



IMPACT INVESTING

INTO SUSTAINABLE URBAN FOOD SYSTEMS

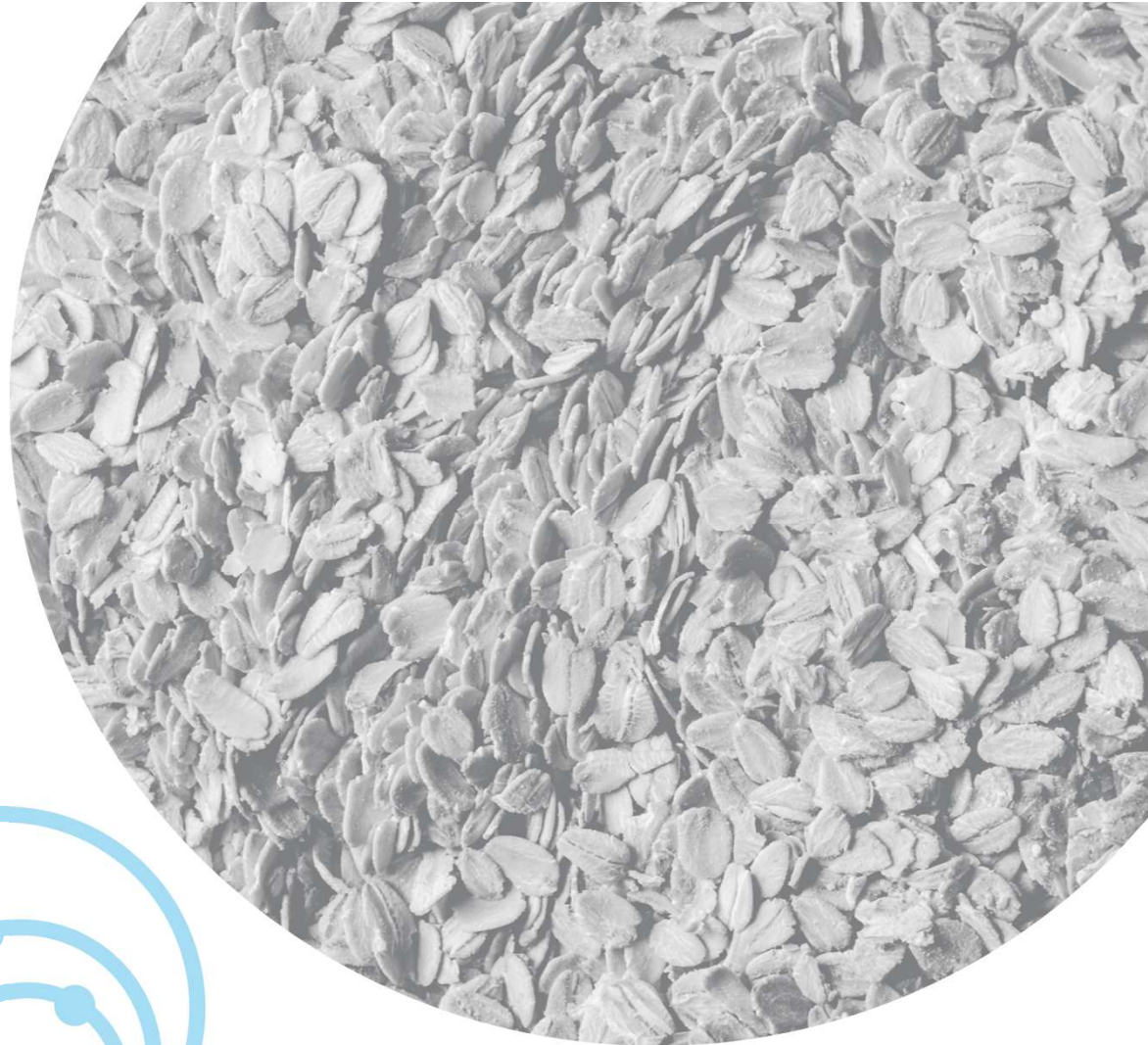
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OPPORTUNITY TO FINANCE FOOD SYSTEMS TRANSFORMATION

