

Person in the news

Sylvain Goupille, Climate Entrepreneur & Investor

From being one of the most competitive and best-known executives in compliance carbon markets in the Kyoto era with **BNP PARIBAS** Corporate & Investment Banking in London (BNP Paribas CIB), Goupille decided in the early days of the carbon markets (2010) to put his banker and trader skills to the service of rainforest conservation and rural development in developing countries in Latin America, South-East Asia and Africa through **Althelia Ecosphere**, an impact investment fund management company based in London and Luxembourg, initially seeded by BNP PARIBAS and now part of Natixis Investment Managers' impact subsidiary, **MIROVA**.

Today, through **Le Printemps des Terres** and **October Impact Now!** Goupille engages in European forestry, sustainable agriculture, and impact financial services sector to unlock the billions of dollars (or euros, or yens, or whatever currency that counts, but NOT bitcoin) necessary for the climate transition but not only that. In fact, **Le Printemps des Terres** is a founding member (alongside the prime biodiversity and carbon project developer **aDryada**, the renowned French climate think tank **Carbone 4** and the **French National Museum of Natural History**) of the **Organization for Biodiversity Certificates (OBC)**, a Paris-based organization looking to establish a biodiversity crediting system through the establishment of i) a technical and operational framework; ii) a recognized science-based measure; and iii) market rules to generate and value positive impacts on biodiversity in local ecosystems.

The long-term engagement of Mr. Goupille, matched with a concrete track-record as a climate entrepreneur & investor (successful exits, well known investments, several new companies launched with renowned investors), make him a reference in the climate finance space and a perfect candidate for our New Year's dispatch. Be inspired!



On the news: <https://www.ecosystemmarketplace.com/articles/where-chocolate-meets-carbon-one-peruvian-project-finds-the-sweet-spot/>

Biodiversity: deforestation in Tambopata National Reserve, Peru (top photo). Goupille, through Althelia, was an early-stage investor in the Tambopata REDD+ & Agroforestry Project (bottom photo), today a world reference on REDD+. The project reforested thousands of hectares, providing alternative livelihoods to farmers living in the reserve's buffer zone, contributing to the restoration and protection of outstanding biodiversity.



A banker for climate: from compliance carbon trader in the Kyoto era to impact investor in forest conservation, sustainable agriculture and impact financial services, an inspiring career for climate entrepreneurs, young and old.

Sylvain Goupille, relentless investor. An interview by Juan Carlos Gonzalez Aybar.

“Vision without execution is hallucination”

Starting as a climate change consultant, Goupille quickly moved to the banking and investment world, an adventure that defined his world view: investment as an action tool.

French man, 53 years old, married, 3 kids, born and raised in Paris. He remains very attached to his natal city. He defines himself more as an investor than an entrepreneur.

Juan Carlos Gonzalez Aybar (JCGA): Sylvain, some say that entrepreneurs take on hard problems to find solutions, no matter the odds and how hard it can be. How was it for you?

Sylvain Goupille (SG): most of my career I have been focused on climate change solutions, always in an entrepreneurial way, both as an intrapreneur, building new business units within existing organisations, and an entrepreneur, building new businesses from scratch.

First at PwC in 1997, it was UNFCCC COP3 at the time, where I worked with others setting up the climate advisory business of the company, with the aim of advising corporates, governments, NGOs on their climate strategies, building the infrastructure for climate trading in Europe (EU-ETS).

After a while, I moved to BNP PARIBAS to set up and manage the global climate finance and trading business of the bank, within the corporate & investment banking (CIB) division, based between London and Paris. It was at the bank that I decided to spin off to launch a climate impact fund management business, Althelia. It was 2011 when part of the team moved to the newco to develop and manage impact investment funds dedicated to climate change, biodiversity, forestry, sustainable agriculture, and healthy oceans. In 2019, we sold the business to MIROVA, and since then I cofounded a few businesses whose core business are climate and biodiversity solutions. **Le Printemps des Terres** is one of them, which is a company focused on land restoration in France (only in France), with

a business model consisting in buying land currently used in a *business-as-usual* way to restore it and implement sustainable agriculture, sustainable forestry, and land conservation. So, I transitioned from global action to something far more local. In this perspective, I also set up with other partners a seaweed company, **Azollae**, focused on the production of seaweed in France and Europe as a *nature-based solutions* business that helps to fight climate change.

