



Breakfast Inspiration Workshop – Regenerative Agri-Food

6th June 2024



Program of the Day

1. Welcome and opening: Yvonne Bakkum
2. Presentation: Diederik Wokke
3. Presentation: Richard Jacobs
4. Presentation: Adam Kybird
5. Presentation: Mark Koppejan
6. Q&A
7. Closing: Yvonne Bakkum

NAB
Wire Group
Van Lanschot Kempen IM
Triodos Investment Management
Smallholder Agroforestry Finance powered by Rabo foundation



NAB

Yvonne Bakkum

Chair of the Board



Wire Group
Diederik Wokke
Chief Conscious Investments



Wire Group

Towards planetary balance

WIRE GROUP

Wire Group



Diederik Wokke

Chief Conscious Investments



Journeys



Academy



Investments



WIRE THRIVE FUND II

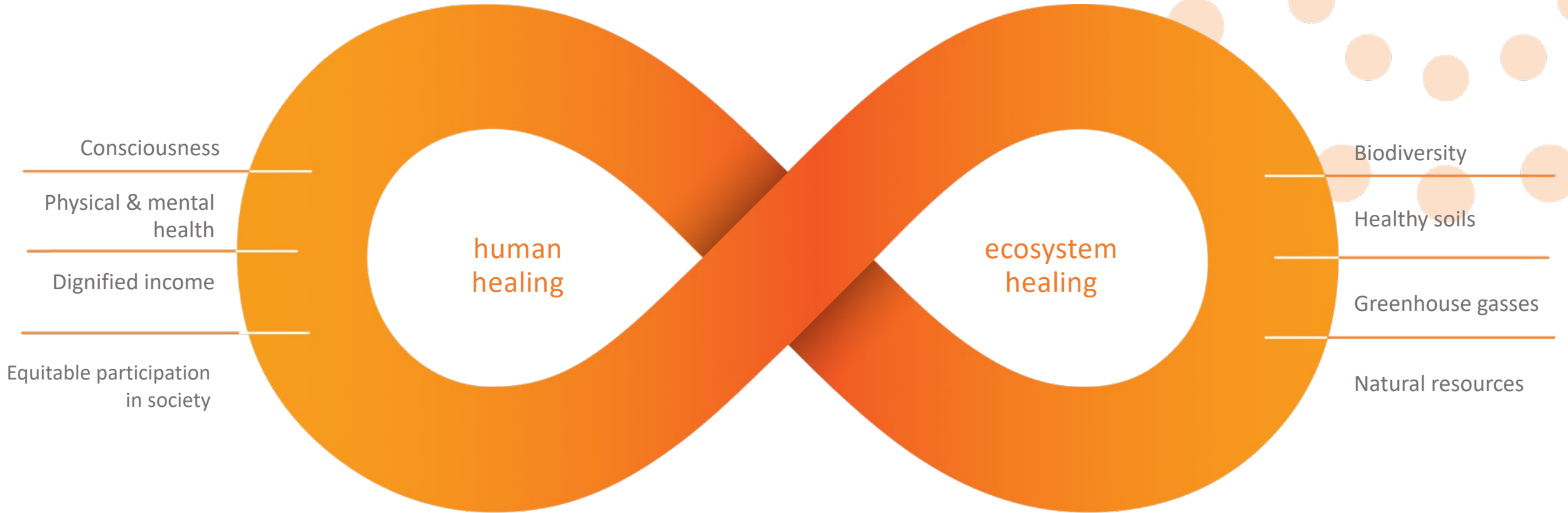
Theory of Transformation



*Restoring planetary balance,
so life can thrive!*

wire group 

We apply an outcomes-based strategy:



Regenerative Food & Ag is about a transition



Regenerative Food & Ag is about a transition



What does that look like for an investor

Inputs

Farmland

Finance

Primary production
(‘on farm’)

Regenerative agriculture practices

Inputs

Enabling technologies

Value chain
(trading & processing)

Food safety and traceability

Consumption

Food as medicine

Food 3.0



Some concrete examples



Alder Point Capital

Fund size target: USD 200m
Expected IRR: 8 - 10% net IRR
Assets: Acquisition of timber- and farmland
Outcomes: Taken up/avoided GHG, increased participation in society; Natural resources; Biodiversity
Region: US & Canada

EXAMPLE INVESTMENT



EcoEnterprises Partners

Fund size target: USD 150m
Expected IRR: ~15% net IRR
Stage: Growth Capital for SMEs (mezz 45% / quasi-equity 35% / equity 20%)
Outcomes: Natural resources, Biodiversity, Equitable Participation in Society
Region: Latin America

EXAMPLE INVESTMENT



Trailhead Capital

Fund size target: USD 50m
Expected IRR: 3x net multiple
Outcomes: Reduced / sequestered GHG; healthier soil, improved health
Stage: Venture & early growth
Region: North America



EXAMPLE INVESTMENT



Desert Bloom Food Ventures

Fund size target: USD 50m
Expected IRR: 20% net IRR
Stage: Early and late Growth Capital
Outcomes: Natural resources, Biodiversity, Equitable Participation in Society
Region: North America

EXAMPLE INVESTMENT



We know it works-
but how do we
measure impact?



Regenerative Impact Measurement: **Industry Trends**

What do we measure?

Custom metrics

➔ **Frameworks / Industry sets**

Why do we measure?

Voluntary Reporting

➔ **Regulatory Mandate**

How do we measure?

Spreadsheets

➔ **Technology tools**

When do we measure?

Annual Reporting

➔ **Continuous Monitoring**

How do we evaluate?

Vacuum Measurement

➔ **Industry Benchmarks**



Impact categories as defined by Proof.10



Impact Categories

Outcomes → Practices → Metrics → Data Sources



[Expand Amount of Regeneratively Farmed Land](#) ✓



Conserve Water



[Reduce Atmospheric Carbon](#) ✓



Improve Food Nutrition / Nutrient Density



Reduce Food Waste ✓



Increase Biodiversity



Diving deeper into measurement



Practice KPIs

1. Hectares of Organically Managed Land
2. Hectares of Regeneratively Managed Land
3. Hectares of Land with Regenerative Organic
4. Certification (ROC)
5. Hectares of Land Impacted



Outcome KPIs

- Increased Soil Health
- Reduced/captured GHG

But that is just the beginning...



To round off



Q & A - examples

- Does regenerative certification have a role to play?
- Should we allow biofertilizers (in the transition)?
- What role does big ag have to play?





