



**EDFI**

**AgriFI**

# 2022 Annual Report





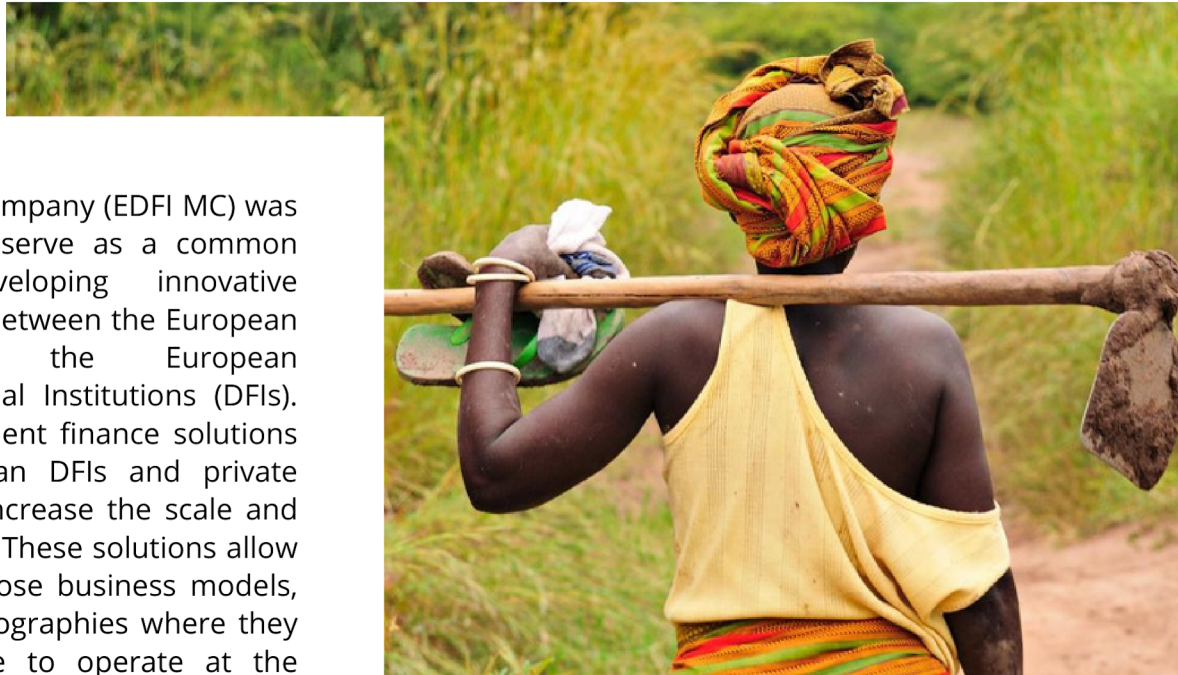


EDFI AgriFI is an EU funded impact investment facility, managed by EDFI Management Company. Our mandate is to provide medium to long-term financing to private sector enterprises active in the agri-food value chain with a focus on smallholder farmers.

EDFI Management Company (EDFI MC) was created in 2016 to serve as a common platform for developing innovative partnership models between the European institutions and the European Development Financial Institutions (DFIs). We deliver development finance solutions that enable European DFIs and private sector investors to increase the scale and impact of their work. These solutions allow them to focus on those business models, technologies, and geographies where they have not been able to operate at the desired scale, given their resources and investment criteria. It places a particular emphasis on sectors that are critical to sustainable development such as clean energy and sustainable agriculture.

EDFI AgriFI targets Small & Medium Enterprises active in the private sector. These SMEs work with smallholder farmers on projects that are sustainable from a financial, environmental and social perspective. We aim at supporting ventures that are part of the “missing middle” i.e. companies often neglected by commercial banks and international investors. In this context, the funding needs of these companies are fulfilled by AgriFI so they can thrive.