In the impact financial sector services, I founded **October, Impact Now!** with the mission to mobilise private capital in the impact investment sector at large scale. Let me explain.

When I was at Althelia we developed and successfully raised six (6) investment funds, with great investors such as Axa, BNP Paribas, The European Investment Bank, FMO, and so on. We were very happy with them, and they were very happy with us. But when you think about impact investment, globally, you'll have a reduced number of options, roughly 20 development finance institutions (DFIs), 20 foundations, and 60 institutional investors, only. You would imagine that these investors are very solicited, every hour of the day, with great fund ideas by experienced teams, and they don't have the bandwidth to cope with all the demand. This is a clear bottleneck to mobilise capital for climate and biodiversity.

Around 90% - 95% of private assets, the big money, is allocated into liquid assets, meaning listed bonds and listed equities, therefore if your impact investment product is not liquid, you only have a very limited portion of capital available, which is problematic for the impact investment capital the world needs. **October** is designed to solve that issue, providing [...]





[...] a liquidity guarantee so if you invest in a closed ended fund for 8 to 15 years, with our guarantee you can exit your position between 5 to 10 business days, which means that with our solution, you, as an institutional investor, are able to tick the box of liquidity. As a fund manager, you'll be able to crow a large group of investors that otherwise would be impossible to onboard into your fund and raise larger sums of money at a rapid pace and unthinkable scale.

So, the idea of October is to provide a liquidity guarantee in the same way as Central Banks do it in times of crisis, providing liquidity of last resort for financial actors. So, basically, our solution aims to unlock private capital at scale for patient capital fund managers.

JCGA: So, you are looking to overhaul a structural barrier in the capital markets to be able to deploy the climate finance needed?

SG: exactly, the objective is to address a market failure which is the mismatch between, on one hand, the liquidity needs of investors, and on the other hand, the need for patient capital, long term capital, which is very needed for nature-based solutions businesses.

JCGA: Some say that entrepreneurs are addicted to risk. What's your approach to risk? It is possible to marry entrepreneurship with the investor mindset of being risk averse?

SG: very good point. Risk and return are inexorably linked. And investors, people, look for return, and not only financial return, also return on your convictions, on what you aim for. Therefore, risk and return are intimately linked.

That said, a good entrepreneur for me is the one who knows how to assess the risks of its venture, someone who knows his [her] weaknesses and strengths, who knows when and with whom to partner with. So, for me, an entrepreneur is a careful risk taker, someone who knows what he [she] can do and what he [she] can't, and how to onboard other competencies.

I founded 6 companies, and I always founded them with partners. Althelia was cofounded by me and Christian Del Valle, Printemps des Terres avec Laurent Piermont, October with Innpact and Cardano Development, Azollae with two other partners, and so on. So, entrepreneurship is not about crazy risk taking but it's about co-construction and partnership.

JCGA: Do you find them [partners], or do they find you?

SG: it's a little bit of both. You're open to ideas, and people are open to ideas, and then something happens. Actually, I'm proactively finding them, I meet people all the time. Good ideas are not what is missing, the world is full of good ideas. You can have 100 good ideas every day. Having a vision is quite common. It's all about execution. Thomas Edison said it: "vision without execution is hallucination". I really love that quote. You got ideas, ideas are floating around. It's only when you meet with people that these ideas can deliver and be put into practice.

JCGA: I kind of think there are two groups of climate investors today. On one hand, there is the group of believers in technological solutions such as renewable energy and carbon capture, use and storage (CCUS). On the other hand, there is a group of believers in the power of nature, and nature-based investment solutions. You were one of those with the Althelia Climate Fund. You currently invest in lithium production. Have you changed your mind? Enough with the games, place to "serious" things now such as mining?

SG: for the avoidance of doubt, I don't invest in mining. I don't support mining. I invest in a geothermal which, as a by-product, produces lithium. It's the only mining-free lithium you can find on earth.