Van Lanschot Kempen IM

Richard Jacobs

Co-Head Private Market



VAN LANSCHOT
KEMPEN

VLK INVESTMENT MANAGEMENT



Breakfast Inspiration Session

Regenerative Agri-Food

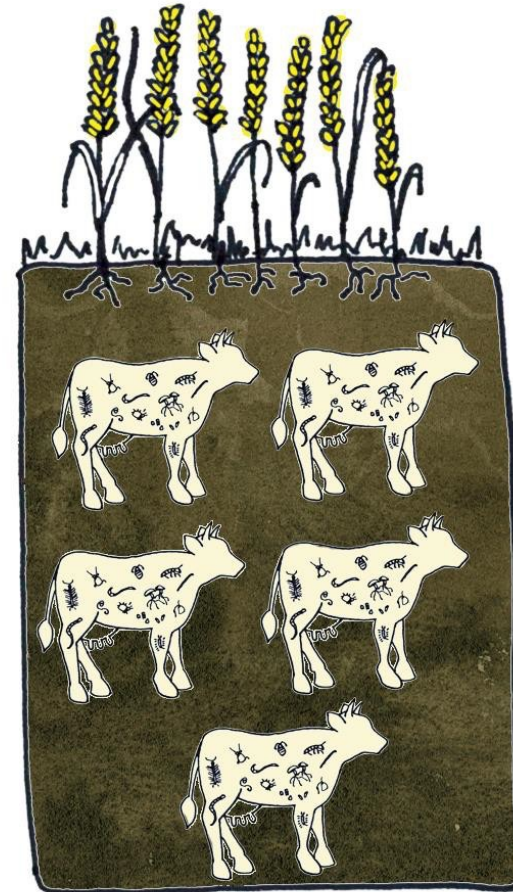
Richard Jacobs

June 6th, Rosarium

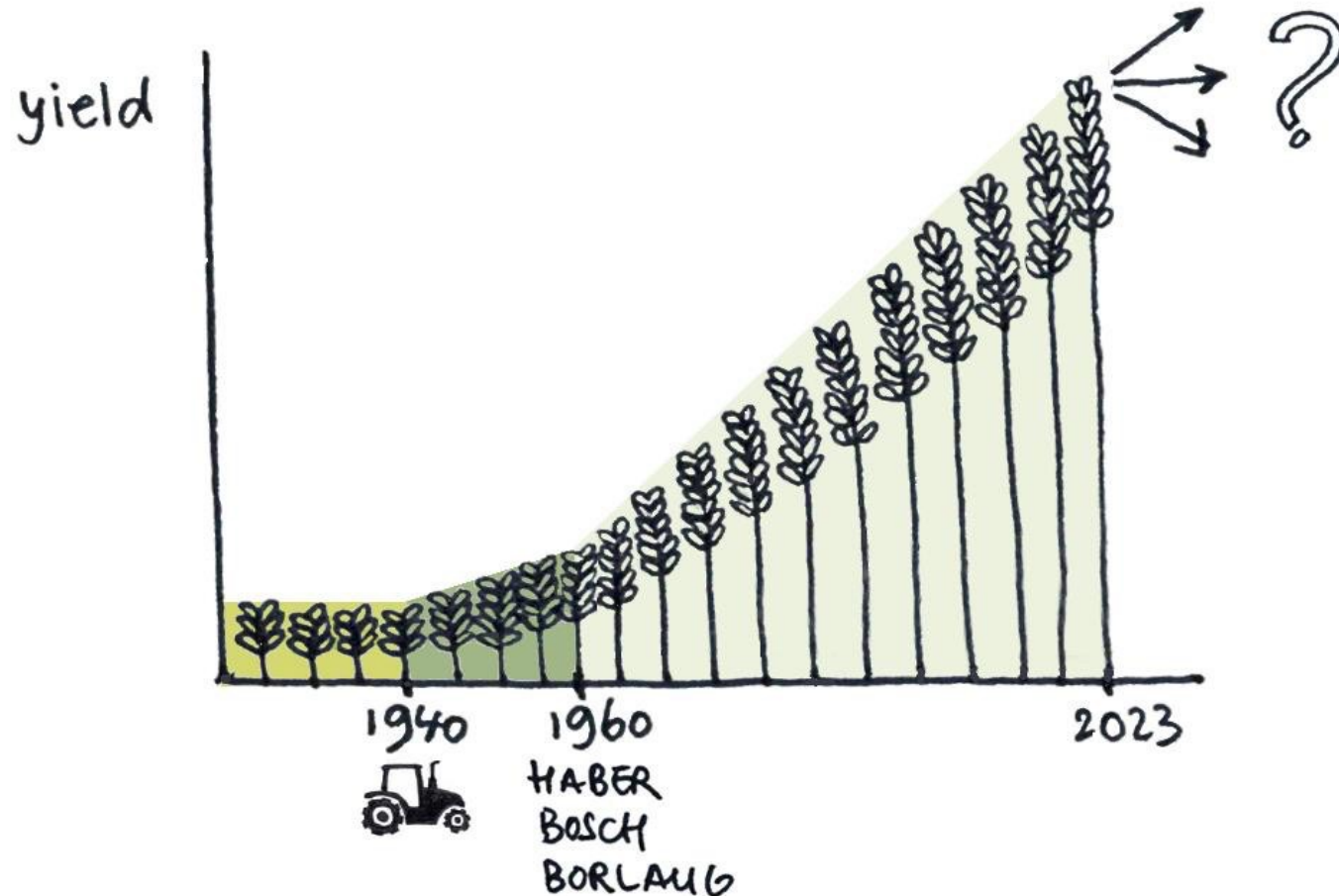


Transition to sustainable agriculture is inevitable

1 ha



How can we feed our growing population?



‘In order to meet the increasing demand of the world's growing population, it is estimated that food production will need to double by the year 2050’

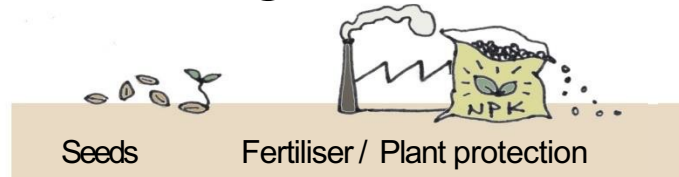
How?



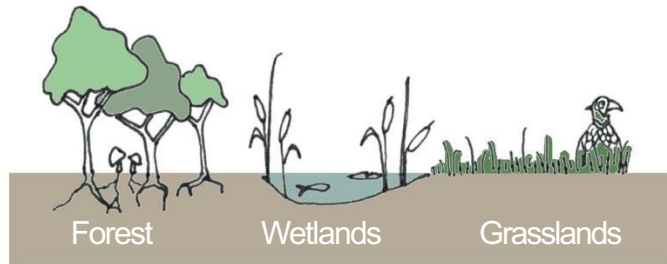
Sustainable agriculture plays a crucial role

Healthy- soil, food, carbon sequestration and biodiversity conservation

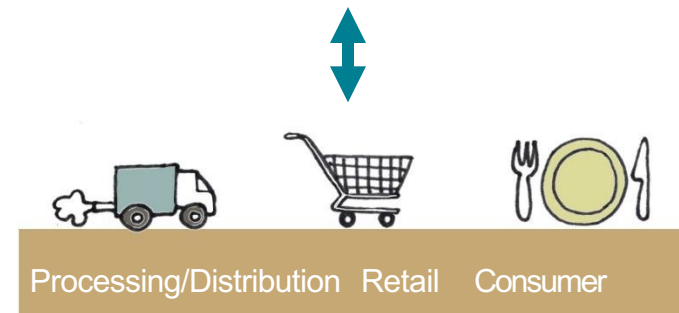
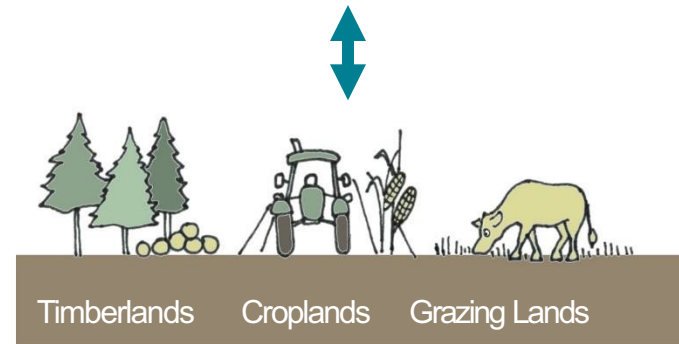
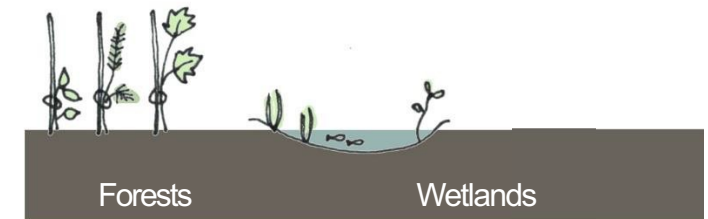
Manage better



