

# Addressing finance demand for smallholder & sustainable agriculture - at scale

SAFIN Workshop  
November 2017 - Rome



# Triodos Bank

Our organization – 35+ years mobilizing finance for quality of life

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- European independent retail bank
- Leading in sustainable banking
- Since 1980 | 5 countries | 600,000+ clients
- EUR 13.5 billion AuM | 1,100+ co-workers
- Core tier 1 ratio: 19.8%

Foundation for the  
administration of  
Triodos Bank Shares

Triodos Bank

Retail & Business Banking

Netherlands | Belgium | Germany | Spain | United Kingdom

Investment Management

Europe | Emerging markets

Private Banking

Netherlands | Belgium

- 20+ years track record in impact investing
- 6 impact areas
- 500+ direct investments across the globe
- EUR 3.5 billion AuM
- 150+ investment professionals





**CSAF** COUNCIL ON SMALLHOLDER  
AGRICULTURAL FINANCE

# About CSAF



**Market Growth** to meet a greater share of the vast financing need of the world's 450 million smallholder farmers.



**Responsible Lending Principles** promoting market growth that contributes to positive impact on agricultural businesses, the smallholder farmers they aggregate, and long-term sustainability of the sector.



**Social & Environmental Impact** for farm households, their communities, and the ecosystems on which we all depend.

## CSAF Members & Affiliates

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AgDevCo<sup>®</sup>

alterfin

GLOBAL  
PARTNERSHIPS  
\*

IMPACT FINANCE

incofin  
INVESTMENT MANAGEMENT

OIKO  
CREDIT

Rabobank

responsAbility

rootcapital

SHAREDINTEREST  
INVESTING IN A FAIRER WORLD

Triodos Bank

# In Collaboration With



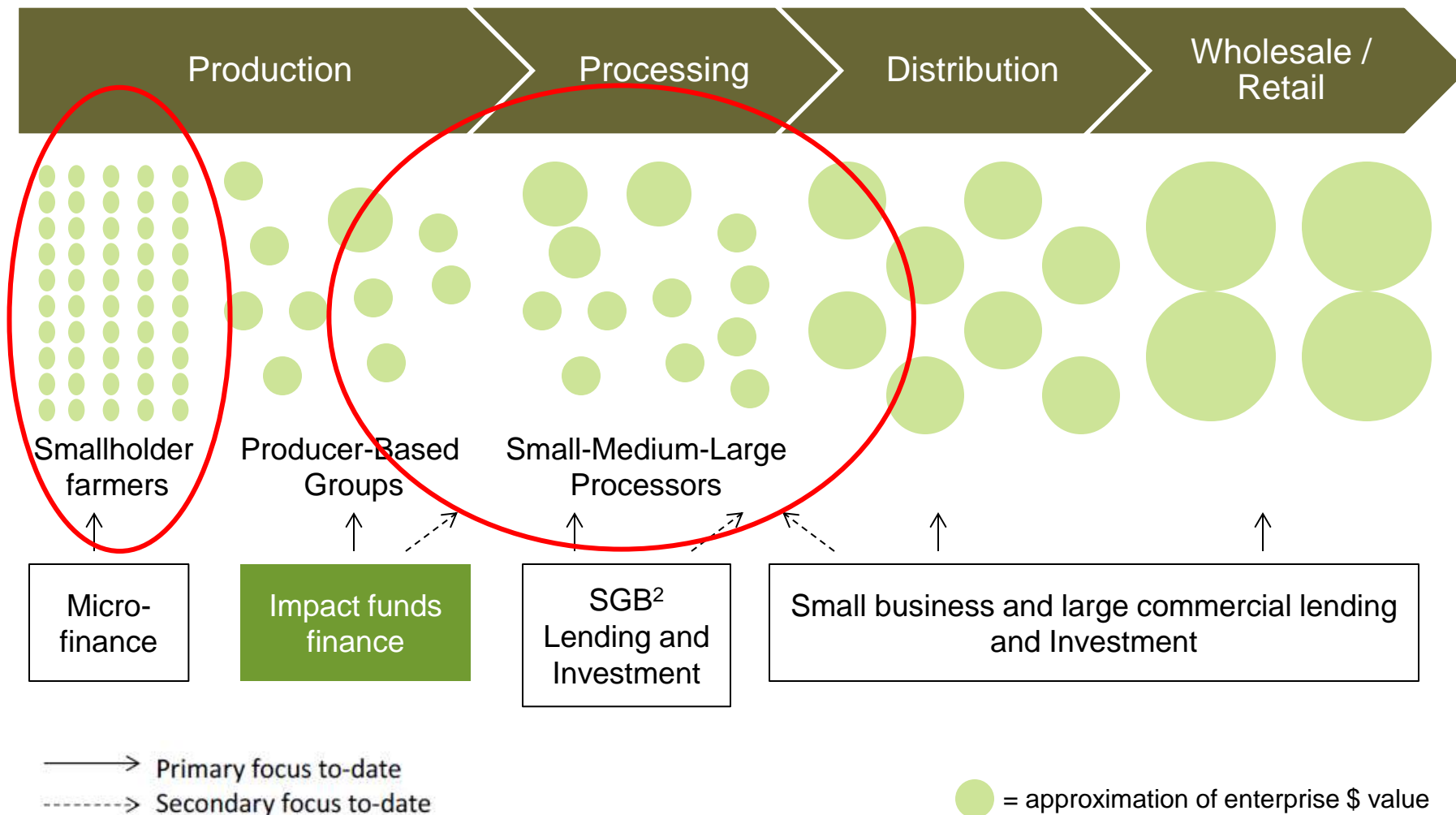
Smallfoundation



# Understanding demand, the early days....



**2016 Inflection Point: 270 million smallholders – \$200 Bn finance need – now \$ 50Bn provided...how much is addressable, and by which source?**



1) Some social lenders also lend further downstream to distribution and/or wholesale actors;

2) SGB = Small, growing business

Source: Dalberg analysis



# **Growth Trends & Insights**



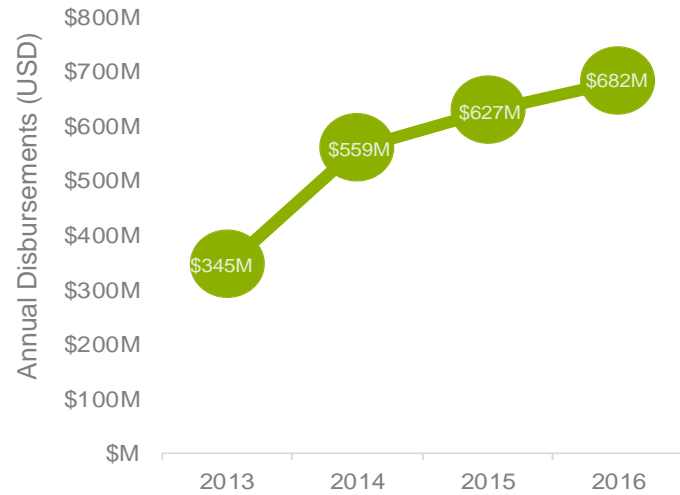


# 2016 At A Glance

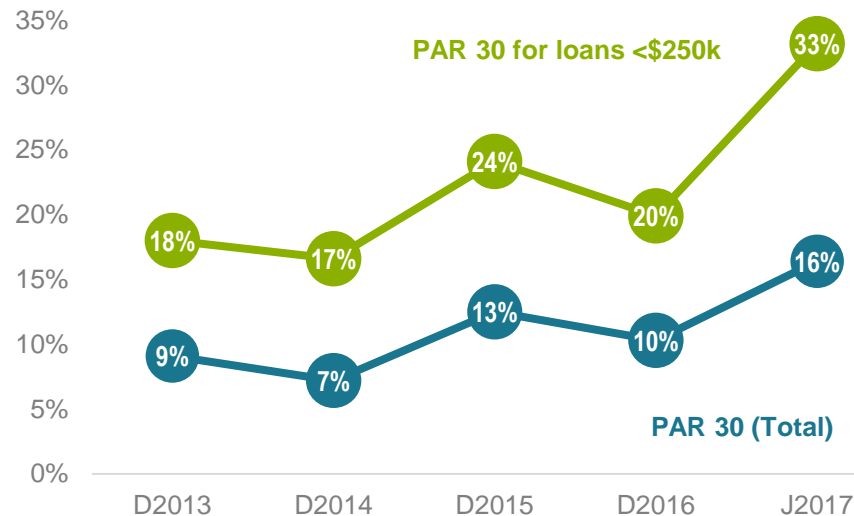
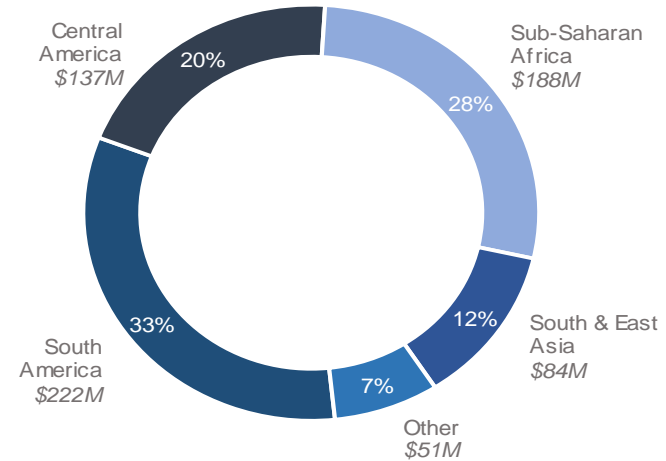