[www.agrifi.eu](http://www.agrifi.eu)  
[www.edfimc.eu](http://www.edfimc.eu)



*“The EU is firmly convinced that investing in agri-SMEs is essential to boost commercial agriculture. Farmers need better access to capital to fulfil their potential. AgriFI is a unique instrument fully financed by the EU capable of de-risking projects, developing markets and catalysing European DFIs and other private investors. We are proud of the support provided so far to sustainable agri-SMEs, MFIs and impact funds whose clients or end beneficiaries are smallholder farmers in low and middle-low-income countries. Given AgriFI’ success, we look forward to continuing opening new windows in the future according to EU Delegations’ needs and funding availabilities.”*

Leonard Mizzi,

Head of Unit,  
 DG for International Partnerships,  
 European Commission



Out of all sectors, agriculture emerges as the vital strand interweaving the 17 SDGs. Channelling resources into the agricultural sector possesses the potential to tackle not just hunger and malnutrition, but also a range of other issues such as poverty, gender equality, decent work and economic growth, responsible water and energy utilization, climate change, and the shift towards sustainable production and consumption. It is our objective to contribute to global development, especially poverty eradication and climate goals, and thus contribute to the SDGs.

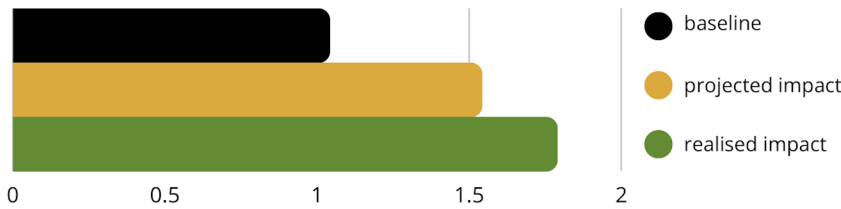
**Our Mission**

To build sustainable and inclusive agribusinesses and contribute to improving smallholders' livelihoods.

**Key contributions to SDGs**



**Million smallholder farmers**

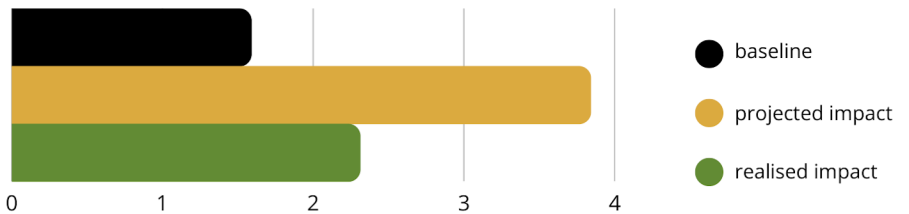


**125 000+**  
beneficiaries reached until the end of 2022, attributed to AgriFI funding

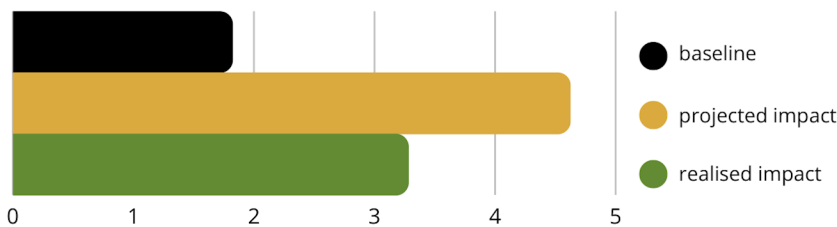
**335 000+**

agricultural production until the end of 2022 attributed to AgriFI funding

**Million tons**

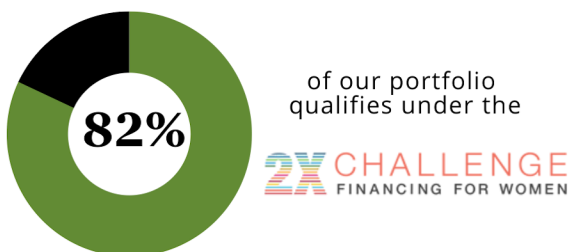


**Million ha**



**394 000+**  
hectares under cultivation until the end of 2022 attributed to AgriFI funding

**Women empowerment**



**Note on methodology:** Our methodology aims at identifying more precisely the impact that our funding generates. For information, we apply 100% attribution of impact to SMEs we invested in, and a percentage equivalent to the EDFI MC investment within the total funds for impact funds and MFIs. In terms of beneficiaries, the 10 investee companies were reaching 1 041 409 smallholders prior to AgriFI's investment (baseline). Successfully rolling out their business plans with the funding received would allow these companies to reach a projected impact of 1 541 175 smallholders (projected impact). As per 31/12/2022, these 10 investee companies already have outperformed on this projected impact by reaching 1 788 366 beneficiaries (realised impact).