Protect

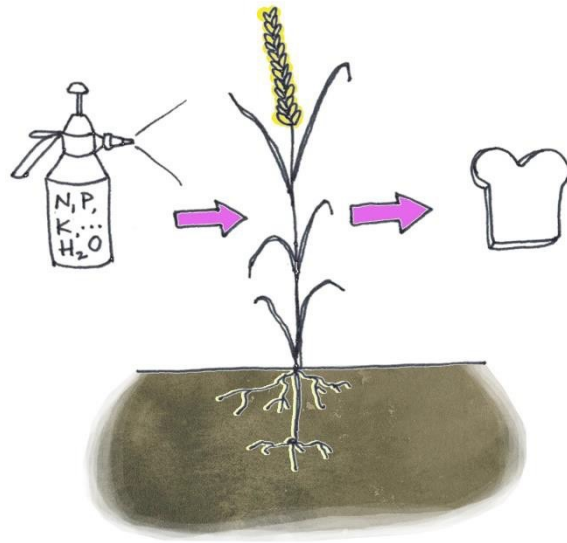


Restore



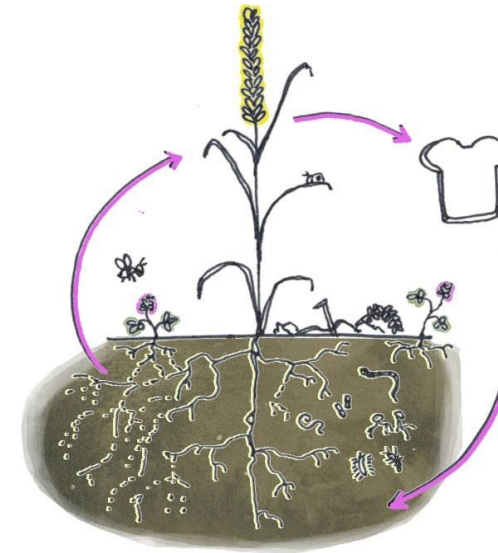
Theory of Change - Regenerative Agriculture

Key principles



From feeding the plant ...

- Excessive use of chemical fertilizers
- Heavy reliance on herbicides and pesticides
- Frequent and intensive tillage practices



...to feeding the soil

- Organic fertilizer
- Cover cropping and crop rotation
- Minimum tillage practices



Themes Regenerative Agriculture

Water and healthy food for everybody



Circular farming



Climate: Global warming <2°C

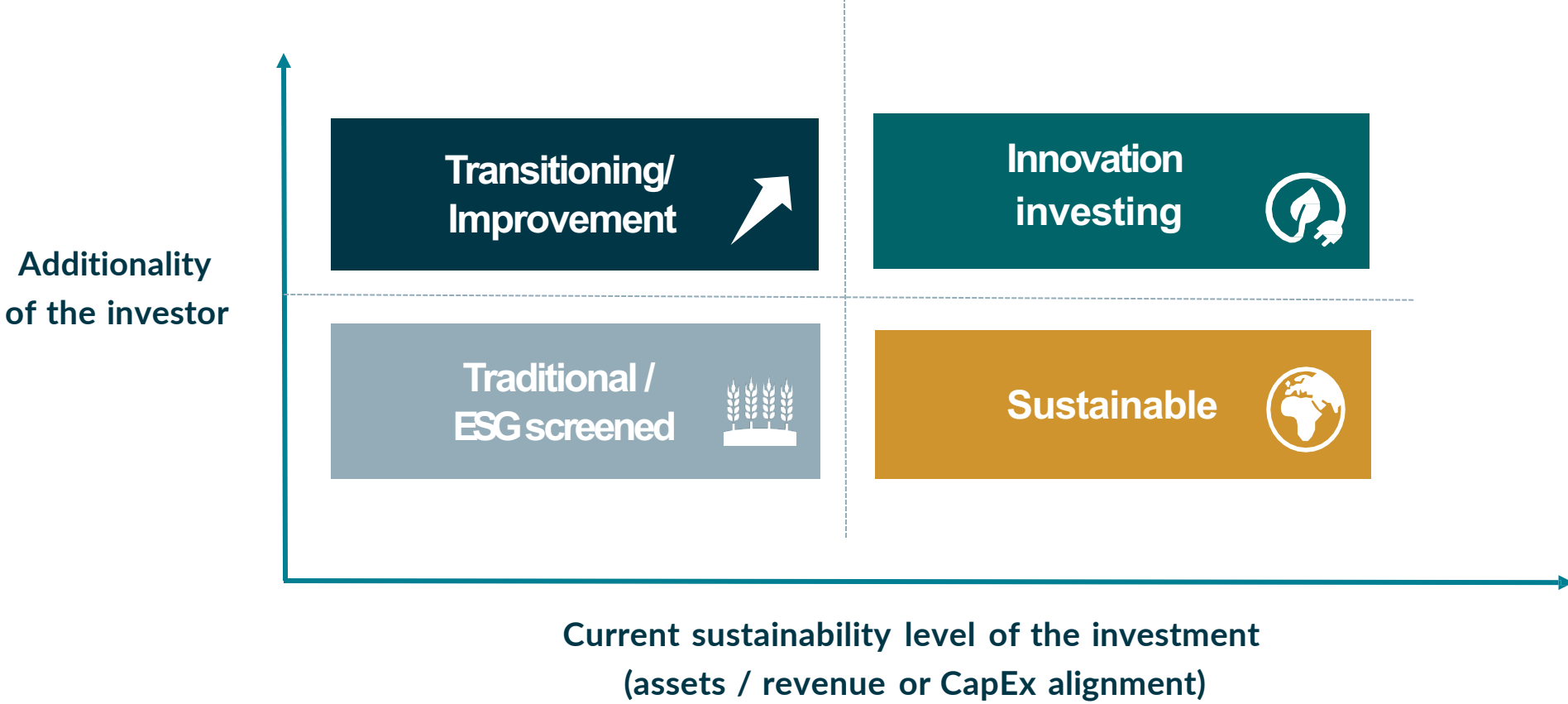


Soil life and biodiversity



Real world impact through transitioning and improvement

Selection Framework



Case: Water pollution in Lake Delavan



Concrete and tangible

- Every investment is characterized by specific ecological themes
- Example: Lake Delavan in Wisconsin (VS)
- Issue: Excess phosphorus wash through lake waterways, resulting in algae contamination

