



KAMPANI

Investing in family farming

A SOCIAL IMPACT FUND

Kampani is set up like a commercial growth capital fund, yet adapted to the particularities of producer organisations in Africa, Asia and Latin America.

It has raised capital from a consortium of the King Baudouin Foundation, University of Leuven, Belgian Farmers Union, private individuals, social investors, and NGOs, a combination which offers the greatest chance for success.

The private investors bring the discipline of the market and business acumen and they ensure proper and qualitative due diligence and risk management. The NGO shareholders identify potential deals and bring the logic and constraints of the developing world into the investment decision. They also represent Kampani's eyes and ears on the ground post-deal. Operationally, Kampani has a small, dedicated team managing the fund in Belgium and works with a handful of close NGO and social lender partners to perform due diligence in-country.

Kampani is designed to provide a specific type of capital for entrepreneurial small-scale farming.

To help mitigate the risks, Kampani's investments may be combined with continued capacity building, training and other forms of support for the producer organisation. For this, it counts on the expertise of the NGO shareholders: Rikolto Belgium, Louvain Coopération, Trias, Oxfam, Solidarité Internationale pour le Développement et l'Investissement (SIDI), Broederlijk Delen, and a tight-knit group of NGO partners. Kampani will always negotiate a mandate on the Board of the investee to monitor progress closely and provide advice.

OUR ADDED VALUE

Kampani invests in businesses of producer organisations of smallholder farmers in the Global South. The investment targets can be businesses or cooperatives which produce, process, trade and/or market agro-supply, farming products and their derivatives.

THE MISSING MIDDLE

Some producer organisations in the South make impressive social and economic progress. Increasingly, these farmers no longer see themselves as poor – trying to survive – but as ambitious, rural entrepreneurs. They have become catalysts for development.

But as these organisations grow and expand, they face a huge obstacle: lack of access to capital. They have outgrown the microfinance market, but are still too small and fragile to be eligible for the traditional investment market or even for most social investors. They are confronted with the so called 'missing middle.'

Kampani stands out from other social investors thanks to an audacious combination of strategic choices:

- Investing directly and strengthening the balance sheet of the investee through the use of equity or quasi-equity
- A long investment horizon of up to 10 years
- Only invests in the agro-food value chain
- Active involvement in the governance of the investee
- Small investment amounts (100k to 500k euros); add-on investments for successful partnerships can lead to a total investment of up to 1M euros

This pioneering combination of strategic choices constitutes Kampani's unique selling proposition. Having built a rather exceptional ecosystem via its shareholders – comprising most of the relevant players in Belgium – and a limited number of close partners, Kampani is convinced it can face the challenges inherent to this approach. To date, Kampani is proud to say it has nine deals in its portfolio and a 0% failure rate.

The social impact is a crucial part of the investment decision. Kampani gives equal weight to the social impact on smallholder farmers and to the financial return on investment.

By targeting the missing middle, Kampani aims to:

- increase the farmers' income
- improve the farmers' position in agricultural product chains
- contribute to the development of their communities



What's in it for the shareholder?

Kampani offers its shareholders a high return on investment in the form of significant and lasting socioeconomic development impact. The financial risk for shareholders is moderated by pooling the risk at the level of the fund and by our risk mitigation strategy.

While the primary driver is to generate a lasting social impact for smallholder farmers, investees need to be profitable to ensure Kampani's long-term financial viability. Kampani aims to return the raised capital to its shareholders plus a financial return equal to inflation.

Kampani has raised over 4 million euros.
It aims to grow to 20 million euros.

Governance

Kampani can count on an all-volunteer Board, chaired by Steven Serneels. Within the strategic framework set by the Board, all investment decisions have been delegated to an independent Investment Committee. This committee combines experts with decades of private equity experience with development professionals with a keen understanding of the cooperative sector in particular. Kampani's Executive Director is Wouter Vandersypen.

A social impact
investment fund
unlocking the potential
of entrepreneurial
farming in the
Global South

Kampani's shareholders

- The King Baudouin Foundation
- University of Leuven/ LRD
- Rikolto Belgium vzw (formerly known as Vredeseilanden/VECO)
- Belgian Farmers Union CVBA
- Alterfin CVBA
- Louvain Coopération au Développement ASBL
- Trias vzw
- Solidarité Internationale pour le Développement et l'Investissement (SIDI)
- Broedelijk Delen
- Oxfam
- Private Individuals

Contact info

Wouter Vandersypen
email: wvandersypen@kampani.org
tel: +32 486 453 995
skype: wvandersypen

www.kampani.org

* This brochure does not constitute a public appeal on savings nor a public offering of securities.