The private businesses we invest in play a vital role in strengthening sustainable value chains, creating additional jobs, improving food security and more sustainable environmental and social practices. EDFI AgriFI targets to increase the production and incomes of more than

**2 million**

smallholder farmers, by the end of the tenor of our investments.



We invest in a strategic way to fill market gaps and reach underserved businesses. Our finance solutions allow them to reduce their exposure to risk and scaleup, as a means to access traditional funding under a team Europe approach. We work closely with European DFIs, the European Commission, EU delegations and governmental institutions.

**75%**

of our portfolio value, currently is a joint investment with one or more of the European DFIs.

We aim to catalyse additional commitments. Our investments rely on a sound financial, legal and ESG analysis to grow promising early-stage businesses and support them to access additional financing. Our leverage factor is

**3.1X**



We offer flexible, medium to long term financing solutions tailored to each specific company, with investments ranging:

**€ 0.5 - € 5 M**

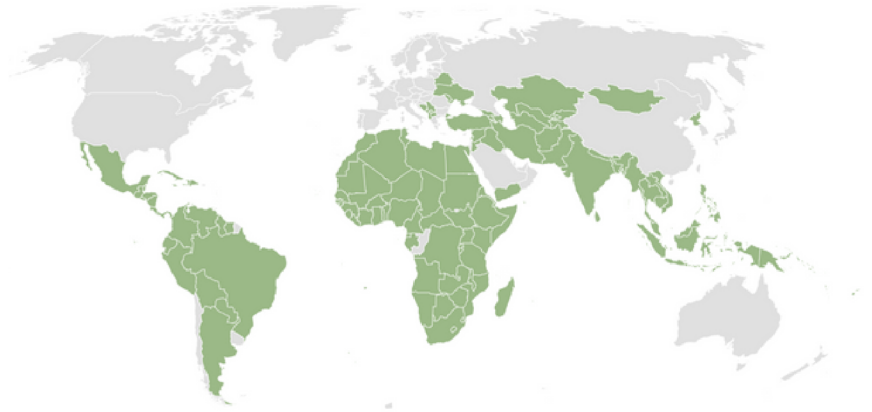
via appropriate instruments, including equity, equity-like and debt. We also provide continuous support and guidance throughout the investment process and post investment through technical assistance.



EDFI AgriFI is an innovative and inclusive impact investment facility supporting access to finance for agri-SMEs and smallholder farmers, with a **€ 120 million** allocation funded by the EU and earmarked as follows:

## Global window of € 40 m

Scope:  
Focus to provide medium- to long-term financing for private sector enterprises active in the agri-food value chain across the OECD DAC (Development Assistance Committee) countries.



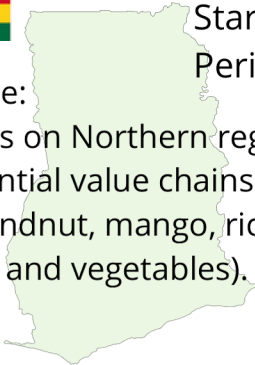
## Country Windows of additional € 80 m

### Ghana



Size: **€ 10 m**  
Start: 2021  
Period: 12 Y

Scope:  
Focus on Northern regions and 7 high potential value chains (cashew, groundnut, mango, rice, sorghum, soya and vegetables).



### Sri Lanka



Size: **€ 8 m**  
Start: 2021  
Period: 12 Y

Scope:  
Focus on supporting organic farming and agri businesses providing post-harvest losses solutions, through cold chain improvements for perishables.



### African, Caribbean, and Pacific (ACP)



Size: **€ 50 m**  
Start: 2021  
Period: 14 Y

Scope:  
African, Caribbean and Pacific countries. Focus on food security and 10 high potential value chains (sugar cane, dairy, cashew, coffee, cocoa...)