Nature is the most amazing feature on earth. Earth is nature. Nature will always win, it's so powerful. What is very important is to realise that if we only focus on climate, CO2, technology may deliver climate action at a quicker pace. However, if we think in terms of human wellbeing, biodiversity, water, food security, energy security, recreation, and so on, for the same investment you have a far better return through nature-based solutions. Investing in nature, being nature preservation or nature restoration, is the best investment you can make.

JCGA: I see a dilemma in Europe. On one hand, Europe is engaged in the international fight against climate change; on the other hand, Europe is implementing protectionists measures as tools to achieve climate goals. In your specific case, you invest now in France and not abroad. Is this a strong trend?

SG: The deglobalisation was championed by Donald Trump. He was elected by the agenda of "Making America Great Again". Europe is doing the same, but the U.S started it before. So, the world is becoming less global since a decade ago, it's not only a post-covid situation. Honestly, I don't think it's a bad thing in itself, that the world is less "global".

Globalisation had very positive outcomes, chief of that, the lifting of billions of people out of poverty. That is a great achievement. You look at China, India, even Latin America, not so much in Africa, but still. So, the global balance is better. However, it is important to realise that globalisation comes with a lot of dependencies, a lot of waste, a lot of pollution. If we want to address both the climate and biodiversity crisis, we need to live in a sober world. Meaning consuming less, consuming better, having supply chains that are shorter, more resilient, therefore, globally, there is the need to reduce your scope of existence, to reduce your footprint in your local sphere. This is something that I feel very strongly, this is why I decided to create companies in France, in Europe, because I think this is what makes more sense in terms of footprint, it is also better perceived by clients, for instance, people are more ready to pay for biodiversity and climate outcomes that are generated here. I think this is a big trend.

Investment in nature
 "It's always the best investment you can make, being preservation or restoration"
 Sylvain Goupille

The Quote
 "Vision without execution is hallucination"
 Thomas A. Edison

Technology Dilema
 "If it was only about CO2, technology may be the best solution"
 Sylvain Goupille

JCGA: So, the “Making Europe Great Again” is a strong trend?

SG: it’s not about making Europe great again. It’s about America great again, Europe great again, China great again, India great again, Africa great again. The idea is to reduce and narrowing our scope. I think it’s a good idea if you want to be savvy about resources, it’s about to think how you can manage your growth more locally.

JCGA: In terms of biodiversity, you mentioned working on biodiversity outcomes in Europe. Can you explain that a little bit?

SG: When you think about global biodiversity, you have in mind the largest world biodiversity hotspots. That’s fair. However, is globalisation what is depleting those hotspots. Globalisation of agriculture (soy, beef, etc) is destroying biodiversity. However, when you think in a deglobalised way, a world where you don’t have a global farm like Brazil or a global cocoa producer like Ivory Coast, you reduce the environmental footprint and help them growth sustainably.

Furthermore, I don’t think you can be ok in Europe or in the U.S by only investing in biodiversity in Africa, you also need a good local environment to be well. So, there is a strong need to preserve and restore biodiversity close to your neighbourhood, in your city, in your country. You can act everywhere.

JCGA: What can be the impact of that approach in international climate and biodiversity finance? What would occur if we let the problem of biodiversity conservation in the Amazon to only the South Americans, and the same for Africans related to the Congo basin? Or can we still have a strong international cooperation system with strong local action by local actors?

SG: I think that’s the approach. Overseas development aid (ODA) must be done with clear targets on climate mitigation, adaptation, biodiversity restoration, and so on. The financing available can be attached to environmental performance, therefore you can have both approaches, strong international cooperation, and strong local action. This is key. That being said, I don’t think climate finance is going to replace ODA. Climate finance will complement or be embedded in existent ODA but won’t replace it. ODA is absolutely necessary, and we should do more. We, developed countries, don’t contribute enough.

JCGA: From your perspective, what is easier to finance, biodiversity or climate? There are big pushes in terms of biodiversity financing. We have now the Montreal Framework and 30x30 targets. However, in climate we have carbon. On biodiversity, what do we have? What do we measure?

