



LESTARI CAPITAL: CONNECTING MARKETS TO CONSERVATION

Lestari Capital was founded to address a critical gap in long term finance for conservation and restoration initiatives. The Indonesian word *Lestari* means “everlasting”, which defines our commitment to achieving long-term social and environmental impacts in critical landscapes. Our business model delivers on this commitment by deploying long term capital through an efficient, credible and scalable approach.

Lestari Capital’s Jakarta and Singapore-based teams bring deep experience identifying, evaluating and structuring conservation and restoration initiatives, led by experienced professionals from the conservation, sustainability and climate finance sectors.

The company was founded by principals from Forest Carbon, a technical forest conservation company with more than 10 years of project development experience in Southeast Asia, and Daemeter, which draws on more than 15 years of sustainability solutions for global policy makers, commodity companies and conservation projects.

A diverse group of organizations have supported the development of Lestari Capital, including advisory support from SYSTEMIQ and financial support from the David and Lucile Packard Foundation as well as the Partnerships for Forests program – a sustainable investment incubator financed by the United Kingdom’s Department for International Development (DFID).

IMPACT: DELIVERING LONG-TERM FINANCE FOR CONSERVATION AND RESTORATION

Lestari Capital provides credible, transparent and efficient solutions for the private sector to meet market demands for verified sustainable practices.

Lestari Capital’s impact model addresses a critical need for long-term operating capital for projects run by local communities, conservation non-profits and environmental services companies. Lestari Capital aims to strengthen Southeast Asia’s emerging ecosystem services marketplace, by connecting demand for on-the-ground conservation efforts among commodity producers/buyers with projects that are protecting or restoring forests where these companies operate, ensuring at-risk areas are protected.

At the center of Lestari’s current partnerships is the Sustainable Commodities Conservation Mechanism (SCCM), which finances projects for a minimum of 25 years. The SCCM provides independent fiduciary oversight that ties payments to results on the ground, ensuring benefits to local communities, global climate and biodiversity. Funds are managed through a Special Purpose Vehicle (SPV) domiciled in Singapore that delivers payments through a custodian bank.

Lestari Capital’s diverse project portfolio includes internationally certified initiatives on the forefront of tropical conservation, ecosystem restoration and community forestry. Our partner projects are certified by international performance standards, including the Climate Community and Biodiversity Standard (CCB) and Plan Vivo, among others.

In 2018, Lestari Capital established proof of concept for the SCCM in the sustainable palm oil sector by helping companies meet new conservation finance requirements under the Roundtable on Sustainable Palm Oil (RSPO). For 2019, Lestari Capital is working to expand the company’s approach to support a widening range of sustainability commitments in other commodities, as well as energy, transportation and technology sectors, where market pressures for innovation around sustainability are growing.