an investment. (As appropriate, the Project will refer the remaining 20 to partners for further support.)

B6 - Improve the bio-planning tool : Building on consultations with partners and lessons learned from application, the Kijani bio-planning tool will be improved.

B7 – Appraise 40 projects for financing : The Kijani bio-finance tool will be used to appraise the 40 selected projects for financing, including, as appropriate, pre-investment due diligence and deal structuring which will be incorporated into bio-investment memoranda.

B8 - Select 20 projects for investment : The Project investment committee – consisting of investment professionals representing the Project’s investors and IUCN with a biodiversity veto – will select 20 of the projects for investment. (As appropriate, the Project will refer the remaining 20 to partners for further support.)

B9 - Improve the bio-finance tool : Building on consultations with partners and lessons learned from application, the Kijani bio-finance tool will be improved.

B10 - Strengthen development partnerships : The Project will strengthen partnerships with institutions in Africa to appraise, develop and structure bio-business business investment opportunities.

Component C (bio-business investment) focuses on the third step in a process to enhance biodiversity through investing in small and medium enterprises, which is to manage a portfolio of biodiversity business



investments. Under this component, the Project will undertake the following activities:

C1 - Invest in 20 projects : The Project will invest an average of \$700,000 per project during a first round of financing for the 20 selected projects. As appropriate, the projects may be co-financed by investment partners. (Upon exiting, principal and earnings will be disbursed to the Project's investors as agreed.)

C2 - Manage 20 investments : The Kijani bio-portfolio tool will be used to manage the financial and biodiversity performance of the 20 investments both individually and as a portfolio.

C3 - Select 10 projects for a 2nd investment : Using the appropriate Kijani tools, the Project investment committee will approve 10 of the projects for a second round of investments.

C4 - Invest a 2nd round in 10 projects : The Project will invest an average of \$500,000 per project during the second round of financing for the 10 selected projects. As appropriate, the projects should be co-financed by investment partners, especially through structures that will lead to sustainable exits by the Project. (Upon exiting, principal and earnings will be disbursed to the Project's investors as agreed.)

C5 - Exit 20 investments : The Kijani bio-portfolio tool will also be used to execute sustainable exits – i.e. exits that are likely to ensure the long-term sustainability of financial and biodiversity returns – for all 20 investments. Sustainable finance partners are expected to play a critical role in these exits through a next round of financing.

C6 - Improve the investment management biotool : Building on consultations with partners and lessons learned from its application, the Kijani bio-portfolio tool will be improved.

C7 - Strengthen investment partnerships : The Project will strengthen partnerships with institutions in Africa to manage investment portfolios so as to improve financial and biodiversity performance as well as to ensure sustainable exits from the investments.

Component D (bio-business benefits) will focus on sharing the bio-business benefits of the above efforts within the biodiversity and investment communities, particularly in Africa. Under this component, the Project will undertake the following activities:



D1 - Monitor & evaluate 80 projects : Using the Kijani bio-performance tool, all of the selected 80 projects will be monitored and evaluated for their biodiversity and financial performance throughout the life of the Project. This effort will generate substantive understanding of the biodiversity benefits of the various steps of a bio-investment process.

D2 - Improve the bio-performance tool : Building on consultations with partners and lessons learned from application, the Kijani bio-performance tool will be improved.

D3 - Disseminate the biotools : Throughout the life of the Project, drafts of the Kijani biotools will be disseminated for comment and for use by other interested parties. Latest drafts will be posted on the Kijani website (kijani.com).

D4 - Participate in relevant events : Through the life of the Project, its managers will participate in key relevant events of the IFC, IUCN, the GEF and other relevant organisations to share lessons learned from the implementation of the Project.

D5 - Advise relevant initiatives : Throughout the life of the Project, its managers will provide advice based on lessons learned to key relevant initiatives of the IFC, the IUCN, the GEF and their networks.

D6 - Report on project activities : The Project will publish an annual “triple-bottom-line” report on its activities with externally audited accounts. At the end of the first and second phases, the Project’s investors will use these reports as a basis for deciding whether the Project should proceed into the next phase.

D7 – Manage the project : A joint venture arrangement between the IFC and IUCN in collaboration with the GEF, will manage Project activities and finances.