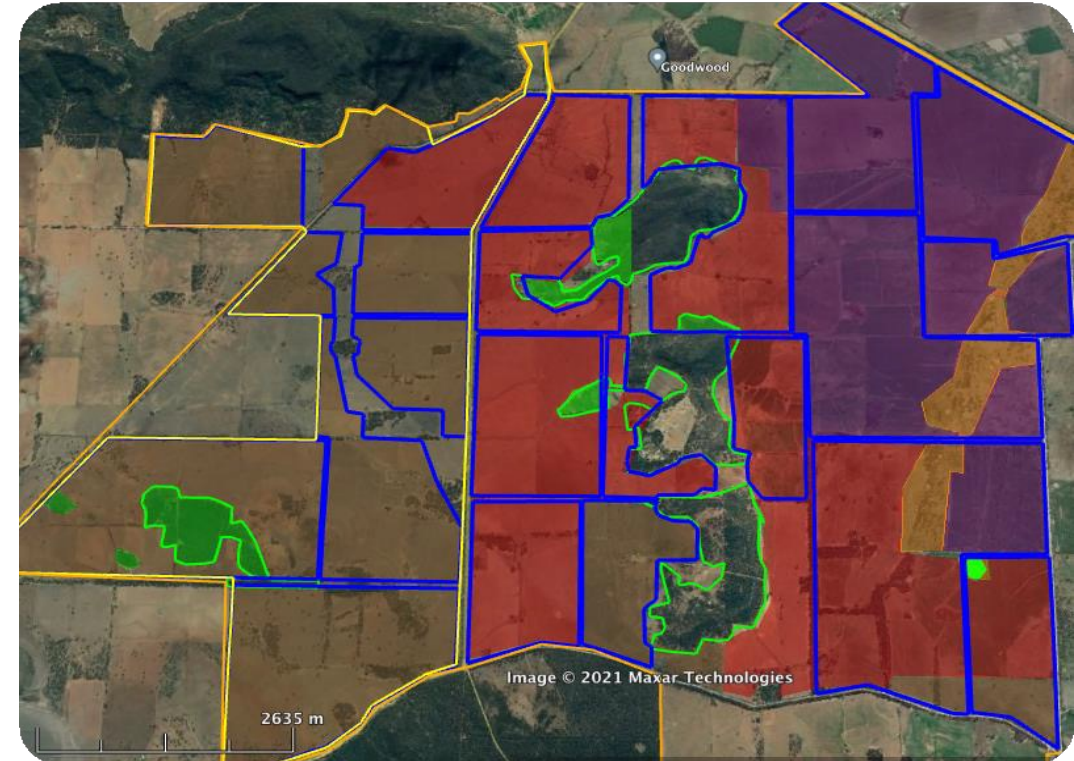


Targeted and verifiable change using KPIs

- Creating ecological areas (**KPI: % land for high-quality ecological use**)
- Improving the farm's drainage system (**KPI: % erosion**)
- Reducing fertiliser use (**KPI: NPK surplus in the soil**)
- Improving effective soil organic matter (**KPI: % Effective Organic Matter**)



Case: Corridors and cover crops at Watermark

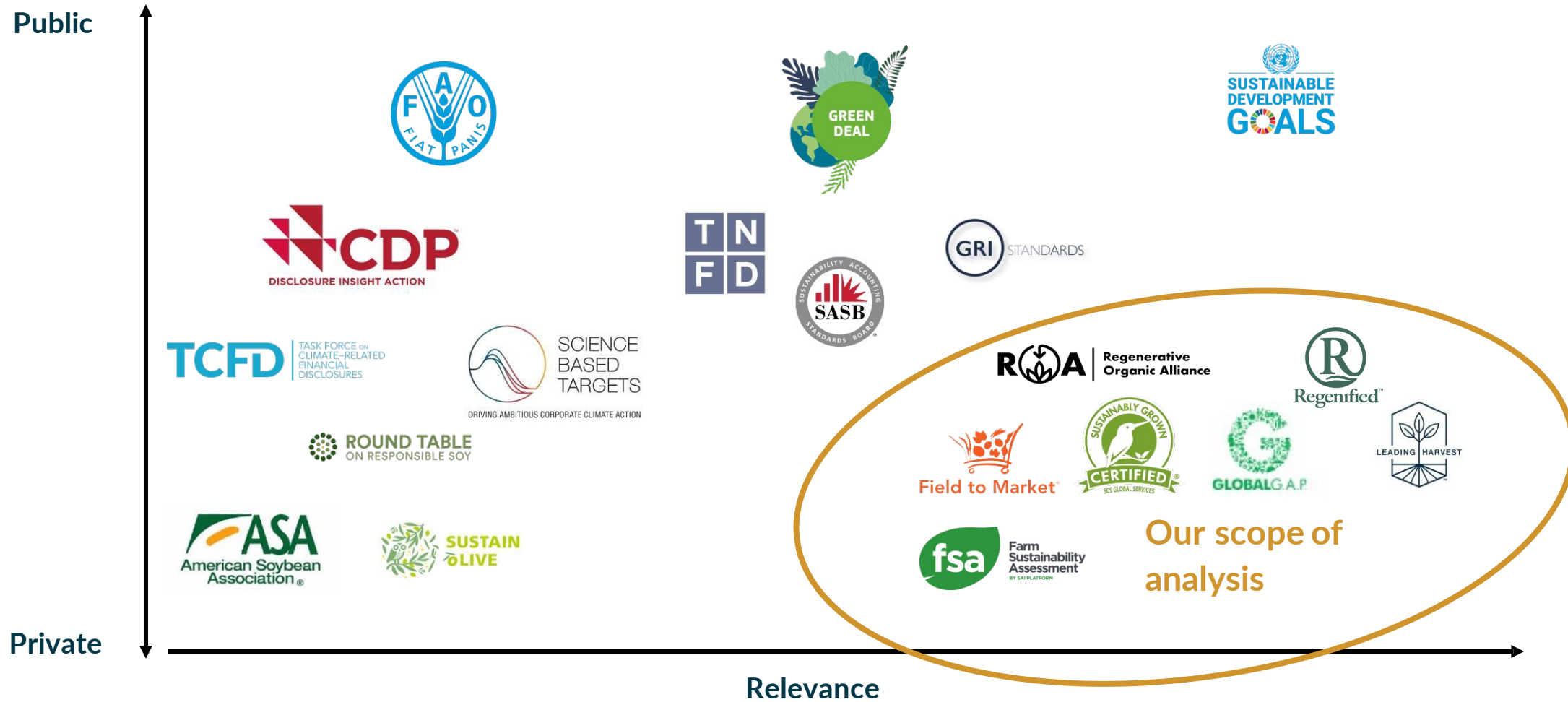


- Transformation project with partner “Gunn Agri”
- Impoverished lands make use of cover crops
- Improvement of carbon sequestration, water storage, nutrient retention and a decrease of erosion

- Corridors on a 6100-ha plot
- Created for koala populations
- In collaboration with nature management organizations
- Improvement of biodiversity using a biodiversity action plan



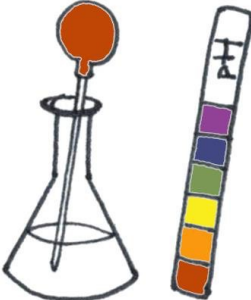
Dilemma: How to make use of the available frameworks?



*The list of frameworks is not exhaustive. The frameworks that are most relevant and dominant to our case were considered.



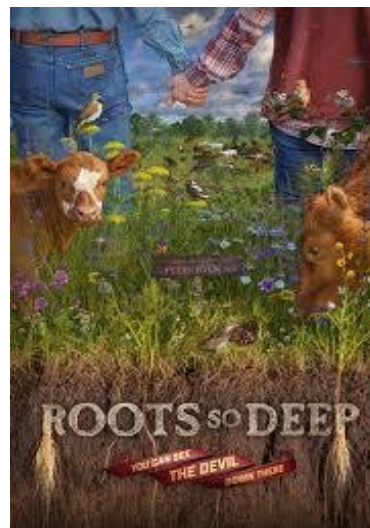
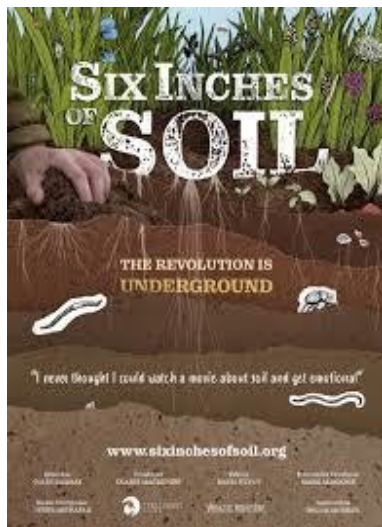
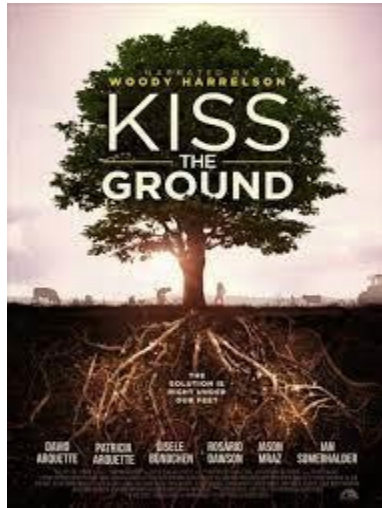
Dilemma: What data to use to measure biodiversity KPI's?