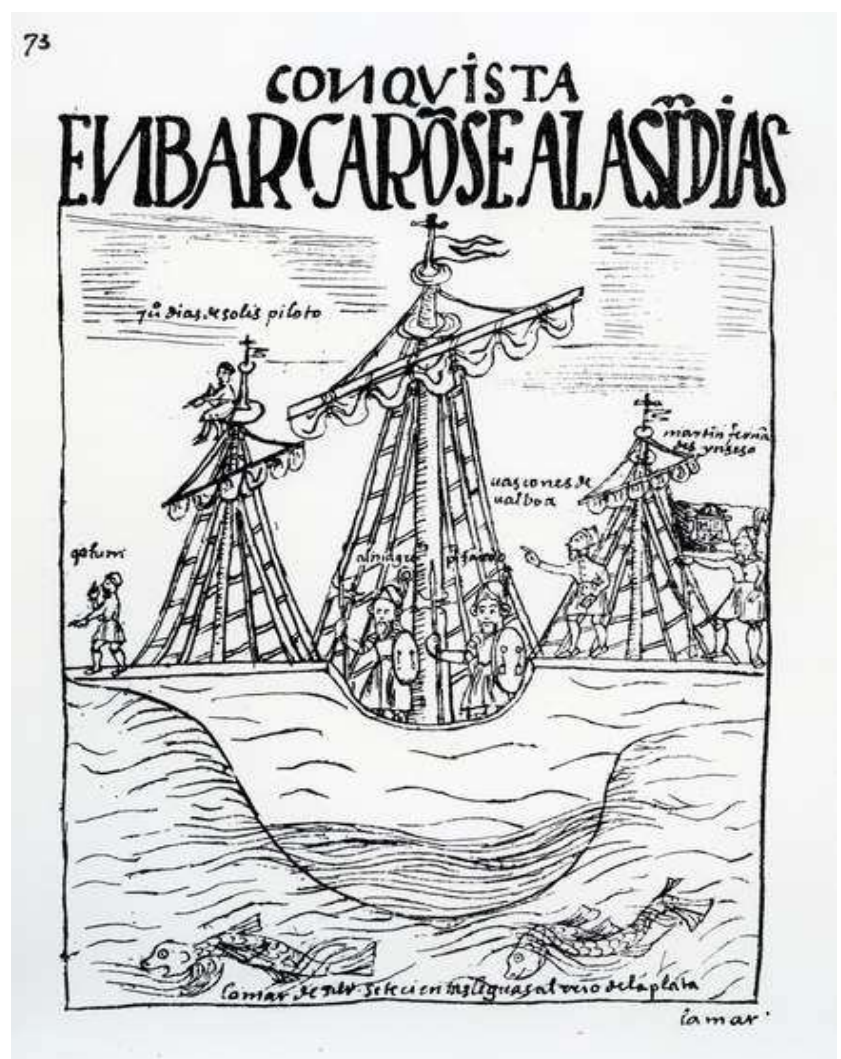
SG: to act on climate seems much easier than biodiversity, however, climate is totally biased. We know exactly what we need to do for climate. There have been 28 COPs for climate, and we know what needs to be done: it’s phasing out coal, phasing out fossil fuels. That’s roughly 80% of the solution? Or a big portion of that. The solution is easier, technically speaking, in climate. Biodiversity is intrinsically more complex, measuring biodiversity is unknown [to most people]. The beauty of climate is the “simplicity”, meaning the CO2 equivalent measure which regroups the 6 greenhouse gases under one measuring umbrella, which simplifies the measuring, therefore it simplifies the climate action needed to reach the target metrics. Biodiversity is more complex to measure.

But nature is so powerful. If we stop pushing the boundaries on nature, nature will rebound very quickly. We can see the impact on forests and oceans. If we stop fishing for a certain period, the fish stocks and the whole marine life will bounce back very quickly. Nature can bounce back [unless we destroy it to a tipping point]. This is why I don’t like to talk about “nature restoration” as we can’t restore nature to its previous state. It won’t be the same, ecosystems are in permanent evolution. What we can do is to restore the conditions to allow natural ecosystems to recover and be healthy again.

So, it seems like climate action is easier because is easier to measure, however, acting on nature is easier because it works by itself.

JCGA: if you were to choose, as an investor, between climate and biodiversity investments, what would you choose?