7. Outputs

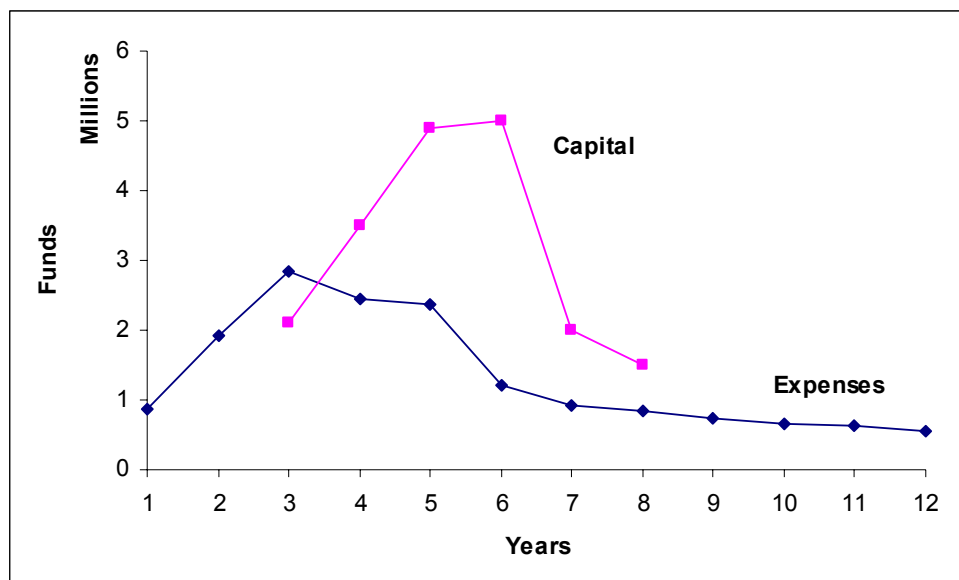
During the 12-year life of the Project, a significant number of tangible outputs will be delivered. For financial modelling purposes, a discreet set of deliverables have been planned for every year of the Project. Planned outputs and expenses will be adjusted annually based on actual performance and actual costs.



The main output areas for the Project are:

- a portfolio of biodiversity businesses developed, including some 20 capital investments with 10 add-on investments;
- a set of biotools developed and tested on some 80 opportunities, including 60 bio-business plans and 40 bio-finance reports; and
- extensive bio-business partnerships developed with African investment and biodiversity entities.

These outputs will be released throughout the project as indicated in the following table of the Project's annual projected expenditures:



8. Governance

The Kijani Investment Project will have three levels of governance:

- the Project investors,
- the Project investment committee, and
- the Project management team.



The *Project investors* will determine the final structure of the Project as well as conditions for disbursement of funds. This proposal also includes a meeting of the Project investors at the end of the first and second phases to decide how to proceed to the next phase. The Project investors are also scheduled to meet at the end of the third phase to explore new opportunities arising from the Project for developing the biodiversity business sector in rural Africa.

The *Project investment committee* will consist of investment professionals representing the Project investors and IUCN with a biodiversity veto. As the Project's investment capital is expected to be held by the IFC, the investment committee should be chaired by an IFC representative and structured according to standard IFC practices. The investment committee will decide on all applications submitted by the Project management team for both rounds of financing proposed in the Project.

The *Project management team* will be responsible for implementing the Project. The management team will cover the entire lifecycle of the Project, including implementation of the project's three phases and four components in line with the timeline and budget approved by the Project investors. Initially, it will consist of three full-time positions – a chief investment officer, a chief biodiversity officer and a chief financial officer. As the Project's grant funds are expected to be held by IUCN, it is expected that the management team will be hired as IUCN staff.

The management team will add additional full-time or part-time staff or consultancies, as appropriate, throughout the implementation of the Project. During the design phase of Kijani, a group of professionals with an appropriate skill mix in finance, biodiversity, SME and Africa have been identified. Also, regional institutions with relevant expertise – for example, IFC's African Project Development Facility and IUCN's Regional Office for Eastern Africa – have been identified. Depending in part on the interests of the investors as well as on the location of the 80 investment opportunities selected for the Project, the management team will select a specific group of individuals and institutions with which to implement the Project.

9. Budget

The Project budget for 12 years is \$35 million of which \$16 million is expenses and \$19 million is investment capital. The following table summarises the budget for the three phases and for the four components. It also indicates total grant funds and investment capital by phase.



KIJANI BUDGET		Phases			Totals
		I (yrs 1-3)	II (yrs 4-7)	III (yrs 8-12)	
Components	A opportunities	1,180,000	70,000	0	1,250,000
	B development	3,215,000	2,975,000	0	6,190,000
	C investment	260,000	2,015,000	1,040,000	3,315,000
	D benefits	980,000	1,890,000	2,375,000	5,245,000
Expenses		5,635,000	6,950,000	3,415,000	16,000,000
Capital		2,100,000	15,400,000	1,500,000	19,000,000
Total budget		7,735,000	22,350,000	4,915,000	35,000,000

10. Sponsors

The two sponsors of the Kijani Investment Project are the International Finance Corporation (IFC) and the IUCN – World Conservation Union.

The IFC is a member of the World Bank group and is headquartered in Washington, DC. The IFC mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.

Established in 1956, IFC is the largest multilateral source of loan and equity financing for private sector projects in the developing world. It promotes sustainable private sector development primarily by financing private sector projects located in the developing world, helping private companies in the developing world mobilise financing in international financial markets and providing advice and technical assistance to businesses and governments.