You can measure effective organic matter (EOM) and other soil variables as indicators for critical soil functions, through soil sample analysis or other plant or water analysis methods.



Inspiration for all the bingers out there...



This presentation of Van Lanschot Kempen Investment Management NV (VLK IM) is for information purposes only. The information in this document is incomplete without the verbal explanation given by an employee of VLK IM. VLK IM is licensed as a manager of various UCITS and AIFs and authorized to provide investment services, and, as such, is subject to supervision by the Netherlands Authority for the Financial Markets. VLK IM explicitly wants to prevent the benchmarks being used in this presentation from being published or made available to the public within the meaning of the Benchmark regulation. Therefore, the benchmark data in this presentation is made available to you, exclusively to internal business and non-commercial purposes.

No part of this presentation may be used without prior permission from VLK IM.



INVESTMENT MANAGEMENT

Beethovenstraat 300
1077 WZ AMSTERDAM
The Netherlands



Triodos Investment Management

Adam Kybird

Fund Manager- Private Equity



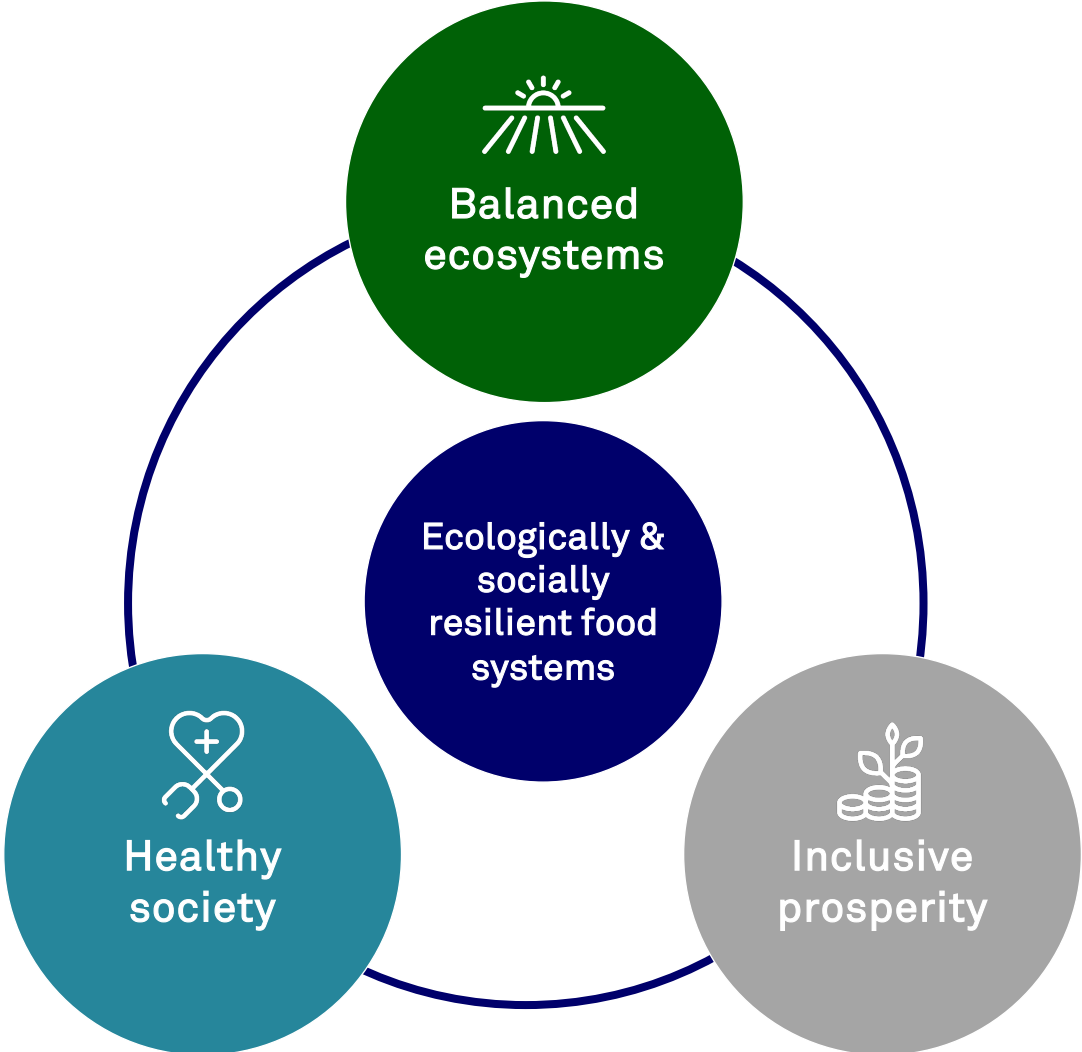
Triodos  Investment Management

Regenerative Agriculture

Triodos Food Transition Europe Fund

June 6, 2024

Changing the food system needs a holistic perspective



Triodos Approach

- Triodos Bank was a pioneer in financing organic and biodynamic farming
- The Food Transition Europe Fund was established to support organic pioneers
- Regenerative agriculture represents an exciting new opportunity
- But we also have some important questions:
 - Fit with existing sustainable approaches?
 - How do we get confidence on impact?
 - How do we still drive system change across our three pillars?



Our Theory of Change Food Transition Europe Fund

Triodos@Investment Management

Make direct equity investments into and engage with European companies that...


Process, source and sell sustainably cultivated food products or ingredients

With our finance and support they are able grow sales / volumes and to maximize their impact


This will increase the farmland under organic / regenerative cultivation

This will drive
- Improved soil quality
- More biodiversity
- Reduction of emissions

This will support...



Balanced ecosystems



Healthy society



Inclusive prosperity



MiiMOSA

Crowdfunding platform for farmers in France and Belgium

- Many farmers and food producers locked out conventional banking system
- MiiMOSA improves access to capital for regenerative & sustainable farmers
- Helps farmers bridge the costs of transition
- Coordinates across value chain partners
- Scoring around farming practices central to investment process
- 500k crowdfunders, 7'000 projects supported, 150m raised from crowd and 43m from own loan fund



Balanced
ecosystems



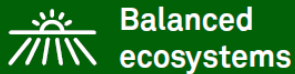
Inclusive
prosperity

MiiMOSA

Crowdfarming

Farmer to consumer marketplace supporting organic & regenerative agriculture

- Connecting farmers to consumers
- Enables purchase & delivery of fresh, high-quality food without delays or waste
- Educating consumers about organic and regenerative agriculture
- Supporting transition to organic and regenerative practices
- 300 farmers & 550k customers across Europe
- Ensure higher & more stable farmer incomes



Dilemmas

How do we build resilient investment cases?

A hard time for sustainable food

Future is bright and green shoots of recovery, but risks remain

Consumer understanding of regenerative vs organic

Must be mass / mainstream transition: niche's are vulnerable

Navigating an emerging sector

Emerging & competing definitions, standards & measurement

Green Deal & Nature Restoration law

Risks of changing politics

Who will pay for this transition?

