Feasibility and initial design co-led by:

iGRAVITY

HELVETAS Swiss Intercooperation

Supported by a design grant from:

SDG Impact Finance Initiative

GREEN BOND FOR SUSTAINABLE RICE IN AFRICA

Strengthening the Rice Value Chain in Africa through Financing for Farmer-Allied Intermediaries

WORLD FIRST GREEN RICE BOND

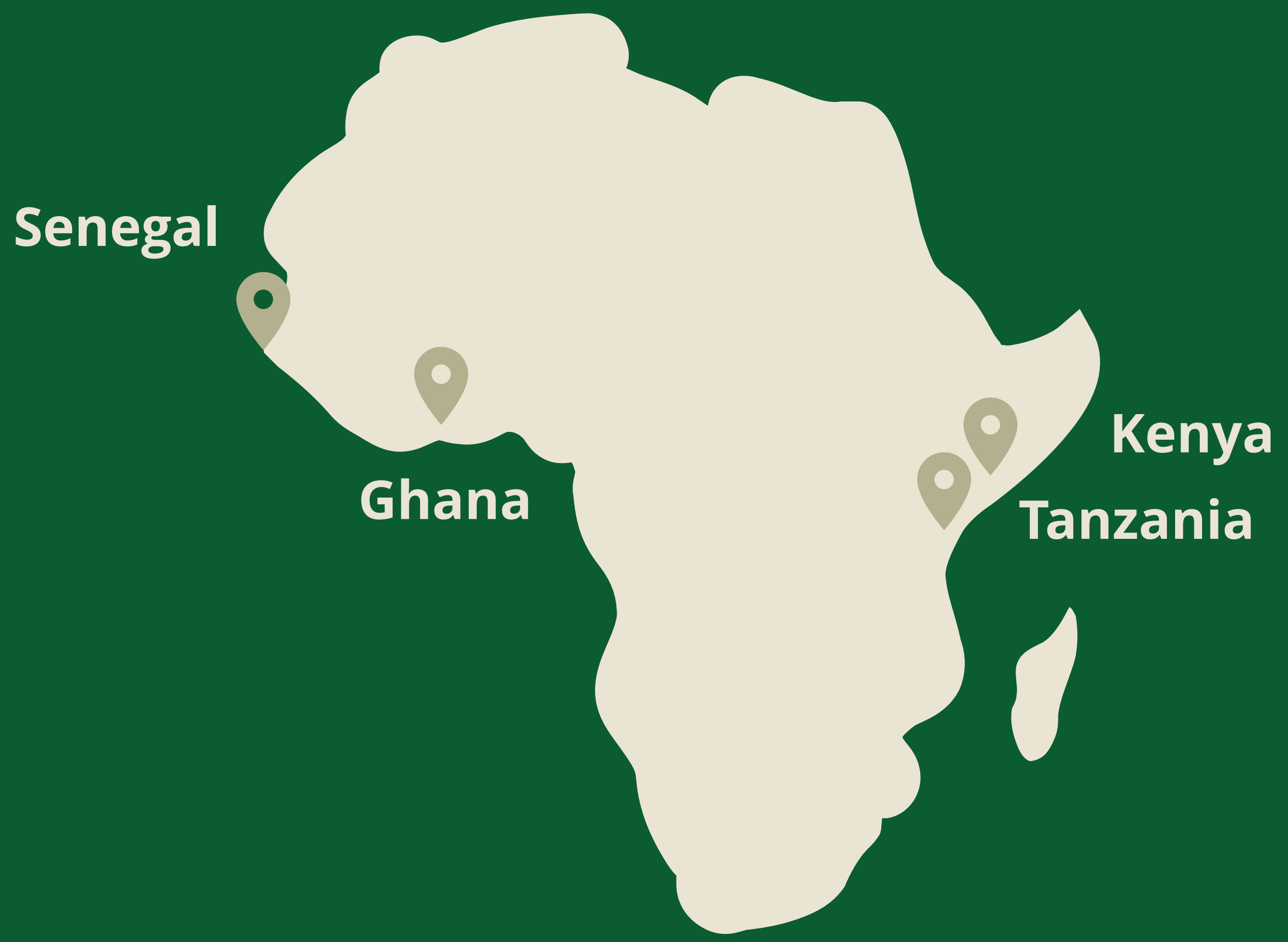
VISION

To create a **scalable**, **replicable** finance model that helps smallholders adopt sustainable practices, raise incomes, and build resilience for global **food security** and **environmental sustainability**.