- Impact investment: Investments made into companies or organizations with the intent to contribute to positive social and environmental impact alongside a financial return (GIIN)*
- 1720 organizations manage assets worth about \$715 billion in total; 75% manage less than \$500 million (GIIN)*
- 9% in food and agriculture*
- 54+% of organizations* aim to
 - expand agri & food investments
 - target sustainable cities & communities



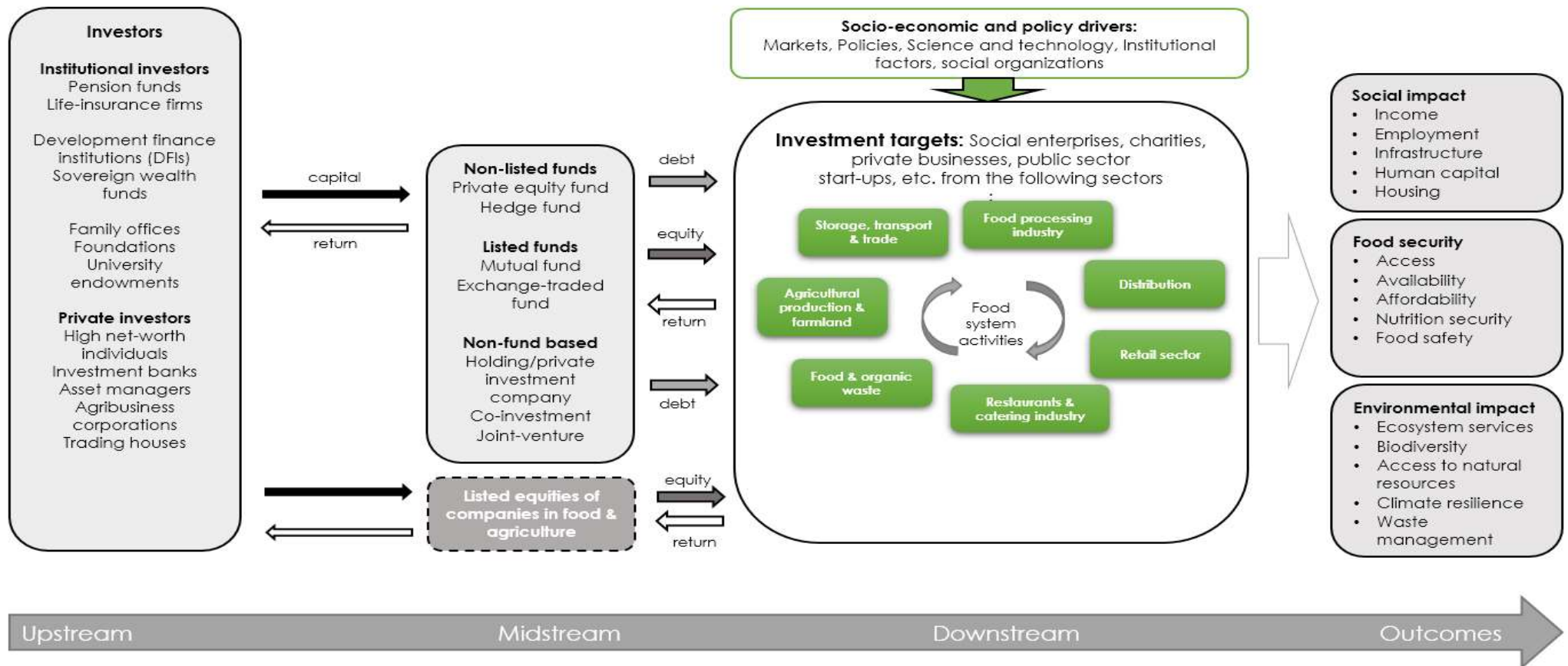
* source: thegiin.org
[GIIN Annual Impact Investor Survey 2020](#)

IMPACT INVESTMENT INSTRUMENTS

- **Debt instruments:** Credit (profit or non-profit businesses)
- **Equity:** Being a share holder and have a seat in the business. Benefits from profits or sell the shares after some years. (Only profit businesses)
- **Grants:** No return expected. Usually on public funds. (non-profit businesses)
- **Bundled:** Debt/Equity, Equity/Grant, Debt/Grant.