Regenerative can reduce farmer costs

But transition is expensive

This should not fall on farmers alone

Thank you!





Smallholder Agroforestry Finance powered by Rabo
Foundation

Mark Koppejan
Investment Manager



Smallholder Agroforestry Finance

NAB Breakfast Inspiration Session Regenerative Agri-Food

6 June 2024



Confidential Commercial Information

The transition to agroforestry holds various benefits compared to today's monoculture.

Monoculture

- Depleting soil
- Sensitive to climate change
- Low nutrient diversity
- Low yield per ha
- Income depends on single crop type
- Deforestation / carbon emission



Agroforestry

- Improving soil health
- Climate & weather resilient
- Diverse, high-quality nutrients
- Improved yield per ha
- Income with different harvest streams
- Afforestation / carbon sequestration

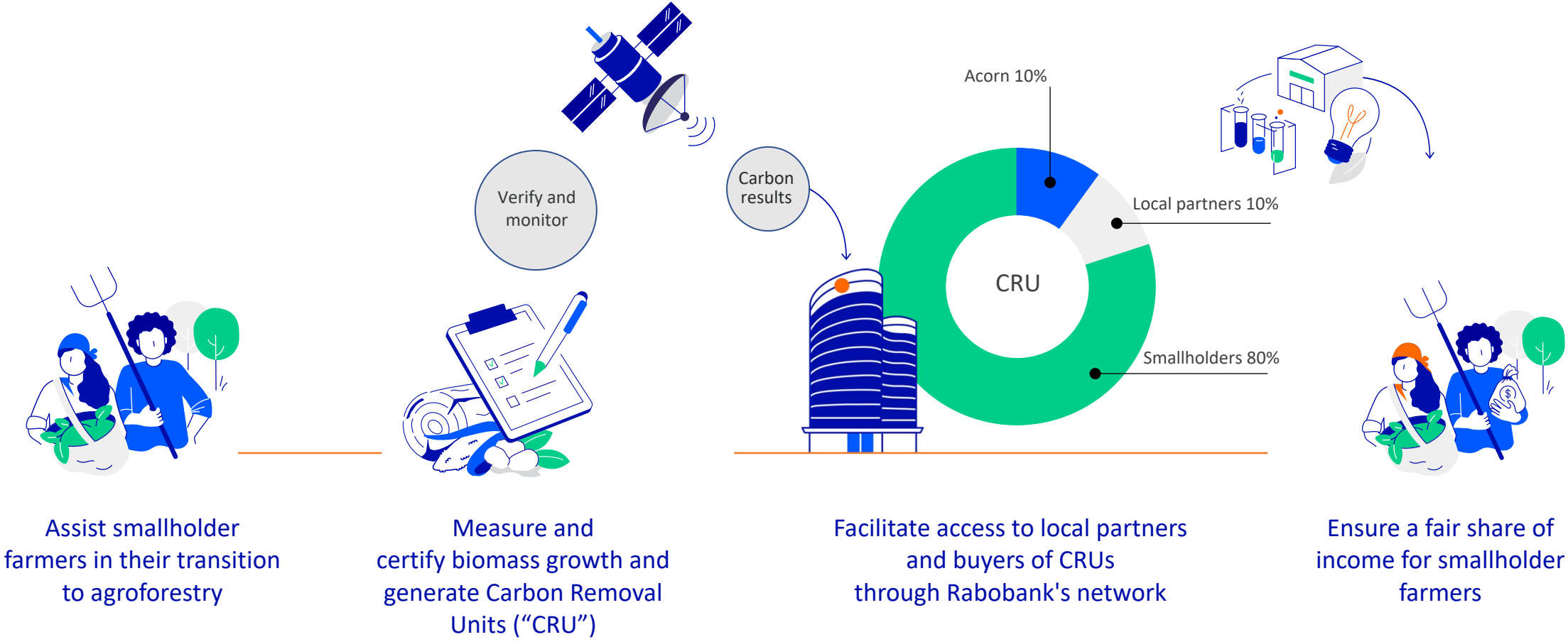




Rabobank Acorn

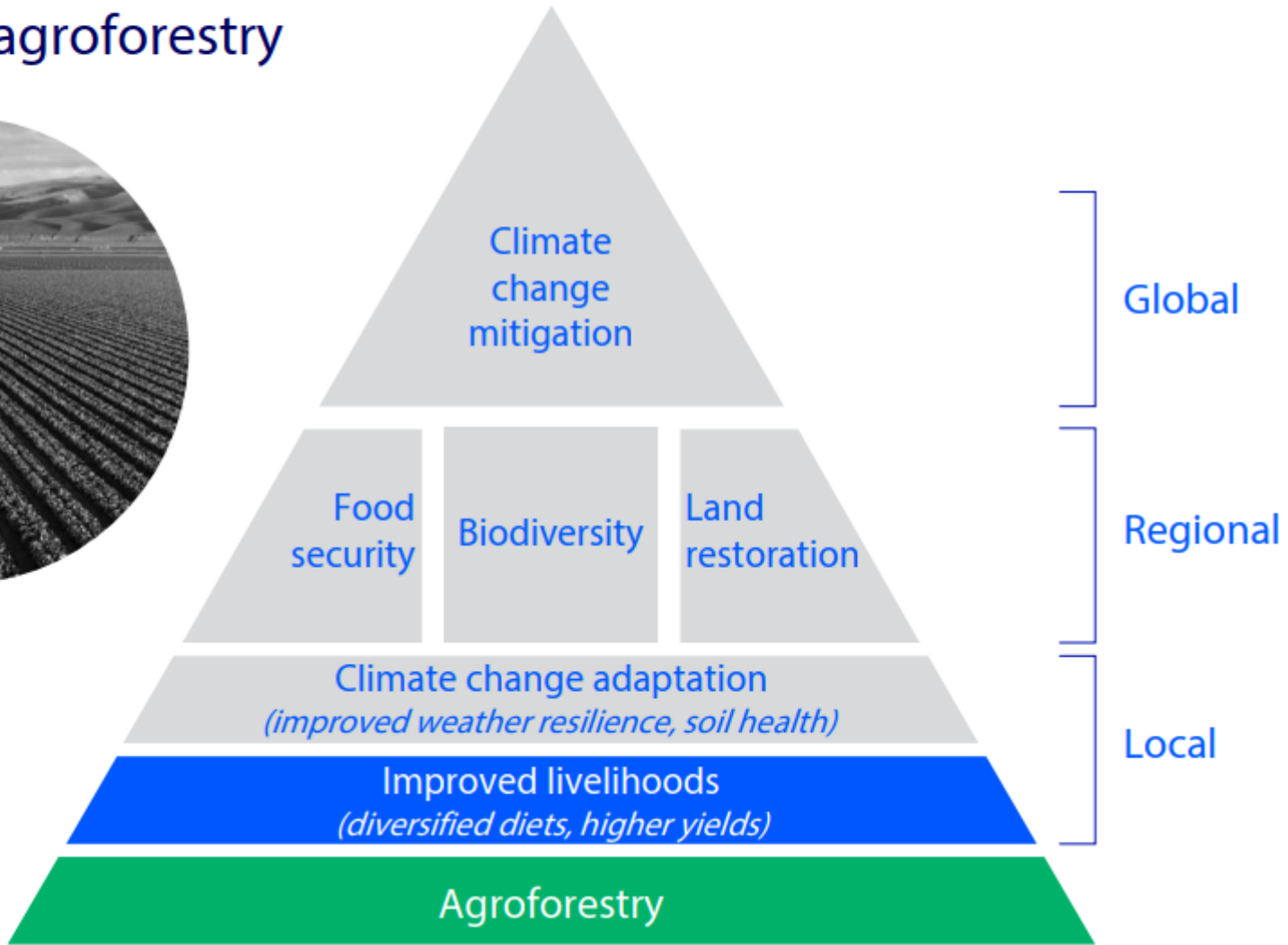
Agroforestry Carbon Removal Units (CRUs)
for the Organic Restoration of Nature

Rabobank's Acorn sequesters CO2 from the air by helping smallholder farmers transition to agroforestry.