### Tanzania



Size: **€ 12 m**  
Start: 2021  
Period: 12 Y

Scope:  
focusing on livelihood improvement of farmers producing tea, coffee and horticulture (fruits, vegetables, spices, herbs and seeds)






By the end of 2022 we have invested


# € 26.6 million in 10 investees




**Fair Access Fund**  
Impact fund supporting MFIs, SMEs and cooperatives, focused on Latin & Central America, the Caribbean and Africa in the sector: agri multi crops/ lending products.




active in 19 countries  
Biggest exposure in Ecuador, Ivory Coast, Honduras



Impact fund

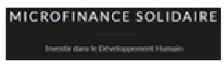


AgriFI




€ 5 M


**Microfinance Solidaire**  
Working in close collaboration with the NGO 'Entrepreneurs du Monde' finances and grows MFIs and social businesses in fragile regions (53% of its portfolio) and women (85%).




operations in multiple countries  
Biggest exposure in Haiti, Togo, Senegal



Impact fund




AgriFI




€ 2 M


**AlterFin** - A cooperative gathering around 6,000 members and being a founder of the Council on Smallholder Agriculture Finance (CSAF), Alterfin is particularly committed to financing the "missing middle".




active in 38 countries  
Biggest exposure in Ecuador, Kenya and Nicaragua



Impact fund



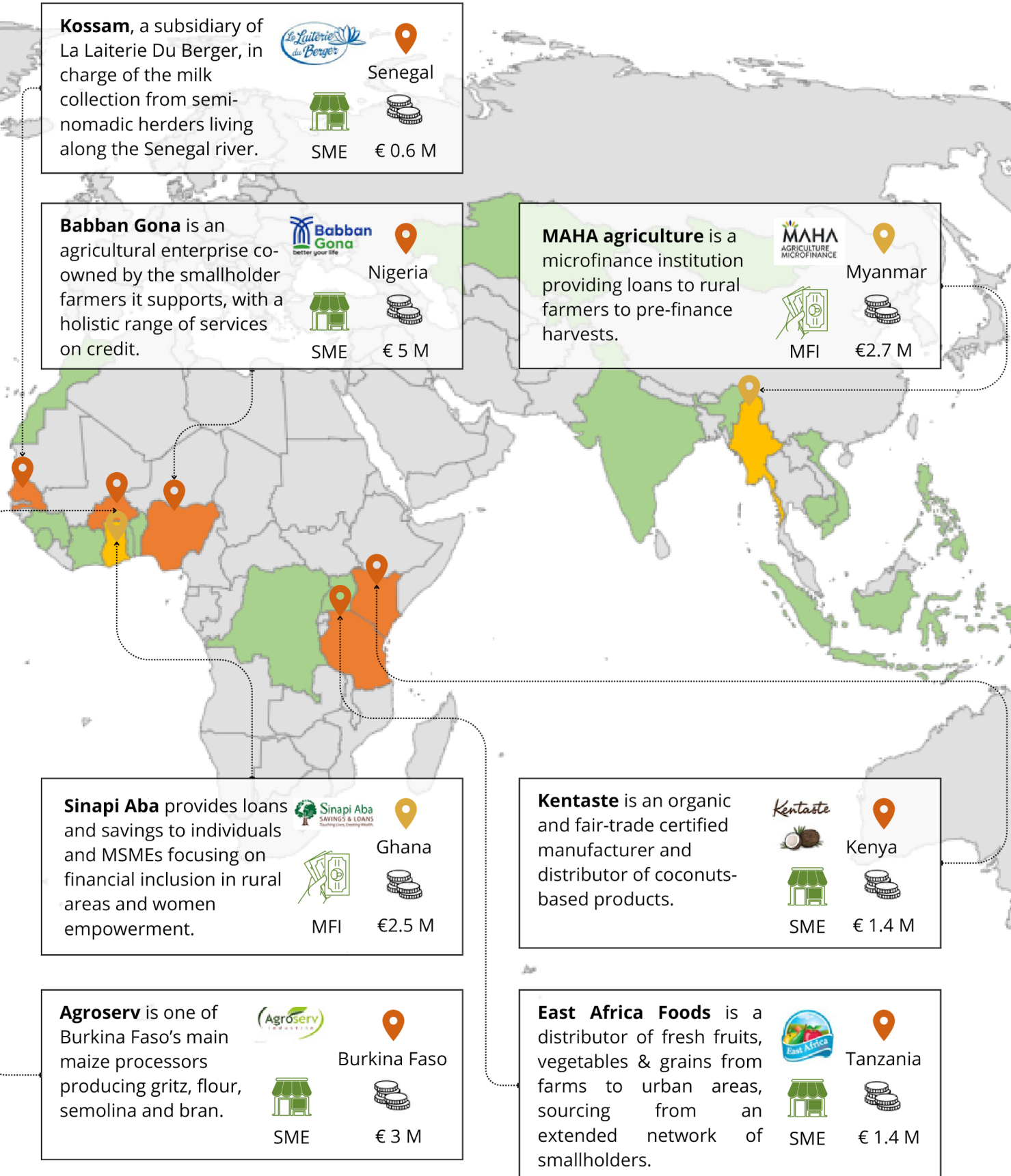
AgriFI



€ 3 M

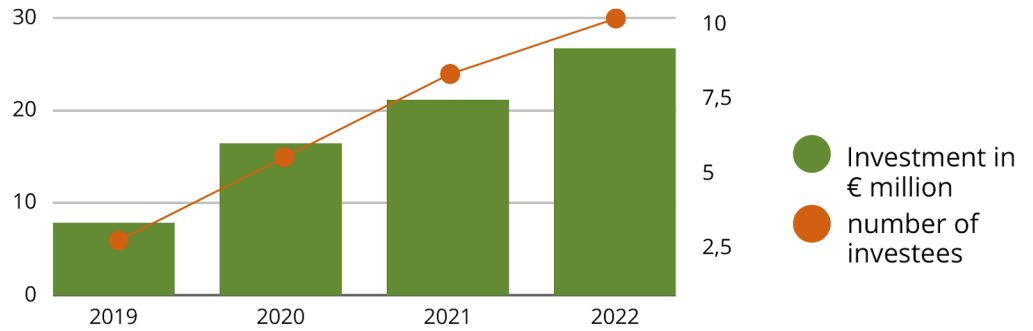
6 EDFI





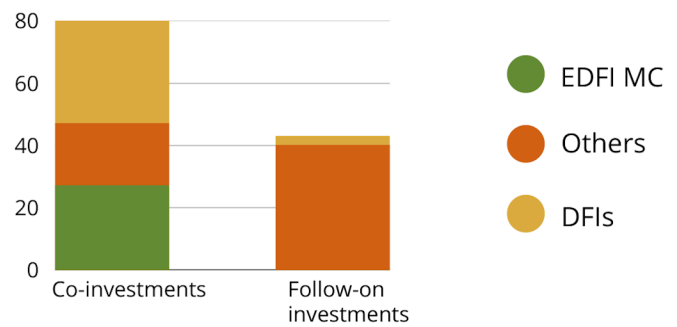


### Portfolio growth



### Leverage investments

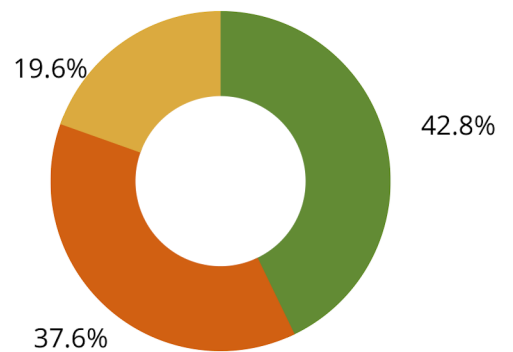
Catalysed capital in € million



### Breakdown per business model

Committed amount

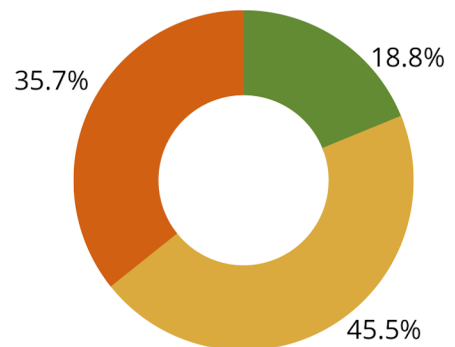
- SME  
€ 11.4 million
- Fund  
€ 10 million
- MFI  
€ 5.2 million



