

PROJECT SUMMARY
SURINAME
INTRODUCING A NATURAL CAPITAL ASSET CLASS IN GLOBAL EXCHANGE
MARKETS: THE CENTRAL SURINAME NATURE RESERVE COMPANY
(SU-T1096)

The magnitude of financing required to address environmental and climate change challenges today is daunting, with required investments in trillions of dollars. Given these numbers, it is clear that traditional public-led approaches to these challenges, such as those based on mandated regulation, tax policy, need to be complemented by market-based solutions, which can mobilize private capital and crowd in innovation. A vanguard private-led alternative is to develop natural resource markets to supply capital demanded by introducing natural capital as a new asset class in the global exchange market.

Suriname is one of the greenest countries on earth with a rich conservation heritage. Thanks in part to pioneering efforts like the Central Suriname Nature Reserve (CSNR), a 1.6 million hectare preserve created by the government in 1998 and recognized as a UNESCO World Heritage Site in 2000, over 95% of the country remains forested, 80% of which is primary rainforest, and the country is home to a rich diversity of wildlife. A country the size of New England, Suriname has 7% of the surface fresh water on the planet.

However, existing methods to monetize this ecological wealth, eco-tourism, carbon credits, and conservations payments, have not provided sufficient resources to be a driver of sustainable economic development. The country remains very reliant on traditional extractive industries and the cyclical nature of this sector has once again put a tremendous strain on the Surinamese economy. In the absence of financing alternatives, Suriname's natural endowment is today threatened by the extractives industries, such as oil & gas, mining (legal and small scale), unsustainable timber cultivation, and agriculture and fishing practices. In this context, the Government of Suriname is committed to securing a sustainable future, seeking REDD + credits, and pursuing non-traditional funding mechanisms as part of its national "green growth" strategy.

The Intrinsic Value Exchange (IVE), the executing agency, is a private technology and environmental exchange company based in the United States which is in the process of receiving authorization from the government of Suriname to create, manage, and capitalize a trust company to commercialize the value of all the natural resources and economic rights originated in the Central Suriname Nature Reserve through a local company (the "CSNR Company"). The primary mission of the CSNR Company is to value/price the environmental benefits (also known as ecosystem services) derived from the natural assets of the CSNR and to convert those rights to financial capital using an exchange mechanism developed by IVE. This project will demonstrate the viability, through the introduction for the first time in the LAC region of an equity IPO for natural capital, of a new financial asset class that can bring sustainable investing into the mainstream of the economy. By creating the first market for natural assets, IVE can directly address a core financial markets failure that today do not properly value natural assets. If successful, this innovation has great potential as an alternative private-led solution, in the context of compliance with commitments of the Global Conferences on Climate Change and Biodiversity.