spades™
THE POWER OF TREES

Project Design

Criteria and Processes

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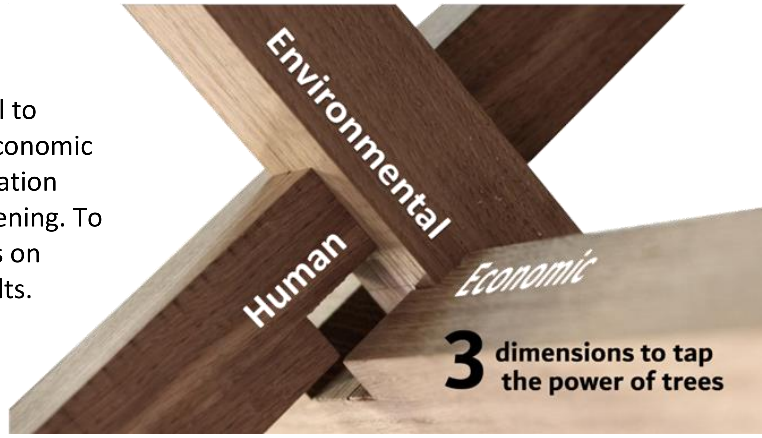
Well-Designed Regreening Projects Mitigate Risk, Increase ROI

Preferred selection criteria

Spades’ projects are widely diverse, from tropical to temperate, coastlines to highlands, and across economic spectrums. Flexibility is necessary for implementation approaches, social models, and ecosystem regreening. To meet impact-investor expectations, criteria focus on aspects that improve reliability, returns and results.



Better regreening projects have seven qualities much like attractive investments in any industry:

1. **Well-designed:** Regreening is a holistic design satisfies environmental and land-use needs.	• Includes biodiversity and habitat recovery. • Regenerative agriculture and green, sustainable timber. • Water, soil, and animal protection.
2. **Long-term sustainability:** Likely to succeed over the long-term life of the trees planted.	• Addresses local deforestation causes. • Species survive current/future ecosystem conditions. • Government partner protects ecosystems.
3. **Appropriate cost/pricing:** Clearly understood and adaptable to variable conditions found in the field.	• Funds tree outcomes on a per tree basis by stage of growth. • May support cash flow requirements. • Other activities may be sustained by coalition of financiers.
4. **Capable partners:** Experienced in work required and having a local capacity.	• Implementing partners have demonstrated capacity. • Financially strong value-chain creates local income. • Local government support.
5. **Strong outcomes:** Socially responsible investment with attractive returns and impact, achieving current or future large scale.	• Targeted investor returns of 4-12%. • Social impact meeting donor expectations. • Minimum scale around 10 million trees within 6 years and the ability to grow larger.
6. **Structured finance:** Mitigate risk, enhance returns, and provide transparency.	• Carbon sequestration is a priority even if not tradeable. • Transparently audited against accepted standards. • Monitoring implementation and forest life (up to 50 years). • Insure risks as agreed upon. • Special purpose vehicle has assets, reports to stakeholders.
7. **Supportive local stakeholders:** Intrinsic motivations for project implementation and tree longevity.	• Intrinsic economic/social value. • Climate, economic, and food security resilience created. • Women’s issues addressed.

Project design process

Spades engages projects in various stages of design development. Our facilitation services help prepare a design for funding. The stages described herein are meant to be fluid and flexible. This is not a detailed, binding process, which is left to the agreements to be signed. It structures development to proceed in stages, postponing costs until project funding is committed.

	Design	Relationships	Key Result
Concept	• Existing environmental, geographic, satellite, local knowledge, and weather information is collected. • Appropriate indigenous pioneer & key species biodiversity envisioned. • Budget is estimated. • Path to scale imagined. • Visually helpful with maps and local imagery.	• Potential partners are identified and may be contacted. Key roles and responsibilities defined. • Funding leads are warmed up with project concept materials.	• Nonbinding letter of Intent with lead partners enables resources for completing proposal and marketing with mutual project exclusivity.
Proposal	• Specific planning by time, zone, and geography. • Secondary species planned. • If/then implementation rules determine what species to plant based on anticipated site conditions.	• Majority of partners are engaged and committed. • Full proposal provided to funding partners.	• Project package ready to be jointly offered to market for funding.
Fundraising	• Response and adaption to fund questions and needs.	• Seriously interested fund sources found and engaged.	• Fund sources sign nonbinding LOI.
Closing		• Special Purpose Vehicle ("SPV") registered; contracts signed with SPV.	• Agreements finalized and funding committed.
Start of Project	• Design finalized. • Site testing of soil and species.	• Project announcements. • Any additional local agreements.	• Work and funding begins.

River in Kenya restored by planting acacia trees using Farmer Managed Natural Regeneration (FMNR). Photo: World Vision.