### Breakdown per financial instrument

Committed amount

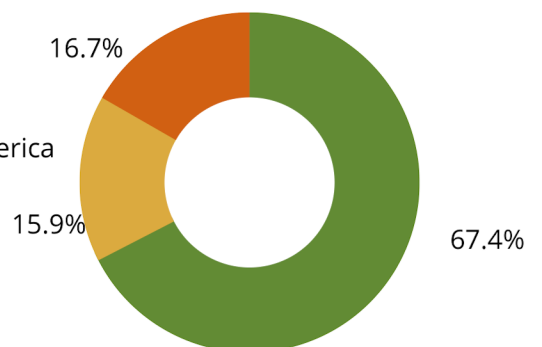
- Equity  
€ 5 million
- Junior debt  
€ 9,5 million
- Senior debt  
€ 12,1 million



### Breakdown per geography

Committed amount

- Sub Saharan Africa  
€ 18 million
- Central and Latin America  
€ 4,4 million
- Asia  
€ 4,2 million





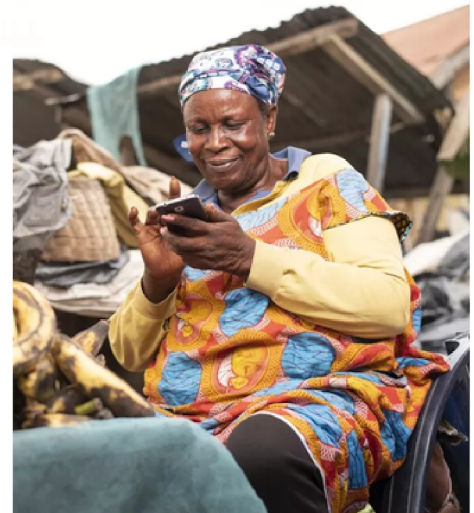
## Sinapi Aba



Sinapi Aba Savings & Loans Ltd (SASL) is a rural microfinance institution active for more than 20 years. SASL provides loans and savings products to individuals and MSMEs with a strong focus on financial inclusion in rural areas and women empowerment - 70% of its clients reside in rural areas and 80% are women.

Our funding incentivises the company to grow its agricultural portfolio including in the Northern regions, reinforces its capitalisation with a long-term subordinated debt and unlocks additional long-term debt from international investors.

Sinapi Aba aims to impact the livelihood of 25 000 farmers by 2025.



## East Africa Foods

East Africa Foods (EAF) is a family business collecting a range of quality fresh produce and grains from smallholder farmers, distributing it in Dar Es Salaam to street vendors, HORECA clients and supermarkets. EAF answers the increasing local demand by supporting smallholders (market access, training, pay on the spot and fair price/premium) and linking them with end clients, improving the convenience for both compared to the traditional middlemen system, and cutting post-harvest losses along the way.

EDFI AgriFI has provided a \$1,5 million financing enabling to scale up its activities in Dar Es Salaam.

EAF is targeting to impact more than 15 000 farmers by 2025.

## AgroServ



AgroServ is one of Burkina Faso's main maize processors producing gritz, flour, semolina and bran. The company aims to increase and diversify its products, by building an agri-food transformation complex in Bobo-Dioulasso.

With our financing, AgroServ aims to further expand and diversify its processing capacity, compliant with high quality standards and increase the sourcing from local smallholders around its plant. The investment will enable to reinforce an integrated value chain benefitting smallholder farmers in Burkina Faso, providing market access, services and fair price for their quality maize grains.

AgroServ aims to impact 30 000 smallholder farmers by 2025.





**3 targeted types of investees to reach out to smallholders**

**1**

**Impact Funds**

Funds enabling to target less mature investees in which we would not invest directly (e.g. producer organizations, rural MFIs, ...)

**2**

**Financial Institutions**

Financial institutions (e.g. MFIs) providing services that improve smallholders' financial inclusion

**3**

**SMEs**

High potential SMEs reinforcing the agri value chain (production/ aggregation/ processing/ distribution) with strong smallholder inclusiveness

**EDFI AgriFI offering**

Small and medium ticket size, long-term financing and technical assistance support

**Tickets size:**

€ 0,5 to 5 m investments

**Medium-long term tenor:**

5 - 10+ years (min. 3)