IMPACT INVESTMENT AND FOOD SYSTEM LINKAGE



EXAMPLES OF INVESTMENTS IN URBAN FOOD SYSTEMS



COLOUR KITCHEN AND IMPACT BONDS

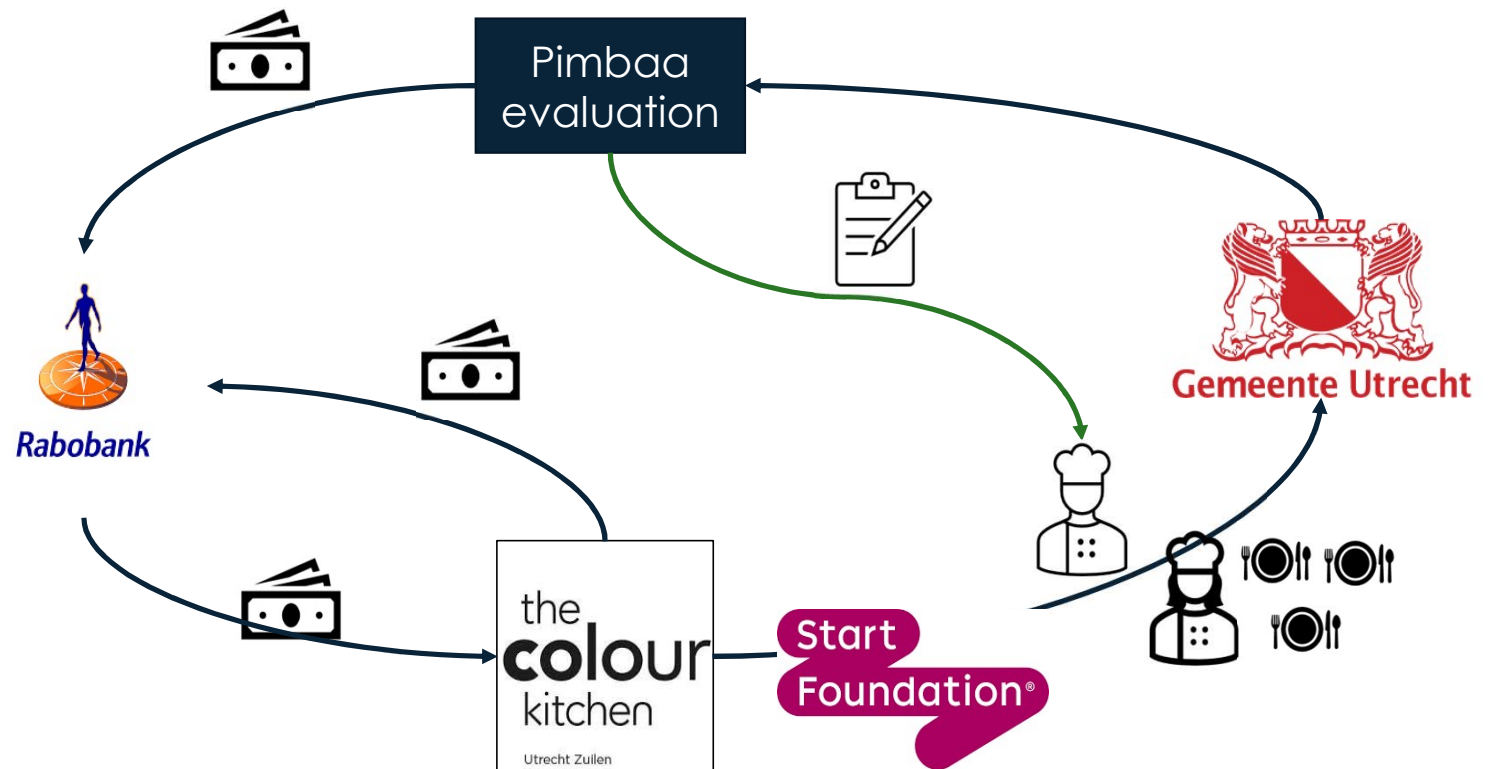
- Colour Kitchen Foundation, a chain of restaurants and in-house catering that trains and create employment opportunities for vulnerable groups in the society, in collaboration with Utrecht municipality.
- Outcomes
 - Job training
 - Inclusion of vulnerable communities
 - Nutrition and health