SG: I choose both. Climate and biodiversity investments are perceived as sort of parallel worlds, but you can do both at the same time. However, you need to find the right balance. For example, you can do a very efficient carbon capture investment by investing in very large-scale highly dense monoculture plantations with very little to no diversification. It’s very good for carbon but not so good for biodiversity. On the other hand, if you want something which is highly diverse, highly contributing to biodiversity, then you’ll necessarily have an intervention that is less efficient in terms of climate [at least in the short term]. Both issues, climate, and biodiversity, are not totally aligned. So, you can address both biodiversity and climate, but you need to find the right balance.



First steps of globalisation: Felipe Guaman Poma de Ayala (AD 1535–1616), “Voyages of discovery of the New World taken by Christopher Columbus, Juan Diaz de Solis, Diego de Almagro, Francisco Pizarro, Vasco Nunez de Balboa and Martin Fernandez de Enciso, 1615, The First New Chronicle and Good Government”. The Royal Library, Copenhagen (GKS 2232 4°). By 1527, the Inka Empire, known as Tawantinsuyu, was becoming fragile, with various conquered peoples rising in revolt. Smallpox, introduced to the Americas by European conquistadors, swept into the region, killing many, including Huayna Capac, the eleventh Inka ruler. This set off a war between his sons, Atahualpa and Huascar. Atahualpa won the power struggle in 1532, just as the Spanish arrived. The rest is history.

JCGA: Sylvain, you have launched October, Impact Now! as a solution for institutional investors. In your view, what do we need most to solve the climate and biodiversity challenge, more institutional investors, or more entrepreneurial investors? What is more fun?

SG: it really depends on what you like and what you are good at. For instance, on what I’m good at, is to have crazy ideas and bring them to stage one (1), proving that is not impossible. Having an idea, putting together a team, and working very hard on the crazy idea to make it happen, and ensure it’s possible to make it happen. That’s stage one. Some entrepreneurs are good across all the stages, like Jeff Bezos, from starting an idea in a garage until creating a global company, starting from an idea until building an empire. I personally I’m not that kind of guy. I like to develop but reaching to a certain stage I’m not the right guy, I need to pass it to the next leader. This is why you need investors, to help you to implement, to develop, to go to scale. For me, my personal conviction, is that I’m good to go from stage 0 to stage 1, then to crowd in investors that will allow the venture to develop over time.

JCGA: In the U.S and Europe there are plenty of investors and the start-up community is very large. In developing countries, like in Peru, we lack that tissue, of a large investment community of entrepreneurs and investors. Don’t you think that, by focusing only on Europe (you, and with the macro trend, many others), that would prevent developing countries of getting entrepreneurs-investors like yourself, which is very needed to solve the climate and biodiversity crisis? Can international cooperation replace the ideas and drive of entrepreneurship?

SG: Juan, you are the perfect example, and you know this. When we set up Althelia, it was a global practice. With a head office in London and operations everywhere in the world, including Peru. At the time, there was very limited capacity for developing our business in Peru.

Now, 10 years after that, you have a huge capacity in Peru, and people are much more knowledgeable than before. That’s far more satisfactory, to have local people in charge of action on the ground. They don’t need me. They don’t need a white 50-year European male to come from Paris once a month, for a week, to tell people what to do. I can tell you that now, people are much better without me. That being said, exchange is key.

We need to exchange all the time. However, I don’t believe in this top-down approach where some people understand everything and give their knowledge to the rest of the people. There are bright people everywhere, you have information technology today that allows for exchange without travelling too much.

You still need in person discussions and interactions, but I can tell you that expertise is right now on the ground, being Europe, being Peru or being Africa. You have immensely talented people that can act [to get] to the next stage.

JCGA: that's very encouraging Sylvain. Let's talk again about entrepreneurship. On this topic, how do you choose your investors for your specific ventures? Have you never been confronted to situations where you said to yourself "I shouldn't have taken that money"?

SG: Sure, yes. That's the most difficult decision to take, because when you start a business, you don't have the solution by yourself, it's a co-construction. When you are the only and best expert in your venture, your risk is that you are too narrow minded in your development, ignoring what's happening around you. So, choosing your investors is critical. Something that I have learnt with time is that finding investors is not about money, is about the co-construction that you can have with them. So, it's about the network that the investors are going to bring you, the ideas, the staff, the clients. Today in my new ventures I'm really focusing in getting the right investors that can bring this knowledge and this network. Not too much about money. Money you can always get it if you have the good ideas and the good team. Money is around. It's not too much about money. It's about how can you develop faster, better and with strong alignment of interest with your investors.