MISSION

Catalyse the development of local rice value chains in Sub-Saharan Africa through the issuance of a series of **Green Rice Bonds**. Proceeds will provide tailored debt financing to **financial and agricultural intermediaries**. A specialized **technical assistance** will reinforce investees' agri-lending capacity and enhance their services to support farmers' transition.

MARKET OPPORTUNITY



SSA's rice sector holds vast untapped potential for inclusive growth, food security, and climate resilience.

Rising demand but supply gap

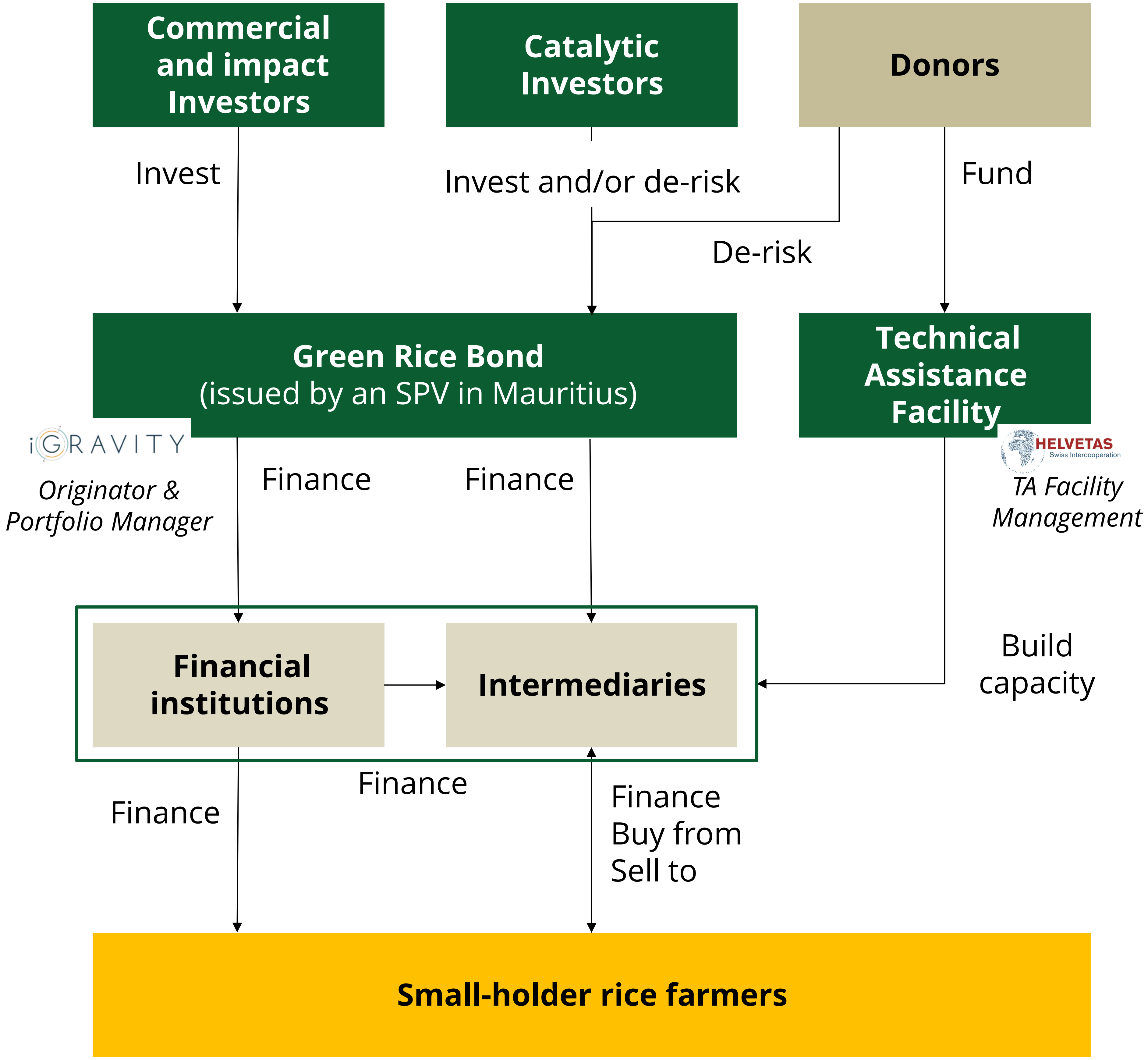
- **Rice is among the fastest-growing staples in SSA** (+6% p.a. due to population growth, changing diets,...)
- **Local supply** covers only ~60%, driving $**6B+ in imports** and price vulnerability.