**All instruments:**

junior/senior debt, quasi-equity, equity

**Sectors:**

agrifood and forestry value chain

**Additionality & catalytic role:** additional to other market players and catalysing additional investments

**Flexible commercial terms:** e.g. patient capital, local currency, grace period

**Technical Assistance** may be provided to EDFI AgriFI investees.



## EDFI MANAGEMENT COMPANY - AGRIFI FRONT OFFICE

**Dominiek Deconinck**  
Chief Investment Officer

**Lionel Dieu**  
Fund Manager (a)

**Bart Coenegrachts**  
Senior Investment Officer

**Guillaume Simoes**  
Senior Investment Officer

**Perrine Duffaure**  
Investment Officer

**Robin Boereboom**  
Senior Investment Officer

**William Barrault**  
Portfolio Manager

**Aude Sauvaget**  
Senior Portfolio Officer

**Didier Niati**  
Portfolio Officer

**Géraldine Crosset**  
Senior Portfolio Officer

**Antonieta Delgado**  
Portfolio Officer

**Luciana Gaspar**  
Impact and Sustainability Manager

**Vladimiro Labate**  
Junior Sustainability Officer (e)

## EDFI MANAGEMENT COMPANY

**Rodrigo Madrazo  
García de Lomana**  
CEO (b)

**Mimsy  
Van Bokkelen**  
General Counsel &  
Compliance Officer

**Luc Cool**  
Chief Financial  
Officer

**Jean-Denis Collin**  
Fund Manager  
ElectriFI

**Olivier Moyens**  
HR Specialist

**Aurélie Terlinden**  
Legal Counsel

**Didier De Smedt**  
Head of risk (c)

**Corentin Billiet**  
Senior Investment  
Officer

**Natalia Svarinska**  
Senior Investment  
Officer

**Natasa Lakovic**  
Senior Communication  
Specialist (d)

**Charlotte Cavanagh**  
Paralegal

**Georgi Georgiev**  
Financial Analyst

**Guillaume Cruyt**  
Investment  
Associate

**Quentin Antoine**  
Senior Investment  
Officer

**Els Dalle**  
Office Manager &  
Executive Assistant  
Support

**Toep Van Mierlo**  
Senior Legal Counsel

**Laurent Peltier**  
Senior Accountant

**Liesbet Mijlemans**  
Senior Investment  
Officer

**Quentin De Hoe**  
Senior Investment  
Officer

**Josyane Costa**  
Executive Assistant &  
Office Manager support

**Pere Ribas Barceló**  
Co-Financing &  
Guarantee Manager

**Nicholas Chung**  
Senior Financial  
Analyst (f)

**Ruben Boeynams**  
Investment Analyst

**Maud Watelet**  
Senior Investment  
Officer

**Sophie Laine**  
EU Mandate Expert

**Aleix Jolis Rosell**  
Senior Financial  
Analyst

**Arlette-Joy Utuje**  
Financial Analyst

The EDFI MC Team is shown as per publication date of 1 September 2023 and with following notes:

(a) Lionel Dieu is the new fund manager as of 1 September 2023. The fund manager during 2022 was Dimitry Van Raemdonck who left the company in February 2023.

(b) Rodrigo Madrazo took over the position of CEO in succession of Frederik Van den Bosch who left the company in October 2022.

(c) Didier De Smedt took over the Head of Risk role in succession of Thomas Heinig who left the company in December 2022.

(d) Natasa Lakovic took the role of Senior Communication Officer in succession of Mathilde Poncelet and Flore Depierre.

(e) Vladimiro Labate joined as a Junior Sustainability Officer in succession of Javier Costello Corvillo.

(f) Nicolas Chung joined the company as a Senior Financial Analyst in succession of Peter De Roo who left the company in December 2022.

## Closing note

*"We recognize the urgent need for substantial investment in rural areas and countries with the greatest needs, particularly in the current geopolitical context. Through our EUR 120m facility, we aim to accelerate the transition towards sustainable and resilient food systems by supporting small-scale farming and sustainable food systems in developing countries and emerging markets. Working closely with DFIs, we strive to attract private sector investment and improve the socio-economic conditions of vulnerable populations."*



Rodrigo Madrazo García de Lomana  
CEO, EDFI Management Company

**EDFI** Management  
Company

**Get in touch**

Rue du Trône 4,  
1000 Brussels  
BELGIUM

Email: [info@edfimc.eu](mailto:info@edfimc.eu)