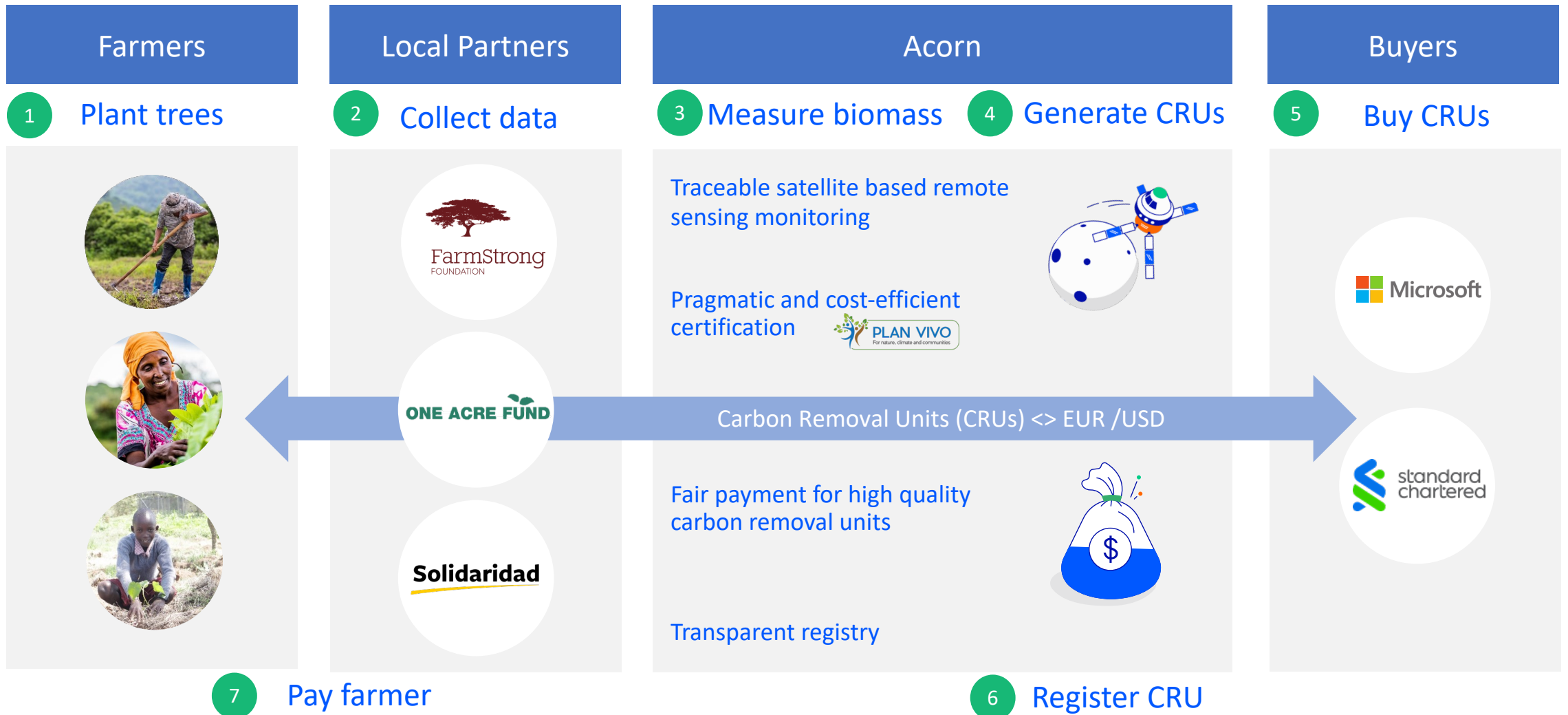


Acorn's vision is to improve smallholder farmer livelihoods through the transition to agroforestry

Benefits of agroforestry



Acorn measures remotely the sequestered carbon and sells the carbon removal units in the voluntary carbon market

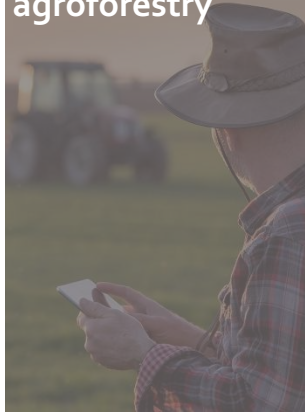


Acorn is active in over 15 countries across three continents.



Acorn has solved key challenges, but the financing need remains.

Key challenges for smallholder agroforestry



Currently low reward for smallholder farmers

need for fair pay-out



High monitoring costs throughout the project

need for scalability



High certification costs for each project

need for scalable approach

Gold Standard

VERRA



High investment costs in first few years

need for pre-finance



Unique elements of Acorn proposition



Generous 80% of CRU income to farmer (cash and in-kind)



Scalable, low-cost and accurate verification via satellite-base remote sensing of biomass growth



Scalable, low-cost carbon verification, approved by Plan Vivo Foundation

PLAN VIVO
For nature, climate and communities

Scalable pre-financing pooling smallholder farmers and paying investors directly from CRU proceeds



Smallholder Agroforestry Finance B.V.



We are establishing a new entity to finance the agroforestry transition together with other donors and financiers.

Financiers
Rabobank and other potential financiers



Donors and Impact Funds



DFIs, MDBs and Institutionals



Donors



Smallholder Agroforestry Finance B.V.
EUR 100-250 million facility
to finance agroforestry projects
in Latin America, Africa and Asia



Portfolio
Non-recourse loans
repaid by a percentage of
future carbon credit income

Examples:

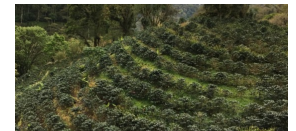
Project 1:
India, EUR 4.4 m



Project 2:
Ghana, EUR 5 m

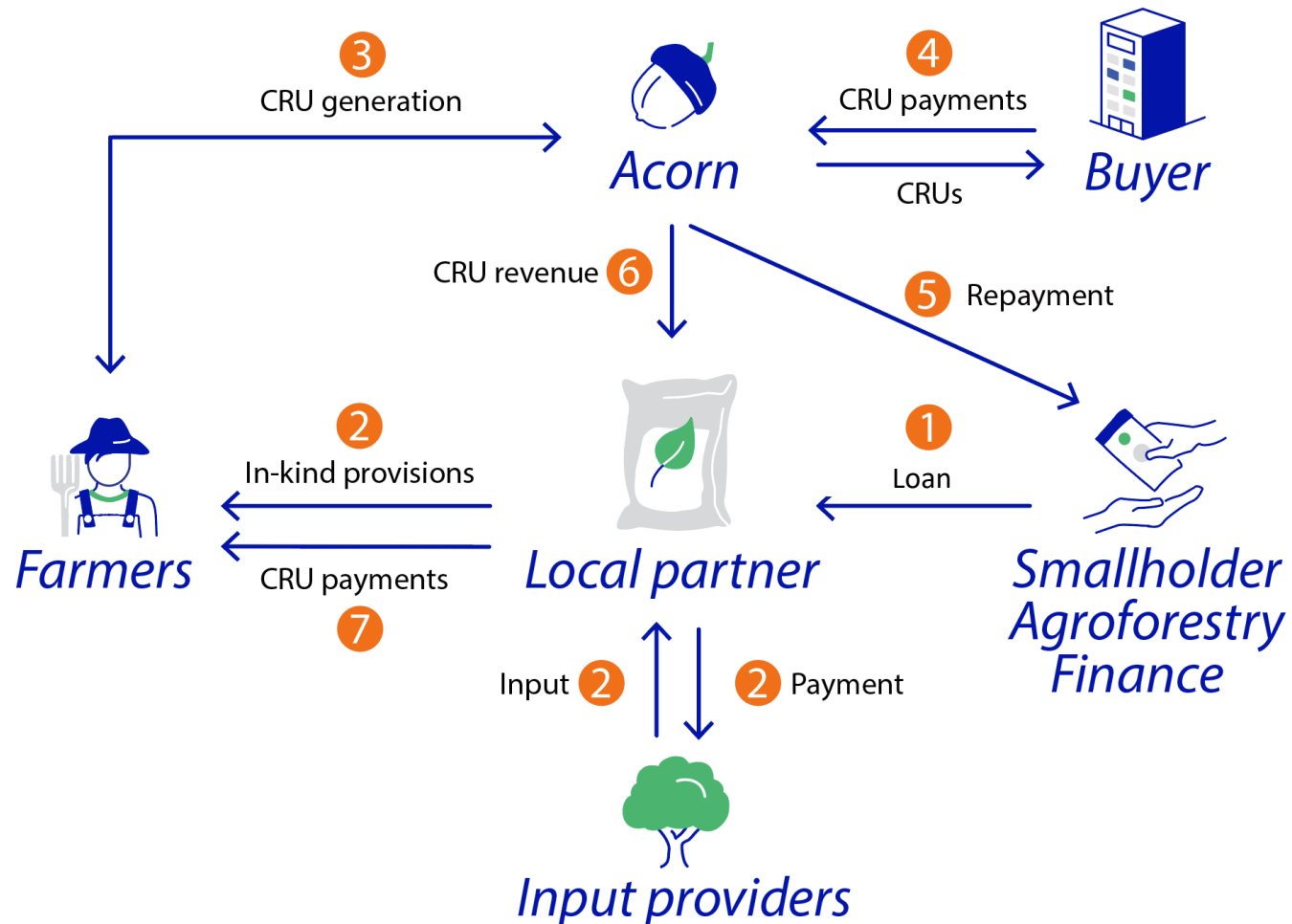


Project 3:
Peru, EUR 2 m



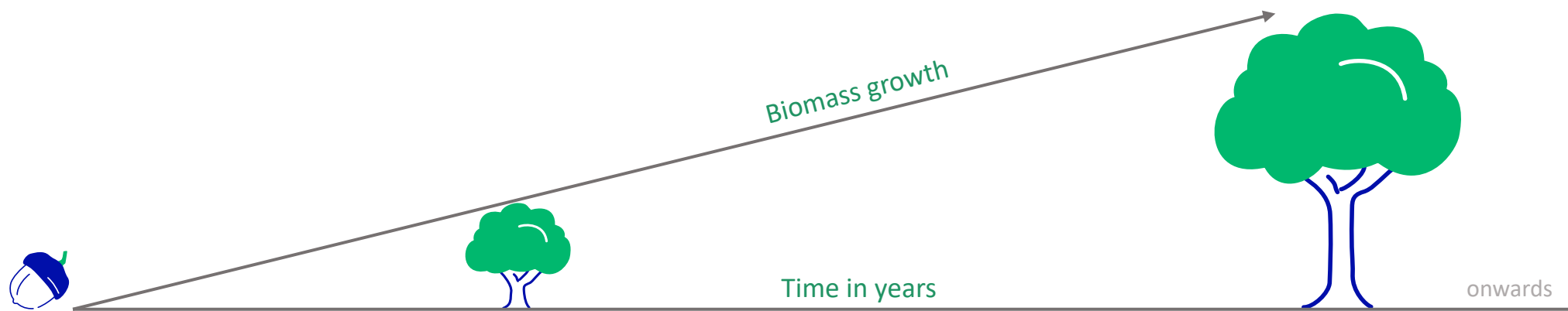
SAF enables farmers to indirectly repay the initial investment through future carbon proceeds.

Funding and repayment mechanism



1. Smallholder Agroforestry Finance provides pre-finance (e.g. non-recourse loan) to Local Partner (LP) to cover upfront investment costs
2. Local Partner purchases in-kind provisions (e.g. training, seedlings) to enable farmers to start agroforestry practices and coordinates tree planting/intervention
3. Farmers generate Carbon Removal Units (CRUs) through planting trees. Monitored, verified, and sold by Acorn, independently certified by Plan Vivo
4. A corporate off-taker buys CRUs from Acorn against the latest market price, 100% of the CRU price flows to Acorn
5. Acorn retains 10% of the CRU proceeds and repays loan to Smallholder Agroforestry Finance based on a certain % of CRU proceeds (e.g. half of 80%)
6. Acorn transfers 10% of CRU proceeds to LP and remaining part of 80% of CRU proceeds (after loan deduction) to farmers
7. Farmers receive remainder of 80% after loan deduction, either via LP or directly via digital payment solution

Farmers repay the initial investment in tree planting over time with the cash flow from Carbon Removal Units.



Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
CRUs/ha	0	0	0	1	1	2	2	3	3	4	4	4	3	3	3
CRU proceeds*	-	-	-	€30	€30	€60	€60	€90	€90	€120	€120	€120	€90	€90	€90
SAF**	- €150	-	-	€12	€12	€24	€24	€36	€36	€6	-	-	-	-	-
Farmer	€0	€0	€0	€12	€12	€24	€24	€36	€36	€90	€96	€96	€72	€72	€72

Grace period

Repayment period

After debt repayment

No CRU generation due to ex-post CRUs: no repayments or interest payment.

Repayments through cash sweep, increasing over time following tree growth curve.

80% of CRU proceeds and full additional yield revenues flow to farmer.

* For illustrative purposes only. Based on an illustrative CRU price of EUR 30, subject to change. ** For illustrative purposes, excluding interest, subject to change.

Case study: scaling-up with Solidaridad Nicaragua

Acorn

Buy CRUs Partnerships Projects Registry About ▾



Jinotega & Matagalpa, Nicaragua

Nicaragua - Solidaridad Latin America

Smallholder coffee and cocoa farmers in Jinotega and Matagalpa are overcoming low productivity and crop loss by transitioning to agroforestry. Solidaridad and Acorn provided assistance.

Project data

6,449 farmers helped	36,433 t CO ₂ captured	14,841 ha land covered	36,433 CRUs issued
-------------------------	--------------------------------------	---------------------------	-----------------------



Thank you for your attention!

This presentation has been prepared exclusively for the benefit and internal use of recipient and does not carry any right of publication or disclosure other than to Recipient. Neither this presentation nor any of its contents may be used for any other purpose without the prior written consent of the Smallholder Agroforestry Finance B.V.

The information in this presentation reflects prevailing market conditions and our judgement as of this date, all of which may be subject to change. This presentation is based on public information. The information and opinions contained in this document have been compiled or arrived at from sources believed to be reliable, but no representation or warranty, express or implied is made as to their accuracy, completeness or correctness. The information and opinions contained in this document are wholly indicative and for discussion purposes only. No rights may be derived from any potential offers, transactions, commercial ideas et cetera contained in this presentation. This presentation does not constitute an offer or invitation. This document shall not form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Q&A

Thank you for attending this event!

Please fill out the Evaluation Form. 7 questions and takes only 2 mins



Next Seminar- Impact Measurement and
Management
Date : 26th September