Strategic commodity

- **Inclusive growth:**
  - Rice is a primary source of income for **35+ million smallholder farmers**, many of them **women**.
  - The sector can help absorb SSA's **17 million youth** entering the labor market each year.
- **Food security**: Rice is central to national food security strategies across Africa.
- **Climate resilience**: Climate-smart practices cut emissions while boosting productivity and resource efficiency.

SOLUTION

- The Green Rice Bond aims to **address the shortage of suitable and adequate capital** for stakeholders in the rice value chain.
- The instrument will be structured as a **blended finance vehicle** to accommodate different investor profiles.
- The Bond will provide **debt financing** and **technical assistance** to **rice intermediaries** directly or through **financial institutions**.



TA: INTEGRATED APPROACH

The combination of finance and targeted technical assistance is crucial for the success and sustainability of the initiative.

Mitigating Risk

TA reduces financial risks for lenders and borrowers by ensuring sound agricultural practices and business planning.

Effective Capital Use

Guidance ensures that bond proceeds are invested wisely, maximizing productivity and environmental benefits.

Building Capacity

Farmers, intermediaries and financial actors gain essential knowledge and skills in sustainable rice production and access to capital, fostering long-term resilience.

Maximizing Impact

Integrated support drives higher yields and stronger returns, both economically and environmentally.

TA: APPROACH FOR SUSTAINABILITY

5-year phased approach (2026-2030)

1. Diagnose
Rapid needs assessment during investment due diligence

2. Co-design
Modular TA packages with cost-sharing for ownership

4. Review & Adapt
Track KPIs, adjust packages, standardize successful elements

3. Deliver
On-site coaching, local service providers, peer learning

Key Partners

- Helvetas Swiss Intercooperation
- Sustainable Rice Platform
- Kilimo Trust
- TapBDS

IMPACT METRICS SUMMARY

Impact

Increased **productivity, resilience**, **climate smartness** and **gender inclusiveness** of rice value chains in **Tanzania and Kenya**.

1 NO POVERTY · 2 ZERO HUNGER · 5 GENDER EQUALITY · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION

Outcomes

Outcome 1: Access to Finance

Strengthened and more inclusive value chains in the countries of operations through enhanced access to capital.

Outcome 2: Climate

Improved access to services and inputs strengthens climate change mitigation and adaptation and increases resilience.

Outcome 3: Income

Enhanced adoption of climate-smart practices boosts smallholder productivity, incomes, and inclusivity.

Indicator	Target
Total loan amount deployed to the Rice Value Chain.	USD 25M
% of total loan amount compliant with the ICMA Green Bond Principles.	60%
No. of rural (smallholder) borrowers.	45k

Indicator	Target
No. of acres applying climate smart techniques.	150k Acres
Farmers report Improved climate resilience through adoption of SRP practices.	50%
Reduction of methane emissions in irrigated/flooded rice fields.	30%

Indicator	Target
No. of smallholder farmers trained (50% o/w women).	50k
Average increase in income for smallholder farmers, (50% o/w women).	+10%
Average reduction in production costs for smallholder farmers, (50% o/w women).	-10%

Input

Debt Finance | **Technical Assistance**

Green Rice Bond

TIMELINE

Foreseen timeline

Q4 2026

2028

Rollout of the initiative

Feasibility study to be completed by end of 2025 and fundraising activities planned until Q3 2026

1

1st Issuance

- Target of USD 25M
- ~ 20 investments
- 2 countries (Tanzania, Kenya)

2

Scaling

- Target of USD 50M
- 4-6 countries
- Expansion to other crops