IFC brings to Kijani not only its private sector expertise, but also the experience and lessons from the Corporation's portfolio in Africa, and the particular experience and networks associated with its Small and Medium Enterprise Programmes and the African Project Development Facility.

Founded in 1948, IUCN brings together States, government agencies and a diverse range of non-governmental organisations in a unique world partnership: over 980 members in all, spread across some 140 countries. A central secretariat with its headquarters near Geneva, Switzerland, co-



ordinates the IUCN programme and serves the Union membership, representing their views on the world stage and providing them with the strategies, services, scientific knowledge and technical support they need to achieve their goals. The IUCN mission is to influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.

IUCN brings to Kijani a network of biodiversity experts and institutions throughout Africa, and the expertise associated with its various business and biodiversity initiatives.

Kijani will benefit from the combined expertise and networks of the two multinational sponsors and will combine the missions of each sponsor by aligning the objectives of biodiversity conservation, sustainable growth and poverty alleviation.

In addition to the IFC and IUCN, the **Global Environment Facility (GEF)** is expected to be a major investor in the Project and thus may want to be considered as one of its major sponsors. Other significant investors in the Project will also be invited to take on a sponsorship role.



Appendix 1 – Outputs

Kijani Investment Project Outputs <small>(* denotes yearly activity)</small>	Phase I			Phase II				Phase III					Totals
	1	2	3	4	5	6	7	8	9	10	11	12	
A - Bio-business opportunities													
A1 - Identify +/- 800 investment opportunity leads	300	400	100										800
A2 - Select 80 projects for development	20	40	20										80
A3 - Improve the bio-opportunities tool	*	*	*	1									
A4 - Strengthen identification partnerships	*	*	*	*									
B - Bio-business development													
B1 - Bio-swot 80 projects	10	20	20	20	10								80
B2 - Select 60 projects for planning	5	10	15	15	15								60
B3 - Improve the bio-swot tool				*	1								
B4 - Bio-plan 60 projects		10	20	15	15								60
B5 - Select 40 projects for financial appraisal		5	15	10	10								40
B6 - Improve the bio-planning tool				*	*	1							
B7 - Appraise 40 projects for financing		5	15	10	10								40
B8 - Select 20 projects for financing		3	7	5	5								20
B9 - Improve the bio-finance tool				*	*	*	1						
B10 - Strengthen development partnerships		*	*	*	*	*	*						
C - Bio-business investment													
C1 - Invest in 20 projects			3	5	7	5							20
C2 - Manage a portfolio of 20 investments			3	8	15	20	20	20	20	16	10		10
C3 - Select 10 projects for a 2nd investment						3	4	3					10
C4 - Invest a 2nd round in 10 projects						3	4	3					10
C5 - Exit 20 investments										4	6	10	20
C6 - Improve the bio-portfolio tool				*	*	*	*	1	*				
C7 - Strengthen investment partnerships			*	*	*	*	*	*	*				
D - Bio-business benefits													
D1 - Monitor & evaluate 80 projects			80	80	80	80	80	80	80	80	80	80	80
D2 - Improve the bio-performance tool				*	*	*	*	*	1	*	*	*	*
D3 - Disseminate the biotools	*	*	*	*	*	*	*	*	*	*	*	*	*
D4 - Participate in relevant events	*	*	*	*	*	*	*	*	*	*	*	*	*
D5 - Advise relevant initiatives	*	*	*	*	*	*	*	*	*	*	*	*	*
D6 - Report on project activities	*	*	*	*	*	*	*	*	*	*	*	*	*
D7 - Manage the project	*	*	*	*	*	*	*	*	*	*	*	*	*



Appendix 2 – Assumptions

Cost Assumptions per output and/or per year			
A - Bio-business opportunities			
A1 - Identify +/- 800 investment opportunity leads	300		
A2 - Select 80 projects for development	10,000		
A3 - Improve the <i>bio-opportunities tool</i>			
A4 - Strengthen identification partnerships			
B - Bio-business development			
B1 - Bio-swat 80 projects	25,000		
B2 - Select 60 projects for planning	2,000		
B3 - Improve the <i>bio-swat tool</i>			
B4 - Bio-plan 60 projects	30,000		
B5 - Select 40 projects for financial appraisal	3,000		
B6 - Improve the <i>bio-planning tool</i>			
B7 - Appraise 40 projects for financing	40,000		
B8 - Select 20 projects for financing	5,000		
B9 - Improve the <i>bio-finance tool</i>			
B10 - Strengthen development partnerships			
C - Bio-business investment			
C1 - Invest in 20 projects	60,000	Avg Capital 700,000	Co-finance 67%
C2 - Manage a portfolio of 20 investments	10,000		
C3 - Select 10 projects for a 2nd investment	5,000	500,000	67%
C4 - Invest a 2nd round in 10 projects	25,000		
C5 - Exit 20 investments	10,000		
C6 - Improve the <i>bio-portfolio tool</i>			
C7 - Strengthen investment partnerships			
D - Bio-business benefits			
D1 - Monitor & evaluate 80 projects	2,500		
D2 - Improve the <i>bio-performance tool</i>			
D3 - Disseminate the biotools	15,000		
D4 - Participate in relevant events	15,000		
D5 - Advise relevant initiatives	15,000		
D6 - Report on project activities	25,000		
D7 - Manage the project	190,000		