SOCIAL IMPACT BOND TO FINANCE SOCIAL ENTERPRISE “COLOUR KITCHEN” (NL)

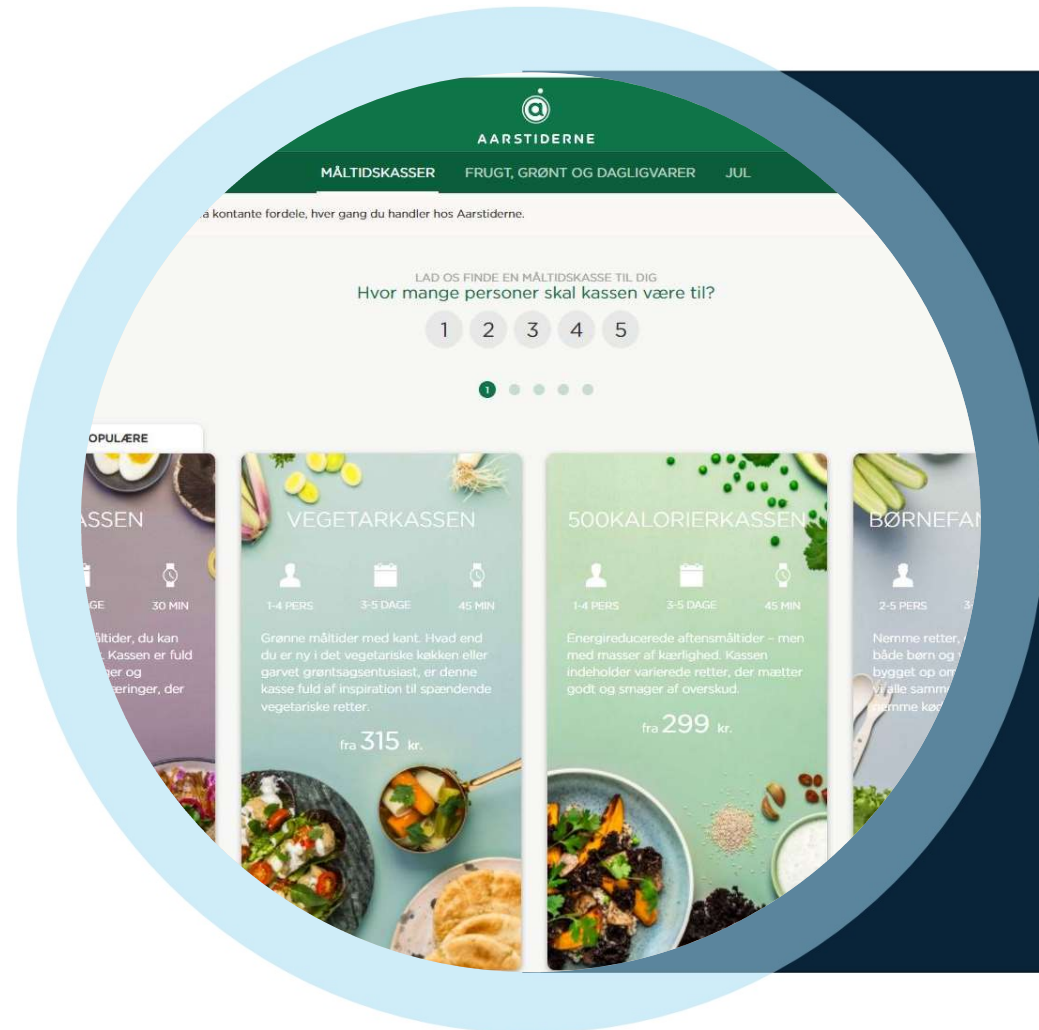
Rabobank and Start Foundation invested 734 Thousand Euros through **social impact bonds**:

The funder receives a higher repayment from the Utrecht municipality with the success of Colour Kitchen, increased number of trained and employed participants in the programme



PRIVATE EQUITY FOR ORGANIC MEAL BOXES

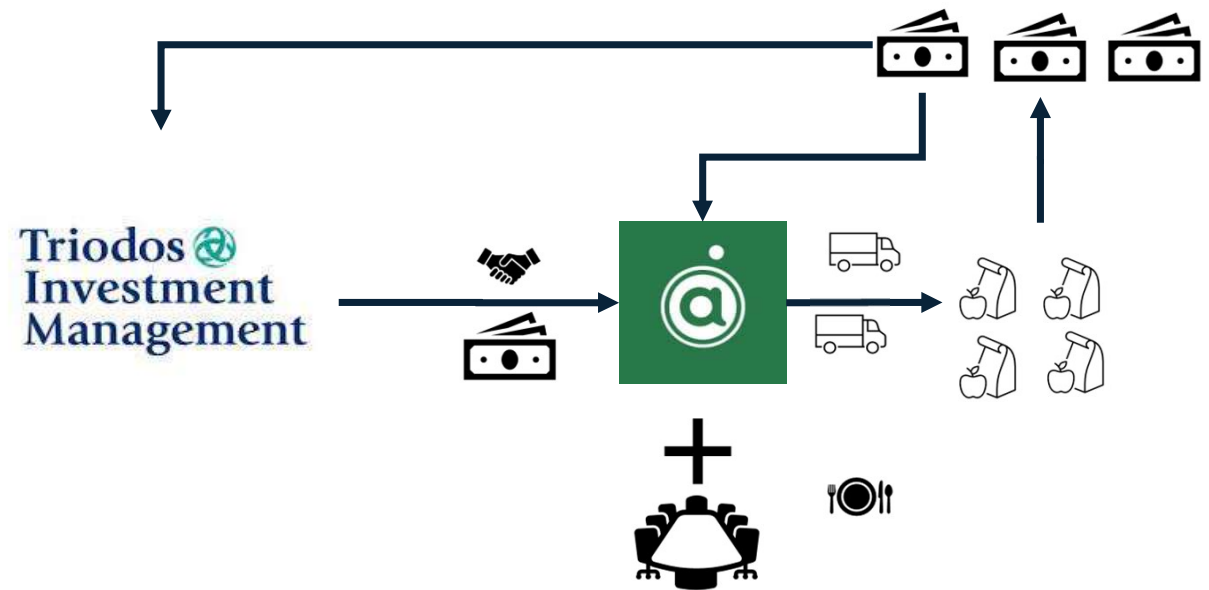
- Aarstiderne, an online retailer based in Denmark, collecting organic fruits, vegetables, and other organic products from farmers, and delivering them to the customers in a box, including a recipe for how to cook them.
- Outcomes:
 - Nutrition and health
 - Diet shift
 - Environmental protection



PRIVATE EQUITY FOR ORGANIC MEAL BOXES

AARSTIDERNE, AN ONLINE RETAILER

- Financial return plus impact.
- Impact investment: Triodos Investment Management → bought 20% of shares of Aarstiderne (equity investment). to scale-up operations and customer base.