# Trends indicating demand and risks...

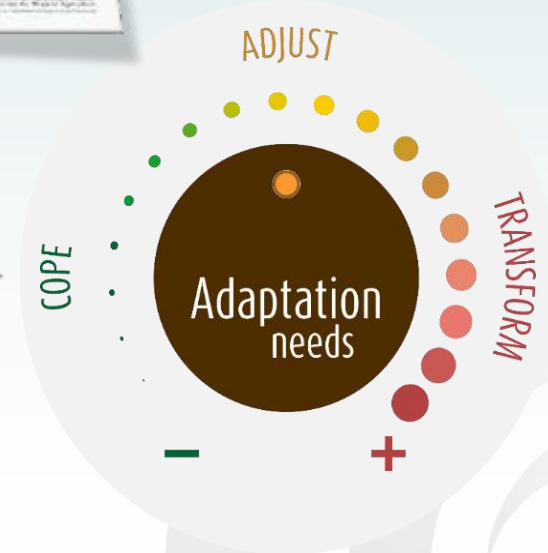
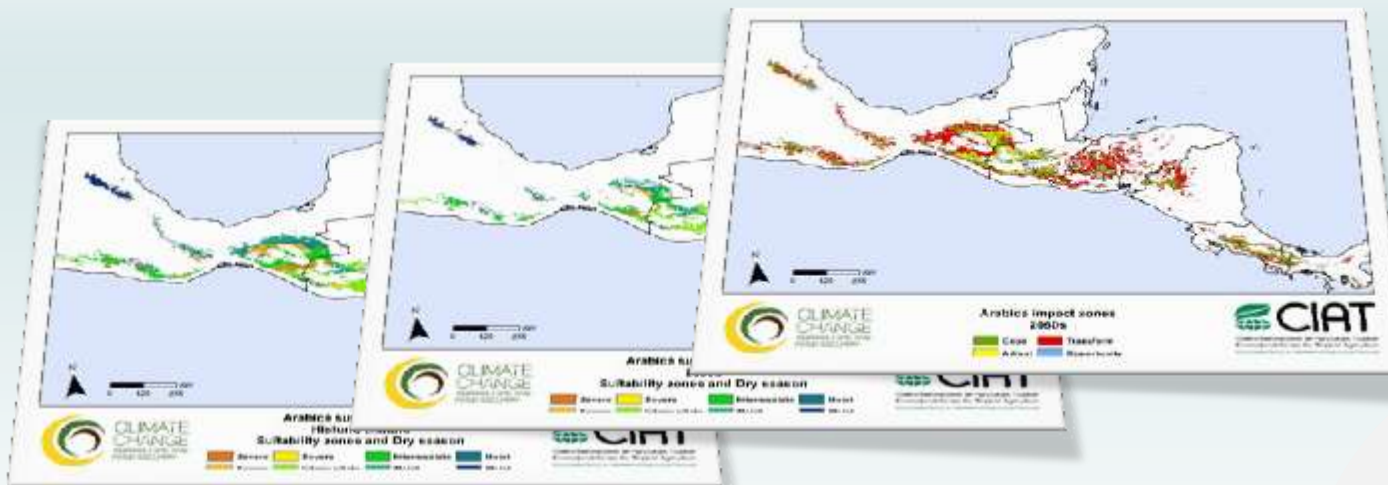
Lending Growth