Appendix 3 – Budget

Kijani Investment Project Budget		Phase I			Phase II				Phase III				Total		
Year		1	2	3	4	5	6	7	8	9	10	11		12	
A - Bio-business opportunities															
A1 - Identify +/- 800 investment opportunity leads		90,000	120,000	30,000											240,000
A2 - Select 80 projects for development		200,000	400,000	200,000											800,000
A3 - Improve the <i>bio-opportunities tool</i>			25,000	25,000	50,000										100,000
A4 - Strengthen identification partnerships		50,000	20,000	20,000	20,000										110,000
Subtotal		340,000	565,000	275,000	70,000										1,250,000
B - Bio-business development															
B1 - Bio-swot 80 projects		250,000	500,000	500,000	500,000	250,000									2,000,000
B2 - Select 60 projects for planning		10,000	20,000	30,000	30,000	30,000									120,000
B3 - Improve the <i>bio-swot tool</i>				25,000	25,000	50,000									100,000
B4 - Bio-plan 60 projects			300,000	600,000	450,000	450,000									1,800,000
B5 - Select 40 projects for financial appraisal			15,000	45,000	30,000	30,000									120,000
B6 - Improve the <i>bio-planning tool</i>					25,000	25,000	50,000								100,000
B7 - Appraise 40 projects for financing			200,000	600,000	400,000	400,000									1,600,000
B8 - Select 20 projects for financing			15,000	35,000	25,000	25,000									100,000
B9 - Improve the <i>bio-finance tool</i>					25,000	25,000	25,000	50,000							100,000
B10 - Strengthen development partnerships			50,000	20,000	20,000	20,000	20,000	20,000							150,000
Subtotal		260,000	1,100,000	1,855,000	1,505,000	1,305,000	95,000	70,000							6,190,000
C - Bio-business investment															
C1 - Invest in 20 projects				180,000	300,000	420,000	300,000								1,200,000
C2 - Manage a portfolio of 20 investments				30,000	80,000	150,000	200,000	200,000	200,000	200,000	160,000	100,000			1,320,000
C3 - Select 10 projects for a 2nd investment							15,000	20,000	15,000						50,000
C4 - Invest a 2nd round in 10 projects							75,000	100,000	75,000						250,000
C5 - Exit 20 investments											40,000	60,000	100,000		200,000
C6 - Improve the <i>bio-portfolio tool</i>						25,000	25,000	25,000	50,000						125,000
C7 - Strengthen investment partnerships				50,000	20,000	20,000	20,000	20,000	20,000	20,000					170,000
Subtotal				260,000	400,000	615,000	635,000	365,000	360,000	220,000	200,000	160,000	100,000		3,315,000
D - Bio-business benefits															
D1 - Monitor & evaluate 80 projects				200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,000,000
D2 - Improve the <i>bio-performance tool</i>							25,000	25,000	25,000	50,000					125,000
D3 - Disseminate the biotools		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
D4 - Participate in relevant events		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
D5 - Advise relevant initiatives		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
D6 - Report on project activities		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
D7 - Manage the project		190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	2,280,000
Subtotal		260,000	260,000	460,000	460,000	460,000	485,000	485,000	485,000	510,000	460,000	460,000	460,000		5,245,000
Total Expenses per Phase		860,000	1,925,000	2,850,000	2,435,000	2,380,000	1,215,000	920,000	845,000	730,000	660,000	620,000	560,000		16,000,000
				5,635,000				6,950,000					3,415,000		
Investment Capital															
1st round capital (C2)			2,100,000		3,500,000	4,900,000	3,500,000								14,000,000
2nd round capital (C5)							1,500,000	2,000,000	1,500,000						5,000,000
Total Capital per Phase			2,100,000		3,500,000	4,900,000	5,000,000	2,000,000	1,500,000					1,500,000	19,000,000
			2,100,000					15,400,000							
Total Project Funds per Phase		860,000	1,925,000	4,950,000	5,935,000	7,280,000	6,215,000	2,920,000	2,345,000	730,000	660,000	620,000	560,000		35,000,000
				7,735,000				22,350,000					4,915,000		

draft proposal as of 18 March 2003