CHALLENGES AND POSSIBLE ARRANGEMENTS

CHALLENGES

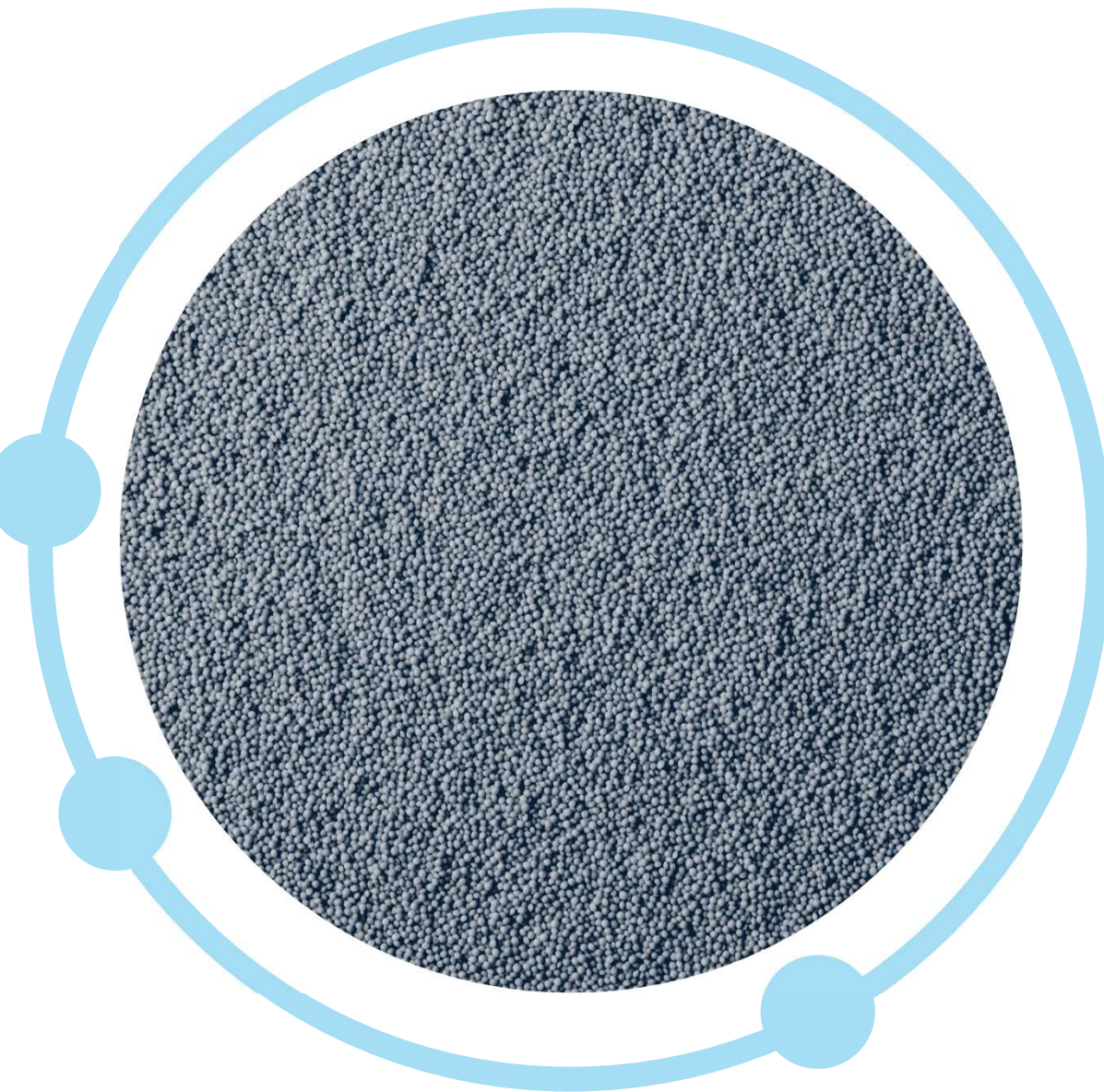


- **Unfamiliar** with the investment options for urban food systems
- **Lack of tools** to make impact investment straightforward.
- **Public sector unaware** of profit and impact risk concerns of the impact investors.
 - **Scarce data** to monitor sustainability objectives carefully.

- **Joint policy development** by cities, stakeholders, and innovators and impact investors.
- **Impact finance instruments** relevant for investors & cities.
- **Effective impact assessment** and M&E methods; go digital.
- **Show leverage** of public funds on impact investing & transformation



POSSIBLE ARRANGEMENTS



FOOD
TRAILS



THANK YOU



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