“It's not too much about money, it's about knowledge and network. That's the important thing when choosing your investors”.

It's not easy. When you are an entrepreneur, you are so much in a run, so much focused on making something happening that you may have the tendency, particularly when you're in your first or your second venture, to accept any big money thinking that's the best, but often that's not. You need to be very careful choosing your investors, making sure that they are going to support you and not going to prevent you [to do something important for your venture].

JCGA: And what about your associates, how do you choose your business partners, your cofounders?

SG: again, I'm choosing people who can bring me something. Same as investors. The associates, the business partners, are people that can bring you either the network or the experience that you don't have. Typically, I'm not someone who is good at public relations. I just don't like that, I'm not good at that, so I usually have business partners that are much better than I'm at public speaking, selling, and so on. Which is great. I'm much more on the quant side, crunching g numbers, talking about risk management and so on. Representing the company is something that I like my partners to do. I'm not the one who likes to communicate very much on this.

JCGA: Are they [cofounders] people that you've known for a long time or completely new people to you? How do you manage the risk of not knowing people, that moral hazard?

SG: the funny thing is that not everyone is designed for entrepreneurship. Some people believe they are good at that but actually they are not. When you are moving from working in a company to being an entrepreneur, it's a totally different life. You can know people who use to work in your company, or who were your colleagues in a certain company, or even that you know socially, but when they become cofounders with you it is a totally different story. That doesn't help you a lot in choosing your business partners.

Obviously you know them, that they are honest and that's fundamental in any partnership. However, that being said, in the day-to-day basis, people are very different as business partners than as employees or colleagues. So, you need to be very careful in choosing them. In the end, it's always a question of alignment of values. Ok, your business partners will help you more in certain aspects and less in certain others. That happens. If you have the same values, you'll adjust, you'll adapt. It's like an old couple, you don't really know your wife until you marry her, and then you adjust, and by adjusting you live happily.

JCGA: and how do you do for your employees? How many people are you employing right now in your new ventures? How do you choose those people? Or do you let other to decide?

SG: it's really networking. It's really about letting people I know that I'm looking for someone with this and such profile, discussing, and letting people come to me from this network. I don't publish too many adds. I'm usually quite disappointed about what is coming from head hunters or LinkedIn. In the end, it's all about convictions, people who are ready to lead, to take the chance to move and to change of direction. So far, so good.

JCGA: what's more important from your experience: the diplomas, the drive, the education, the intelligence? What has been more important to you, for your ventures?

SG: in France, it's very diploma oriented. It's something that's very strong. If you are coming from this or that business school, or university, your are supposed to be bright and intelligent. I don't believe it at all. It's not something I look at all. It's really about alignment of interests, about how people are reacting, discussing, what technical expertise they can bring. And expertise is not something that comes from diplomas but from experience. So, for me, it's making sure there is a good fit. In the end, often, you spend more time with your employees than with your kids, so you need to make sure these guys are the people you can work with, you can trust them. It's about trust.

JCGA: Sylvain, last question. What do you think is the source of inspiration for entrepreneurs. Some people say it is money, because they want to create unicorns, they want to IPO, they want to be billionaires, young, bright, beautiful and billionaire. Then, quite the opposite, there are people who really want to solve hard problems and that's their source of inspiration. From your experience, for the entrepreneurs you know, what is their source? What is your's?

SG: it's challenges. It's always about making things possible. This is what really drives me and most of the entrepreneurs I've met. I'm part of many entrepreneurs' circles, people exchanging about their experiences, about entrepreneurship, what they like, what they don't like, what they are good at and what they aren't, how can they solve problems, and so on. The one constant that I see is that they are people who like to solve problems. It can be a technical problem, a global problem like climate, but they always try to find solutions. For me that's what makes a true entrepreneur. A true entrepreneur is someone who not see problems but imagine solutions.

“A true entrepreneur is someone who not see problems but imagine solutions”.

JCGA: Thank you Sylvain. It was great talking to you.

SG: The pleasure was mine.

-End of the interview-

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