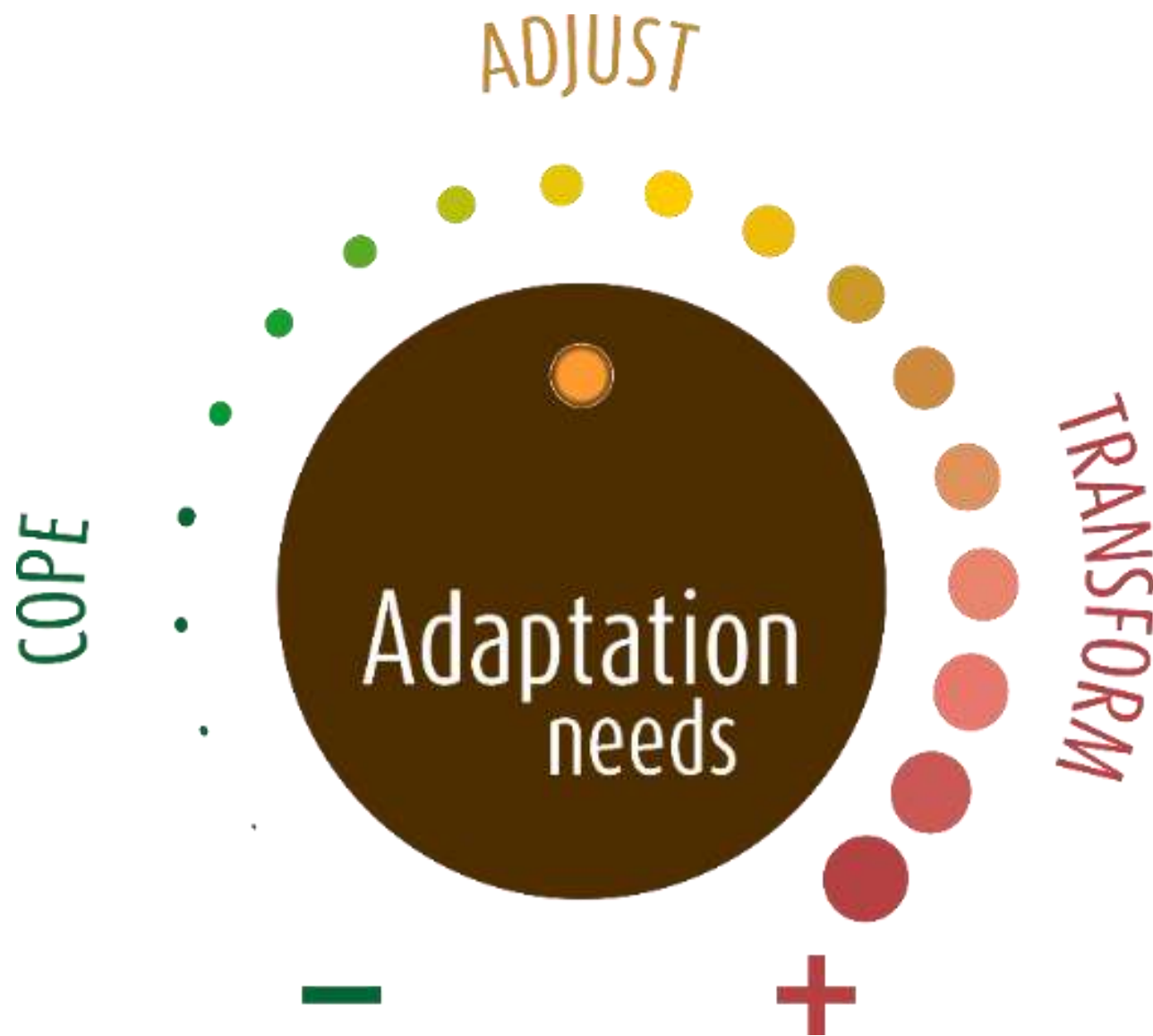


Regional Breakdown of Lending



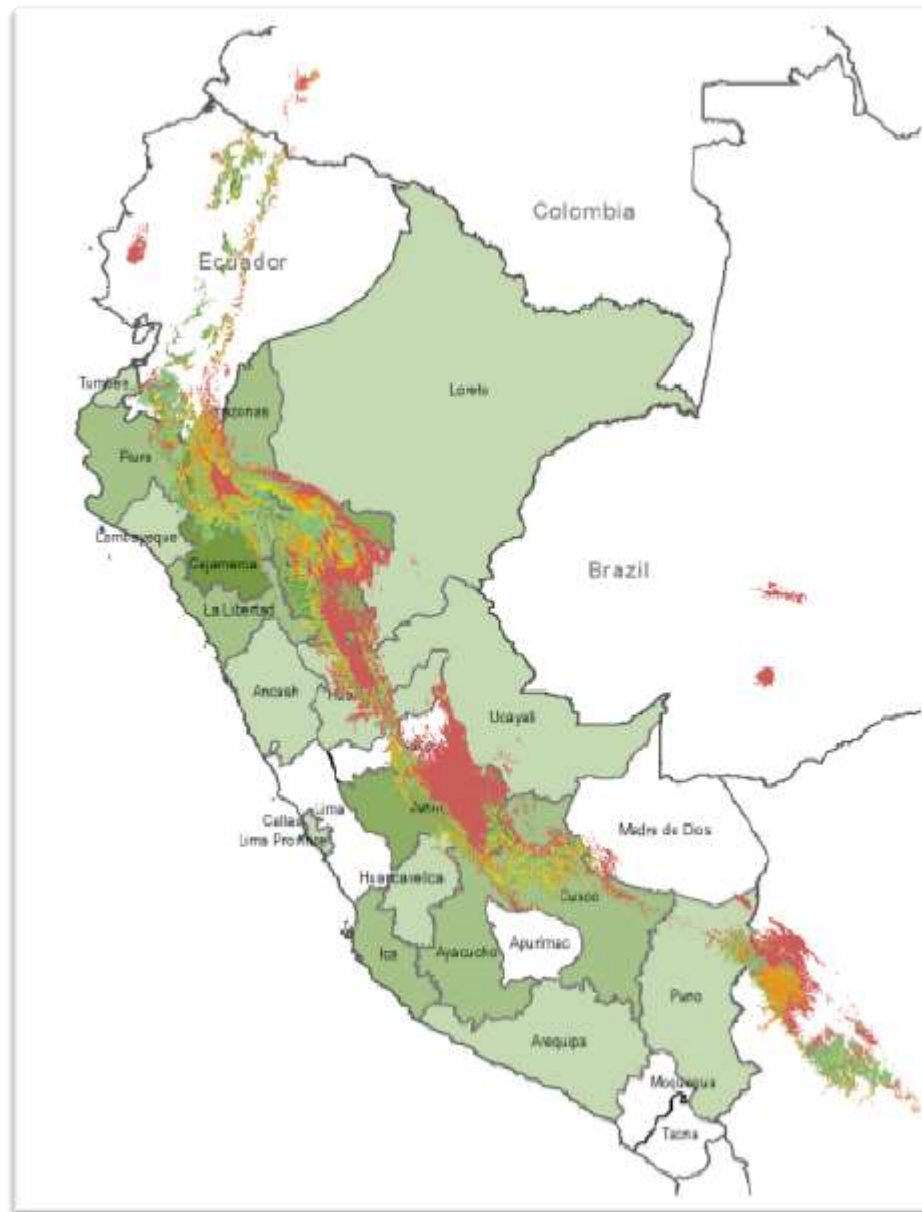
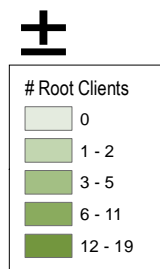
# 1 Map the **impact gradient** to understand the risk of climate change over time







# Mapping portfolio exposure



# Investment portfolios supporting CSA investments

*Must come with matching blended finance and TA*



- Increase shade cover
- Improved crop management including pest and diseases
- Soil and fertility management
- Water management



- New varieties
- Irrigation and water harvesting
- Introduction of other crops and sources of on and off-farm income



- Move from diversification to replacement of coffee with other crops
- Emigrate to other region
- Off-farm employment



**Tailored CSA  
investment plans**

**Different sources  
of investment**